

# JOHN PEARCE FOUNDATION

England & Wales · Charity number 1181348

## Details

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**Status** Registered

**Legal form** CIO

**Registered** 2018-12-21

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** John Pearce Foundation  
C/O BENTLEY REID & CO (UK) LTD  
29 Queen Annes Gate  
London  
SW1H 9BU

**Phone** 02072228081

**Email** [JPFoundation@bentleyreid.co.uk](mailto:JPFoundation@bentleyreid.co.uk)

**Website** <https://www.johnpearce.org/>

## Activities

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**Objects:** THE OBJECTS OF THE CIO ARE RESTRICTED SPECIFICALLY TO THE APPLICATION OF CIO FUNDS, AT SUCH TIME OR TIMES AND IN SUCH MANNER, FOR THE PUBLIC BENEFIT, AS THE CHARITY TRUSTEES MAY IN THEIR DISCRETION THINK FIT FOR ANY EXCLUSIVELY CHARITABLE PURPOSES IN ANY PART OF THE WORLD.

**Activities:** Funding charities and organisations that support current and former participants in horse racing and breeding that are in need. Funding charities and organisations that focus on the care of retired horses, ill-treated horses and equine welfare.

## Classification

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- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Sponsors Or Undertakes Research, Other Charitable Activities
- **What:** General Charitable Purposes, Animals, Other Charitable Purposes
- **Who:** Other Defined Groups, The General Public/mankind

## Geography

- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£24,439	£1,948,186	-	-
2023-12-31	£49,977	£2,051,518	-	-
2022-12-31	£3,028,334	£816,276	£4,702,118	1
2021-12-31	£2,503,341	£1,552,313	£2,490,060	1
2020-12-31	£10,715	£428,119	-	-

## Trustees

Name	Role	Appointed
Rupert Bentley	Chair	2018-12-21
Michael John Winarick		2018-12-21
Nicolas Bentley		2018-12-21

**JOHN PEARCE FOUNDATION**

England & Wales - Charity number 1181348

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# Accounts

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**JOHN PEARCE FOUNDATION**

**(Registered Charity No. 1181348 and Company No. CE016045)**

**ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

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**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

The Trustees present their report and independently audited financial statements of the John Pearce Foundation (“the Foundation” or “the CIO”), for the year ended 31 December 2024. These have been prepared in accordance with the accounting policies set out on pages 11 to 13 and comply with applicable charity law.

The financial statements comply with the Charities Act 2011 and where applicable the Charities Act 2022, the Foundation’s Constitution dated 21 December 2018 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland – Charities SORP (FRS 102).

## **1. REFERENCE AND ADMINISTRATIVE DETAILS**

John Pearce Foundation, (registered charity number 1181348 and registered company number CE016045) is based and administered in the United Kingdom. The registered address is 29 Queen Anne’s Gate, London, SW1H 9BU.

### **Trustees:**

The Trustees of the Foundation who held office during the period and continue to serve at the date of this report are:

- Rupert Bentley
- Nicolas Bentley
- Michael John Winarick

The Trustees did not hold any beneficial interest in the fund at 31 December 2024 or at any time during or since that period.

### **Bankers:**

C Hoare & Co  
37 Fleet Street, London, EC4P 4DQ

### **Solicitors:**

BDB Pitmans LLP  
50 Broadway, Westminster, London, SW1H 0BL

### **Accountants:**

Rawlinson & Hunter LLP  
Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ

### **Independent Auditor:**

Rawlinson & Hunter Audit LLP  
Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ

### **Website:**

<https://johnpearce.org/>

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**2. STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Foundation is a charitable incorporated organisation governed by its Constitution dated 21 December 2018 and is registered as a charity with the Charity Commission for England and Wales.

The Trustees are resident in the United Kingdom and meet regularly to discuss and develop the Foundation's goals and strategy and to review grant proposals and general grant requests.

The number of Trustees shall be a minimum of two at any one time and new Trustees shall be appointed by ordinary resolution by the existing Trustees. The range of skills represented on the Trustee Board will be kept under review as the Foundation develops over time.

**Induction and Training**

As part of their training, Trustees are given an information pack which includes the Foundation's Constitution and the Charity Commission guidance on Trustees' Responsibilities. All Trustees are aware of their legal duties and obligations in respect of the management of the Foundation, including in relation to the protection of its assets.

**Statement of Trustees' Responsibilities**

The Trustees are responsible for preparing the Annual Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources, including the income and expenditure of the Foundation for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the financial statements comply with the Charities Act 2011 and where applicable, the Charities Act 2022, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Foundation's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

No Trustee received any remuneration during the period from 1 January 2024 to 31 December 2024.

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Disclosure of information to Auditor**

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**Internal Controls**

The Trustees have overall responsibility for ensuring that the Foundation has appropriate systems of internal controls. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation. The Trustees are also responsible for safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

**Risk Management & Corporate Governance**

A risk assessment has been undertaken which comprises:

- An annual review of the risks the Foundation may face;
- The establishment of systems and procedures to mitigate those risks; and
- The implementation of procedures designed to minimise any potential impact on the Foundation should those risks materialise.

This continuing process will identify risk areas to which the Foundation is vulnerable and highlight any necessary safeguards that will need to be put in place. No major risks were identified at the date of these accounts.

The Trustees have signed fit and proper declarations in line with HMRC guidance.

In addition, the Trustees have taken due consideration of Good Governance – A Code for the Voluntary and Community Sector, ensuring that the seven main principles of the Code are adhered to. These are:

- Organisational purpose;
- Leadership;
- Integrity;
- Decision-making, risk and control
- Board effectiveness;
- Equality, diversity and inclusion; and
- Openness and accessibility.

The Trustees recognise that good governance plays an essential part in securing the future of the Foundation and confirm that the said principles of the Code are followed by them in leading, directing and managing the Foundation.

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT**

The objects of the Foundation are restricted specifically to the application of CIO funds, at such time or times and in such manner, for the public benefit, as the Foundation Trustees may in their discretion think fit for any exclusively charitable purposes in any part of the world. The Foundation operates as a grant-making charity, supporting charitable projects and organisations with grants of varying sizes and durations.

The Trustees are looking to develop solid framework for future grant-making activities and have refined their grant-making focus areas. The Trustees have pursued a broad strategy of ensuring proper due diligence in the assessment of potential grants and ensuring that grants are made subject to appropriate terms and conditions.

**Statement of Public Benefit**

As a grant-funder, the Foundation's activities will provide public benefit to the individuals and communities who are beneficiaries of the Foundation's funded projects. The Foundation's public benefit is not limited with reference to geography or otherwise. The Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to it. They consider the information which follows in this annual report, about the Foundation's aims, activities and achievements in the areas of interest that the Foundation supports, demonstrates the benefit to its beneficiaries and through them to the public, that arise from those activities.

**Grant Making Policies**

The Trustees' grant making policy has been to generally consider making donations by way of direct funding and also by way of grants to charitable organisations recognised as such in their respective jurisdictions for projects that are exclusively charitable under English law. The Foundation has put in place sound grant arrangements so that it can properly select appropriate grantees and impose prudent terms on grants, including, as appropriate, monitoring and evaluation of the way in which funds are applied by grantees.

**Fundraising**

The Trustees have referred to the Charities (Protection and Social Investment) Act 2016 ("the Act") and the Guidance on Charities and Fundraising issued by the Charity Commission ("CC20"). They confirm that the Act and CC20 have no impact on the charity as it does not engage in any public fundraising activities.

**4. ACHIEVEMENT AND PERFORMANCE**

**Charitable Activities**

During the year the Trustees continued their grant programme awarding a number of grants to Horse Racing related projects and Palliative Care initiatives. Horse Racing was of particular interest to the late eponymous John Pearce who bequeathed the initial funding for the Foundation. By awarding grants to projects in the Horse Racing community the Trustees believe they are both preserving the legacy of John Pearce and benefiting the general public more widely.

Grants totalling £1,815,770 (2023: £1,946,748) were awarded during the year, amounting to 93% (2023: 95%) of total expenditure.

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**5. FINANCIAL REVIEW**

The Statement of Financial Activities on page 9 shows total incoming resources for the year of £25,439 (2023: £49,977), charitable activities of £1,948,186 (2023: £2,051,518). There was no expenditure on raising funds. Grant expenditure amounted to £1,815,770 (2023: £1,946,748), Support costs amounted to £132,416 (2023: £104,770) and are included within charitable activities.

The balance of reserves at 31 December 2024 is £777,830 (2023: £2,700,577).

**Reserves Policy**

The Trustees have examined the Foundation's requirement for resources in light of the main risks to the organisation and have no outstanding commitments or cash demands which are not adequately covered by existing resources. The net assets of the Foundation are regarded as unrestricted reserves and the funds at 31 December 2024 will be retained to make grants in accordance with the Foundation's charitable objects and any policies. The Trustees consider that the freely expendable funds are appropriate and adequate taking into account plans for grants to be awarded in future and have at present therefore not designated any specific reserves. However, the Trustees will keep this under constant review. In future years, a specific reserves policy may be required.

**6. PLANS FOR THE FUTURE**

The Trustees do not propose to deviate from the current objectives and activities of the Foundation as detailed in Section 3 of this report but will further develop and refine their strategies, policies and procedures in future.

**7. AUDITOR**

A resolution will be proposed at the Trustees' Meeting that Rawlinson & Hunter Audit LLP be re-appointed as auditor to the Charity for the ensuing year.

**Approved by the trustees and signed  
on their behalf by:**

*Rupert Bentley*

31/07/2025

.....  
Trustee

.....  
Date

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE TRUSTEES OF**  
**JOHN PEARCE FOUNDATION**

**Opinion**

We have audited the financial statements of John Pearce Foundation (“the Foundation” or “CIO”) for the year ended 31 December 2024 which comprise the Statement of Financial Activities (Including Income and Expenditure Account), the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Foundation’s affairs as at 31 December 2024, and of its incoming resources and application of resources, including its income and expenditure, for the year ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and where applicable, the Charities Act 2022.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustees’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Foundation’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report of the Trustees and Financial Statements, other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITOR'S REPORT (continued)**  
**TO THE TRUSTEES OF**  
**JOHN PEARCE FOUNDATION**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting record; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities set out on page 2, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our assessment of the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur, is considered to be low. This conclusion was reached after the consideration of the following:

**INDEPENDENT AUDITOR'S REPORT (continued)**  
**TO THE MEMBERS AND TRUSTEES OF**  
**JOHN PEARCE FOUNDATION**

- due to the relatively simple business model and low number of transactions within the Foundation there are comparatively few unexpected fluctuations in the reported results and balances and any such unexpected items would be specifically enquired into by us; and
- there are a number of individuals which comprise "management" and therefore there is no single individual who is likely to be able to override controls to effect a fraud.

We designed our audit procedures to respond to identified audit risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements. Some of the specific procedures performed to detect irregularities, including fraud, are detailed below:


- the review of control accounts and journal entries for large, unusual or unauthorised entries;
- the analytical review of the detailed statement of financial activities for variances that are either unexpected or felt not to be in accordance with our understanding of the charitable activities during the year;
- obtaining and reviewing for completeness a list of entities and persons considered to be related parties (as defined by Financial Reporting Standard 102) and reviewing the ledgers of the Foundation for previously unreported related party transactions;
- review of transactions and journals for any indication of fraud or management override.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the Foundation's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Foundation's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Foundation and the Foundation's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

  
**Rawlinson & Hunter Audit LLP**  
 Statutory Auditor  
 Eighth Floor  
 6 New Street Square  
 New Fetter Lane  
 London  
 EC4A 3AQ

*31 July 2025*

Rawlinson & Hunter Audit LLP is eligible for appointment as auditor of the Foundation by virtue of its eligibility for appointment as auditor of a company under Section 1212 of the Companies Act 2006.

## JOHN PEARCE FOUNDATION

(Registered Charity No. 1181348 and Company No. CE016045)

STATEMENT OF FINANCIAL ACTIVITIES  
(including Income & Expenditure Account)

FOR THE YEAR ENDED 31 DECEMBER 2024

	Page	2024 £	2023 £
<b>Income from:</b>			
Investments (note 2)	13	25,439	49,977
<b>Total Income</b>		<u>25,439</u>	<u>49,977</u>
<b>Expenditure on:</b>			
Charitable Activities (note 3)	14	1,948,186	2,051,518
<b>Total Expenditure</b>		<u>1,948,186</u>	<u>2,051,518</u>
<b>Net expenditure</b>		<u>(1,922,747)</u>	<u>(2,001,541)</u>
<b>Net movement in funds</b>		<u>(1,922,747)</u>	<u>(2,001,541)</u>
<b>Reconciliation of funds</b>			
Total Funds Brought Forward at 1 January 2024		2,700,577	4,702,118
<b>Total Funds Carried Forward at 31 December 2024</b>	10	<u>£ 777,830</u>	<u>£ 2,700,577</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for the years ended 31 December 2023 and 2024.

