

**Report of the Trustees and**  
**Financial Statements**  
**for the Year Ended 31 December 2022**  
**for**  
**JAC Trust**

Sumer Audit  
Statutory Auditor  
Chartered Accountants  
County Gate  
County Way  
Trowbridge  
Wiltshire  
BA14 7FJ

**JAC Trust**

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**for the Year Ended 31 December 2022**

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**JAC Trust**  
**Report of the Trustees**  
**for the Year Ended 31 December 2022**

Charity Name:	JAC Trust
Registration Number:	1189523
Governing Document:	Constitution of a Charitable Incorporated Organisation dated 18/05/2020
Registered Address:	Box 2, c/o C&J Clark International Ltd 40 High Street Street Somerset BA16 0EQ
Trustees	Odette Clark Campbell (Chair) Dulma Clark Aidan Pelly Andrew Pym William Pym David Linehan (appointed 15.02.2022)
Principal Staff	Daniela Lloyd-Williams (Director)
Bankers:	CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent, ME19 4JQ
Auditors:	Sumer Audit Fortescue House Court Street Trowbridge, BA14 8FA
Fund Managers:	Rathbone Greenbank Investments 10 Queen Street Bristol BS1 4NT

**JAC Trust**  
**Report of the Trustees**  
**for the Year Ended 31 December 2022**

The Trustees present their report and the audited financial statements of JAC Trust for the year ended 31 December 2022.

The financial statements comply with the governing document, the Charities Act 2011, and the 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) (effective 1 January 2016).

## **Structure, Governance and Management**

### **Incorporation of JAC Trust**

JAC Trust is a Charitable Incorporated Organisation (CIO) governed according to its Constitution dated 18 May 2020. It commenced operations on 1 July 2020 when it took over the main business and assets of the J.A. Clark Charitable Trust (charity registration number 1010520). The unincorporated charity was retained throughout 2021 to await completion of the first registration of land assets with the Land Registry and subsequent transfer of those assets to JAC Trust. The merger between J.A. Clark Charitable Trust and JAC Trust was completed on 3 May 2022.

### **Trustees**

The Trustees who served in 2022 and up to the date of this report are as follows:

Odette Clark Campbell (Chair)  
Dulma Clark  
David Linehan (appointed 15.02.2022)  
Aidan Pelly  
Andrew Pym  
William Pym

Four of the Trustees are descendants of J. Anthony Clark, the settlor of the J.A. Clark Charitable Trust. All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 9 to the accounts.

Three of the Trustees were also Trustees of the J.A. Clark Charitable Trust, Odette Clark Campbell, Aidan Pelly, William Pym.

The Constitution provides for new Trustees to be appointed by the existing Trustees. In November 2021 the Trustees began the process to recruit a sixth trustee, by advertising the trustee vacancy on relevant on-line platforms. The process was completed on 15 February 2022 with the appointment of David Linehan. On appointment, Trustees are given an induction pack and are offered one or more briefing meetings with the Director and/or Chair to familiarise themselves with the charity, its governance, the context it operates in and their own roles and responsibilities.

### **Governance**

Trustees are responsible for all decisions on the Trust's policies and grants. The Trustees met six times in 2022, twice to review and approve grants and on four other occasions to discuss and progress governance, strategy and other matters.

The Trust has two committees which meet separately to the Board and report to it: Finance & Investment and Programme. All Trustees must serve on at least one of the committees. The Programme Committee reviews and assesses all grant applications to the Trust and makes funding recommendations to the Board. The Programme Committee draws on the expertise of an external adviser who joined the Committee in 2021, following an open, competitive recruitment process. The adviser gives their time voluntarily and receives no benefits from the charity.

**JAC Trust**  
**Report of the Trustees**  
**for the Year Ended 31 December 2022**

## Management

The Trustees govern the Trust and control its strategic direction. They delegate the management of the Trust to the Trust Director, who is supervised by the Chair of the Board of Trustees and reports to the Trustees at their Board meetings.

The Trust's remuneration policy is to balance the wish to attract and retain suitably qualified and experienced staff with careful management of the charity's funds. The Director's salary is reviewed annually, and any pay increase is linked to performance and approved by the Board. Pay is periodically benchmarked against grant-making salaries of a similar size, most recently in 2022.

## Charitable Objectives and Activities

### Objectives and activities for the public benefit

JAC Trust exists and operates for the public benefit. Through its grant-making and social investments it works to improve the quality of life for people in need in the UK and overseas. The public benefit created by JAC Trust is demonstrated in this report through the listing of grants that we have made throughout the year.

The Trustees confirm that they have given due regard to the Charity Commission's published guidance on public benefit when reviewing JAC Trust's activities and in setting the funding strategy and grant-making policy. Trustees keep public benefit in mind when reviewing applications and making grant decisions. The Trustees ensure that all projects and organisations funded by JAC Trust have charitable objects or purposes as defined by the Charities Act 2011.

The objects of JAC Trust are to advance purposes which are exclusively charitable according to the law of England and Wales as the Trustees may in their absolute discretion think fit. JAC Trust carries out these objectives by making grants to organisations that carry out charitable activities in the UK and internationally, and through social investments.

Our objective: to increase the climate resilience of forcibly displaced people

In 2020 the Trustees adopted a ten year strategy that focuses on the climate change and forced displacement intersection. The overall aim of this is to help forcibly displaced people, their host communities and those at acute risk of displacement to respond to the challenges of climate change. The years 2020 and 2021 were designated a learning phase, during which the Trust funded a number of diverse initiatives at the climate change and forced displacement intersection in order to maximise learning. Informed by this learning, the Trustees refined the strategy at the beginning of 2022, adopting the following objective:

To increase the climate resilience of forcibly displaced people and their host communities while also promoting environmental protection/recovery.

