

THE J A SHONE MEMORIAL TRUST

UNAUDITED ANNUAL REPORT

FOR THE YEAR ENDED 5<sup>TH</sup> APRIL 2022

## **THE J A SHONE MEMORIAL TRUST**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 5<sup>TH</sup> APRIL 2022**

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 trust deed, the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2015) preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) update bulletin 2 (effective 1 January 2019) and Charities Act 2011.

#### **OBJECTIVES AND ACTIVITIES**

The Trust has been established to make grants for charitable purposes. Grants are made only to registered charities known to the Trustees and unsolicited applications are therefore not considered. The Trust is administered by its corporate Trustee, Liverpool Charity and Voluntary Services.

##### **Public Benefit:**

In planning the Trust's grant making activities the Trustees have given consideration to the Charity Commission's guidance on public benefit.

#### **ACHIEVEMENTS AND PERFORMANCE**

The investments have been monitored throughout the year by the Investment Managers, with performance being reviewed by the Trustees at regular intervals.

#### **FINANCIAL REVIEW**

Investment income totalling £49,196 (2021: £36,330) was received in the year. This funded grants of £43,500 (2021: £32,000) to charitable organisations. At 5<sup>th</sup> April 2022 capital investments were valued at £951,702 (2021: £938,592).

##### **Reserves Policy:**

The Trustees are managing the reserves to balance the needs of current and future beneficiaries. It is not anticipated that the needs of beneficiaries will diminish over time.

##### **Risk Management:**

The main risks, to which the charity is exposed, as identified by the Trustees, have been considered and systems have been established to mitigate those risks.

##### **Investment Policy and Powers:**

The trustees have the power of investment as conferred by the Trustee Act 2000. The investment strategy is set by the trustees and takes account of recent demands for funds and an assessment of expected future needs (see Reserves Policy). The investment policy and strategy are reviewed with the investment managers at regular intervals. The investment objective is to maintain, overall, the real value of capital and income.

##### **Plans for the Future:**

The objectives of the trust remain unchanged for the future; the intention is to continue managing the funds on a consistent basis and distributing income as grants to those organisations in financial need.

**THE J A SHONE MEMORIAL TRUST**  
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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The J A Shone Memorial Trust is a registered charity, number 270104. It was established by a Trust Deed dated 25<sup>th</sup> March 1974.

**Organisation, Management and Delegation:**

The Trust Deed permits the spending of capital; the Trustees have, however, agreed to retain the capital for the time being and to invest it to produce income to make grants.

**Recruitment and Appointment of New Trustees:**

New Trustees are selected, by the existing Board of Trustees, in accordance with their skills and experience. The Board is also responsible for the induction and training of the new Trustees.

**RELATED PARTIES**

During the year the Trust's corporate Trustee, Liverpool Charity and Voluntary Services, received £750 (2021: £750) for the provision of administration services and preparation of annual accounts; this was authorised by the Trustees in accordance with the trust deed.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Principal Office:**

151 Dale Street, Liverpool L2 2AH

**Trustees:**

The Trustees during the year were:

Mr A. W. Shone

Mr J. D. W. Stileman

Mrs E. J. Crowe

Liverpool Charity and Voluntary Services

The charity's corporate Trustee, Liverpool Charity and Voluntary Services (LCVS), 151 Dale Street, Liverpool L2 2AH, is incorporated under the Companies Act as a company limited by guarantee without share capital as company number 181759. It is also a registered charity, number 223485, and a charitable Trust Corporation. LCVS Trustees, who are also its Directors, were as follows during the year: Michael James (resigned 28 April 2021), Heather Akehurst (resigned 25<sup>th</sup> November 2021), Dorcas Akeju, Sonia Bassey MBE, Maxine Ennis, Jonny Hesketh (resigned 16<sup>th</sup> November 2021), Ken Perry, John Price, Michael Salla, Louise Scholes, James Sloan, Neil John Sturme, Henry Terefenko (resigned 27<sup>th</sup> July 2022), Mike Thomas and Sue Williams (resigned 23<sup>rd</sup> June 2022). On 20<sup>th</sup> September 2022 Gemma Shone was co-opted as trustee.