**JOHN PEARCE FOUNDATION**  
(Registered Charity No. 1181348 and Company No. CE016045)

**BALANCE SHEET**

**AS AT 31 DECEMBER 2024**

	Page	2024 £	2023 £
<b>Fixed Assets</b>			
Tangible Assets (note 4)	15	52	102
<b>Current Assets</b>			
Debtor (note 5)	15	639	591
Cash at bank (note 6)	15	847,598	2,755,470
<b>Total Current Assets</b>		<u>848,237</u>	<u>2,756,061</u>
<b>Liabilities</b>			
Creditors - amounts falling due within one year (note 7)	15	(70,459)	(55,586)
<b>Net current assets</b>		<u>777,778</u>	<u>2,700,475</u>
<b>Total net assets</b>		<u>£ 777,830</u>	<u>£ 2,700,577</u>
<b>The funds of the charity:</b>			
Unrestricted funds	9	777,830	2,700,577
<b>Total charity funds</b>	9	<u>£ 777,830</u>	<u>£ 2,700,577</u>

The financial statements were approved and authorised for issue by the Trustees and were signed on their behalf by:

*Rupert Bentley*

31/07/2025

.....  
**Trustee**

.....  
**Date**

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**1. ACCOUNTING POLICIES**

**Basis of Preparation of Financial Statements**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("Charities SORP FRS 102"), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and where applicable, the Charities Act 2022 and UK Generally Accepted Accounting Practice.

The Foundation has applied the provisions set out in FRS102 as published on 5 October 2019 and does not include a cash flow statement on this basis.

The Foundation constitutes a public benefit entity as defined by Charities SORP FRS 102.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

**Incoming Resources**

Investment income is derived from interest and dividends receivable from investments and is accounted for in the period in which the Foundation is entitled to receipt. Interest from deposit accounts are included as and when received only. All incoming resources are included in the SOFA when the Trust is entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary donations include donations.

**Resources Expended**

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation committing the Trustee to the expenditure.

Charitable activities include governance costs made during the period and are expended through the SOFA when the offer is conveyed to the recipient.

Cost of raising funds relate to the costs incurred by the Foundation in managing its investment portfolios.

Governance costs relating to the general running of the Foundation, as opposed to the management functions inherent in generating funds.

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**Financial instruments**

The Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value and subsequently measured at their settlement value.

**Grants payable**

Grants payable are made to third parties in furtherance of the Trust's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without conditions, or the recipient has a reasonable expectation that they will receive a grant and that any conditions attaching to the grant are outside of the control of the Trust.

**Status of funds**

The entire resources of the fund are unrestricted and the Trustees have complete discretion for their use in pursuance of its objects.

**Taxation**

The Foundation is not subject to any taxes on its charitable activities.

Irrecoverable VAT is charged against the activity for which expenditure was incurred.

**Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised as expenditure.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are within borrowing in current liabilities.

**Provisions**

Provisions are recognised when the Foundation has an obligation at the Balance Sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**Employee benefits**

When employees have rendered service to the Foundation, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The Foundation operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

**Tangible Fixed Assets**

Tangible fixed assets are included at their cost value and depreciated using the straight line method over 5 years.

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**1. ACCOUNTING POLICIES (continued)**

**Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The current uncertainty in the global economy arising from geopolitical conflicts have increased financial pressure on charities. The trustees have however considered the contingency plans in place, the level of funds held and the expected level of income and expenditure for twelve months from the date of signing these financial statements. The trustees are satisfied the forecast income and reserves are sufficient to cover all of the budgeted expenditure to be able to continue as a going concern. The trustees therefore consider the adoption of the going concern basis in preparing these financial statements continues to be appropriate.

<b>2. INCOME FROM INVESTMENTS</b>	<b>Page</b>	<b>2024</b> <b>£</b>	<b>2023</b> <b>£</b>
Deposit interest		25,439	49,977
	9	<u>£ 25,439</u>	<u>£ 49,977</u>

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	Page	2024 £	2023 £
<b>3. EXPENDITURE ON CHARITABLE ACTIVITIES</b>			
<b>Grants Awarded:</b>			
Racing Welfare	Reg. Charity No. 1084042	535,034	622,446
BRS Education Ltd	Reg. Charity No. 1161555	355,867	48,000
Priscilla Bacon Norfolk Hospice Care Ltd	Reg. Charity No. 1166579	252,000	650,000
Heros Charity	Reg. Charity No. 1115174	210,850	126,195
Retraining of Race Horses	Reg. Charity No. 1084787	160,500	-
Hong Kong Cancer Fund	HK Charity 91/2745	102,513	98,301
New Beginnings	Reg. Charity No. 1165357	77,200	-
Marie Curie	Reg. Charity No. 207994	60,306	60,306
The Wavertree Education Trust Limited	Reg. Charity No. 1111771	44,000	33,000
Maggie's	Reg. Charity No. SC024414	17,500	8,500
Lambourn Valley Housing Trust	Reg. Charity No. 1049742	-	300,000
<b>Total Grants Awarded</b>		<b>1,815,770</b>	<b>1,946,748</b>
<b>Support Costs:</b>			
Staff costs		93,895	72,141
IT		13,618	12,993
Independent auditor fees		8,100	8,100
Accountancy fees		7,950	8,100
Legal fees		4,662	-
Insurance		2,211	1,950
Office expenses		1,243	876
Banking charges		687	298
Depreciation	15	50	312
		<b>132,416</b>	<b>104,770</b>
<b>Total Charitable Activities</b>	<b>9</b>	<b>£ 1,948,186</b>	<b>£ 2,051,518</b>

Included within Staff costs are gross salaries of £72,785 (2023: £58,802), social security costs of £5,867 (2023: £6,729), and pension contributions of £3,530 (2023: £3,264).

During the year one employees who received total employee benefits of between £70,000 and £80,000 (2023: none) including an one off termination settlement of £30,000 (2023: none).

The average number of employees during the year was 1 (2023:2).

The Trustees are the key management who received no emoluments during the year (2023: £nil)

Auditor remuneration totalled £6,750 net of VAT (2023: £6,750).

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	Page	2024 £	2023 £
<b>4. FIXED ASSETS</b>			
<b>Fixtures, fittings and equipment at cost</b>			
Balance at 1 January		1,554	1,554
Additions		-	-
Balance at 31 December		<u>1,554</u>	<u>1,554</u>
<b>Accumulated depreciation</b>			
Balance at 1 January		1,452	1,140
Charge for the year	12	50	312
Balance at 31 December		<u>1,502</u>	<u>1,452</u>
<b>Net Book Value at 31 December</b>	10	<u>£ 52</u>	<u>£ 102</u>
<b>5. DEBTORS</b>			
Prepayments	10	<u>£ 639</u>	<u>£ 591</u>
<b>6. CASH AT BANK</b>			
Cash at bank	10	<u>£ 847,598</u>	<u>£ 2,755,470</u>
<b>7. CREDITORS - amounts falling due within one year</b>			
Donations		52,666	14,900
Accruals		16,200	20,100
PAYE & NIC		1,316	3,253
Trade Creditors		277	17,333
	10	<u>£ 70,459</u>	<u>£ 55,586</u>

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**8. Grants Payable – Contingent Liabilities**

The Trustees made various pledges during the year with performance conditions attached. As the conditions for receiving these pledged grants were not met at the year end, these pledges were not recognised in these financial statements.

**9. RELATED PARTY TRANSACTIONS**

No related party transactions occurred during the year ended 31 December 2024 (2023: none).

No Trustee received any remuneration or reimbursement of expenses during the years ended 31 December 2023 and 2024.

**10. ULTIMATE CONTROLLING PARTY**

The Trustees consider that the Foundation is jointly controlled by the Trustees and that there is no ultimate controlling party.

<b>13. FINANCIAL INSTRUMENTS</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Financial assets measured at fair value	847,598	2,755,470

Financial assets measured at fair value consist of cash at bank.

**JOHN PEARCE FOUNDATION**

England & Wales - Charity number 1181348

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# Accounts

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**JOHN PEARCE FOUNDATION**

**(Registered Charity No. 1181348 and Company No. CE016045)**

**ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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Notes to the Financial Statements	12 - 17

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

The Trustees present their report and independently audited financial statements of the John Pearce Foundation (“the Foundation” or “the CIO”), for the year ended 31 December 2023. These have been prepared in accordance with the accounting policies set out on pages 12 to 14 and comply with applicable charity law.

The financial statements comply with the Charities Act 2011 and where applicable the Charities Act 2022, the Foundation’s Constitution dated 21 December 2018 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland – Charities SORP (FRS 102).

## **1. REFERENCE AND ADMINISTRATIVE DETAILS**

John Pearce Foundation, (registered charity number 1181348 and registered company number CE016045) is based and administered in the United Kingdom. The registered address is 29 Queen Anne’s Gate, London, SW1H 9BU.

### **Trustees:**

The Trustees of the Foundation who held office during the period and continue to serve at the date of this report are:

- Rupert Bentley
- Nicolas Bentley
- Michael John Winarick

The Trustees did not hold any beneficial interest in the fund at 31 December 2023 or at any time during or since that period.

### **Bankers:**

C Hoare & Co  
37 Fleet Street, London, EC4P 4DQ

### **Solicitors:**

BDB Pitmans LLP  
50 Broadway, Westminster, London, SW1H 0BL

### **Accountants:**

Rawlinson & Hunter LLP  
Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ

### **Independent Auditor:**

Rawlinson & Hunter Audit LLP  
Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ

### **Website:**

<https://johnpearce.org/>

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**2. STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Foundation is a charitable incorporated organisation governed by its Constitution dated 21 December 2018 and is registered as a charity with the Charity Commission for England and Wales.

The Trustees are resident in the United Kingdom and meet regularly to discuss and develop the Foundation's goals and strategy and to review grant proposals and general grant requests.

The number of Trustees shall be a minimum of two at any one time and new Trustees shall be appointed by ordinary resolution by the existing Trustees. The range of skills represented on the Trustee Board will be kept under review as the Foundation develops over time.

**Induction and Training**

As part of their training, Trustees are given an information pack which includes the Foundation's Constitution and the Charity Commission guidance on Trustees' Responsibilities. All Trustees are aware of their legal duties and obligations in respect of the management of the Foundation, including in relation to the protection of its assets.

**Statement of Trustees' Responsibilities**

The Trustees are responsible for preparing the Annual Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources, including the income and expenditure of the Foundation for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the financial statements comply with the Charities Act 2011 and where applicable, the Charities Act 2022, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Foundation's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

No Trustee received any remuneration during the period from 1 January 2023 to 31 December 2023.

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Disclosure of information to Auditor**

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**Internal Controls**

The Trustees have overall responsibility for ensuring that the Foundation has appropriate systems of internal controls. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation. The Trustees are also responsible for safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

**Risk Management & Corporate Governance**

A risk assessment has been undertaken which comprises:

- An annual review of the risks the Foundation may face;
- The establishment of systems and procedures to mitigate those risks; and
- The implementation of procedures designed to minimise any potential impact on the Foundation should those risks materialise.

This continuing process will identify risk areas to which the Foundation is vulnerable and highlight any necessary safeguards that will need to be put in place. No major risks were identified at the date of these accounts.

The Trustees have signed fit and proper declarations in line with HMRC guidance.

In addition, the Trustees have taken due consideration of Good Governance – A Code for the Voluntary and Community Sector, ensuring that the seven main principles of the Code are adhered to. These are:

- Organisational purpose;
- Leadership;
- Integrity;
- Decision-making, risk and control
- Board effectiveness;
- Equality, diversity and inclusion; and
- Openness and accessibility.

The Trustees recognise that good governance plays an essential part in securing the future of the Foundation and confirm that the said principles of the Code are followed by them in leading, directing and managing the Foundation.

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT**

The objects of the Foundation are restricted specifically to the application of CIO funds, at such time or times and in such manner, for the public benefit, as the Foundation Trustees may in their discretion think fit for any exclusively charitable purposes in any part of the world. The Foundation operates as a grant-making charity, supporting charitable projects and organisations with grants of varying sizes and durations.

The Trustees are looking to develop solid framework for future grant-making activities and have refined their grant-making focus areas. The Trustees have pursued a broad strategy of ensuring proper due diligence in the assessment of potential grants and ensuring that grants are made subject to appropriate terms and conditions.

**Statement of Public Benefit**

As a grant-funder, the Foundation's activities will provide public benefit to the individuals and communities who are beneficiaries of the Foundation's funded projects. The Foundation's public benefit is not limited with reference to geography or otherwise. The Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to it. They consider the information which follows in this annual report, about the Foundation's aims, activities and achievements in the areas of interest that the Foundation supports, demonstrates the benefit to its beneficiaries and through them to the public, that arise from those activities.