In 2022 the number of forcibly displaced people reached an all-time high of 102 million (UNHCR, 2022). Armed conflicts, persecution and natural disasters are the main drivers behind this displacement. However, the climate crisis is a compounding factor as climate change erodes coping mechanisms and amplifies existing risks as well as creating new ones. With 90% of refugees and 70% of IDPs living in areas highly vulnerable to climate change, displaced people and their host communities are particularly exposed to the impacts of climate change. Rising temperatures are altering weather and rainfall patterns, threatening livelihoods that depend on natural resources and exacerbating food insecurity. This is compounded by environmental degradation due to population pressure, which in turn aggravates the impact of climate change. Competition over scarce natural resources can generate tensions between the host and displaced communities, ultimately leading to further displacement.

The need for funds is significant. Funding for climate resilience in general is very much the poor relation to mitigation; only one-quarter of climate change funding goes to adaptation. Moreover, what funds there are do not tend to focus on the needs of displaced communities or their hosts. According to the ICRC \$0 of adaptation finance reaches conflict victims and refugees.

## JAC Trust

### Report of the Trustees for the Year Ended 31 December 2022

Displaced people make up 1/8 of all people who do not have access to energy (Ashden Climate Solutions).

The last two years have shown us that numerous organisations are working with displaced people and their host communities to increase their climate resilience while also protecting or rehabilitating the natural environment. The work of these organisations is making a substantial difference to the people they work with, and by supporting such organisations we can increase the number of people transitioning from surviving to living.

## **Family Fund**

JAC Trust is a family foundation. It supports the philanthropic giving of family members through a Family Fund that is capped at 10% of the grant-making budget. All Family Fund grants and donations are approved by the Trustees.

## **Achievements and Performance**

### **Grant-making to increasing the climate resilience of forcibly displaced people**

In 2022 we narrowed our focus to forcibly displaced people and their host communities, and switched to making larger, multi-year grants while retaining the existing open application system. Two calls for expressions of interest were issued on our website in the year. To reduce the number of ineligible applications the wording on our website was refined and a screening questionnaire was added.

A total of £381,206 was awarded in grants to 7 organisations. All grants were for between 18 and 36 months. In addition, the Environmental Funders Network received a donation of £1500.

Organisation	Project Name	Location	£	Start	End
<b>AMOR</b> <a href="http://www.amorquatemala.org">www.amorquatemala.org</a>	Food for Life Phase 2	Guatemala	£45,696	01/07/22	30/06/24
<b>Ashden Climate Solutions</b> <a href="http://www.ashden.org">www.ashden.org</a>	Energising Refugee Livelihoods Award	Global	£60,000	01/07/22	30/06/25
<b>ForAfrika</b> <a href="http://www.forafrika.org">www.forafrika.org</a>	Increasing the resilience of refugees and host communities through climate-smart farming	Uganda	£52,000	01/07/22	28/02/24
<b>Sengwer of Embobut CBO</b> <a href="http://www.sengwer.org">www.sengwer.org</a>	Promotion of conservation and restoration of Embobut Forest Ecosystem and Livelihoods	Kenya	£45,000	01/07/22	30/06/24
<b>Hope for a Better Future</b> <a href="https://www.h4bf-foundation.org">https://www.h4bf-foundation.org</a>	Improving Livelihood & Environmental Protection Through Provision of Durable Solar Powered Products for IDP and Vulnerable Women in Donga Mantung	Cameroon	£59,856	01/12/22	30/11/25
<b>International Refugee Trust</b> <a href="https://www.irt.org.uk">https://www.irt.org.uk</a>	Step-up sustainable agriculture project in Lira District	Uganda	£59,076	01/04/23	31/03/26
<b>Papua Partners</b> <a href="https://www.papuapartners.org">https://www.papuapartners.org</a>	Integrated Development for Internally Displaced Indigenous Communities in West Papua	Indonesia	£59,578	15/02/23	14/02/25
<b>Environmental Funders Network</b>	Annual Membership		£1500	01/07/22	30/06/23
<b>Total</b>			<b>£382,706</b>		

## **JAC Trust**

### **Report of the Trustees** **for the Year Ended 31 December 2022**

#### **Family Fund**

A total of £47,500 was distributed.

<b>Organisation</b>	<b>£</b>	<b>Additional Information</b>
<b>DEC</b>	£3000	Ukraine emergency appeal
<b>Friends of Khwendo Kor</b>	£1500	To support the Pakistan Flood Response
<b>Single Homeless Project</b>	£1500	Addressing homelessness in London
<b>Salvation Army in Street</b>	£1500	Street Food Bank and Christmas Appeal
<b>GapArt</b>	£15,000	The Great Green Ribbon in the occupied West Bank
<b>The Felix Project</b>	£15,000	Reducing food poverty in London through rescuing surplus food.
<b>Muslim Global Relief</b>	£10,000	To support humanitarian work in Afghanistan.
<b>Total</b>	<b>£47,500</b>	

#### **Impact**

As a grant-making charity JAC Trust achieves impact through funding the work of charities and other not-for profit organisations. All grant recipients are required to provide us with a final project report that details the outcomes of their work, both on a quantitative and qualitative basis.

The wide range of activities we support in diverse contexts means that we do not have standard impact indicators against which all projects are measured. Instead, each project is taken on an individual basis and outcomes are measured against the objectives agreed with the project. Where relevant, the Trustees also consider impacts on the capacity of the organisation itself.

13 grantees submitted final reports in 2022. According to these funding from JAC Trust contributed to the following achievements:

- 2062 households, or 10,000 people, became more food secure, depending on the context they increased the number of meals per day from one to two or from two to three. The nutritional value of these meals also improved.
- 1598 people increased their resilience to shocks due to increased savings/incomes
- 950 households have adopted a fuel efficient cook stove, reducing wood/charcoal consumption by 50-70%.
- 74,764 trees were planted
- 32,276 ha of forest were protected from deforestation
- 1400 people have better access to water
- 687 women accessed family planning services.

#### **Social Investment**

In 2022 the Trustees approved an updated Mission Responsible Investment Policy. To date the Trust has one social investment: a £80,000 loan to the Wyre Catchment Natural Flood Management Project approved in 2021. This pilot project tests whether private investment capital can be used to finance natural landscape restoration through the development of monetisable ecosystem services, i.e. such as natural flood management.

