

Registered Charity Number: 1088977

**The J K Foundation**

**REPORT AND FINANCIAL STATEMENTS**

For the year ended 5 April 2019

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**REFERENCE AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 5 APRIL 2019**

**TRUSTEES**

Joanna Kate King  
Rachel Mary Wardell  
William Lawrence Greenwell Swan

**PRINCIPAL OFFICE**

The J K Foundation  
c/o RFT Management Services Limited  
15 Suffolk Street  
London  
SW1Y 4HG

**INDEPENDENT EXAMINER**

N Finlayson FCA  
Moore Kingston Smith LLP  
Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

**SOLICITORS**

Currey & Co LLP  
33 Queen Anne Street  
London  
W1G 9HY

**REGISTERED CHARITY NUMBER**

1088977

**TRUSTEES ANNUAL REPORT FOR YEAR ENDED 5 APRIL 2019**

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 5 April 2019. The financial statements have been prepared in accordance with the Charity's Trust Deed, the Charities Act 2011, as amended, and the reviewed Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015).

Reference and administrative information set out on page 1 forms part of this report.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Trustees who held office throughout the year are shown on page 1.

No Trustee receives a fee for the service they provide to the charity, all time spent is donated free of charge.

RFT Management Services Limited provides the charity with charity administration and financial reporting services.

The Trust Deed stipulates that there shall not be less than three Trustees. Any new Trustee required is selected and vetted by the serving Trustees as to their suitability and then in exercise of the powers given to them by the Trustee Act 1925 (as amended) appointed by Deed to be a Trustee jointly with the continued Trustees. Induction and training for trustees is provided when relevant.

**OBJECTS AND ACTIVITIES**

The Trust Deed directs that the capital (expendable endowment) and income of the Fund is to be held and applied to promote and support such charitable purposes and organisations (according to the Charity Laws of England and Wales) as the Trustees shall from time to time in their discretion decide. The Trustees have been granted wide powers to act in furtherance of the charity's objects.

The Trustees support a variety of UK charitable causes, with a focus on musical education and development and work with young people generally.

**ACHIEVEMENTS AND PERFORMANCE**

During the year the Trustees made donations totalling £39,500 as detailed in the notes 5 & 6 to the accounts (2018 – £37,000).

**GRANT MAKING POLICY**

The Trustees consider and approve grants annually and although some are made to the same charities each year none are promised or guaranteed. Applications for financial assistance are made to the Principal Office.

The Trustees have considered the Charity Commission's guidance on public benefit including the guidance "public benefit: running a charity" when formulating the grant making policy. In particular, the Trustees consider how grants can be made to ensure maximum benefit flows through to the intended ultimate beneficiaries. The grants benefit a number of public cases, as detailed in note 6.

**TRUSTEES ANNUAL REPORT FOR YEAR ENDED 5 APRIL 2019 (CONT'D)**

**FINANCIAL REVIEW AND INVESTMENT POLICY**

The Charity's principal source of income is from its investments, which amounted to £38,869 (2018 - £32,962). During the year the Trustees spent £52,700 (2018 - £48,564) on charitable activities and governance and administration of the Charity.

The Trust Deed grants the Trustees wide powers to act in furtherance of the Charities objects. The Trustees current investment policy is a below average level of risk where the objective is a balance of income and capital growth with a bias towards income.

**RISK MANAGEMENT**

The major risks to which the Charity is exposed as identified by the Trustees, have been reviewed and the Trustees are satisfied that arrangements are in place to mitigate those risks.

**RESERVES POLICY**

The capital is an expandable endowment and at this time the Trustees do not consider a specific Reserve Policy necessary. At the Balance Sheet date the reserves of the charity, including expendable endowments, amounted to £1,412,473

**KEY MANAGEMENT PERSONNEL**

The Trustees are considered to be the Key Management Personnel of the charity. The Trustees are not remunerated for their services and there are no paid staff employed by the Trust with day to day management being carried out under an agreement with RFT Management Services Limited.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS**

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources for that period.