**Grant Making Policies**

The Trustees' grant making policy has been to generally consider making donations by way of direct funding and also by way of grants to charitable organisations recognised as such in their respective jurisdictions for projects that are exclusively charitable under English law. The Foundation has put in place sound grant arrangements so that it can properly select appropriate grantees and impose prudent terms on grants, including, as appropriate, monitoring and evaluation of the way in which funds are applied by grantees.

**Fundraising**

The Trustees have referred to the Charities (Protection and Social Investment) Act 2016 ("the Act") and the Guidance on Charities and Fundraising issued by the Charity Commission ("CC20"). They confirm that the Act and CC20 have no impact on the charity as it does not engage in any public fundraising activities.

**4. ACHIEVEMENT AND PERFORMANCE**

**Charitable Activities**

During the year the Trustees continued their grant programme awarding a number of grants to Horse Racing related projects and Palliative Care initiatives. Horse Racing was of particular interest to the late eponymous John Pearce who bequeathed the initial funding for the Foundation. By awarding grants to projects in the Horse Racing community the Trustees believe they are both preserving the legacy of John Pearce and benefiting the general public more widely.

Grants totalling £1,946,748 (2022: £716,822) were awarded during the year, amounting to 95% (2022: 88%) of total expenditure.

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**5. FINANCIAL REVIEW**

The Statement of Financial Activities on page 9 shows total incoming resources for the year of £49,977 (2022: £3,028,334), charitable activities of £2,051,518 (2022: £816,276). There was no expenditure on raising funds. Grant expenditure amounted to £1,946,748 (2022: £716,822), Support costs amounted to £104,770 (2022: £99,454) and are included within charitable activities.

The balance of reserves at 31 December 2023 is £2,700,577 (2022: £4,702,118).

**Reserves Policy**

The Trustees have examined the Foundation's requirement for resources in light of the main risks to the organisation and have no outstanding commitments or cash demands which are not adequately covered by existing resources. The net assets of the Foundation are regarded as unrestricted reserves and the funds at 31 December 2023 will be retained to make grants in accordance with the Foundation's charitable objects and any policies. The Trustees consider that the freely expendable funds are appropriate and adequate taking into account plans for grants to be awarded in future and have at present therefore not designated any specific reserves. However, the Trustees will keep this under constant review. In future years, a specific reserves policy may be required.

**6. PLANS FOR THE FUTURE**

The Trustees do not propose to deviate from the current objectives and activities of the Foundation as detailed in Section 3 of this report but will further develop and refine their strategies, policies and procedures in future.

**7. AUDITOR**

A resolution will be proposed at the Trustees' Meeting that Rawlinson & Hunter Audit LLP be re-appointed as auditor to the Charity for the ensuing year.

**Approved by the trustees and signed  
on their behalf by:**



rupert bentley (Oct 9, 2024 16:57 GMT+1)

Trustee

09/10/24

Date

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE TRUSTEES OF**  
**JOHN PEARCE FOUNDATION**

**Opinion**

We have audited the financial statements of John Pearce Foundation ("the Foundation" or "CIO") for the year ended 31 December 2023 which comprise the Statement of Financial Activities (Including Income and Expenditure Account), the Balance Sheet, Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Foundation's affairs as at 31 December 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and where applicable, the Charities Act 2022.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Foundation's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report of the Trustees and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITOR'S REPORT (continued)**  
**TO THE TRUSTEES OF**  
**JOHN PEARCE FOUNDATION**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting record; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities set out on page 2, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our assessment of the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur, is considered to be low. This conclusion was reached after the consideration of the following:

**INDEPENDENT AUDITOR'S REPORT (continued)**  
**TO THE MEMBERS AND TRUSTEES OF**  
**JOHN PEARCE FOUNDATION**

- due to the relatively simple business model and low number of transactions within the Foundation there are comparatively few unexpected fluctuations in the reported results and balances and any such unexpected items would be specifically enquired into by us; and
- there are a number of individuals which comprise "management" and therefore there is no single individual who is likely to be able to override controls to effect a fraud.

We designed our audit procedures to respond to identified audit risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements. Some of the specific procedures performed to detect irregularities, including fraud, are detailed below:

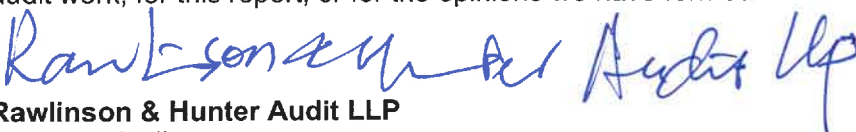
- the review of control accounts and journal entries for large, unusual or unauthorised entries;
- the analytical review of the detailed statement of financial activities for variances that are either unexpected or felt not to be in accordance with our understanding of the charitable activities during the year;
- obtaining and reviewing for completeness a list of entities and persons considered to be related parties (as defined by Financial Reporting Standard 102) and reviewing the ledgers of the Foundation for previously unreported related party transactions;
- review of transactions and journals for any indication of fraud or management override.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report

**Use of our report**

This report is made solely to the Foundation's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Foundation's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Foundation and the Foundation's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Rawlinson & Hunter Audit LLP**

Statutory Auditor  
 Eighth Floor  
 6 New Street Square  
 New Fetter Lane  
 London  
 EC4A 3AQ

*9 October 2024*

Rawlinson & Hunter Audit LLP is eligible for appointment as auditor of the Foundation by virtue of its eligibility for appointment as auditor of a company under Section 1212 of the Companies Act 2006.

**JOHN PEARCE FOUNDATION**

(Registered Charity No. 1181348 and Company No. CE016045)

**STATEMENT OF FINANCIAL ACTIVITIES**  
(including Income & Expenditure Account)

**FOR THE YEAR ENDED 31 DECEMBER 2023**

	Page	2023 £	2022 £
<b>Income from:</b>			
Investments (note 2)	14	49,977	28,334
Donations (note 3)	14	-	3,000,000
<b>Total Income</b>		<u>49,977</u>	<u>3,028,334</u>
<b>Expenditure on:</b>			
Charitable Activities (note 4)	15	2,051,518	816,276
<b>Total Expenditure</b>		<u>2,051,518</u>	<u>816,276</u>
<b>Net (expenditure)/income</b>		<u>(2,001,541)</u>	<u>2,212,058</u>
<b>Net movement in funds</b>	11	<u>(2,001,541)</u>	<u>2,212,058</u>
<b>Reconciliation of funds</b>			
Total Funds Brought Forward at 1 January 2023		<u>4,702,118</u>	<u>2,490,060</u>
<b>Total Funds Carried Forward at 31 December 2023</b>	10	<u>£ 2,700,577</u>	<u>£ 4,702,118</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for the years ended 31 December 2022 and 2023.

**JOHN PEARCE FOUNDATION**  
**(Registered Charity No. 1181348 and Company No. CE016045)**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2023**

	Page	2023 £	2022 £
<b>Fixed Assets</b>			
Tangible Assets (note 5)	16	102	414
<b>Current Assets</b>			
Debtor (note 6)	16	591	423
Cash at bank (note 7)	16	2,755,470	4,837,826
<b>Total Current Assets</b>		2,756,061	4,838,249
<b>Liabilities</b>			
Creditors - amounts falling due within one year (note 8)	16	(55,586)	(136,545)
<b>Net current assets</b>		2,700,475	4,701,704
<b>Total net assets</b>		£ 2,700,577	£ 4,702,118
<b>The funds of the charity:</b>			
Unrestricted funds	10	2,700,577	4,702,118
<b>Total charity funds</b>	10	£ 2,700,577	£ 4,702,118

The financial statements were approved and authorised for issue by the Trustees and were signed on their behalf by:

  
 .....  
 rupert.bentley (Oct 9, 2024 16:57 GMT+1)  
 Trustee

09/10/24  
 .....  
 Date

**JOHN PEARCE FOUNDATION**  
**(Registered Charity No. 1181348 and Company No. CE016045)**

**STATEMENT OF CASHFLOWS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>Page</b>	<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
<b>Net cash flow from Operating Activities</b>			
Net movement on funds for the year	9	(2,001,541)	2,212,058
Less: Investment income and deposit interest	14	(49,977)	(28,334)
Add: Depreciation	16	312	310
(Increase)/decrease in debtors	16	(168)	2,313
(Decrease)/increase in creditors	16	(80,959)	58,765
		<u>(2,132,333)</u>	<u>2,245,112</u>
<b>Net cash (used in)/generated by Operating Activities</b>			
<b>Cash flows from Investing Activities</b>			
Deposit interest	14	49,977	28,334
		<u>49,977</u>	<u>28,334</u>
<b>Net cash generated by Investing Activities</b>			
		<u>£ (2,082,356)</u>	<u>£ 2,273,446</u>
<b>Net (decrease)/increase in cash in the period</b>			
<b>Reconciliation of net cash flow to movement in net funds</b>			
Net cash resources at 1 January		4,837,826	2,564,380
Net (decrease)/increase in cash		(2,082,356)	2,273,446
		<u>£2,755,470</u>	<u>£4,837,826</u>
<b>Net cash resources at 31 December</b>			
<b>Analysis of net funds:</b>			
Cash at Bank (note 7)	16	2,755,470	4,837,826
		<u>£ 2,755,470</u>	<u>£ 4,837,826</u>

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**1. ACCOUNTING POLICIES**

**Basis of Preparation of Financial Statements**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("Charities SORP FRS 102"), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and where applicable, the Charities Act 2022 and UK Generally Accepted Accounting Practice.

The Foundation constitutes a public benefit entity as defined by Charities SORP FRS 102.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

**Incoming Resources**

Investment income is derived from interest and dividends receivable from investments and is accounted for in the period in which the Foundation is entitled to receipt. Interest from deposit accounts are included as and when received only. All incoming resources are included in the SOFA when the Trust is entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary donations include donations.

**Resources Expended**

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation committing the Trustee to the expenditure.

Charitable activities include governance costs made during the period and are expended through the SOFA when the offer is conveyed to the recipient.

Cost of raising funds relate to the costs incurred by the Foundation in managing its investment portfolios.

Governance costs relating to the general running of the Foundation, as opposed to the management functions inherent in generating funds.

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**Financial instruments**

The Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value and subsequently measured at their settlement value.

**Grants payable**

Grants payable are made to third parties in furtherance of the Trust's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without conditions, or the recipient has a reasonable expectation that they will receive a grant and that any conditions attaching to the grant are outside of the control of the Trust.

**Status of funds**

The entire resources of the fund are unrestricted and the Trustees have complete discretion for their use in pursuance of its objects.

**Taxation**

The Foundation is not subject to any taxes on its charitable activities.

Irrecoverable VAT is charged against the activity for which expenditure was incurred.

**Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised as expenditure.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are within borrowing in current liabilities.

**Provisions**

Provisions are recognised when the Foundation has an obligation at the Balance Sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**Employee benefits**

When employees have rendered service to the Foundation, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The Foundation operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

**Tangible Fixed Assets**

Tangible fixed assets are included at their cost value and depreciated using the straight line method over 5 years.

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**1. ACCOUNTING POLICIES (continued)**

**Going concern**

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for twelve months from the date of signing of these financial statements. The forecast income and reserves are sufficient to cover all of the budgeted expenditure to be able to continue as a going concern.

The ongoing conflicts in Ukraine and Middle East and other inflationary factors have affected the global economy. Having considered the contingency plans in place and having reviewed updated cashflow forecasts, the Trustees consider the adoption of the going concern basis in preparing these financial statements continues to be appropriate.

<b>2. INCOME FROM INVESTMENTS</b>	<b>Page</b>	<b>2023 £</b>	<b>2022 £</b>
Deposit interest		49,977	28,334
	9	<u>£ 49,977</u>	<u>£ 28,334</u>
 <b>3. INCOME FROM DONATIONS</b>			
Donations received		-	3,000,000
	9	<u>£ -</u>	<u>£ 3,000,000</u>

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

<b>4. EXPENDITURE ON CHARITABLE ACTIVITIES</b>	<b>Page</b>	<b>2023 £</b>	<b>2022 £</b>
<b>Grants Awarded:</b>			
Priscilla Bacon Norfolk Hospice Care Ltd	Reg. Charity No. 1166579	650,000	-
Racing Welfare	Reg. Charity No. 1084042	622,446	256,777
Lambourn Valley Housing Trust	Reg. Charity No. 1049742	300,000	-
Heros Charity	Reg. Charity No. 1115174	126,195	-
Hong Kong Cancer Fund	HK Charity 91/2745	98,301	103,368
Marie Curie	Reg. Charity No. 207994	60,306	60,308
BRS Education Ltd	Reg. Charity No. 1161555	48,000	150,000
The Wavertree Education Trust Limited	Reg. Charity No. 1111771	33,000	30,000
Maggie's	Reg. Charity No. SC024414	8,500	-
Racing to Relate	Reg. Charity No. 1182855	-	68,902
National Association of Racing Staff (NARS)		-	47,467
<b>Total Grants Awarded</b>		<b>1,946,748</b>	<b>716,822</b>
<b>Support Costs:</b>			
Staff costs		72,141	60,016
IT		12,993	12,573
Accountancy fees		8,100	8,400
Independent auditor fees		8,100	7,800
Insurance		1,950	2,020
Office expenses		876	1,584
Depreciation	16	312	310
Banking charges		298	29
Legal fees		-	3,684
Trustee expenses		-	3,038
		<b>104,770</b>	<b>99,454</b>
<b>Total Charitable Activities</b>	<b>9</b>	<b>£ 2,051,518</b>	<b>£ 816,276</b>

Included within Staff costs are gross salaries of £58,802 (2022: £50,379), social security costs of £6,729 (2022: £5,379), and pension contributions of £3,264 (2022: £3,264).

