

Report of the Trustees and
Financial Statements
for the Year Ended 31 December 2021
for
JAC Trust

Monahans
Statutory Auditor
Chartered Accountants
Fortescue House
Court Street
Trowbridge
Wiltshire
BA14 8FA

JAC Trust

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for the Year Ended 31 December 2021**

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JAC Trust

Report of the Trustees
for the Year Ended 31 December 2021

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
John Turbervill (resigned 08.07.2021)
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: Monahans
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 2021**

The Trustees present their report and the audited financial statements of JAC Trust for the year ended 31 December 2021.

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).

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). This completed the governance review of the J A Clark Charitable Trust initiated in 2019. 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 5 May 2022.

Trustees

The Trustees who served since the establishment of the CIO 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
John Turbervill (resigned 08.07.2021)

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 five times in 2021, twice to review and approve grants and on three other occasions to discuss and progress governance and other matters.

The Trust has two committees which meet separately to the Board and report to it: Finance and Investment and Programme. All Trustees must serve on at least one of the committees. The Programme Committee reviews and assess all applications to the Trust and makes funding recommendations to the Board. In 2021, following an open, competitive recruitment process, Professor Richard Black joined the Programme Committee, enabling the Trust to benefit from his considerable expertise in the climate change forced displacement nexus, the main focus of the Trust's grant-making. Professor Black gives his time voluntarily and receives no benefits from the charity.

JAC Trust
Report of the Trustees
for the Year Ended 31 December 2021

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. On her appointment in 2020 the salary for the post of Director was set on the basis of the market average for grant-making charities of a similar size. Her salary is reviewed annually, and any pay increase is linked to performance and approved by the Board.

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 Internationally. 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.

Core Work: the intersection between climate change and displacement

In 2020 the Trustees adopted a new ten year strategy with an objective to:

support forcibly displaced people, their host communities and people at acute risk of displacement to respond to the climate crisis, while also promoting environmental protection/recovery.

Every year millions of people are forced to leave their homes as a result of persecution, violence, conflict, extreme weather events and natural disasters. At the end of 2019 there were 79.5 million forcibly displaced people worldwide (UNHCR, 2021). Climate change is a key reason for the increase in displacement and is putting many millions more at risk of displacement in the future. At the same time, refugees, internally displaced people and other people who have been evicted from their land are particularly exposed to the impacts of climate change as many live in fragile environments and/or climate change hot spots. The increase in population in these fragile environments lead to environmental degradation, which in turn aggravates the impact of climate change. It can also result in conflict over natural resources between the host and displaced communities. The need for funding is significant, according to the ICRC \$0 of climate adaptation funds reaches victims conflict and refugees.

The years 2020 and 2021 were designated a learning phase. During this time JAC Trust explored the intersection between climate change and forced displacement, funding a number of diverse initiatives in order to maximise learning.

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.

JAC Trust

Report of the Trustees for the Year Ended 31 December 2021

Achievements and Performance

Grant-making at the intersection between climate change and forced displacement

2021 was the second of two 'learning years'. Our aim was to fund a wide range of thematics, approaches and geographies in order to learn more about issues at the intersection of climate change and displacement as well as promising approaches to overcoming them.

A total of £431,871 was awarded in grants to 15 organisations. All grants were for one year.

Organisation	Amount	Project Name	Location
Afghanistan Relief & Sustainable Development Organization	£29,930	Energy Saving Solutions in Sheikh Mesri IDPs Camp Jalalabad	Afghanistan
Buhaguzi Action for Rural Development Foundation	£28,000	Environmental awareness through education in 14 primary schools in Kyangwali Refugee settlement Kikuube district western Uganda.	Uganda
Climate Outreach	£29,994	Centering refugee & migrant organizations in the climate debate	Global
CHASE Africa	£30,000	Improving household resilience for refugee & host communities around Bidibidi refugee settlement	Uganda
Food for the Hungry UK	£26,011	Increasing Climate Resilience of Refugees & Host Communities in & around Nyabiheke Refugee Camp	Rwanda
Pastoralists Alliance for Resilience & Adaptation across Nations (PARAN)	£29,713	Improved Management of Climate-Induced Impacts of Floods by Returnees & Host Families around Lake Baringo, Kenya	Kenya
Social Orientation and Relief Association (SOORA)	£28,569	Improving Food Security & Resilience of the drought affected host communities & IDPs through sustainable livelihood interventions.	Somaliland
Cameroon Gender and Environment Watch	£26,386	Preventing the Departure of Kilum-Ijim forest people by engaging them in livelihood activities that improves lives & protect nature	Cameroon
Community Needs Initiative	£29,243	Strengthening livelihoods & food security for vulnerable returnee women & youths in Equatoria State through agroforestry	South Sudan
MedicineAfrica	£27,885	RESEED: Restoring the Ecosystem in Somaliland through Economic Empowerment for the Displaced	Somaliland
Off-Grid Gas & Debre Tabor University	£30,000	Turning the curse of water hyacinth into blessings: transforming the livelihood of rural Ethiopia	Ethiopia
People's Planet Project	£27,582	GeoStory Camps	Indonesia
Pragya	£28,558	Reducing water stress & risk of displacement among pastoralists in Kenya's arid lands through community-led Water Resource Management	Kenya
Rural Environment and Development Organization	£30,000	Sustainable landscape management for climate change mitigation & adaptation around Mahama refugee camp	Rwanda
Vita	£30,000	Reducing climate-induced displacement in Ethiopia by creating access to sustainable household energy & protecting trees	Ethiopia