In preparing those financial statements the Trustees are required to:

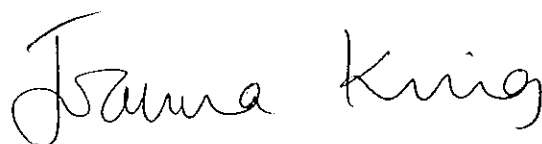
- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

**TRUSTEES ANNUAL REPORT FOR YEAR ENDED 5 APRIL 2019 (CONT'D)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS (CONT'D)**

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 the financial statements comply with the Charities Act 2011, the Charities SORP and the provisions of the trust deeds. 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.

Approved by the Trustees and signed on their behalf by:

A handwritten signature in black ink that reads "J K King". The signature is written in a cursive, flowing style.

**J K KING**  
Trustee

Date     19/09/19

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE J K FOUNDATION FOR  
THE YEAR ENDED 5 APRIL 2019**

I report to the trustees on my examination of the accounts of the J K Foundation for the year ended 5 April 2019.

**Responsibilities and basis of report**

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

I report in respect of my examination of the Foundation's accounts carried out under section 145 of the 2011 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:

1. accounting records were not kept in respect of the Foundation as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.

*Moore Kingston Smith LLP*

Neil Finlayson  
Moore Kingston Smith LLP, Chartered Accountants  
Devonshire House  
60 Goswell Road  
London EC1M 7AD

Date: 23/9/2019

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2019

		Unrestricted Funds		Total	Total
	NOTE	Expendable Endowment	Income	2019	2018
		£	£	£	£
<b>INCOME</b>					
Investment Income	3	-	38,869	38,869	32,962
<b>TOTAL INCOME</b>		-	38,869	38,869	32,962
<b>EXPENDITURE</b>					
Investment management costs	4	7,545	-	7,545	7,775
Charitable activities	5	5,590	39,565	45,155	42,789
Release of creditor		-	-	-	(2,000)
<b>TOTAL EXPENDITURE</b>		13,135	39,565	52,700	48,564
<b>NET EXPENDITURE</b>		(13,135)	(696)	(13,831)	(15,602)
Gains/(Losses) on investment assets					
Realised	8	(5,278)	-	(5,278)	(1,143)
Unrealised	8	29,493	-	29,493	(21,819)
<b>NET MOVEMENT IN FUNDS</b>		11,080	(696)	10,384	(38,564)
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		1,392,194	9,895	1,402,089	1,440,653
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,403,274</b>	<b>9,199</b>	<b>1,412,473</b>	<b>1,402,089</b>

**CONTINUING OPERATIONS:** all of the charity's activities relate to continuing operations.

**TOTAL RECOGNISED GAINS AND LOSSES:** the charity has no recognised gains and losses other than those shown in the Statement of Financial Activities.

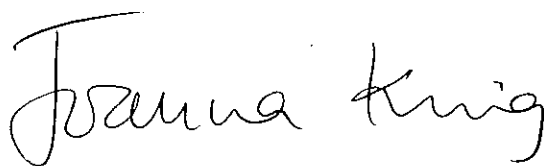


BALANCE SHEET AS AT 5 APRIL 2019

	NOTE	2019 £	2018 £
<b>FIXED ASSETS</b>			
Investments	8	1,309,774	1,383,485
<b>CURRENT ASSETS</b>			
Debtor	9	726	-
Cash at Bank	10	106,656	23,289
		107,382	23,289
<b>CURRENT LIABILITIES</b>			
Creditors: amount falling due within one year	11	(4,683)	(4,685)
<b>NET CURRENT ASSETS</b>		102,699	18,604
<b>TOTAL ASSETS LESS LIABILITIES</b>		1,412,473	1,402,089
Representing:			
<b>UNRESTRICTED FUNDS</b>			
Expendable Endowment		1,403,274	1,392,194
Income		9,199	9,895
		1,412,473	1,402,089

Approved by the Trustees and signed on their behalf by:

J K KING  
Trustee



Date 19/09/19

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2019

**1. ACCOUNTING POLICIES**

**(a) Basis of Preparation**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Foundation is a public benefit entity for the purposes of FRS 102 and a registered charity and therefore has also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), and Charities Act 2011. The financial statements are prepared in sterling, which is the functional currency of the Charity and rounded to the nearest pound.