There are no employees who received total employee benefits of more than £60,000 during the year to 31 December 2023 (2022: none).

The average number of employees during the year was 2 (2022:1).

The Trustees are the key management who received no emoluments during the year (2022: £nil)

Auditor remuneration totalled £6,750 net of VAT (2022: £6,500).

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	Page	2023 £	2022 £
<b>5. FIXED ASSETS</b>			
<b>Fixtures, fittings and equipment at cost</b>			
Balance at 1 January		1,554	1,554
Additions		-	-
Balance at 31 December		<u>1,554</u>	<u>1,554</u>
<b>Accumulated depreciation</b>			
Balance at 1 January		1,140	830
Charge for the year	11	312	310
Balance at 31 December		<u>1,452</u>	<u>1,140</u>
<b>Net Book Value at 31 December</b>	10	<u>£ 102</u>	<u>£ 414</u>
<b>6. DEBTORS</b>			
Prepayments	10	<u>£ 591</u>	<u>£ 423</u>
<b>7. CASH AT BANK</b>			
Cash at bank	10	<u>£ 2,755,470</u>	<u>£ 4,837,826</u>
<b>8. CREDITORS - amounts falling due within one year</b>			
Donations		14,900	118,417
Accruals		20,100	15,600
PAYE & NIC		3,253	1,791
Trade Creditors		17,333	737
	10	<u>£ 55,586</u>	<u>£ 136,545</u>

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**9. Grants Payable – Contingent Liabilities**

The Trustees made various pledges during the year with performance conditions attached. As the conditions for receiving these pledged grants were not met at the year end, these pledges were not recognised in these financial statements.

**10. RELATED PARTY TRANSACTIONS**

No related party transactions occurred during the year ended 31 December 2023 (2022: none).

No Trustee received any remuneration or reimbursement of expenses during the year ended 31 December 2023 (2022: £3,038 incurred on their behalf in respect of accommodation costs).

**11. ULTIMATE CONTROLLING PARTY**

The Trustees consider that the Foundation is jointly controlled by the Trustees and that there is no ultimate controlling party.

<b>13. FINANCIAL INSTRUMENTS</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Financial assets measured at fair value	2,755,470	4,837,826
Financial assets measured at fair value consist of cash at bank.		

**JOHN PEARCE FOUNDATION**

England & Wales - Charity number 1181348

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# Accounts

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**JOHN PEARCE FOUNDATION**

**(Registered Charity No. 1181348 and Company No. CE016045)**

**ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

The Trustees present their report and independently audited financial statements of the John Pearce Foundation ("the Foundation" or "the CIO"), for the year ended 31 December 2022. These have been prepared in accordance with the accounting policies set out on pages 12 to 14 and comply with applicable charity law.

The financial statements comply with the Charities Act 2011 and where applicable the Charities Act 2022, the Foundation's Constitution dated 21 December 2018 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland – Charities SORP (FRS 102).

## **1. REFERENCE AND ADMINISTRATIVE DETAILS**

John Pearce Foundation, (registered charity number 1181348 and registered company number CE016045) is based and administered in the United Kingdom. The registered address is 29 Queen Anne's Gate, London, SW1H 9BU.

### **Trustees:**

The Trustees of the Foundation who held office during the period and continue to serve at the date of this report are:

- Rupert Bentley
- Nicolas Bentley
- Michael John Winarick

The Trustees did not hold any beneficial interest in the fund at 31 December 2022 or at any time during or since that period.

### **Bankers:**

Clydesdale Bank  
154-158 Kensington High St, Kensington, London, W8 7RL

### **Solicitors:**

BDB Pitmans LLP  
50 Broadway, Westminster, London, SW1H 0BL

### **Accountants:**

Rawlinson & Hunter LLP  
Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ

### **Independent Auditor:**

Rawlinson & Hunter Audit LLP  
Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ

### **Website:**

<https://johnpearce.org/>

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**2. STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Foundation is a charitable incorporated organisation governed by its Constitution dated 21 December 2018 and is registered as a charity with the Charity Commission for England and Wales.

The Trustees are resident in the United Kingdom and meet regularly to discuss and develop the Foundation's goals and strategy and to review grant proposals and general grant requests.

The number of Trustees shall be a minimum of two at any one time and new Trustees shall be appointed by ordinary resolution by the existing Trustees. The range of skills represented on the Trustee Board will be kept under review as the Foundation develops over time.

**Induction and Training**

As part of their training, Trustees are given an information pack which includes the Foundation's Constitution and the Charity Commission guidance on Trustees' Responsibilities. All Trustees are aware of their legal duties and obligations in respect of the management of the Foundation, including in relation to the protection of its assets.

**Statement of Trustees' Responsibilities**

The Trustees are responsible for preparing the Annual Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources, including the income and expenditure of the Foundation for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the financial statements comply with the Charities Act 2011 and where applicable, the Charities Act 2022, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Foundation's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

No Trustee received any remuneration during the period from 1 January 2022 to 31 December 2022.

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Disclosure of information to Auditor**

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**Internal Controls**

The Trustees have overall responsibility for ensuring that the Foundation has appropriate systems of internal controls. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation. The Trustees are also responsible for safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

**Risk Management & Corporate Governance**

A risk assessment has been undertaken which comprises:

- An annual review of the risks the Foundation may face;
- The establishment of systems and procedures to mitigate those risks; and
- The implementation of procedures designed to minimise any potential impact on the Foundation should those risks materialise.

This continuing process will identify risk areas to which the Foundation is vulnerable and highlight any necessary safeguards that will need to be put in place. No major risks were identified at the date of these accounts.

The Trustees have signed fit and proper declarations in line with HMRC guidance.

In addition, the Trustees have taken due consideration of Good Governance – A Code for the Voluntary and Community Sector, ensuring that the seven main principles of the Code are adhered to. These are:

- Organisational purpose;
- Leadership;
- Integrity;
- Decision-making, risk and control
- Board effectiveness;
- Equality, diversity and inclusion; and
- Openness and accessibility.

The Trustees recognise that good governance plays an essential part in securing the future of the Foundation and confirm that the said principles of the Code are followed by them in leading, directing and managing the Foundation.

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT**

The objects of the Foundation are restricted specifically to the application of CIO funds, at such time or times and in such manner, for the public benefit, as the Foundation Trustees may in their discretion think fit for any exclusively charitable purposes in any part of the world. The Foundation operates as a grant-making charity, supporting charitable projects and organisations with grants of varying sizes and durations.

The Trustees are looking to develop solid framework for future grant-making activities and have refined their grant-making focus areas. The Trustees have pursued a broad strategy of ensuring proper due diligence in the assessment of potential grants and ensuring that grants are made subject to appropriate terms and conditions.

**Statement of Public Benefit**

As a grant-funder, the Foundation's activities will provide public benefit to the individuals and communities who are beneficiaries of the Foundation's funded projects. The Foundation's public benefit is not limited with reference to geography or otherwise. The Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to it. They consider the information which follows in this annual report, about the Foundation's aims, activities and achievements in the areas of interest that the Foundation supports, demonstrates the benefit to its beneficiaries and through them to the public, that arise from those activities.

**Grant Making Policies**

The Trustees' grant making policy has been to generally consider making donations by way of direct funding and also by way of grants to charitable organisations recognised as such in their respective jurisdictions for projects that are exclusively charitable under English law. The Foundation has put in place sound grant arrangements so that it can properly select appropriate grantees and impose prudent terms on grants, including, as appropriate, monitoring and evaluation of the way in which funds are applied by grantees.

**Fundraising**

The Trustees have referred to the Charities (Protection and Social Investment) Act 2016 ("the Act") and the Guidance on Charities and Fundraising issued by the Charity Commission ("CC20"). They confirm that the Act and CC20 have no impact on the charity as it does not engage in any public fundraising activities.

**4. ACHIEVEMENT AND PERFORMANCE**

**Charitable Activities**

During the year the Trustees continued their grant programme awarding a number of grants to Horse Racing related projects and Palliative Care initiatives. Horse Racing was of particular interest to the late eponymous John Pearce who bequeathed the initial funding for the Foundation. By awarding grants to projects in the Horse Racing community the Trustees believe they are both preserving the legacy of John Pearce and benefiting the general public more widely.

Grants totalling £716,822 (2021: £1,476,380) were awarded during the year, amounting to 88% (2021: 95%) of total expenditure.

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**5. FINANCIAL REVIEW**

The Statement of Financial Activities on page 9 shows total incoming resources for the year of £3,028,334 (2021: £2,503,341), charitable activities of £816,276 (2021: £1,552,313). There was no expenditure on raising funds. Grant expenditure amounted to £716,822 (2021: £1,476,380), Support costs amounted to £99,454 (2021: £75,933) and are included within charitable activities.

The Trustees received a further donation from the estate of the late John Pearce to further their charitable work in the world of Horse Racing.

The balance of reserves at 31 December 2022 is £4,702,118 (2021: £2,490,060)

**Reserves Policy**

The Trustees have examined the Foundation's requirement for resources in light of the main risks to the organisation and have no outstanding commitments or cash demands which are not adequately covered by existing resources. The net assets of the Foundation are regarded as unrestricted reserves and the funds at 31 December 2022 will be retained to make grants in accordance with the Foundation's charitable objects and any policies. The Trustees consider that the freely expendable funds are appropriate and adequate taking into account plans for grants to be awarded in future and have at present therefore not designated any specific reserves. However, the Trustees will keep this under constant review. In future years, a specific reserves policy may be required.

**6. PLANS FOR THE FUTURE**

The Trustees do not propose to deviate from the current objectives and activities of the Foundation as detailed in Section 3 of this report but will further develop and refine their strategies, policies and procedures in future.

**7. AUDITOR**

A resolution will be proposed at the Trustees' Meeting that Rawlinson & Hunter Audit LLP be re-appointed as auditor to the Charity for the ensuing year.

**Approved by the trustees and signed  
on their behalf by:**

*Roper v Bentley*

Trustee

27/07/2023

Date

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE TRUSTEES OF**  
**JOHN PEARCE FOUNDATION**

**Opinion**

We have audited the financial statements of John Pearce Foundation ("the Foundation" or "CIO") for the year ended 31 December 2022 which comprise the Statement of Financial Activities (Including Income and Expenditure Account), the Balance Sheet, Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Foundation's affairs as at 31 December 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and where applicable, the Charities Act 2022.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Foundation's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report of the Trustees and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITOR'S REPORT (continued)**  
**TO THE TRUSTEES OF**  
**JOHN PEARCE FOUNDATION**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting record and returns; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities set out on page 2, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our assessment of the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur, is considered to be low. This conclusion was reached after the consideration of the following:

## INDEPENDENT AUDITOR'S REPORT (continued)

### TO THE MEMBERS AND TRUSTEES OF

### JOHN PEARCE FOUNDATION

- due to the relatively simple business model and low number of transactions within the Foundation there are comparatively few unexpected fluctuations in the reported results and balances and any such unexpected items would be specifically enquired into by us; and
- there are a number of individuals which comprise "management" and therefore there is no single individual who is likely to be able to override controls to effect a fraud.

We designed our audit procedures to respond to identified audit risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements. Some of the specific procedures performed to detect irregularities, including fraud, are detailed below:

- the review of control accounts and journal entries for large, unusual or unauthorised entries;
- the analytical review of the detailed statement of financial activities for variances that are either unexpected or felt not to be in accordance with our understanding of the charitable activities during the year;
- obtaining and reviewing for completeness a list of entities and persons considered to be related parties (as defined by Financial Reporting Standard 102) and reviewing the ledgers of the Foundation for previously unreported related party transactions;
- review of transactions and journals for any indication of fraud or management override.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report

#### Use of our report

This report is made solely to the Foundation's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Foundation's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Foundation and the Foundation's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Rawlinson & Hunter Audit LLP*

**Rawlinson & Hunter Audit LLP**  
 Statutory Auditor  
 Eighth Floor  
 6 New Street Square  
 New Fetter Lane  
 London  
 EC4A 3AQ

*27 July 2023*

Rawlinson & Hunter Audit LLP is eligible to act as an auditor in accordance with Section 1212 of the Companies Act 2006.

