

JOHNSTON FAMILY TRUST - J ACCOUNT
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

JOHNSTON FAMILY TRUST - J ACCOUNT

LEGAL AND ADMINISTRATIVE INFORMATION

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

JOHNSTON FAMILY TRUST - J ACCOUNT

CONTENTS

	Page
Trustees' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the financial statements	6 - 11
Investment schedule	12 - 15

JOHNSTON FAMILY TRUST - J ACCOUNT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The trustees present their report and financial statements for the year ended 31 December 2019.

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 £52,257 (£43,155 in 2018), realised gains £4,303 (losses £3,920 in 2018), with unrealised gains of £107,421 (losses of £102,689 in 2018). The costs of generating funds was £27,690 (£27,514 in 2018). Commitments to charitable donations totalled £34,635 (£38,295 in 2018). This resulted in an overall positive movement in funds of £101,656 (deficit of £69,808 in 2018).

Grants

Payments were made to twenty one grantees during the year totalling £34,635.

Investments

Most of the Trustees' capital is invested on the stock market. The value of the Trust's portfolio as at 31 December 2019 totalled £1,171,658, an increase from £1,096,152 as at 31 December 2018. 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 has 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 2019

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

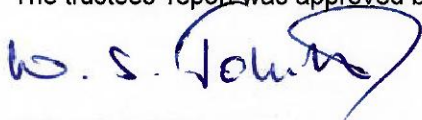
Mr William Stewart Johnston
Mr James Nigel Lewis Packer
Mr James Basil Stewart Parsons-Smith
Mr John Kendall Putt
Mr Alexander Richmond

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: 1 May 2020

JOHNSTON FAMILY TRUST - J ACCOUNT

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF JOHNSTON FAMILY TRUST - J ACCOUNT

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 2019.

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: 1/5/2020

JOHNSTON FAMILY TRUST - J ACCOUNT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Unrestricted funds 2019 £	Total 2018 £
<u>Income from:</u>			
Investments	3	52,257	43,155
<u>Expenditure on:</u>			
Raising funds	4	8,287	8,399
Charitable activities		54,038	57,410
Total resources expended		62,325	65,809
Net gains/(losses) on investments	9	111,724	(106,609)
Net movement in funds		101,656	(129,263)
Fund balances at 1 January 2019		1,091,097	1,220,360
Fund balances at 31 December 2019		1,192,753	1,091,097

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 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Investments	10		1,171,658		1,096,152
Current assets					
Cash at bank and in hand		28,542		7,320	
Creditors: amounts falling due within one year	12	(7,447)		(12,375)	
Net current assets/(liabilities)			21,095		(5,055)
Total assets less current liabilities			1,192,753		1,091,097
Income funds					
Unrestricted funds			1,192,753		1,091,097
			1,192,753		1,091,097

The financial statements were approved by the Trustees on 1 May 2020

W.S. Johnston

W S Johnston
Trustee

JOHNSTON FAMILY TRUST - J ACCOUNT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], 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). 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 applying FRS 102 Update Bulletin 1 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 unless the funds have been designated for other purposes.

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 Incoming resources

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.

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.

JOHNSTON FAMILY TRUST - J ACCOUNT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

1.6 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.

1.7 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.

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.

JOHNSTON FAMILY TRUST - J ACCOUNT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

3 Investments

	Unrestricted funds	Total
	2019 £	2018 £
Income from listed investments	52,257	43,155

4 Raising funds

	Unrestricted funds	Total
	2019 £	2018 £
Investec Investment management fees	8,287	8,399
	8,287	8,399

JOHNSTON FAMILY TRUST - J ACCOUNT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

5 Donations made during the year

	2019 £	2018 £
Mrs J Airey	1,700	1,700
Ms C M Blythe	1,000	1,070
Mrs H Bolton	2,150	2,100
Mr D Booth -Jones	1,600	1,600
Mrs P Brodie	1,500	1,500
Mrs E Clarke	2,580	2,500
Mrs K N F Holland	1,650	3,300
Mr K T Holland	1,650	-
Mrs M E Hulme-Dymond	2,900	2,800
Mrs H Jones	4,600	4,500
Miss J King	1,400	1,400
Mrs B Lewis	1,100	1,100
Mrs McGrain	1,170	1,100
Mrs C R Morgan Jones	500	500
Mrs G M Oliver	250	750
Miss C Richold	1,370	1,300
Mrs G Rogers	2,500	2,475
Mrs V Saunders	1,200	1,200
Mr R Silock	1,200	1,100
Mrs C Taylor	550	1,100
Mrs R Thomas	2,065	2,000
Mr D A Green	-	1,400
Mrs M Hewitt	-	1,800
	<u>34,635</u>	<u>38,295</u>

6 Support costs

	Support costs £	Governance costs £	2019 £	2018 £
Secretarial and Accountancy fees	-	6,660	6,660	6,540
Trustee expenses	-	116	116	138
JFT Investment Committee fees	-	436	436	436
JFT Management fees	-	11,661	11,661	11,581
Independent Examination fees	-	420	420	420
Bank charges	-	110	110	-
	<u>-</u>	<u>19,403</u>	<u>19,403</u>	<u>19,115</u>
Analysed between				
Charitable activities	-	19,403	19,403	19,115
	<u>-</u>	<u>19,403</u>	<u>19,403</u>	<u>19,115</u>

JOHNSTON FAMILY TRUST - J ACCOUNT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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 £116 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:

£436 for investment services
£11,661 for management services

8 Employees

There were no employees during the year.

9 Net gains/(losses) on investments

	Unrestricted funds	Total
	2019 £	2018 £
Revaluation of investments	107,421	(102,689)
Gain/(loss) on sale of investments	4,303	(3,920)
	<u>111,724</u>	<u>(106,609)</u>

10 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2019	1,096,152
Valuation changes	107,421
Excess reporting income	1,145
Cost write down	(286)
Disposals	(32,774)
At 31 December 2019	<u>1,171,658</u>
Carrying amount	
At 31 December 2019	<u>1,171,658</u>
At 31 December 2018	<u>1,096,152</u>

JOHNSTON FAMILY TRUST - J ACCOUNT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

11 Loans and overdrafts

	2019 £	2018 £
Stockbroker account	2,071	2,023
Payable within one year	2,071	2,023

12 Creditors: amounts falling due within one year

	2019 £	2018 £
Stockbroker account	2,071	2,023
Other creditors	5,376	10,352
	7,447	12,375

13 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.