**(b) Going Concern**

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The most significant areas of uncertainty that affect the carrying value of assets held by the Charity are the level of investment return and the performance of investment markets (see the investment policy and performance and risk management sections of the Trustees' annual report for more information).

**(c) Fund Structure**

Unrestricted Funds comprise those funds which the Trustees are free to use in accordance with the charitable objects.

The Expendable Endowment Fund represents those assets/capital which are held for the longer term for the Charity, in accordance with the terms of the Trust Deed. The Expendable Endowment Fund can be used in accordance with the objects of the Charity and is included in the Unrestricted Funds. Any capital gains or losses arising on the investments held in the Expendable Endowment Fund form part of that fund. To the extent that grants paid exceed the amount available from income funds, transfers are made from the Expendable Endowment. Income arising on the Expendable Endowment Fund can be used in the Unrestricted Income Fund.

**(d) Income**

All income is recognised in the Statement of Financial Activities (SOFA) when the conditions for receipt have been met and there is reasonable assurance of receipt. Where a claim for repayment of income tax has or will be made such income is grossed up for the tax recoverable. The following accounting policies are applied to different categories of income:

***Investment Income***

Investment income is accounted for when receivable and is stated gross of any reclaimable taxation relief.

**(e) Expenditure**

Resources expended are recognised as liabilities as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The following accounting policies are applied to the different categories of expenditure:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2019 (CONT'D)

1. ACCOUNTING POLICIES (CONT'D)

(e) Expenditure (cont'd)

*Costs of generating funds*

The costs of generating funds consist of investment management fees.

*Charitable Activities*

Donations payable are recognised when they are approved by the trustees and the recipient of the grant has been informed of the amount paid.

*Governance Costs*

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examiner's fees together with support costs.

(f) Fixed Asset Investments

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses on revaluation and disposals throughout the year.

(g) Realised and Unrealised Gains and Losses

All gains and losses are taken to the SOFA 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 at the year end and opening market value (or purchase date if later).

(h) Critical accounting estimates and areas of judgement

In preparing financial statements, it is necessary to make certain adjustments, estimates and assumptions that affect the amounts recognised in the financial statements. In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

(i) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand and short term deposits with a maturity date of three months or less.

(j) Financial Instruments

The Charity has elected to apply the provisions of Section 11 Basic Financial Instruments' 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2019 (CONT'D)

1. ACCOUNTING POLICIES (CONT'D)

(j) Financial Instruments (cont'd)

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.

2. REMUNERATION OF TRUSTEES

By virtue of Clause (i) of the Trust Deed dated 28 August 2001 any Trustee is entitled to charge and be paid for any professional business completed by them when instructed by their co-trustees. In the financial year ended 5 April 2019, none of the Trustees received any remuneration or had expenses reimbursed by the Charity (2018 – £Nil). There were no related party transactions in the year. (2018: None)

The trustees are considered to comprise the Charity's key management.

3. INVESTMENT INCOME

	2019	2018
	£	£
Income from Investments	38,798	32,944
Interest on cash deposits	71	18
	<u>38,869</u>	<u>32,962</u>

4. INVESTMENT MANAGEMENT COSTS

	2019	2018
	£	£
Investment Management Fees	4,236	4,420
Custodian Fees	3,309	3,355
	<u>7,545</u>	<u>7,775</u>

5. CHARITABLE ACTIVITIES

	2019
	£
Emma Maltby Memorial Fund	5,000
Sandpiper Trust	5,000
Young Minds	5,000
Donation under £5,000	<u>24,500</u>
	39,500
Support and governance costs (see note 7)	<u>5,655</u>
	<u>45,155</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2019 (CONT'D)