**JOHN PEARCE FOUNDATION**

(Registered Charity No. 1181348 and Company No. CE016045)

**STATEMENT OF FINANCIAL ACTIVITIES  
(including Income & Expenditure Account)**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Page	2022 £	2021 £
<b>Income from:</b>			
Investments (note 2)	14	28,334	3,341
Donations (note 3)	14	3,000,000	2,500,000
<b>Total Income</b>		<u>3,028,334</u>	<u>2,503,341</u>
<b>Expenditure on:</b>			
Charitable Activities (note 4)	15	816,276	1,552,313
<b>Total Expenditure</b>		<u>816,276</u>	<u>1,552,313</u>
<b>Net income</b>		<u>2,212,058</u>	<u>951,028</u>
<b>Net movement in funds</b>	11	<u>2,212,058</u>	<u>951,028</u>
<b>Reconciliation of funds</b>			
Total Funds Brought Forward at 1 January 2022		2,490,060	1,539,032
<b>Total Funds Carried Forward at 31 December 2022</b>	10	<u>£ 4,702,118</u>	<u>£ 2,490,060</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for the years ended 31 December 2021 and 2022.

**JOHN PEARCE FOUNDATION**  
**(Registered Charity No. 1181348 and Company No. CE016045)**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2022**

	Page	2022 £	2021 £
<b>Fixed Assets</b>			
Tangible Assets (note 5)	16	414	724
<b>Current Assets</b>			
Debtor (note 6)	16	423	2,736
Cash at bank (note 7)	16	4,837,826	2,564,380
<b>Total Current Assets</b>		<u>4,838,249</u>	<u>2,567,116</u>
<b>Liabilities</b>			
Creditors - amounts falling due within one year (note 8)	16	(136,545)	(77,780)
<b>Net current assets</b>		<u>4,701,704</u>	<u>2,489,336</u>
<b>Total net assets</b>		<u>£ 4,702,118</u>	<u>£ 2,490,060</u>
<b>The funds of the charity:</b>			
Unrestricted funds	10	4,702,118	2,490,060
<b>Total charity funds</b>	10	<u>£ 4,702,118</u>	<u>£ 2,490,060</u>

The financial statements were approved and authorised for issue by the Trustees and were signed on their behalf by:

*Raper v Bentley*

Trustee

27/07/2023  
Date

**JOHN PEARCE FOUNDATION**  
**(Registered Charity No. 1181348 and Company No. CE016045)**

**STATEMENT OF CASHFLOWS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>Page</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
<b>Net cash flow from Operating Activities</b>			
Net movement on funds for the year	9	2,212,058	951,028
Less: Investment income and deposit interest	14	(28,334)	(3,341)
Add: Depreciation	16	310	310
Decrease in debtors	16	2,313	1,604
Increase in creditors	16	58,765	61,307
		<hr/>	<hr/>
<b>Net cash generated by Operating Activities</b>		2,245,112	1,010,908
<b>Cash flows from Investing Activities</b>			
Deposit interest	14	28,334	3,341
Purchase of property, plant and equipment	16	-	(252)
		<hr/>	<hr/>
<b>Net cash generated by Investing Activities</b>		28,334	3,089
<b>Net increase in cash in the period</b>		<hr/> <b>£ 2,273,446</b> <hr/>	<hr/> <b>£ 1,013,997</b> <hr/>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Net cash resources at 1 January		2,564,380	1,550,383
Net increase in cash		2,273,446	1,013,997
		<hr/>	<hr/>
<b>Net cash resources at 31 December</b>		<hr/> <b>£4,837,826</b> <hr/>	<hr/> <b>£2,564,380</b> <hr/>
<b>Analysis of net funds:</b>			
Cash at Bank (note 7)	16	4,837,826	2,564,380
		<hr/>	<hr/>
		<hr/> <b>£ 4,837,826</b> <hr/>	<hr/> <b>£ 2,564,380</b> <hr/>

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**1. ACCOUNTING POLICIES**

**Basis of Preparation of Financial Statements**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("Charities SORP FRS 102"), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and where applicable, the Charities Act 2022 and UK Generally Accepted Accounting Practice.

The Foundation constitutes a public benefit entity as defined by Charities SORP FRS 102.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

**Incoming Resources**

Investment income is derived from interest and dividends receivable from investments and is accounted for in the period in which the Foundation is entitled to receipt. Interest from deposit accounts are included as and when received only. All incoming resources are included in the SOFA when the Trust is entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary donations include donations.

**Resources Expended**

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation committing the Trustee to the expenditure.

Charitable activities include governance costs made during the period and are expended through the SOFA when the offer is conveyed to the recipient.

Cost of raising funds relate to the costs incurred by the Foundation in managing its investment portfolios.

Governance costs relating to the general running of the Foundation, as opposed to the management functions inherent in generating funds.

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**Financial instruments**

The Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value and subsequently measured at their settlement value.

**Grants payable**

Grants payable are made to third parties in furtherance of the Trust's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without conditions, or the recipient has a reasonable expectation that they will receive a grant and that any conditions attaching to the grant are outside of the control of the Trust.

**Status of funds**

The entire resources of the fund are unrestricted and the Trustees have complete discretion for their use in pursuance of its objects.

**Taxation**

The Foundation is not subject to any taxes on its charitable activities.

Irrecoverable VAT is charged against the activity for which expenditure was incurred.

**Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised as expenditure.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are within borrowing in current liabilities.

**Provisions**

Provisions are recognised when the Foundation has an obligation at the Balance Sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**Employee benefits**

When employees have rendered service to the Foundation, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The Foundation operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

**Tangible Fixed Assets**

Tangible fixed assets are included at their cost value and depreciated using the straight line method over 5 years.

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**1. ACCOUNTING POLICIES (continued)**

**Going concern**

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for twelve months from the date of signing of these financial statements. The forecast income and reserves are sufficient to cover all of the budgeted expenditure to be able to continue as a going concern.

The ongoing conflict in Ukraine, the resultant high energy cost and other inflationary factors have affected the global economy. Having considered the contingency plans in place and having reviewed updated cashflow forecasts, the Trustees consider the adoption of the going concern basis in preparing these financial statements continues to be appropriate.

<b>2. INCOME FROM INVESTMENTS</b>	<b>Page</b>	<b>2022 £</b>	<b>2021 £</b>
Deposit interest		28,334	3,341
	9	<u>£ 28,334</u>	<u>£ 3,341</u>
 <b>3. INCOME FROM DONATIONS</b>			
Donations received		3,000,000	2,500,000
	9	<u>£ 3,000,000</u>	<u>£ 2,500,000</u>

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Page	2022 £	2021 £
<b>4. EXPENDITURE ON CHARITABLE ACTIVITIES</b>			
<b>UK Grants Awarded:</b>			
Racing Welfare	Reg. Charity No. 1084042	256,777	131,427
BRS Education Ltd	Reg. Charity No. 1161555	150,000	-
Hong Kong Cancer Fund	HK Charity 91/2745	103,368	91,547
Racing to Relate	Reg. Charity No. 1182855	68,902	59,760
Marie Curie	Reg. Charity No. 207994	60,308	39,000
National Association of Racing Staff (NARS)		47,467	49,280
The Wavertree Education Trust Limited	Reg. Charity No. 1111771	30,000	30,000
Priscilla Bacon Norfolk Hospice Care Ltd	Reg. Charity No. 1166579	-	1,000,000
St Michael's Hospice Hastings and Rother	Reg. Charity No. 288462	-	34,469
The Racing Centre Ltd	Reg. Charity No. 1107833	-	30,000
Greatwood Charity Ltd	Reg. Charity No. 1117322	-	10,897
<b>Total Grants Awarded</b>		716,822	1,476,380
<b>Support Costs:</b>			
Staff costs		60,016	47,073
IT		12,573	9,989
Accountancy fees		8,400	7,200
Independent auditor fees		7,800	7,200
Legal fees		3,684	-
Trustee expenses		3,038	86
Insurance		2,020	1,824
Office expenses		1,584	2,072
Depreciation	16	310	310
Banking charges		29	179
		99,454	75,933
<b>Total Charitable Activities</b>	9	£ 816,276	£ 1,552,313

Included within Staff costs are gross salaries of £50,379 (2021: £39,030), social security costs of £5,379 (2021: £3,943), and pension contributions of £3,264 (2021: £2,992).

There are no employees who received total employee benefits of more than £60,000 during the year to 31 December 2022 (2021: none).

The average number of employees during the year was 1 (2021:1).

The Trustees are the key management who received no emoluments during the year (2021: £nil)

Auditor remuneration totalled £6,500 net of VAT (2021: £6,000).

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Page	2022 £	2021 £
<b>5. FIXED ASSETS</b>			
<b>Fixtures, fittings and equipment at cost</b>			
Balance at 1 January		1,554	1,302
Additions		-	252
Balance at 31 December		<u>1,554</u>	<u>1,554</u>
<b>Accumulated depreciation</b>			
Balance at 1 January		830	520
Charge for the year	11	310	310
Balance at 31 December		<u>1,140</u>	<u>830</u>
<b>Net Book Value at 31 December</b>	10	<u>£ 414</u>	<u>£ 724</u>
<b>6. DEBTORS</b>			
Prepayments	10	<u>£ 423</u>	<u>£ 2,736</u>
<b>7. CASH AT BANK</b>			
Cash at bank	10	<u>£ 4,837,826</u>	<u>£ 2,564,380</u>
<b>8. CREDITORS - amounts falling due within one year</b>			
Donations		118,417	58,132
Accruals		15,600	18,000
PAYE & NIC		1,791	1,193
Trade Creditors		737	455
	10	<u>£ 136,545</u>	<u>£ 77,780</u>

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**9. Grants Payable – Contingent Liabilities**

The Trustees made various pledges during the year with performance conditions attached. As the conditions for receiving these pledged grants were not met at the year end, these pledges were not recognised in these financial statements.

**10. RELATED PARTY TRANSACTIONS**

No related party transactions occurred during the year ended 31 December 2022. (2021: none)

No Trustee received any remuneration or reimbursement of expenses during the year ended 31 December 2022 but £3,038 was incurred on their behalf for accommodation costs (2021: £60 of accommodation costs).

**11. ULTIMATE CONTROLLING PARTY**

The Trustees consider that the Foundation is jointly controlled by the Trustees and that there is no ultimate controlling party.

<b>13. FINANCIAL INSTRUMENTS</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Financial assets measured at fair value	4,837,826	2,564,380
Financial assets measured at fair value consist of cash at bank.		

**JOHN PEARCE FOUNDATION**

England & Wales - Charity number 1181348

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# Accounts

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**JOHN PEARCE FOUNDATION**  
**(Registered Charity No. 1181348 and Company No. CE016045)**  
**ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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Notes to the Financial Statements	12 - 17

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

The Trustees present their report and independently audited financial statements of the John Pearce Foundation (“the Foundation” or “the CIO”), for the year ended 31 December 2021. These have been prepared in accordance with the accounting policies set out on pages 12 to 14 and comply with applicable charity law.

The financial statements comply with the Charities Act 2011, the Foundation’s Constitution dated 21 December 2018 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland – SORP (FRS).

## **1. REFERENCE AND ADMINISTRATIVE DETAILS**

John Pearce Foundation, (registered charity number 1181348 and registered company number CE016045) is based and administered in the United Kingdom. The registered address is 29 Queen Anne’s Gate, London, SW1H 9BU.

### **Trustees:**

The Trustees of the Foundation who held office during the period and continue to serve at the date of this report are:

- Rupert Bentley
- Nicolas Bentley
- Michael John Winarick

The Trustees did not hold any beneficial interest in the fund at 31 December 2021 or at any time during or since that period.

### **Bankers:**

Clydesdale Bank  
154-158 Kensington High St, Kensington, London, W8 7RL

### **Solicitors:**

BDB Pitmans LLP  
50 Broadway, Westminster, London, SW1H 0BL

### **Accountants:**

Rawlinson & Hunter LLP  
Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ

### **Independent Auditor:**

Rawlinson & Hunter Audit LLP  
Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ

### **Website:**

<https://johnpearce.org/>

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**2. STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Foundation is a charitable incorporated organisation governed by its Constitution dated 21 December 2018 and is registered as a charity with the Charity Commission for England and Wales.

The Trustees are resident in the United Kingdom and meet regularly to discuss and develop the Foundation's goals and strategy and to review grant proposals and general grant requests.