**JAC Trust**  
**Report of the Trustees**  
**for the Year Ended 31 December 2022**

**Financial Review**

Since 2020 the trustees have followed a total return strategy for the management of the Trust's investment portfolio, we aim to achieve a balance between capital growth and income generation. The long-term objective is to maintain the long term real value of the investment fund while sustaining the level of grant distributions. Notwithstanding this, in 2021 the Trustees committed to maintaining a grants budget of £500,000 pa up until 2024.

The principal funding source of JAC Trust is from investment income of £167,807 (2021: £159,570). Total income was £167,957 (2021: £159,770).

Expenditure in 2022 was lower than the previous year at £546,433 (2021: £574,229), reflecting the move to multi-year grants. Grants for charitable purposes were £422,011 (2021: £458,581).

**Reserves Policy**

The funds are held as an expendable endowment. The Trustees do not operate a reserves policy, but manage the balance between short and long-term financial objectives through their grant making and investment policies.

Unrestricted reserves at 31 December 2022 were £107,180.

**Investment Policy and Performance**

The investments consist of a portfolio of externally managed quoted investments, land and property, and a shareholding in the private company C&J Clark Ltd ("CJC") which formed the original endowment in 1970.

The Trustees take a responsible and ethical view to investing, with an emphasis on considering an array of environmental, social and governance issues. In 2019 the Trustees reviewed and updated the investment policy moving from negative screening to full integration of sustainability considerations. This reflects the Trustees' commitment to using the Trust's assets to support the transition to a post-Carbon economy.

The investment portfolio has been managed by Rathbone Greenbank since December 2019. Throughout 2022, global equity markets suffered significant falls in value reflecting the impact of the Russian invasion of Ukraine which triggered unprecedented increases in energy prices, which in turn drove a large acceleration of consumer inflation and accompanying rises in interest rates. Portfolios such as that of the Trust, with a strong sustainability focus, were disproportionately impacted given the absence of exposure to sectors such as fossil fuels as well as higher interest rates adversely impacting growth focused sectors. Thus, the Trust's portfolio value fell by 17.7%, compared to the 2021 year-end value. While this was clearly a disappointing outcome, both the Trustees and investment manager remain optimistic that the long-term total return target of 4% plus inflation can be achieved, not least given the sustainability focus of the portfolio.

**Fundraising Policy**

The charity does not engage in any public fundraising activities. The Trust's income is derived from its investment portfolio and other assets. On occasion individuals linked to the charity make a donation to it.



**JAC Trust**  
**Report of the Trustees**  
**for the Year Ended 31 December 2022**

**Principal Risks and Uncertainties**

The Trustees have examined the major risks to which JAC Trust is exposed. Risks are assessed on the basis of their likelihood and potential impact. The Trustees are satisfied that it has policies, procedures and systems in place to manage the risks the charity faces.

The Trustees considered the following to be the key risks faced by JAC Trust:

- *Investment risk.* Given the volatility in global equity markets and high-inflation, there is a real risk that the Trust's capital is eroded over time as capital growth fails to keep pace with inflation in the long-term. We mitigate this risk by investing through an investment manager and maintaining a diverse investment portfolio. Moreover, the Trustees seek to spread investment risk where possible. Trustees are aware of the investment risk posed by the large holding in the private company C & J Clark Limited. As it is a private company the marketability of shares is strictly limited providing only limited opportunity to disinvest. We continue to take any opportunities to diversify.
- *Partner delivery risk:* JAC Trust funds the work of independent not-for-profit organisations. There is a risk that the agreed objectives are not achieved due to; the inherent risk of failure in an innovative project, poor project design, a lack of financial and/or human capacity to carry out the work, natural hazards and conflict impeding project implementation, the sudden closure of a charity. The Trustees believe that local organisations are often best placed to respond to problems and are therefore willing to fund non-UK registered charities. The Trustees are willing to fund high-risk projects in certain situations where success could lead to truly transformative results and risks are clearly acknowledged and described. In general, risks are mitigated through due diligence and monitoring procedures.
- *Fraud as a result of cyber-attack.* The Trust is aware that foundations, along with solicitors, are the targets of cyber attacks where attackers impersonate a grantee. This risk of inadvertently transferring funds to the wrong account is mitigated through following the strong internal protocol for checking bank information.

**Funder Commitment on Climate Change**

JAC Trust became a signatory to the Funder Commitment on Climate Change on its launch in November 2019. The Funder Commitment on Climate Change recognises that the impact of climate change is wide ranging, and a serious threat to funders achieving their charitable objectives. Funders therefore have a responsibility to ensure they are managing and distributing resources in a way that understands and responds to this emergency.

The Commitment provides funders with a framework for considering how their investments, operations and funding can both help tackle the causes and mitigate the effects of climate change. A key part of this framework is reporting on our progress towards these goals on an annual basis. Our progress towards these goals is outlined below.

## **JAC Trust**

### **Report of the Trustees** **for the Year Ended 31 December 2022**

<b>Commitment</b>	<b>Progress, 2022</b>
<b>1. Educate and learn</b>	<p>Staff and trustees met with, and visited, partner organisations working to adapt to and combat climate change. This included a talk to trustees from our partner Climate Outreach on the links between climate change and migration, the Ashden Awards evening and a visit to three partners in Uganda working on regenerative agriculture, clean cooking and afforestation programmes.</p> <p>We continued our membership of the EFN, enabling us to access online webinars, reports and in-person learning events.</p>
<b>2. Commit resources</b>	<p>90% of the Trust's grant's budget is dedicated to addressing climate change. Climate justice is important to us and we therefore focus our resources on communities on the frontline of climate change in the global south., specifically refugees, IDPs and other forcibly displaced people. In 2022 we switched to making multi-year grants, new awards included:</p> <ul style="list-style-type: none"><li>- Ashden Climate Solutions to fund the Energising Refugee Livelihoods Award,</li><li>- Sengwer of Embobut CBO to restore the Sengwer Forest Ecosystem in Kenya, and</li><li>- ForAfrika to support refugees and their host community in Uganda to become food secure and more climate resilient through the promotion of regenerative agriculture, agroforestry and clean cooking.</li></ul>
<b>3. Integrate</b>	<p>For the first time, all grants awarded through our Family Fund addressed the climate crisis, either in the UK or overseas.</p>
<b>4. Steward our investments for a post-carbon future</b>	<p>We decarbonised our investment portfolio in 2020. In 2022 we approved a mission related investment policy under which 5% of our investment assets will be directed to environmental impact investments. Our first investment pilots the use of nature based flood management solutions in the Wyre Catchment.</p>
<b>5. Decarbonise our operations</b>	<p>In 2022 all internal meetings involving staff and trustees took place virtually.</p> <p>We also moved to more modern, energy efficient offices sharing space with other organisations.</p>

## **Future Plans**

The Trustees will continue to fund initiatives that increase the climate resilience of forcibly displaced people and their host communities while also promoting environmental recovery/protection. Preference will be given to initiatives that foster a positive engagement between the host and displaced communities.