Family Fund

A total of £31,500 was awarded to three organisations.

Organisation	£	Description
Working Chance	1,500	Support women leaving the criminal justice system to find work.
The Felix Project	15,000	Rescue food that cannot be sold & redistribute to food banks & charities.
Afghanistan & Central Asian Association	15,000	Supporting recently arrived Afghan refugees in the UK to settle.

JAC Trust

Report of the Trustees for the Year Ended 31 December 2021

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.

5 grantees submitted final reports in 2021. According to these reports funding from JAC trust contributed to achieving the following outcomes:

- 600 households became food secure.
- 1185 people increased their resilience to shocks due to increased savings/incomes
- 1332 households have greater access to clean energy
- 10,000 trees planted
- CO2 emissions reduced by 2309 tonnes.

Social Investment

The Trustees approved one social investment in 2021: a £80,000 loan to the Wyre Catchment Natural Flood Management Project. 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.

Financial Review

Since 2020 the trustees have followed a total return strategy both for the management of the Trust's investment portfolio and for determining the amount available each year to fund the grants programme and meet expenses. This amount includes income arising from the portfolio and an element of long term capital growth. The objective is to maintain the long term real value of the investment fund while sustaining the level of grant distributions.

The principal funding source of JAC Trust is from investment income of £159,570 (2020: £159,571). Total income was £159,770 (2020: £164,871).

Expenditure in 2021 was higher than the previous year at £574,229 (2020: £453,107), reflecting the increase in the grants budget. Grants for charitable purposes were £458,581 (2020: £306,140).

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 2021 were £131,327.

Investment Policy and Performance

The investments consist of a portfolio of 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 investment portfolio has been managed by Rathbone Greenbank since December 2019. In 2021 the portfolio generated a total return of 14.87% which comfortably exceeded the target of 4% plus inflation but underperformed against the MSCI PIMFA Growth Index.

The Trustees take a responsible and ethical view to investing, considering environmental, social and governance issues. In 2019 the Trustees reviewed and updated the investment policy moving from negative screening to full integration of ESG. This reflects the Trustees' commitment to using assets to achieve to support the transition to a post-Carbon economy. We are proud to be a founder signatory to the Funder Commitment on Climate Change, which commits us to utilise JAC Trust's investments to support the transition to a post-Carbon future.

JAC Trust
Report of the Trustees
for the Year Ended 31 December 2021

Fundraising Policy

The Trust's income is derived from its investment portfolio and on occasion, individuals linked to the charity make a donation. No fundraising activity is carried out by the charity.

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.* The Trustees seeks 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.
- *Uncertain return on investment portfolio.* The invasion of Ukraine and associated Russian sanctions has destabilised world markets. The invasion has triggered a sharp increase in energy and commodity prices, with consumer inflation expected to accelerate as a result. Markets have been volatile and falling. Hence, there is a risk that equity markets do not deliver positive calendar year returns. We mitigate this risk by investing through an investment manager and maintaining a diverse investment portfolio.
- *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.

Funder Commitment on Climate Change

In November 2019 JAC Trust became a founder signatory of the Funder Commitment on Climate Change. As part of this commitment the Trustees agreed to report annually on progress against the five goals below:

1. *Educate and learn:* We are members of the Environmental Funders Network and participate regularly in their events. In 2021 our Director was one of the speakers at the joint EFN/ACF launch event of the resource pack for funders: "Acting on the Climate Crisis – Why, How and the Role of Philanthropy". We have a particular interest in how climate change impacts the Global South and have engaged extensively with our grantees on this issue, including a convening of our Uganda based grantees to foster peer to peer learning.
2. *Commit resources:* Our core funding programme and 90% of our grant-making resources is dedicated to addressing the causes and consequences of the climate crisis. Our objective is to support refugees, IDPs and other displaced people and their host communities to become more climate resilient whilst also protecting the natural environment. We have committed over £800,000 to this challenge since signing the Funder Commitment on Climate Change.
3. *Integrate:* Our entire funding programme is already a response to the climate crisis. We are now integrating climate change into our management of assets. We have some land and are currently reviewing opportunities for using this land in a more climate positive way.
4. *Steward our investments for a post-Carbon future:* We are a signatory to Divest/Invest and have divested from fossil fuels and invested in renewable energies. The Trustees are keen to ensure that our investments support the transition to a post-carbon future. In 2021 we made our first environmental impact investment in a pilot project that uses nature-based solutions to reduce flood risk in England. We anticipate making more such investments in the future.