The number of Trustees shall be a minimum of two at any one time and new Trustees shall be appointed by ordinary resolution by the existing Trustees. The range of skills represented on the Trustee Board will be kept under review as the Foundation develops over time.

**Induction and Training**

As part of their training, Trustees are given an information pack which includes the Foundation's Constitution and the Charity Commission guidance on Trustees' Responsibilities. All Trustees are aware of their legal duties and obligations in respect of the management of the Foundation, including in relation to the protection of its assets.

**Statement of Trustees' Responsibilities**

The Trustees are responsible for preparing the Annual Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources, including the income and expenditure of the Foundation for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Foundation's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

No Trustee received any remuneration during the period from 1 January 2021 to 31 December 2021.

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Disclosure of information to Auditor**

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**Internal Controls**

The Trustees have overall responsibility for ensuring that the Foundation has appropriate systems of internal controls. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation. The Trustees are also responsible for safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

**Risk Management & Corporate Governance**

A risk assessment has been undertaken which comprises:

- An annual review of the risks the Foundation may face;
- The establishment of systems and procedures to mitigate those risks; and
- The implementation of procedures designed to minimise any potential impact on the Foundation should those risks materialise.

This continuing process will identify risk areas to which the Foundation is vulnerable and highlight any necessary safeguards that will need to be put in place. No major risks were identified at the date of these accounts.

The Trustees have signed fit and proper declarations in line with HMRC guidance.

In addition, the Trustees have taken due consideration of Good Governance – A Code for the Voluntary and Community Sector, ensuring that the seven main principles of the Code are adhered to. These are:

- Organisational purpose;
- Leadership;
- Integrity;
- Decision-making, risk and control
- Board effectiveness;
- Equality, diversity and inclusion; and
- Openness and accessibility.

The Trustees recognise that good governance plays an essential part in securing the future of the Foundation and confirm that the said principles of the Code are followed by them in leading, directing and managing the Foundation.

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT**

The objects of the Foundation are restricted specifically to the application of CIO funds, at such time or times and in such manner, for the public benefit, as the Foundation Trustees may in their discretion think fit for any exclusively charitable purposes in any part of the world. The Foundation operates as a grant-making charity, supporting charitable projects and organisations with grants of varying sizes and durations.

The Trustees are looking to develop solid framework for future grant-making activities and have refined their grant-making focus areas. The Trustees have pursued a broad strategy of ensuring proper due diligence in the assessment of potential grants and ensuring that grants are made subject to appropriate terms and conditions.

**Statement of Public Benefit**

As a grant-funder, the Foundation's activities will provide public benefit to the individuals and communities who are beneficiaries of the Foundation's funded projects. The Foundation's public benefit is not limited with reference to geography or otherwise. The Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to it. They consider the information which follows in this annual report, about the Foundation's aims, activities and achievements in the areas of interest that the Foundation supports, demonstrates the benefit to its beneficiaries and through them to the public, that arise from those activities.

**Grant Making Policies**

The Trustees' grant making policy has been to generally consider making donations by way of direct funding and also by way of grants to charitable organisations recognised as such in their respective jurisdictions for projects that are exclusively charitable under English law. The Foundation has put in place sound grant arrangements so that it can properly select appropriate grantees and impose prudent terms on grants, including, as appropriate, monitoring and evaluation of the way in which funds are applied by grantees.

**Fundraising**

The Trustees have referred to the Charities (Protection and Social Investment) Act 2016 ("the Act") and the Guidance on Charities and Fundraising issued by the Charity Commission ("CC20"). They confirm that the Act and CC20 have no impact on the charity as it does not engage in any public fundraising activities.

**4. ACHIEVEMENT AND PERFORMANCE**

**Charitable Activities**

During the year the Trustees continued their grant programme awarding a number of grants to Horse Racing related projects and Palliative Care initiatives. Horse Racing was of particular interest to the late eponymous John Pearce who bequeathed the initial funding for the Foundation. By awarding grants to projects in the Horse Racing community the Trustees believe they are both preserving the legacy of John Pearce and benefiting the general public more widely.

Grants totalling £1,476,380 (2020: £316,817) were awarded during the year, amounting to 95% (2020: 74%) of total expenditure.

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**5. FINANCIAL REVIEW**

The Statement of Financial Activities on page 9 shows total incoming resources for the year of £2,503,341 (2020: £10,715), charitable activities of £1,552,391 (2020: £428,119). There was no expenditure on raising funds. Grant expenditure amounted to £1,476,380 (2020: £316,817), Support costs amounted to £76,011 (2020: £111,302) and are included within charitable activities.

The Trustees received a further donation from the estate of the late John Pearce to further their charitable work in the world of Horse Racing.

The balance of reserves at 31 December 2021 is £2,490,060 (2020: £1,539,032)

**Reserves Policy**

The Trustees have examined the Foundation's requirement for resources in light of the main risks to the organisation and have no outstanding commitments or cash demands which are not adequately covered by existing resources. The net assets of the Foundation are regarded as unrestricted reserves and the funds at 31 December 2021 will be retained to make grants in accordance with the Foundation's charitable objects and any policies. The Trustees consider that the freely expendable funds are appropriate and adequate taking into account plans for grants to be awarded in future and have at present therefore not designated any specific reserves. However, the Trustees will keep this under constant review. In future years, a specific reserves policy may be required.

**6. PLANS FOR THE FUTURE**

The Trustees do not propose to deviate from the current objectives and activities of the Foundation as detailed in Section 3 of this report but will further develop and refine their strategies, policies and procedures in future.

**7. AUDITOR**

A resolution will be proposed at the Trustees' Meeting that Rawlinson & Hunter Audit LLP be re-appointed as auditor to the Charity for the ensuing year.

**Approved by the trustees and signed  
on their behalf by:**

**Rupert Bentley**

.....  
Trustee

**20/09/2022**

.....  
Date

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE TRUSTEES OF**  
**JOHN PEARCE FOUNDATION**

**Opinion**

We have audited the financial statements of John Pearce Foundation (“the Foundation” or “CIO”) for the year ended 31 December 2021 which comprise the Statement of Financial Activities (Including Income and Expenditure Account), the Balance Sheet, Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Foundation’s affairs as at 31 December 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustees’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Foundation's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report of the Trustees and Financial Statements, other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITOR'S REPORT (continued)**  
**TO THE TRUSTEES OF**  
**JOHN PEARCE FOUNDATION**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting record and returns; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities set out on page 2, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our assessment of the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur, is considered to be low. This conclusion was reached after the consideration of the following:

**INDEPENDENT AUDITOR'S REPORT (continued)**  
**TO THE MEMBERS AND TRUSTEES OF**  
**JOHN PEARCE FOUNDATION**

- due to the relatively simple business model and low number of transactions within the Foundation there are comparatively few unexpected fluctuations in the reported results and balances and any such unexpected items would be specifically enquired into by us; and
- there are a number of individuals which comprise “management” and therefore there is no single individual who is likely to be able to override controls to effect a fraud.

We designed our audit procedures to respond to identified audit risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements. Some of the specific procedures performed to detect irregularities, including fraud, are detailed below:

- the review of control accounts and journal entries for large, unusual or unauthorised entries;
- the analytical review of the detailed statement of financial activities for variances that are either unexpected or felt not to be in accordance with our understanding of the charitable activities during the year;
- obtaining and reviewing for completeness a list of entities and persons considered to be related parties (as defined by Financial Reporting Standard 102) and reviewing the ledgers of the Foundation for previously unreported related party transactions;
- review of transactions and journals for any indication of fraud or management override.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report

### **Use of our report**

This report is made solely to the Foundation's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Foundation's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Foundation and the Foundation's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Rawlinson & Hunter Audit LLP**

Statutory Auditor  
Eighth Floor  
6 New Street Square  
New Fetter Lane  
London  
EC4A 3AQ  
20 September 2022

Rawlinson & Hunter Audit LLP is eligible to act as an auditor in accordance with Section 1212 of the Companies Act 2006.

**JOHN PEARCE FOUNDATION**

(Registered Charity No. 1181348 and Company No. CE016045)

**STATEMENT OF FINANCIAL ACTIVITIES  
(including Income & Expenditure Account)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Page	2021 £	2020 £
<b>Income from:</b>			
Investments (note 2)	14	3,341	10,715
Donations (note 3)	14	2,500,000	-
<b>Total Income</b>		2,503,341	10,715
<b>Expenditure on:</b>			
Charitable Activities (note 4)	15	1,552,313	428,119
<b>Total Expenditure</b>		1,552,313	428,119
<b>Net income/(expenditure)</b>		951,028	(417,404)
<b>Net movement in funds</b>		951,028	(417,404)
<b>Reconciliation of funds</b>			
Total Funds Brought Forward at 1 January 2021		1,539,032	1,956,436
<b>Total Funds Carried Forward at 31 December 2021</b>		<b>£ 2,490,060</b>	<b>£ 1,539,032</b>

All amounts relate to continuing operations.

There were no recognised gains and losses for the years ended 31 December 2020 and 2021.

**JOHN PEARCE FOUNDATION**  
**(Registered Charity No. 1181348 and Company No. CE016045)**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2021**

	Page	2021 £	2020 £
<b>Fixed Assets</b>			
Tangible Assets (note 5)	16	724	782
		<hr/>	<hr/>
<b>Current Assets</b>			
Debtor (note 6)	16	2,736	4,340
Cash at bank (note 7)	16	2,564,380	1,550,383
		<hr/>	<hr/>
<b>Total Current Assets</b>		2,567,116	1,554,723
		<hr/>	<hr/>
<b>Liabilities</b>			
Creditors - amounts falling due within one year (note 8)	16	(77,780)	(16,473)
		<hr/>	<hr/>
<b>Net current assets</b>		2,489,336	1,539,032
		<hr/>	<hr/>
<b>Total net assets</b>		£ 2,490,060	£ 1,539,032
		<hr/> <hr/>	<hr/> <hr/>
<b>The funds of the charity:</b>			
Unrestricted funds		2,490,060	1,539,032
		<hr/>	<hr/>
<b>Total charity funds</b>		£ 2,490,060	£ 1,539,032
		<hr/> <hr/>	<hr/> <hr/>

The financial statements were approved and authorised for issue by the Trustees and were signed on their behalf by:

**Rupert Bentley**

.....  
Trustee

**20/09/2022**

.....  
Date

**JOHN PEARCE FOUNDATION**  
**(Registered Charity No. 1181348 and Company No. CE016045)**

**STATEMENT OF CASHFLOWS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>Page</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>Net cash flow from Operating Activities</b>			
Net movement on funds for the year	9	951,028	(417,404)
Less: Investment income and deposit interest	14	(3,341)	(10,715)
Add: Depreciation	15	310	260
Decrease/(increase) in debtors	16	1,604	(3,985)
Increase/(decrease) in creditors	16	61,307	(6,065)
		<hr/>	<hr/>
<b>Net cash generated by/(used in) Operating Activities</b>		1,010,908	(437,909)
<b>Cash flows from Investing Activities</b>			
Deposit interest	14	3,341	10,715
Purchase of property, plant and equipment	16	(252)	-
		<hr/>	<hr/>
<b>Net cash generated by Investing Activities</b>		3,089	10,715
<b>Net increase/(decrease) in cash in the period</b>		<u>£ 1,013,997</u>	<u>£ (427,194)</u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Net cash resources at 1 January		1,550,383	1,977,577
Net increase/(decrease) in cash		1,013,997	(427,194)
		<hr/>	<hr/>
<b>Net cash resources at 31 December</b>		<u>£2,564,380</u>	<u>£ 1,550,383</u>
<b>Analysis of net funds:</b>			
Cash at Bank (note 7)	16	2,564,380	1,550,383
		<hr/>	<hr/>
		<u>£ 2,564,380</u>	<u>£ 1,550,383</u>

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**1. ACCOUNTING POLICIES**

**Basis of Preparation of Financial Statements**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("Charities SORP FRS 102"), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The Foundation constitutes a public benefit entity as defined by Charities SORP FRS 102.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

**Incoming Resources**

Investment income is derived from interest and dividends receivable from investments and is accounted for in the period in which the Foundation is entitled to receipt. Interest from deposit accounts are included as and when received only. All incoming resources are included in the SOFA when the Trust is entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary donations include donations.

**Resources Expended**

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation committing the Trustee to the expenditure.

Charitable activities include governance costs made during the period and are expended through the SOFA when the offer is conveyed to the recipient.

Cost of raising funds relate to the costs incurred by the Foundation in managing its investment portfolios.

Governance costs relating to the general running of the Foundation, as opposed to the management functions inherent in generating funds.

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**Financial instruments**

The Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value and subsequently measured at their settlement value.