Given the extremely large number of Expressions of Interest received in response to the Spring 2023 call for applications (300 were eligible) the Trustees have decided to suspend the Summer 2023 call for applications and will draw on the spring pool of applicants instead.

The Trustees approved a Mission Responsible Investment in March 2023.

## **Audit**

A resolution proposing that Sumer Audit (formerly Monahans) be re-appointed as the auditors of the charity for the financial year ending 31 December 2022 was passed at a meeting of the JAC Trust Board held on 8 June 2022.

**JAC Trust**  
**Report of the Trustees**  
**for the Year Ended 31 December 2022**

**Statement of Trustees' Responsibilities**

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom accounting standards (the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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 charity's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the Trustees are required to:

1. Select suitable accounting policies and apply them consistently;
2. Make judgements and estimates that are reasonable and prudent;
3. Observe methods and principles in the Charities SORP 2015 (FRS 102);
4. State whether the financial statements comply with applicable accounting standards and the trust deed and rules, subject to any material departures disclosed and explained in the financial statements;
5. Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Signature and Declaration**

This report was approved by the Trustees on 20 June 2023 and signed on their behalf by:



Odette Clark Campbell  
Chair of the Trustees

**Report of the Independent Auditors to the Trustees of**  
**JAC Trust**

**Opinion**

We have audited the financial statements of JAC Trust (the 'charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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, other than the financial statements and our Report of the Independent Auditors 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.

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 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records 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, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

**Report of the Independent Auditors to the Trustees of**  
**JAC Trust**

**Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 144 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Trust and sector, we identified that the principal risks of non-compliance with laws and regulations related to compliance with charity legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements of the Trust. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Statement of Recommended Practice (FRS102). We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related potential lack of segregation of duties, bookkeeping errors and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the audit engagement team included:

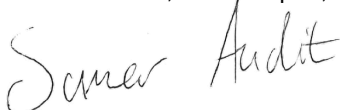
- Enquiry of management and those charged with governance about any known or suspected instances of noncompliance with laws and regulations and fraud;
- Understanding of management's internal controls designed to prevent and detect irregularities, and fraud;
- Reviewing minutes of meetings of those charged with governance and any correspondence with The Charity Commission;
- Performing analytical procedures to identify any unusual or unexpected relationship that might indicate a risk of material misstatement due to fraud;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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 Report of the Independent Auditors.

**Use of our report**

This report is made solely to the charity'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 auditors' 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.



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Statutory Auditor  
Chartered Accountants  
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BA14 7FJ

Date: 05 July 2023

**JAC Trust**

**Statement of Financial Activities**  
**for the Year Ended 31 December 2022**

	Notes	Unrestricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	150	-	150	-
Investment income	3	167,807	-	167,807	159,570
Other income	4	-	-	-	200
<b>Total</b>		<u>167,957</u>	<u>-</u>	<u>167,957</u>	<u>159,770</u>
 <b>EXPENDITURE ON</b>					
Raising funds	5	8,394	56,075	64,469	68,651
<b>Charitable activities</b>	6				
Family Fund		75,478	-	75,478	26,710
Climate Change and Forced Displacement		<u>168,888</u>	<u>237,598</u>	<u>406,486</u>	<u>478,868</u>
<b>Total</b>		<u>252,760</u>	<u>293,673</u>	<u>546,433</u>	<u>574,229</u>
 Net gains/(losses) on investments		<u>-</u>	<u>(4,003)</u>	<u>(4,003)</u>	<u>1,899,306</u>
 <b>NET INCOME/(EXPENDITURE)</b>		(84,803)	(297,676)	(382,479)	1,484,847
<b>Transfers between funds</b>	20	60,656	(60,656)	-	-
<b>Other recognised gains/(losses)</b>					
Gains on revaluation of fixed assets		<u>-</u>	<u>29,429</u>	<u>29,429</u>	<u>32,900</u>
<b>Net movement in funds</b>		(24,147)	(328,903)	(353,050)	1,517,747
 <b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>131,327</u>	<u>11,603,816</u>	<u>11,735,143</u>	<u>10,217,396</u>
 <b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>107,180</u></u>	<u><u>11,274,913</u></u>	<u><u>11,382,093</u></u>	<u><u>11,735,143</u></u>

The notes form part of these financial statements

**JAC Trust**

**Balance Sheet**  
**31 December 2022**

	Notes	Unrestricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	13	1,237	278,829	280,066	249,400
<b>Investments</b>					
Investments	14	-	9,856,219	9,856,219	10,053,676
Investment property	15	-	1,377,463	1,377,463	1,300,740
Social investments	16	24,000	-	24,000	-
		25,237	11,512,511	11,537,748	11,603,816
<b>CURRENT ASSETS</b>					
Debtors	17	4,070	-	4,070	544
Cash at bank		101,725	-	101,725	183,902
		105,795	-	105,795	184,446
<b>CREDITORS</b>					
Amounts falling due within one year	18	(23,852)	(140,217)	(164,069)	(53,119)
<b>NET CURRENT ASSETS</b>		81,943	(140,217)	(58,274)	131,327
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		107,180	11,372,294	11,479,474	11,735,143
<b>CREDITORS</b>					
Amounts falling due after more than one year	19	-	(97,381)	(97,381)	-
<b>NET ASSETS</b>		107,180	11,274,913	11,382,093	11,735,143
<b>FUNDS</b>	20				
Unrestricted funds				107,180	131,327
Endowment funds:					
Expendable endowment				11,190,636	11,548,968
Tangible fixed asset revaluation reserve				84,277	54,848
				11,274,913	11,603,816
<b>TOTAL FUNDS</b>				11,382,093	11,735,143