**Professional Advisers:**

Independent Examiner	Mrs J Ellis BA FCA CTA
	DSG Accountancy
	Castle Chambers
	43 Castle Street
	Liverpool L2 9TL

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Investment Managers      Investec Wealth & Investment  
100 Old Hall Street  
Liverpool L3 9AB

**TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

The charity's trustees are responsible for preparing a trustees' annual report and 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 charity trustee to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

**Approved by the Trustees and signed on their behalf by**



**A W Shone**  
**7 February 2023**

## **Independent Examiner's Report to the Trustees of The J A Shone Memorial Trust**

I report to the trustees on my examination of the financial statements of The David and Ruth Behrend Fund ('the charity') for the year ended 5 April 2022 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

### **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 Act').

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

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

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

- accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the financial statements do not accord with those records; or
- 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.

Jean Ellis BA FCA CTA  
DSG  
Castle Chambers  
43 Castle Street  
Liverpool  
L2 9TL  
7 February 2023



**THE J A SHONE MEMORIAL TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5<sup>TH</sup> APRIL 2022**

-----UNRESTRICTED FUNDS-----				
Notes	Year to 5 <sup>th</sup> April 2022			Year to 5 <sup>th</sup> April 2021
	Income Funds £	Capital Funds £	Total £	Total £
<b>Income from:</b>				
Investment income – quoted investments	18,856	-	18,856	17,470
Investment income – unquoted investments	30,340	-	30,340	18,860
<b>Total income</b>	<b>49,196</b>	<b>-</b>	<b>49,196</b>	<b>36,330</b>
<b>Expenditure:</b>				
Charitable activities	45,450	-	45,450	33,002
<b>Total expenditure</b>	<b>45,450</b>	<b>-</b>	<b>45,450</b>	<b>33,002</b>
<b>Net income before gains and losses gains on investments</b>	<b>3,746</b>	<b>-</b>	<b>3,746</b>	<b>3,328</b>
Net unrealised gains on investment assets	-	13,110	13,110	119,903
<b>Net Movement in Funds</b>	<b>3,746</b>	<b>13,110</b>	<b>16,856</b>	<b>123,231</b>
<i>Reconciliation of Funds:</i>				
Total funds brought forward	7,543	938,592	946,135	822,904
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>11,289</b>	<b>951,702</b>	<b>962,991</b>	<b>946,135</b>

The notes on pages 8 to 12 form part of these accounts.

The net movement in funds in the year was derived from the continuing activity of the charity.

These unaudited financial statements have been subjected to independent examination. See report on page 5.

**THE J A SHONE MEMORIAL TRUST**  
**BALANCE SHEET AS AT 5<sup>TH</sup> APRIL 2022**

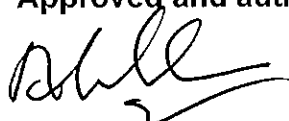
-----UNRESTRICTED FUNDS-----

	Notes	At 5 <sup>th</sup> April 2022 £	At 5 <sup>th</sup> April 2021 £
<b>FIXED ASSETS</b>			
Quoted investments (at market value)	4	746,702	733,592
Unquoted investments	4	205,000	205,000
		-----	-----
		951,702	938,592
 <b>CURRENT ASSETS</b>			
Cash balance		13,239	8,539
 <b>CURRENT LIABILITIES</b>			
Creditors	5	(1,950)	(996)
		-----	-----
		11,289	7,543
 <b>NET ASSETS</b>		<b>962,991</b>	<b>946,135</b>
		=====	=====

**THE FUNDS OF THE CHARITY:**

		£	£
Capital Funds	6	951,702	938,592
Income Funds	6	11,289	7,543
		-----	-----
		<b>962,991</b>	<b>946,135</b>
		=====	=====

Approved and authorised for issue by the Trustees and signed on their behalf by



**A W Shone Esq**  
**7 February 2023**

These unaudited financial statements have been subjected to independent examination. See report on page 5.

**THE J A SHONE MEMORIAL TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 5<sup>TH</sup> APRIL 2022**

**1. ACCOUNTING POLICIES**

***Basis of Accounting***

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP2015) preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and Charities Act 2011.

The trust constitutes a public benefit entity as defined by FRS 102.

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

The Charity has taken advantage of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

***Going concern***

At the time of approving the accounts 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 accounts.

***Fund accounting***

Unrestricted funds are considered 'free' reserves and are expendable at the discretion of the Trustees in furtherance of the general objectives of the Trust.

***Investments***

Investments held as fixed assets, in accordance with SORP (FRS 102) are stated and included in the balance sheet at their market value at the year end or the valuation date nearest to the year end. Investment in private companies, held as fixed assets, are stated trustees' valuation subject to impairment review. Realised gains and losses are dealt with as movements on the Capital Fund. Investments are valued at the mid-market price on the valuation date.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions. The Trustees conduct a thorough risk analysis in conjunction with their investment managers at each of their Investment Committee meetings.

