

**JOHNSTON FAMILY TRUST - J ACCOUNT**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

# JOHNSTON FAMILY TRUST - J ACCOUNT

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Johnston Family Trust Limited
<b>Charity number</b>	212495
<b>Principal address</b>	c/o Port of Liverpool Building Pier Head Liverpool L3 1NW
<b>Independent examiner</b>	John Duffy BA (Hons) ATT TEP FCCA Rathbone Trust Company Limited Port of Liverpool Building Pier Head Liverpool L3 1NW
<b>Solicitors</b>	Brabners LLP Horton House Exchange Flags Liverpool L2 3YL
<b>Investment advisors</b>	Investec 100 Old Hall Street Liverpool L3 9AB

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# JOHNSTON FAMILY TRUST - J ACCOUNT

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# JOHNSTON FAMILY TRUST - J ACCOUNT

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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The trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Settlement Deed, the Charities Act 2011 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

### Objectives and activities

The Charity's objects are to grant pensions to relieve poverty in such a manner as the trustees shall think fit.

All applications for grants should be made to the board of directors at the registered address for their consideration.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

### Achievements and performance

#### Financial review

##### Review of the activities of the Charity:

Total incoming resources were £47,032 (£36,745 in 2020), realised gains £716 (losses £17,404 in 2020), with unrealised gains of £126,075 (losses of £137,139 in 2020). The costs of generating funds was £25,401 (£25,234 in 2020). Commitments to charitable donations totalled £28,800 (£31,195 in 2020). This resulted in an overall positive movement in funds of £119,788 (negative of £175,115 in 2020).

#### Risk Management

The Covid-19 pandemic has caused a profound shock for societies and economies the world over. The world has experienced a synchronised shut down of a very significant amount of economic activity and the enforced quarantine of almost entire populations. This has led to significant falls on global markets and our Charitable funds have been impacted by this. We also recognise that future income levels will be under pressure as most companies, including many we invest in, would not have had contingency plans for this unanticipated and sharp reduction in economic activity. A number of companies have either suspended dividend pay-outs to shareholders or had this action enforced on them by regulators. The reduction in income streams which was evident during the onset of the pandemic in 2020 is gradually easing with an upturn seen in 2021. The Trustees are mindful of the continuing effects of the pandemic and will give careful consideration to how this impacts on the charity's ability to make donations.

#### Grants

Payments were made to sixteen grantees during the year totalling £28,800.

#### Investments

Most of the Trustees' capital is invested on the stock market. The value of the Trust's portfolio as at 31 December 2021 totalled £1,120,320, an increase from £1,004,936 as at 31 December 2020. The Trustees review the portfolio on a regular basis to discuss its performance.

#### Taxation Status

The Johnston Family Trust, J Account is a registered charity and its income and activities allow it exemption from Corporation Tax, Income Tax, Capital Gains Tax or Inheritance Tax.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### Structure, governance and management

The trustees who served during the year and up to the date of signature of the financial statements were:  
Johnston Family Trust Limited

# JOHNSTON FAMILY TRUST - J ACCOUNT

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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The individuals who were directors of The Johnston Family Trust Limited were:

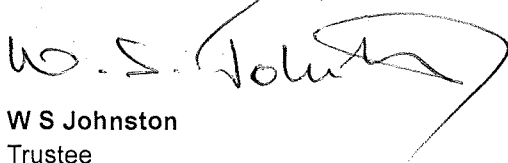
Mr William Stewart Johnston  
Mr James Nigel Lewis Packer  
Mr James Basil Stewart Parsons-Smith  
Mr John Kendall Putt  
Mr Alexander Richmond

The Johnston Family Trust limited - J Account , the William Johnston Trust Fund is a registered charity of a Settlement Deed dated 14 October 1952. Its governing body is Johnston Family Trust Limited. New Trustees are elected by a majority of existing Trustees.

The Trustees ensure that they are operating within current guidelines by discussing all issues arising as advised by the Charity Commission and Rathbone Trust Co limited during their meetings.

The Trustees meet annually to review performance , the general list of charitable organisations and any other matters arising. All trustees attend the meetings and play an active role in the administration of the Trust, including researching possible donees and visiting charities and events where applicable.

The trustees' report was approved by the Board of Trustees.



**W S Johnston**

Trustee

Dated: 11 February 2022

# JOHNSTON FAMILY TRUST - J ACCOUNT

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF JOHNSTON FAMILY TRUST - J ACCOUNT

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I report to the trustees on my examination of the financial statements of Johnston Family Trust - J Account (the charity) for the year ended 31 December 2021.