The financial statements were approved by the Board of Trustees and authorised for issue on 20 June 2023  
and were signed on its behalf by:

  
O Clark Campbell, Trustee

**JAC Trust**

**Cash Flow Statement**  
**for the Year Ended 31 December 2022**

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	23	<u>(47,393)</u>	<u>(442,609)</u>
Net cash used in operating activities		<u>(47,393)</u>	<u>(442,609)</u>
 <b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(1,649)	-
Purchase of fixed asset investments		(1,878,340)	(555,855)
Purchase of social investments		(24,000)	-
Sale of fixed asset investments		1,995,071	1,038,224
Movement in cash held for investment		-	(38,718)
Interest received		964	11
Dividends received		142,651	131,868
Property income		<u>24,192</u>	<u>27,691</u>
Net cash provided by investing activities		<u>258,889</u>	<u>603,221</u>
 <b>Cash flows from financing activities</b>			
Expenditure attributable to endowment		<u>(293,673)</u>	<u>(55,301)</u>
Net cash used in financing activities		<u>(293,673)</u>	<u>(55,301)</u>
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the reporting period</b>		(82,177)	105,311
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>183,902</u>	<u>78,591</u>
 <b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>101,725</u></u>	<u><u>183,902</u></u>

The notes form part of these financial statements



## **JAC Trust**

### **Notes to the Financial Statements** **for the Year Ended 31 December 2022**

#### **1. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. The most significant areas of adjustment and key assumptions that affect items in the accounts are to do with estimating the liability from multi-year grant commitments. With respect to the next year, the most significant areas of uncertainty that affect the carry value of assets held by the Trust are the level of investment return and the performance of investment markets.

The Trust constitutes a public benefit entity as defined by FRS102.

##### **Judgements and key sources of estimation uncertainty**

The preparation of accounts in conformity with FRS102 requires the trustees to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based upon historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values and liabilities that are not readily available from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. Certain critical accounting judgements in applying the charity's accounting policies are described below:

The trustees have considered the valuation of fixed asset investments and have concluded that no impairments are necessary, however there existed a material uncertainty relating to the valuation of the C&J Clark Limited shares, so the financial statements may change materially in the next period.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Investment income, consisting of interest and dividends, is accounted for on a receivable basis.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

Grants made are included in the accounts when they are authorised by the trustees.

Costs of generating funds are those incurred in managing the investments. Other costs are governance and support costs.

The allocation of support costs to governance is set out in note 8.

## **JAC Trust**

### **Notes to the Financial Statements - continued** **for the Year Ended 31 December 2022**

#### **1. ACCOUNTING POLICIES - continued**

##### **Expenditure**

Governance and support costs are then allocated between the programme funds based on the number of recipients of grants for each programme fund.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

##### **Tangible fixed assets**

Land and buildings are included in the balance sheet at their fair value. Revaluations of the properties are taken to a revaluation reserve within the endowment funds of the charity as detailed in note 20. The trustees will obtain a formal valuation of the properties every 5 years and re-estimate the market value each year based on the Land Registry House Price Index for the South West in the years between formal valuations. The investment properties were last formally valued at 25 October 2016, which was taken as a best approximation to the valuation on 31 December 2016. Capital expenditure incurred on the properties is also added to the book value in the period between valuations. Further detail is provided in note 13.

##### **Fixed asset investments**

Listed investments and properties are included in the balance sheet at fair value (their market value).

The realised and unrealised gains on investments are reflected in the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value as the period end and opening market value (or purchase date if later). Realised and unrealised gains are not separated in the statement of financial activities.

##### **Programme-related investments**

Programme-related investments are included in the balance sheet at their fair value (the value of the loan outstanding).

##### **Debtors and creditors**

Debtors and creditors are measured as invoiced price, less any applicable discounts.

##### **Short term liquid investments and cash**

Cash at bank is held to meet short-term commitments and they fall due rather than for investment purposes and included all cash equivalents held in the form of short-term highly liquid investments. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value.

##### **Taxation**

The charity is exempt from tax on its charitable activities.

##### **Fund accounting**

Funds consist of a general unrestricted fund and an expendable endowment fund. Grants and support costs are paid out of the general unrestricted funds. Investment management fees are charged to the expendable endowment fund. Revaluations in tangible fixed assets are disclosed within endowments in a separate tangible fixed asset revaluation reserve,

##### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

##### **Pension costs and other post-retirement benefits**

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

The costs of the defined contribution scheme are included within support and governance costs and charged to the unrestricted funds of the charity using the methodology set out in note 8.

The trust has no liability beyond making its contributions and paying the deductions for the employee's contributions.

**JAC Trust**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2022**

**1. ACCOUNTING POLICIES - continued**

**Financial instruments**

The charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the accounts, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial instruments**

Basic financial assets, which include debtors and cash bank balances, are initially measured at transaction price including transaction costs and subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for the goods or service that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

**2. DONATIONS AND LEGACIES**

	2022	2021
	£	£
Donations	<u>150</u>	<u>-</u>

**3. INVESTMENT INCOME**

	2022	2021
	£	£
Property income	24,192	27,691
Listed investment portfolio	142,651	131,868
Deposit account interest	<u>964</u>	<u>11</u>
	<u>167,807</u>	<u>159,570</u>

**4. OTHER INCOME**

	2022	2021
	£	£
Compensation	<u>-</u>	<u>200</u>

**JAC Trust**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2022**

**5. RAISING FUNDS**

**Raising donations and legacies**

	2022 £	2021 £
Rental expenses	<u>8,394</u>	<u>13,350</u>

**Investment management costs**

	2022 £	2021 £
Exchange rate losses	9,710	-
Investment management	<u>46,365</u>	<u>55,301</u>
	<u>56,075</u>	<u>55,301</u>
 Aggregate amounts	 <u>64,469</u>	 <u>68,651</u>