**Grants payable**

Grants payable are made to third parties in furtherance of the Trust's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without conditions, or the recipient has a reasonable expectation that they will receive a grant and that any conditions attaching to the grant are outside of the control of the Trust.

**Status of funds**

The entire resources of the fund are unrestricted and the Trustees have complete discretion for their use in pursuance of its objects.

**Taxation**

The Foundation is not subject to any taxes on its charitable activities.

Irrecoverable VAT is charged against the activity for which expenditure was incurred.

**Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised as expenditure.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are within borrowing in current liabilities.

**Provisions**

Provisions are recognised when the Foundation has an obligation at the Balance Sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**Employee benefits**

When employees have rendered service to the Foundation, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The Foundation operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

**Tangible Fixed Assets**

Tangible fixed assets are included at their cost value and depreciated using the straight line method over 5 years.

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**1. ACCOUNTING POLICIES (continued)**

**Going concern**

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for twelve months from the date of signing of these financial statements. The forecast income and reserves are sufficient to cover all of the budgeted expenditure to be able to continue as a going concern.

The Covid-19 pandemic and current ongoing conflict in Ukraine have affected the global economy. Having considered the contingency plans in place and having reviewed updated cashflow forecasts, the Trustees consider the adoption of the going concern basis in preparing these financial statements continues to be appropriate.

<b>2. INCOME FROM INVESTMENTS</b>	<b>Page</b>	<b>2021 £</b>	<b>2020 £</b>
Deposit interest		3,341	10,715
	9	<u>£ 3,341</u>	<u>£ 10,715</u>
 <b>3. INCOME FROM DONATIONS</b>			
Donations received		2,500,000	-
	9	<u>£ 2,500,000</u>	<u>£ -</u>

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>4. EXPENDITURE ON CHARITABLE ACTIVITIES</b>	<b>Page</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>UK Grants Awarded:</b>			
Priscilla Bacon Norfolk Hospice Care Ltd	Reg. Charity No. 1166579	1,000,000	-
Racing Welfare	Reg. Charity No. 1084042	131,427	130,179
Hong Kong Cancer Fund	HK Charity 91/2745	91,547	-
Racing to Relate	Reg. Charity No. 1182855	59,760	36,632
National Association of Racing Staff (NARS)		49,280	-
Marie Curie	Reg. Charity No. 207994	39,000	-
St Michael's Hospice Hastings and Rother	Reg. Charity No. 288462	34,469	-
The Racing Centre Ltd	Reg. Charity No. 1107833	30,000	150,006
The Wavertree Education Trust Limited	Reg. Charity No. 1111771	30,000	-
Greatwood Charity Ltd	Reg. Charity No. 1117322	10,897	-
<b>Total Grants Awarded</b>		1,476,380	316,817
<b>Support Costs:</b>			
Staff costs		47,073	37,872
IT		9,989	49,315
Accountancy fees		7,200	8,400
Independent auditor fees		7,200	8,400
Office expenses		2,072	445
Insurance		1,824	1,428
Depreciation	15	310	260
Banking charges		179	92
Trustee expenses		86	50
Legal fees		-	5,040
		75,933	111,302
<b>Total Charitable Activities</b>	<b>9</b>	<b>£ 1,552,313</b>	<b>£ 428,119</b>

Included within Staff costs are gross salaries of £39,030 (2020: £31,506), social security costs of £3,943 (2020: £3,016), and pension contributions of £2,992 (2020: £2,448).

There are no employees who received total employee benefits of more than £60,000 during the year to 31 December 2021 (2020: none).

The average number of employees during the year was 1 (2020:1).

The Trustees are the key management who received no emoluments during the year (2020:£nil)

Auditor remuneration totalled £6,000 net of VAT (2020: £6,000).

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>5. FIXED ASSETS</b>	<b>Page</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>Fixtures, fittings and equipment at cost</b>			
Balance at 1 January		1,302	1,302
Additions		252	-
Balance at 31 December		<u>1,554</u>	<u>1,302</u>
<b>Accumulated depreciation</b>			
Balance at 1 January		520	260
Charge for the year	11	310	260
Balance at 31 December		<u>830</u>	<u>520</u>
<b>Net Book Value at 31 December</b>	10	<u>£ 724</u>	<u>£ 782</u>
<b>6. DEBTORS</b>			
Prepayments	10	<u>£ 2,736</u>	<u>£ 4,340</u>
<b>7. CASH AT BANK</b>			
Cash at bank	10	<u>£ 2,564,380</u>	<u>£ 1,550,383</u>
<b>8. CREDITORS - amounts falling due within one year</b>			
Donations		58,132	-
Accruals		18,000	14,400
PAYE		1,193	790
Business credit card		455	1,283
	10	<u>£ 77,780</u>	<u>£ 16,473</u>

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**9. Grants Payable – Contingent Liabilities**

The Trustees made various pledges during the year with performance conditions attached. As the conditions for receiving these pledged grants were not met at the year end, these pledges were not recognised in these financial statements.

**10. RELATED PARTY TRANSACTIONS**

No related party transactions occurred during the year ended 31 December 2021. (2020: none)

No Trustee received any remuneration or reimbursement of expenses during the year ended 31 December 2021 but £60 was incurred on their behalf for accommodation costs (2020: £50 of accommodation costs)

**11. ULTIMATE CONTROLLING PARTY**

The Trustees consider that the Foundation is jointly controlled by the Trustees and that there is no ultimate controlling party.

<b>12. FINANCIAL INSTRUMENTS</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Financial assets measured at fair value	2,564,380	1,550,383
Financial assets measured at fair value consist of cash at bank.		

**JOHN PEARCE FOUNDATION**

England & Wales - Charity number 1181348

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# Accounts

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**JOHN PEARCE FOUNDATION**  
**(Registered Charity No. 1181348 and Company No. CE016045)**  
**ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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Notes to the Financial Statements	12 - 17

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

The Trustees present their report and independently audited financial statements of the John Pearce Foundation (“the Foundation” or “the CIO”), for the year ended 31 December 2020. These have been prepared in accordance with the accounting policies set out on pages 12 to 13 and comply with applicable charity law. The comparatives cover the period from its incorporation on 21 December 2018 to 31 December 2019.

**1. REFERENCE AND ADMINISTRATIVE DETAILS**

John Pearce Foundation, (registered charity number 1181348 and registered company number CE016045) is based and administered in the United Kingdom. The registered address is 29 Queen Anne’s Gate, London, SW1H 9BU.

**Trustees:**

The Trustees of the Foundation who held office during the period and continue to serve at the date of this report are:

- Rupert Bentley
- Nicolas Bentley
- Michael John Winarick

The Trustees did not hold any beneficial interest in the fund at 31 December 2020 or at any time during or since that period.

**Bankers:**

Clydesdale Bank  
154-158 Kensington High St, Kensington, London, W8 7RL

**Solicitors:**

BDB Pitmans LLP  
50 Broadway, Westminster, London, SW1H 0BL

**Accountants:**

Rawlinson & Hunter LLP  
Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ

**Independent Auditor:**

Rawlinson & Hunter Audit LLP  
Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ

**Website:**

<https://johnpearce.org/>

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**2. STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Foundation is a charitable incorporated organisation governed by its Constitution dated 21 December 2018 and is registered as a charity with the Charity Commission for England and Wales.

The Trustees are resident in the United Kingdom and meet regularly to discuss and develop the Foundation's goals and strategy and to review grant proposals and general grant requests.

The number of Trustees shall be a minimum of two at any one time and new Trustees shall be appointed by ordinary resolution by the existing Trustees. The range of skills represented on the Trustee Board will be kept under review as the Foundation develops over time.

**Induction and Training**

As part of their training, Trustees are given an information pack which includes the Foundation's Constitution and the Charity Commission guidance on Trustees' Responsibilities. All Trustees are aware of their legal duties and obligations in respect of the management of the Foundation, including in relation to the protection of its assets.

**Statement of Trustees' Responsibilities**

The Trustees are responsible for preparing the Annual Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources, including the income and expenditure of the Foundation for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Foundation's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Internal Controls**

The Trustees have overall responsibility for ensuring that the Foundation has appropriate systems of internal controls. They are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the financial statements follow best practice and all applicable law regulation and guidance. The Trustees are also responsible for the Foundation safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

**Risk Management & Corporate Governance**

A risk assessment has been undertaken which comprises:

- An annual review of the risks the Foundation may face;
- The establishment of systems and procedures to mitigate those risks; and
- The implementation of procedures designed to minimise any potential impact on the Foundation should those risks materialise.

This continuing process will identify risk areas to which the Foundation is vulnerable and highlight any necessary safeguards that will need to be put in place. No major risks were identified at the date of these accounts.

The Trustees have signed fit and proper declarations in line with HMRC guidance.

In addition, the Trustees have taken due consideration of Good Governance – A Code for the Voluntary and Community Sector, ensuring that the six main principles of the Code are adhered to. These are:

- Understanding the Trustees' role;
- Doing what the organisation was set up to do;
- Working effectively;
- Control;
- Behaving with integrity; and
- Openness and accessibility.

The Trustees recognise that good governance plays an essential part in securing the future of the Foundation and confirm that the said main principles of the Code are followed by them in leading, directing and managing the Foundation.

No Trustee received any remuneration during the period from 1 January 2020 to 31 December 2020.

The Foundation does not carry out fundraising activities

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT**

The objects of the Foundation are restricted specifically to the application of CIO funds, at such time or times and in such manner, for the public benefit, as the charity trustees may in their discretion think fit for any exclusively charitable purposes in any part of the world. The Foundation operates as a grant-making charity, supporting charitable projects and organisations with grants of varying sizes and durations.

The Trustees are looking to develop solid framework for future grant-making activities and have refined their grant-making focus areas. The Trustees have pursued a broad strategy of ensuring proper due diligence in the assessment of potential grants and ensuring that grants are made subject to appropriate terms and conditions.

**Statement of Public Benefit**

As a grant-funder, the Foundation's activities will provide public benefit to the individuals and communities who are beneficiaries of the Foundation's funded projects. The Foundation's public benefit is not limited with reference to geography or otherwise. The Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to it. They consider the information which follows in this annual report, about the Foundation's aims, activities and achievements in the areas of interest that the Foundation supports, demonstrates the benefit to its beneficiaries and through them to the public, that arise from those activities.

**Grant Making Policies**

The Trustees' grant making policy has been to generally consider making donations by way of direct funding and also by way of grants to charitable organisations recognised as such in their respective jurisdictions for projects that are exclusively charitable under English law. The Foundation has put in place sound grant arrangements so that it can properly select appropriate grantees and impose prudent terms on grants, including, as appropriate, monitoring and evaluation of the way in which funds are applied by grantees.

**4. ACHIEVEMENT AND PERFORMANCE**

**Charitable Activities**

During the year the Trustees established controls to monitor the expenditure and performance of grants and awarded their first grants towards a number of horse racing focused projects. Horse Racing was of particular interest to the late eponymous John Pearce who bequeathed the initial funding for the Foundation. By awarding grants to projects in the Horse Racing community the Trustees believe they are both preserving the legacy of John Pearce and benefiting the general public more widely.

Grants totalling £316,817 (2019: £nil) were awarded during the year, amounting to 74% of total expenditure.

**JOHN PEARCE FOUNDATION**  
**ANNUAL REPORT OF THE TRUSTEES (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**5. FINANCIAL REVIEW**

The Statement of Financial Activities on page 9 shows total incoming resources for the year of £10,715 (2019: £2,002,062), charitable activities of £428,119 (2019: £45,626). There was no expenditure on raising funds. Grant expenditure amounted to £316,817 (2019: £nil), Governance costs amounted to £111,302 (2019: £45,626) and are included within charitable activities.

The income arising during the year derives from the Trustees decision to place cash in an interest bearing account. By generating income in this manner it allows the Trustees to extend the lifespan of the Foundation whilst maintaining liquidity.

The balance of reserves at 31 December 2020 is £1,539,032 (2019: £1,956,436)

**Reserves Policy**

The Trustees have examined the Foundation's requirement for resources in light of the main risks to the organisation and have no outstanding commitments or cash demands which are not adequately covered by existing resources. The net assets of the Foundation are regarded as free reserves and the funds at 31 December 2020 will be retained to make grants in accordance with the Foundation's charitable objects and any policies. The Trustees consider that the freely expendable funds are appropriate and adequate taking into account plans for grants to be awarded in future and have at present therefore not designated any specific reserves. However, the Trustees will keep this under constant review. In future years, a specific reserves policy may be required.

**6. PLANS FOR THE FUTURE**

The Trustees do not propose to deviate from the current objectives and activities of the Foundation as detailed in Section 3 of this report but will further develop and refine their strategies, policies and procedures in future.

**7. AUDITOR**

A resolution will be proposed at the Trustees' Meeting that Rawlinson & Hunter Audit LLP be re-appointed as auditor to the Charity for the ensuing year.