6. ANALYSIS OF DONATIONS MADE

	2019 No.	2018 No.	2019 £	2018 £
The advancement of or the saving of lives	8	5	20,500	12,000
The advancement of education	1	1	2,000	5,000
The prevention or relief of poverty	5	3	13,000	7,000
The advancement of environment protection	1	1	2,000	2,000
The advancement of citizenship or community development	-	1	-	2,000
The relief of those in need by reason of youth ,age, ill-health, disability, financial hardship or other disadvantage	-	1	-	2,000
The advancement of animal welfare	1	2	2,000	7,000
	16	14	39,500	37,000

7. SUPPORT AND GOVERNANCE COSTS

	Unrestricted Expendable Endowment £	Unrestricted Income £	2019 Total £	2018 Total £
Independent Examiner's remuneration	2,370	-	2,370	2,410
Legal and Professional Fees	3,220	-	3,220	3,279
Bank Charges	-	65	65	100
To Charitable activities	(5,590)	(65)	(5,655)	(5,789)
	-	-	-	-

8. FIXED ASSET INVESTMENTS

Movement in fixed asset investments

	Unquoted		Quoted		Total	Total
	2019	2018	2019	2018	2019	2018
	£	£	£	£	£	£
Balance brought forward	27,452	27,197	1,356,033	1,383,292	1,383,485	1,410,489
Add: Acquisitions at cost	22,575	-	495,839	203,574	518,414	203,574
Less Disposal Proceeds	(22,724)	-	(593,616)	(207,616)	(616,340)	(207,616)
Realised loss on disposals	(622)	-	(4,656)	(1,143)	(5,278)	(1,143)
Unrealised (Losses)/Gains	(276)	255	29,769	(22,074)	29,493	(21,819)
Market Value at 5 April	26,405	27,452	1,283,369	1,356,033	1,309,774	1,383,485
Historical Cost at 5 April	26,335	26,394	1,082,562	1,128,747	1,108,897	1,155,141

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2019 (CONT'D)

8. FIXED ASSET INVESTMENTS (CONT'D)

	2019	2018	2019	2018	2019	2018
Geographical Analysis	Unquoted	Unquoted	Quoted	Quoted	Total	Total
United Kingdom	23,489	24,558	1,193,557	1,275,513	1,217,046	1,300,071
investments						
Overseas investments	2,916	2,894	89,812	80,520	92,728	83,414
	<b>26,405</b>	<b>27,452</b>	<b>1,283,369</b>	<b>1,356,033</b>	<b>1,309,774</b>	<b>1,383,485</b>

The following investments comprise in excess of 5% of the value of the portfolio

Name	Holding	Value (£)
Stonehage Fleming Global Equities Fund II	166,739	387,251
Pimco Global Advisors IRL Ltd GIS Income Hedged	12,780	133,427
FF & P UK Equity Income	69,045	124,695
T Bailey Fund Services Ltd Evenlodge Global Income F GBP	91,629	101,314
Bluebay Funds Management Company SA GBL	976	100,246
Artemis Funds Manager Global Income	76,180	72,660
Man Fund Management UK Ltd Man GLG UK Income	52,056	66,944

9. DEBTOR

	2019	2018
	£	£
Other Debtors	726	-
	<b>726</b>	<b>-</b>

10. CREDITORS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Accruals	4,683	4,685
	<b>4,683</b>	<b>4,685</b>

11. ANALYSIS OF CHARITABLE FUNDS

	Unrestricted Expendable Endowment	Unrestricted Income	2019 Total
	£	£	£
Investments	1,309,774	-	1,309,774
Cash at bank	97,457	9,199	106,656
Debtor	726	-	726
Creditors	(4,683)	-	(4,683)
	<b>1,403,274</b>	<b>9,199</b>	<b>1,412,473</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2019 (CONT'D)

11. ANALYSIS OF CHARITABLE FUNDS (CONT'D)

	Unrestricted Expendable Endowment £	Unrestricted Income £	2018 Total £
Investments	1,383,485	-	1,383,485
Cash at bank	13,394	9,895	23,289
Creditors	(4,685)	-	(4,685)
	<b>1,392,194</b>	<b>9,895</b>	<b>1,402,089</b>