#### **Responsibilities and basis of report**

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

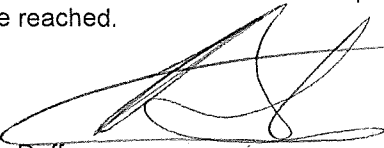
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



John Duffy

John Duffy BA(Hons) ATT TEP FCCA

Rathbone Trust Company Limited  
Port of Liverpool Building  
Pier Head  
Liverpool  
L3 1NW

Dated: 11 February 2022

# JOHNSTON FAMILY TRUST - J ACCOUNT

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds 2021 £	Total 2020 £
	Notes		
<b><u>Income and endowments from:</u></b>			
Investments	3	46,482	35,845
Other income	4	550	900
<b>Total income</b>		<b>47,032</b>	<b>36,745</b>
<b><u>Expenditure on:</u></b>			
Raising funds	5	7,647	8,399
Charitable activities		46,388	57,410
<b>Total resources expended</b>		<b>54,035</b>	<b>57,317</b>
Net gains/(losses) on investments	10	126,791	(154,543)
<b>Net movement in funds</b>		<b>119,788</b>	<b>(175,115)</b>
Fund balances at 1 January 2021		1,017,638	1,192,753
<b>Fund balances at 31 December 2021</b>		<b>1,137,426</b>	<b>1,017,638</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

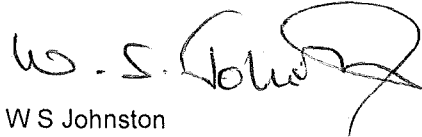
# JOHNSTON FAMILY TRUST - J ACCOUNT

## BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Investments	11		1,120,320		1,004,936
<b>Current assets</b>					
Cash at bank and in hand		21,766		17,912	
<b>Creditors: amounts falling due within one year</b>	13	(4,660)		(5,210)	
Net current assets			17,106		12,702
<b>Total assets less current liabilities</b>			1,137,426		1,017,638
<b>Income funds</b>					
Unrestricted funds			1,137,426		1,017,638
			1,137,426		1,017,638

The financial statements were approved by the Trustees on 11 February 2022



W S Johnston  
Trustee



# JOHNSTON FAMILY TRUST - J ACCOUNT

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **1 Accounting policies**

#### **Charity information**

Johnston Family Trust - J Account is a registered charity registered with the Charity Commission in England and Wales.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### **1.4 Income**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

# JOHNSTON FAMILY TRUST - J ACCOUNT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

#### 1.5 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 1.6 Cash and cash equivalents

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

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are 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 future 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 payments 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 goods or services 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.

# JOHNSTON FAMILY TRUST - J ACCOUNT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Income from listed investments	46,482	35,845

### 4 Other income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Prior Year Grant Written Back	550	900

### 5 Raising funds

	Unrestricted funds	Total
	2021	2020
	£	£
Investec Investment management fees	7,647	8,399
	7,647	8,399

# JOHNSTON FAMILY TRUST - J ACCOUNT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 6 Donations made during the year

	2021 £	2020 £
Mrs J Airey	1,700	1,700
Ms C M Blythe	1,000	1,000
Mrs H Bolton	2,200	2,200
Mr D Booth -Jones	-	1,600
Mrs P Brodie	1,500	1,500
Mrs E Clarke	2,500	2,500
Mrs K N F Holland	-	1,650
Mrs M E Hulme-Dymond	3,000	3,000
Mrs H Jones	-	2,415
Miss J King	1,400	1,400
Mrs B Lewis	1,100	1,100
Mr A Lowings	3,000	-
Mrs McGrain	-	1,100
Mrs C R Morgan Jones	500	500
Mrs G M Oliver	1,000	1,000
Ms P Paton	3,000	-
Miss C Richold	1,300	1,300
Mrs G Rogers	-	1,300
Mrs V Saunders	1,200	1,200
Mr R Silock	1,300	1,300
Mrs C Taylor	1,100	1,100
Mrs R Thomas	2,000	2,000
Under Provision for Prior Year Grants	-	1,050
	<u>28,800</u>	<u>31,915</u>

### 7 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but a Director of the Johnston Family Trust Limited was reimbursed a total of £38 for stationary and postage expenses.

The Johnston Family Trust Limited is a Trustee of the Charity. Payments for professional services provided by the Trust were as follows:

£10,894 for management services

# JOHNSTON FAMILY TRUST - J ACCOUNT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 8 Support costs

	Support costs £	Governance costs £	2021 £	2020 £
Secretarial and Accountancy fees	-	6,830	6,830	6,830
Trustee expenses	-	21	21	138
JFT Management fees	-	10,307	10,307	10,894
Independent Examination fees	-	430	430	430
	-	17,588	17,588	18,192
Analysed between Charitable activities	-	17,588	17,588	18,192

### 9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

### 10 Net gains/(losses) on investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Revaluation of investments	126,075	(137,139)
Gain/(loss) on sale of investments	716	(17,404)
	126,791	(154,543)

### 11 Fixed asset investments

# JOHNSTON FAMILY TRUST - J ACCOUNT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11	Fixed asset investments	(Continued)	
			Listed investments £
	Cost or valuation		
	At 1 January 2021		1,004,936
	Additions		34,438
	Valuation changes		126,075
	Disposals		(45,129)
	At 31 December 2021		1,120,320
	Carrying amount		
	At 31 December 2021		1,120,320
	At 31 December 2020		1,004,936
12	Financial instruments	2021 £	2020 £
	Carrying amount of financial assets		
	Instruments measured at fair value through profit or loss	1,120,320	1,004,936
13	Creditors: amounts falling due within one year	2021 £	2020 £
	Other creditors	4,660	5,210
14	Related party transactions		

The Trustees have considered personal or other interests in which as a result of a decision made where an individual may benefit financially or otherwise, either directly or indirectly. In order to comply with their duties, the trustees confirm the person affected does not take part in any discussions relating to the issue concerned other than to clarify facts.