**6. CHARITABLE ACTIVITIES COSTS**

	Grant funding of activities (see note 7) £	Support costs (see note 8) £	Totals £
Family Fund	47,500	27,978	75,478
Climate Change and Forced Displacement	<u>374,511</u>	<u>31,975</u>	<u>406,486</u>
	<u>422,011</u>	<u>59,953</u>	<u>481,964</u>

**7. GRANTS PAYABLE**

	2022 £	2021 £
Family Fund	47,500	26,710
Climate Change and Forced Displacement	<u>374,511</u>	<u>431,871</u>
	<u>422,011</u>	<u>458,581</u>

**JAC Trust**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2022**

**7. GRANTS PAYABLE - continued**

The total grants paid to institutions during the year was as follows:

	2022 £	2021 £
Somerset Community Fund	-	(4,790)
ARSDO	(8,195)	59,924
BUARDEFO	-	28,000
CHASE Africa	-	30,000
Food for the Hungry	-	26,011
PARAN	-	29,713
SOORA	-	28,569
Community Needs Initiative	-	29,243
Medicine Africa	-	27,885
Off Grid Gas and Fertilisers Ltd	-	30,000
People's Planet Project	-	27,582
Pragya	-	28,558
REDO	-	30,000
Cameroon Gender and Environmental Watch	-	26,386
Vita	-	30,000
Working Chance	-	1,500
Afghanistan & Central Asian Association	-	15,000
The Felix Project	15,000	15,000
Ashden Climate Solutions	60,000	-
AMOR	45,696	-
ForAfrika	52,000	-
Sengwer of Embobut CBO	45,000	-
Hope for a Better Future	59,856	-
Papua Partners	59,578	-
International Refugee Trust	59,076	-
GapArt	15,000	-
Muslim Global Relief	10,000	-
DEC	3,000	-
Grants to institutions under £3,000	6,000	-
	<u>422,011</u>	<u>458,581</u>

**Reconciliation of grants**

	£
Grants committed for the year	422,011
Grants paid during the year	(210,912)
Commitments at 1 January 2021	<u>26,499</u>
Commitments at 31 December 2021	<u>237,598</u>

Commitments at 31 December 2021 are payable as follows:

Within one year	140,217
After more than one year	<u>97,381</u>
	<u>237,598</u>

**JAC Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**8. SUPPORT COSTS**

	Other	Governance costs	Totals
	£	£	£
Family Fund	22,087	5,891	27,978
Climate Change and Forced Displacement	<u>25,243</u>	<u>6,732</u>	<u>31,975</u>
	<u>47,330</u>	<u>12,623</u>	<u>59,953</u>

The allocation of governance and support costs between the programme funds of the trust is proportional, based on the number of recipients of grants for each primary objective. This apportionment will be recalculated each year.

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

Cost type	Other	Governance	2022	2021
	£	£	£	£
Staff costs	34,170	-	34,170	26,551
Administration	9,014	2,254	11,268	11,054
Meetings, travel and office	978	3,913	4,891	173
Website and grant management	1,248	-	1,248	477
AFC membership and seminars	1,283	-	1,283	3,136
Accountancy	-	420	420	1,268
Audit	-	6,905	6,905	4,032
Legal	-	(1,103)	(1,103)	1,252
Insurance	225	-	225	-
Depreciation	412	-	412	-
Bank charges and FX adjustments	-	234	234	(946)
	<u>47,330</u>	<u>12,623</u>	<u>59,953</u>	<u>46,997</u>

Allocation of administration is based on an estimate that 20% of such expenses relate to governance activities.

Allocation of a meetings, travel and office is based on an estimate that 80% of such expenses relate to governance activities.

**9. AUDITORS' REMUNERATION**

	2022	2021
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>6,905</u>	<u>4,032</u>

**10. TRUSTEES' REMUNERATION AND BENEFITS**

The trustees all give freely their time and expertise without any form of remuneration or other benefits in cash or kind (2021: £nil).

No monetary value has been assigned to this donated time in the accounts in line with the Charities SORP (FRS102).

**JAC Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**10. TRUSTEES' REMUNERATION AND BENEFITS - continued**

**Trustees' expenses**

One trustee was reimbursed for travel costs incurred on trust business. These expenses totalled £1,934 (2021: £nil).

**11. STAFF COSTS**

	2022	2021
	£	£
Wages and salaries	32,886	25,205
Other pension costs	<u>1,284</u>	<u>1,346</u>
	<u><u>34,170</u></u>	<u><u>26,551</u></u>

The average monthly number of employees during the year was as follows:

	2022	2021
	<u>1</u>	<u>1</u>
Charitable activities		

No employees received emoluments in excess of £60,000.

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Endowment funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Investment income	159,570	-	159,570
Other income	<u>200</u>	<u>-</u>	<u>200</u>
<b>Total</b>	<u><u>159,770</u></u>	<u><u>-</u></u>	<u><u>159,770</u></u>
<b>EXPENDITURE ON</b>			
Raising funds	13,350	55,301	68,651
<b>Charitable activities</b>			
Family Fund	26,710	-	26,710
Climate Change and Forced Displacement	<u>478,868</u>	<u>-</u>	<u>478,868</u>
<b>Total</b>	<u><u>518,928</u></u>	<u><u>55,301</u></u>	<u><u>574,229</u></u>
Net gains on investments	<u>-</u>	<u>1,899,306</u>	<u>1,899,306</u>
<b>NET INCOME/(EXPENDITURE)</b>	(359,158)	1,844,005	1,484,847
Transfers between funds	464,458	(464,458)	-
<b>Other recognised gains/(losses)</b>			
Gains on revaluation of fixed assets	<u>-</u>	<u>32,900</u>	<u>32,900</u>
<b>Net movement in funds</b>	105,300	1,412,447	1,517,747
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	<u>26,027</u>	<u>10,191,369</u>	<u>10,217,396</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>131,327</u></u>	<u><u>11,603,816</u></u>	<u><u>11,735,143</u></u>

**JAC Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**13. TANGIBLE FIXED ASSETS**

	Freehold property £	Computer equipment £	Totals £
<b>COST OR VALUATION</b>			
At 1 January 2022	249,400	-	249,400
Additions	-	1,649	1,649
Revaluations	<u>29,429</u>	<u>-</u>	<u>29,429</u>
At 31 December 2022	<u>278,829</u>	<u>1,649</u>	<u>280,478</u>
<b>DEPRECIATION</b>			
Charge for year	<u>-</u>	<u>412</u>	<u>412</u>
<b>NET BOOK VALUE</b>			
At 31 December 2022	<u>278,829</u>	<u>1,237</u>	<u>280,066</u>
At 31 December 2021	<u>249,400</u>	<u>-</u>	<u>249,400</u>

On 27 November 2018, the JA Clark 1960 Settlement transferred ownership of 34 Pine Close BA16 0RS to the charity in order for it to be held for charitable purposes. It is currently being used as accommodation for a refugee family.