***Income recognition***

Income from investments comprises dividend income and interest and are accounted for when received in the financial year.

Donations are recognised at the earlier of notification or date of receipt, in the case of the third party donations and legacy income when received by the organisation.

These unaudited financial statements have been subjected to independent examination. See report on page 5.



**THE J A SHONE MEMORIAL TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 5<sup>TH</sup> APRIL 2022**

***Expenditure recognition***

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 settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the Statement of Financial Activities.

Charitable activities includes grant funding, along with associated support costs, to beneficiaries. These are dealt with in the Statement of Financial Activities when payment has been approved by the charity. Support costs relate to compliance with constitutional and statutory requirements and specifically include all costs incurred by the charity in producing the Annual Report.

***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.

***Financial instruments***

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 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 financial statements, 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 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 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.

These unaudited financial statements have been subjected to independent examination. See report on page 5.

**THE J A SHONE MEMORIAL TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 5<sup>TH</sup> APRIL 2022**

***Derecognition of financial liabilities***

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

***Taxation***

The charity benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions. The charity is not able to recover Value Added Tax. Expenditure is recorded in the accounts inclusive of VAT.

**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 on-going 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. CHARITABLE ACTIVITIES**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<i>Direct charitable activities: grant funding</i>		
Grant funding	43,500	32,000
Grant-making administration costs – LCVS	500	500
	-----	-----
	44,000	32,500
<i>Support costs: LCVS administration</i>	250	250
Independent examination fee	348	252
	-----	-----
	<b>44,598</b>	<b>33,002</b>
	=====	=====

All expenditure is unrestricted.

These unaudited financial statements have been subjected to independent examination. See report on page 5.

**THE J A SHONE MEMORIAL TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 5<sup>TH</sup> APRIL 2022**

During the year the following grants were made:

<b>Grants £1000 and over</b>	<b>£</b>
Anglican International Development Aid	3,000
Bibles for Children	1,000
Friends of Mengo Hospital	1,000
Help for Heroes	3,000
Macmillan Cancer Support	3,000
Mission Aviation Fellowship	4,000
Neuro Therapy Centre	2,500
PCC St Philemon	2,500
RLPS	3,000
The Florrie	5,000
The Whitechapel Centre	7,500
Wirral Hospice St John's	3,000
Wirral Youth Zone	5,000
	-----
	<b>43,500</b>
	=====

**4. FIXED ASSET INVESTMENTS**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Quoted and Unquoted Investments:</b>		
Market value at 6 <sup>th</sup> April 2021	938,592	818,689
Unrealised gains on investment assets	13,110	119,903
	-----	-----
<b>Market Value at 5<sup>th</sup> April 2022</b>	<b>951,702</b>	<b>938,592</b>
	=====	=====

The Trust holds 78.46% (2021: 78.16%) of its fixed asset investments in a Charity Commission approved pooling scheme, the Settlers' Trust Fund (STF), administered by Liverpool Charity and Voluntary Services and Investec Wealth and Investment.

At 31<sup>st</sup> March 2022, the assets of the STF fund had a total market value of £33,437,151 (2021: £31,069,480) of which £745,963 (2021: £733,592) is an asset of the trust.

The remaining 21.54% (2021: 21.84%) of fixed asset investments comprises 2,050 shares in W.O & J Wilson Limited a private limited company. The shares are stated at trustees' valuation subject to impairment review of £205,000 (2021: £205,000).

These unaudited financial statements have been subjected to independent examination. See report on page 5

**THE J A SHONE MEMORIAL TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 5<sup>TH</sup> APRIL 2022**

**5. CREDITORS**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Financial administration – LCVS	750	750
Independent examination fee	1,200	246
	<u>1,950</u>	<u>996</u>
	<u>=====</u>	<u>=====</u>

**6. UNRESTRICTED FUNDS**

*Income Fund:* Investment income received for distribution as grants to registered charities.

*Capital Fund:* Funds held provide income for the ongoing activities of the trust.

**7. RELATED PARTY TRANSACTIONS**

*Charitable Activities:* include £500 (2021: £500) grant making administration costs and £250 (2021: £250) in respect of accountancy and trust administration payable to LCVS.

At 5<sup>th</sup> April 2022, creditors included an accrual of £750 (2021: £750) to LCVS.

LCVS is related to the Trust by virtue of LCVS being the Trust's corporate trustee.

These unaudited financial statements have been subjected to independent examination. See report on page 5