**Approved by the trustees and signed  
on their behalf by:**

Rupert Bentley

.....  
Trustee

29.06.2021.....  
Date

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE TRUSTEES OF**  
**JOHN PEARCE FOUNDATION**

**Opinion**

We have audited the financial statements of John Pearce Foundation (“the Foundation” or “CIO”) for the year ended 31 December 2020 which comprise the Statement of Financial Activities (Including Income and Expenditure Account), the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Foundation’s affairs as at 31 December 2020, and of its incoming resources and application of resources, including its income and expenditure, for the year ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Foundation’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report of the Trustees and Financial Statements, other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITOR'S REPORT (continued)**  
**TO THE TRUSTEES OF**  
**JOHN PEARCE FOUNDATION**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities set out on page 2, the trustees (who are also the directors of the Foundation for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Our assessment of the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur, is considered to be low. This conclusion was reached after the consideration of the following:

**INDEPENDENT AUDITOR'S REPORT (continued)**  
**TO THE MEMBERS AND TRUSTEES OF**  
**JOHN PEARCE FOUNDATION**

- due to the relatively simple business model and minimal transactions within the Foundation there are comparatively few unexpected fluctuations in the reported results and balances and any such unexpected items would be specifically enquired into by us; and
- there are a number of individuals which comprise “management” and therefore there is no single individual who is likely to be able to override controls to effect a fraud.

We designed our audit procedures to respond to identified audit risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements. Some of the specific procedures performed to detect irregularities, including fraud, are detailed below:

- the review of control accounts and journal entries for large, unusual or unauthorised entries;
- the analytical review of the detailed statement of financial activities for variances that are either unexpected or felt not to be in accordance with our understanding of the charitable activities during the year;
- obtaining and reviewing for completeness a list of entities and persons considered to be related parties (as defined by Financial Reporting Standard 102) and reviewing the ledgers of the Foundation for previously unreported related party transactions;
- review of transactions and journals for any indication of fraud or management override.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report

### **Use of our report**

This report is made solely to the Foundation's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Rawlinson & Hunter Audit LLP**

Statutory Auditor  
Eighth Floor  
6 New Street Square  
New Fetter Lane  
London  
EC4A 3AQ  
29 June 2021

Rawlinson & Hunter Audit LLP is eligible to act as an auditor in accordance with Section 1212 of the Companies Act 2006.

## JOHN PEARCE FOUNDATION

(Registered Charity No. 1181348 and Company No. CE016045)

STATEMENT OF FINANCIAL ACTIVITIES  
(including Income & Expenditure Account)

FOR THE YEAR ENDED 31 DECEMBER 2020

	Page	2020 £	2019 £
<b>Income from:</b>			
Investments (note 2)	14	10,715	2,062
Donations (note 3)	14	-	2,000,000
<b>Total Income</b>		<u>10,715</u>	<u>2,002,062</u>
<b>Expenditure on:</b>			
Charitable Activities (note 4)	15	428,119	45,626
<b>Total Expenditure</b>		<u>428,119</u>	<u>45,626</u>
<b>Net (expenditure)/income</b>		<u>(417,404)</u>	<u>1,956,436</u>
<b>Net movement in funds</b>		<u>(417,404)</u>	<u>1,956,436</u>
<b>Reconciliation of funds</b>			
Total Funds Brought Forward at 1 January 2020		1,956,436	-
<b>Total Funds Carried Forward at 31 December 2020</b>		<u>£ 1,539,032</u>	<u>£ 1,956,436</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for the year ended 31 December 2020 other than those included in the Income and Expenditure Account.

**JOHN PEARCE FOUNDATION**  
**(Registered Charity No. 1181348 and Company No. CE016045)**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2020**

	<b>Page</b>	<b>2020 £</b>	<b>2019 £</b>
<b>Fixed Assets</b>			
Tangible Assets (note 5)	15	782	1,042
<b>Current Assets</b>			
Debtor (note 6)	16	4,340	355
Cash at bank (note 7)	16	1,550,383	1,977,577
<b>Total Current Assets</b>		1,554,723	1,977,932
<b>Liabilities</b>			
Creditors - amounts falling due within one year (note 8)	16	(16,473)	(22,538)
<b>Total Assets less Current Liabilities</b>		1,539,032	1,956,436
<b>Net Assets</b>		£ 1,539,032	£ 1,956,436
<b>The funds of the charity:</b>			
Unrestricted funds		1,539,032	1,956,436
<b>Total charity funds</b>		£ 1,539,032	£ 1,956,436

The financial statements were approved and authorised for issue by the Trustees and were signed on their behalf by:

Rupert Bentley

.....  
**Trustee**

29.06.2021.....  
**Date**

**JOHN PEARCE FOUNDATION**  
(Registered Charity No. 1181348 and Company No. CE016045)

**STATEMENT OF CASHFLOWS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Page	2020 £	2019 £
<b>Net cash flow from Operating Activities</b>			
Net movement on funds for the year	9	(417,404)	1,956,436
Less: Investment income and deposit interest	14	(10,715)	(2,062)
Add: Depreciation	15	260	260
(Increase) in debtors	16	(3,985)	(355)
(Decrease)/increase in creditors	16	(6,065)	22,538
		<hr/>	<hr/>
<b>Net cash provided by Operating Activities</b>		(437,909)	1,976,817
<b>Cash flows from Investing Activities</b>			
Deposit interest	14	10,715	2,062
Purchase of property, plant and equipment	16	-	(1,302)
		<hr/>	<hr/>
<b>Net cash provided by Investing Activities</b>		10,715	760
<b>Net (decrease)/increase in cash in the period</b>		£ (427,194)	£ 1,977,577
		<hr/> <hr/>	<hr/> <hr/>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Net cash resources at 1 January 2020		1,977,577	-
Net (decrease)/increase in cash		(427,194)	1,977,577
		<hr/>	<hr/>
<b>Net cash resources at 31 December 2020</b>		£ 1,550,383	£ 1,977,577
		<hr/> <hr/>	<hr/> <hr/>
<b>Analysis of net funds:</b>			
Cash at Bank (note 7)	16	1,550,383	1,977,577
		<hr/>	<hr/>
		£ 1,550,383	£ 1,977,577
		<hr/> <hr/>	<hr/> <hr/>

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**1. ACCOUNTING POLICIES**

**Basis of Preparation of Financial Statements**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("Charities SORP FRS 102"), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The Foundation constitutes a public benefit entity as defined by Charities SORP FRS 102.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

In applying the financial reporting framework, the Trustee has made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

The comparative figures throughout the Financial Statements and supporting notes are from inception on 21 December 2018 to 31 December 2019.

**Incoming Resources**

Investment income is derived from interest and dividends receivable from investments and is accounted for in the period in which the Foundation is entitled to receipt. Interest from deposit accounts are included as and when received only. All incoming resources are included in the SOFA when the Trust is entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary donations include donations under Gift Aid with the associated tax credits included when receivable. Interest from deposit accounts are included when received.

**Resources Expended**

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation committing the Trustee to the expenditure.

Charitable activities include governance costs made during the period and are expended through the SOFA when the offer is conveyed to the recipient.

Cost of raising funds relate to the costs incurred by the Trust in managing its investment portfolios.

Governance costs relating to the general running of the Trust, as opposed to the management functions inherent in generating funds.

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Financial instruments**

The Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value and subsequently measured at their settlement value.

**Grants payable**

Grants payable are made to third parties in furtherance of the Trust's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without conditions, or the recipient has a reasonable expectation that they will receive a grant and that any conditions attaching to the grant are outside of the control of the Trust.

**Status of funds**

The entire resources of the fund are unrestricted and the Trustees have complete discretion for their use in pursuance of its objects.

**Taxation**

The Foundation is not subject to any taxes on its charitable activities.

Irrecoverable VAT is charged against the activity for which expenditure was incurred.

**Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised as expenditure.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are within borrowing in current liabilities.

**Provisions**

Provisions are recognised when the Foundation has an obligation at the Balance Sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**Employee benefits**

When employees have rendered service to the Foundation, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

**Tangible Fixed Assets**

Tangible fixed assets are included at their cost value and depreciated using the straight line method over 5 years.

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**1. ACCOUNTING POLICIES (continued)**

**Going concern**

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect of the year to 31 December 2020.

The Covid-19 pandemic has not significantly impacted the Foundation and the Trustees have not had to access any of the UK Governments business support packages. Having considered the contingency plans in place, the support to businesses still available from the UK Government and having reviewed updated cashflow forecasts, the trustees consider the adoption of the going concern basis in preparing these financial statements continues to be appropriate.

<b>2. INCOME FROM INVESTMENTS</b>	<b>Page</b>	<b>2020</b> <b>£</b>	<b>2019</b> <b>£</b>
Deposit interest		10,715	2,062
	9	<u>£ 10,715</u>	<u>£ 2,062</u>
 <b>3. INCOME FROM DONATIONS</b>			
Donations received		-	2,000,000
	9	<u>£ -</u>	<u>£ 2,000,000</u>

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

<b>4. EXPENDITURE ON CHARITABLE ACTIVITIES</b>	<b>Page</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
<b>UK Grants Awarded:</b>			
The Racing Centre	Reg. Charity No. 1107833	150,006	-
Racing Welfare	Reg. Charity No. 1084042	130,179	-
Racing to Relate	Reg. Charity No. 1182855	36,632	-
		<hr/>	<hr/>
<b>Total Grants Awarded</b>		316,817	-
<b>Governance Costs:</b>			
IT		49,315	8,514
Staff costs		37,872	12,183
Accountancy fees		8,400	6,000
Independent auditor fees		8,400	6,000
Legal fees		5,040	10,662
Insurance fees		1,428	1,066
Office expenses		445	881
Depreciation	15	260	260
Banking charges		92	-
Trustee expenses		50	60
		<hr/>	<hr/>
		111,302	45,626
		<hr/>	<hr/>
<b>Total Charitable Activities</b>	9	<u>£ 428,119</u>	<u>£ 45,626</u>
<p>Included within Staff costs are gross salaries of £31,506 (2019: £10,577), social security costs of £3,016 (2019: £983) and pension contributions of £2,448 (2019: £260).</p>			
<b>5. FIXED ASSETS</b>	<b>Page</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
<b>Fixtures, fittings and equipment at cost</b>			
Balance at 1 January 2020		1,302	-
Additions		-	1,302
		<hr/>	<hr/>
Balance at 31 December 2020		1,302	1,302
		<hr/>	<hr/>
<b>Accumulated depreciation</b>			
Balance at 1 January 2020		260	-
Charge for the year	11	260	260
		<hr/>	<hr/>
Balance at 31 December 2020		520	260
		<hr/>	<hr/>
<b>Net Book Value at 31 December 2020</b>	10	<u>£ 782</u>	<u>£ 1,042</u>

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

<b>6. DEBTORS</b>	<b>Page</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
Pensions		3,982	-
Insurance		358	355
	10	<u>£ 4,340</u>	<u>£ 355</u>
 <b>7. CASH AT BANK</b>			
Clydesdale 95 Day Notice Business A/C - 50122103		1,512,009	1,501,295
Clydesdale Club & Societies A/C - 70030104		37,967	475,816
Clydesdale Charity Instant Access A/C - 30122272		407	466
	10	<u>£ 1,550,383</u>	<u>£ 1,977,577</u>
 <b>8. CREDITORS - amounts falling due within one year</b>			
Accountancy fees		7,200	6,000
Independent auditor fees		7,200	6,000
Access		1,140	8,514
PAYE		790	960
Wagemate		74	74
Healthcare		68	64
Bank charges		1	-
Business Credit Card		-	926
	10	<u>£ 16,473</u>	<u>£ 22,538</u>
 <b>9. Grants Payable – Contingent Liabilities</b>			

During the year the Trustees agreed a charitable pledge with Racing Welfare totalling up to £500,000. A further charitable pledge was made to the Racing to Relate totalling up to £157,834.

As these pledges have a number of conditions which are required to be met before further payments may be released and drawn down over an unknown period, the amounts have not been recognised in these Financial Statements. At 31 December 2020, the total contingent liability remaining for Racing Welfare was £397,436, and £121,202 for Racing to Relate.

**JOHN PEARCE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**10. RELATED PARTY TRANSACTIONS**

No related party transactions occurred during the year ended 31 December 2020.

No Trustee received any remuneration or reimbursement of expenses during the year ended 31 December 2020.

**11. ULTIMATE CONTROLLING PARTY**

The Trustees consider that the Foundation is jointly controlled by the Trustees and that there is no ultimate controlling party.

<b>12. FINANCIAL INSTRUMENTS</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Financial assets measured at fair value (a)	1,554,383	1,977,577
Financial assets measured at fair value consist of cash at bank.		