The property was professionally valued in November 2018 before the transfer, and has been uplifted in each year since using the Land Registry House Price Index.

**14. FIXED ASSET INVESTMENTS**

	Investments £	Unlisted investments £	Cash and settlements pending £	Totals £
<b>MARKET VALUE</b>				
At 1 January 2022	9,318,826	611,800	123,050	10,053,676
Additions	1,645,347	-	232,993	1,878,340
Disposals	(1,974,307)	(20,764)	-	(1,995,071)
Revaluations	<u>(1,809,726)</u>	<u>1,729,000</u>	<u>-</u>	<u>(80,726)</u>
At 31 December 2022	<u>7,180,140</u>	<u>2,320,036</u>	<u>356,043</u>	<u>9,856,219</u>
<b>NET BOOK VALUE</b>				
At 31 December 2022	<u>7,180,140</u>	<u>2,320,036</u>	<u>356,043</u>	<u>9,856,219</u>
At 31 December 2021	<u>9,318,826</u>	<u>611,800</u>	<u>123,050</u>	<u>10,053,676</u>

	£
Listed shares and securities	7,180,140
Unlisted shares	2,320,036
Cash held as part of the investment portfolio	<u>356,043</u>
	<u>9,856,219</u>

The change in market value during the year, as shown in the revaluations above, comprises all the increases and decreases in the market value of investments held at any time during the year including profits and losses realised on sales of investments during the year. The change in market value is represented by a £1,809,726 decrease in the value of listed investments and a £1,729,000 increase in value of unlisted investments.



**JAC Trust**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2022**

**14. FIXED ASSET INVESTMENTS - continued**

All investments are carried at their fair value. Investments in listed and fixed interest securities are all traded on quoted public markets. Holdings in common investment funds, unit trusts and open-ended investments companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost.

The current holding of C & J Clarke Ltd ordinary share is as follows:

C & J Clark Ltd £1 ordinary shares

	£
Valuation at 1 January 2022	611,800
Disposals	(20,764)
Revaluation	<u>1,729,000</u>
Valuation at 31 December 2022	<u><u>2,320,036</u></u>

At 31 December 2022 the trustees held 1,318,202 £1 ordinary shares. These shares have been valued at £1.76 per share based on a valuation of the issued ordinary shares by BDO on 1 July 2022. The trustees have accepted this valuation but are aware that the financial statements for C&J Clark Limited, for the period ended 29 January 2022, include a material uncertainty related to going concern. Therefore, an estimation uncertainty exists.

**15. INVESTMENT PROPERTY**

	£
<b>FAIR VALUE</b>	
At 1 January 2022	1,300,740
Revaluation	<u>76,723</u>
At 31 December 2022	<u>1,377,463</u>
<b>NET BOOK VALUE</b>	
At 31 December 2022	<u><u>1,377,463</u></u>
At 31 December 2021	<u><u>1,300,740</u></u>

The freehold land and buildings were professionally valued at £1,040,000 as at 31 December 2016. The trustees have revalued the land and buildings represented by the cottage based on an adjusted valuation by Savills Chartered Surveyors in March 2022. The land and buildings brought forward represented by the farmland was revalued using the Cooper Tanner valuations. This year the Knight Frank Farmland index was used for the revaluation showing an increase the value by 13% (2021: 10%).

**JAC Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**16. SOCIAL INVESTMENTS**

	Mixed motive investments £
<b>MARKET VALUE</b>	
Additions	<u>24,000</u>
<b>NET BOOK VALUE</b>	
At 31 December 2022	<u>24,000</u>
At 31 December 2021	<u>-</u>

This represents a loan to the Wyre Catchment Natural Flood Management Project. The loan facility is £80,000 and as at 31 December 2022 a loan of £24,000 had been advanced. The loan is repayable by 6 equal instalments on 30 November 2025 to 30 November 2030. Interest is charged on the loan at between 5 and 6% p.a.

**17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £	2021 £
Other debtors	3,408	-
Prepayments and accrued income	<u>662</u>	<u>544</u>
	<u>4,070</u>	<u>544</u>

**18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £	2021 £
Grants payable	140,217	26,499
Accruals and deferred income	<u>23,852</u>	<u>26,620</u>
	<u>164,069</u>	<u>53,119</u>

**19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2022 £	2021 £
Grants payable	<u>97,381</u>	<u>-</u>

**20. MOVEMENT IN FUNDS**

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
<b>Unrestricted funds</b>				
General fund	131,327	(84,803)	60,656	107,180
<b>Endowment funds</b>				
Expendable endowment	11,548,968	(297,676)	(60,656)	11,190,636
Tangible fixed asset revaluation reserve	<u>54,848</u>	<u>29,429</u>	-	<u>84,277</u>
	<u>11,603,816</u>	<u>(268,247)</u>	<u>(60,656)</u>	<u>11,274,913</u>
<b>TOTAL FUNDS</b>	<u>11,735,143</u>	<u>(353,050)</u>	<u>-</u>	<u>11,382,093</u>

**JAC Trust**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2022**

**20. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	167,957	(252,760)	-	(84,803)
<b>Endowment funds</b>				
Expendable endowment	-	(293,673)	(4,003)	(297,676)
Tangible fixed asset revaluation reserve	-	-	29,429	29,429
	-	(293,673)	25,426	(268,247)
<b>TOTAL FUNDS</b>	<u>167,957</u>	<u>(546,433)</u>	<u>25,426</u>	<u>(353,050)</u>

**Comparatives for movement in funds**

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
<b>Unrestricted funds</b>				
General fund	26,027	(359,158)	464,458	131,327
<b>Endowment funds</b>				
Expendable endowment	10,169,421	1,844,005	(464,458)	11,548,968
Tangible fixed asset revaluation reserve	21,948	32,900	-	54,848
	<u>10,191,369</u>	<u>1,876,905</u>	<u>(464,458)</u>	<u>11,603,816</u>
<b>TOTAL FUNDS</b>	<u>10,217,396</u>	<u>1,517,747</u>	<u>-</u>	<u>11,735,143</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	159,770	(518,928)	-	(359,158)
<b>Endowment funds</b>				
Expendable endowment	-	(55,301)	1,899,306	1,844,005
Tangible fixed asset revaluation reserve	-	-	32,900	32,900
	-	(55,301)	1,932,206	1,876,905
<b>TOTAL FUNDS</b>	<u>159,770</u>	<u>(574,229)</u>	<u>1,932,206</u>	<u>1,517,747</u>

The expendable endowment funds represent the original capital of the Trust, the gift of the property from the JA Clark 1960 settlement, realised and unrealised gains and losses on investments, the related investment management fees incurred and any charitable expenditure since the fund was set up.

The fixed asset revaluation reserve represents the unrealised gains on the gifted property from the JA Clark 1960 settlement.

General unrestricted funds are available to be spent for any purpose of the Trust.

Transfers between funds represents endowment investment transactions together with the grants liability underwritten from endowment funds.

**JAC Trust**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2022**

**21. RELATED PARTY DISCLOSURES**

Note 13 shows details of a property gifted to the Trust by the JA Clark 1960 Settlement.

**22. ULTIMATE CONTROLLING PARTY**

The charity is controlled jointly by the trustees.

**23. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2022 £	2021 £
<b>Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)</b>	(382,479)	1,484,847
<b>Adjustments for:</b>		
Depreciation charges	412	-
Losses/(gain) on investments	4,003	(1,899,306)
Interest received	(964)	(11)
Dividends received	(142,651)	(131,868)
Expenditure attributable to endowment	293,673	55,301
Property income	(24,192)	(27,691)
Gain on revaluation of fixed assets	-	77,435
(Increase)/decrease in debtors	(3,526)	294
Increase/(decrease) in creditors	<u>208,331</u>	<u>(1,610)</u>
<b>Net cash used in operations</b>	<u>(47,393)</u>	<u>(442,609)</u>

**24. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.1.22 £	Cash flow £	At 31.12.22 £
<b>Net cash</b>			
Cash at bank	<u>183,902</u>	<u>(82,177)</u>	<u>101,725</u>
	<u>183,902</u>	<u>(82,177)</u>	<u>101,725</u>
<b>Total</b>	<u>183,902</u>	<u>(82,177)</u>	<u>101,725</u>

**25. FAIR VALUE OF ASSETS AND LIABILITIES**

**Exposure to credit risk**

The main debtor of the charity is Rathbone Investment Management who hold investment income at the year end. The risk of loss arising from the investment manager failing to pay over the income generated by the investment portfolio is considered low as the investment manager is a regulated institution and the income is paid over regularly to the charity's bank account.

**Exposure to market risk**

Investments represent the majority of the charity's net assets. The risk of a financial loss arising from listed investments due to changes in the market is mitigated by the active management of the investment portfolio by a professional investment manager and the diversification of the investment portfolio based on an investment policy approved by the trustees.

The unlisted investment in C&J Clark Limited was revalued based on a valuation of the issued ordinary shares by BDO on 1 July 2022.

**Changes in fair value of debtors, creditors and investments due to credit risk**

There have been no changes in the fair values of basic financial instruments (debtors, creditors and investments) attributable to changes in credit risk.

**JAC Trust**

**Detailed Statement of Financial Activities**  
**for the Year Ended 31 December 2022**

	2022 £	2021 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	150	-
<b>Investment income</b>		
Property income	24,192	27,691
Listed investment portfolio	142,651	131,868
Deposit account interest	<u>964</u>	<u>11</u>
	167,807	159,570
<b>Other income</b>		
Compensation	<u>-</u>	<u>200</u>
<b>Total incoming resources</b>	167,957	159,770
<b>EXPENDITURE</b>		
<b>Raising donations and legacies</b>		
Rental expenses	8,394	13,350
<b>Investment management costs</b>		
Exchange rate losses	9,710	-
Investment management	<u>46,365</u>	<u>55,301</u>
	56,075	55,301
<b>Charitable activities</b>		
Grants to institutions	422,011	458,581
<b>Support costs</b>		
<b>Other</b>		
Wages	32,886	25,205
Pensions	1,284	1,346
Administration	9,014	10,758
Meetings, travel and office	978	173
ACF membership & seminars	1,283	3,136
Insurance	225	-
Website & grant management	1,248	477
Computer equipment depreciation	<u>412</u>	<u>-</u>
	47,330	41,095
<b>Governance costs</b>		
Auditors' remuneration	6,905	4,032
Administration	2,254	-
Meetings, travel and office	3,913	-
Legal	(1,103)	1,252
Accountancy	420	1,564
Bank charges	<u>234</u>	<u>(946)</u>
	<u>12,623</u>	<u>5,902</u>
Total resources expended	<u>546,433</u>	<u>574,229</u>
<b>Net expenditure before gains and losses</b>	(378,476)	(414,459)

This page does not form part of the statutory financial statements

**JAC Trust**

**Detailed Statement of Financial Activities**  
**for the Year Ended 31 December 2022**

	2022	2021
	£	£
<b>Realised recognised gains and losses</b>		
Realised gains/(losses) on fixed asset investments	(80,726)	1,763,566
Realised gains/(losses) on investment property	<u>76,723</u>	<u>135,740</u>
<b>Net (expenditure)/income</b>	<u>(382,479)</u>	<u>1,484,847</u>