JAC Trust

Report of the Trustees for the Year Ended 31 December 2021

5. *Decarbonise our own operations:* Key staff work from home, travel is therefore assumed to be the largest source of GHG emissions. In late 2019 (after signing the FCCC) Trustees committed themselves to meeting face-to-face only once a year. Since March 2020 all meetings have been virtual due to the pandemic. In 2021, Trustees updated the expenses policy to exclude flights within the UK.

Future Plans

The Trustees will continue to fund at the intersection between climate change and forced displacement. From 2022 onwards, the focus will be on forcibly displaced people and their host communities only. Preference will be given to initiatives that foster a positive engagement between the host and displaced communities and multi-year grants will be available.

The incorporation of the charity, begun in 2020, was completed on 3 May 2022 when the merger of JA Clark Charitable Trust and JAC Trust was registered with the Charity Commission

Audit

In 2019 the Trustees of the J A Clark Charitable Trust tendered for new auditors and appointed MHA Monahans as auditors of the charity for the financial year ending 31 December 2019.

A resolution proposing that MHA Monahans be re-appointed as the auditors of the charity for the financial year ending 31 December 2021 was passed at a meeting of the JAC Trust Board held on 13 June 2021.

JAC Trust

Report of the Trustees
for the Year Ended 31 December 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees 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, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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, including the income and expenditure, of the charity 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 Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures 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 which 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 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.

Approved by order of the board of trustees on and signed on its behalf by:

.....
O Clark Campbell - Trustee

**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 2021 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 2021 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. 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;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- 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. 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.

Monahans
Statutory Auditor
Chartered Accountants
Eligible to act as an auditor in terms of Section 1212 of the Companies ACT 2006
Fortescue House
Court Street
Trowbridge
Wiltshire
BA14 8FA

Date:

JAC Trust

**Statement of Financial Activities
for the Year Ended 31 December 2021**

	Notes	Unrestricted funds £	Endowment funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	-	-	-	5,200
Investment income	3	159,570	-	159,570	159,571
Other income	4	<u>200</u>	-	<u>200</u>	<u>100</u>
Total		159,770	-	159,770	164,871
EXPENDITURE ON					
Raising funds	5	13,350	55,301	68,651	63,055
Charitable activities					
Family Fund	6	35,003	-	35,003	77,034
Climate Change and Forced Displacement		470,575	-	470,575	313,018
Total		<u>518,928</u>	<u>55,301</u>	<u>574,229</u>	<u>453,107</u>
Net gains/(losses) on investments		-	<u>1,899,306</u>	<u>1,899,306</u>	<u>(2,816,286)</u>
NET INCOME/(EXPENDITURE)		(359,158)	1,844,005	1,484,847	(3,104,522)
Transfers between funds	18	<u>464,458</u>	<u>(464,458)</u>	-	-
Other recognised gains/(losses)					
Gains on revaluation of fixed assets		-	<u>32,900</u>	<u>32,900</u>	<u>18,564</u>
Net movement in funds		105,300	1,412,447	1,517,747	(3,085,958)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>26,027</u>	<u>10,191,369</u>	<u>10,217,396</u>	<u>13,303,354</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>131,327</u></u>	<u><u>11,603,816</u></u>	<u><u>11,735,143</u></u>	<u><u>10,217,396</u></u>

The notes form part of these financial statements

JAC Trust

Balance Sheet
31 December 2021

	Notes	Unrestricted funds £	Endowment funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	13	-	249,400	249,400	216,500
Investments					
Investments	14	-	10,053,676	10,053,676	8,811,196
Investment property	15	-	<u>1,300,740</u>	<u>1,300,740</u>	<u>1,165,000</u>
		-	11,603,816	11,603,816	10,192,696
CURRENT ASSETS					
Debtors	16	544	-	544	838
Cash at bank		<u>183,902</u>	-	<u>183,902</u>	<u>78,591</u>
		184,446	-	184,446	79,429
CREDITORS					
Amounts falling due within one year	17	(53,119)	-	(53,119)	(54,729)
NET CURRENT ASSETS		<u>131,327</u>	-	<u>131,327</u>	<u>24,700</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>131,327</u>	<u>11,603,816</u>	<u>11,735,143</u>	<u>10,217,396</u>
NET ASSETS		<u>131,327</u>	<u>11,603,816</u>	<u>11,735,143</u>	<u>10,217,396</u>
FUNDS	18				
Unrestricted funds				131,327	26,027
Endowment funds:					
Expendable endowment				11,548,968	10,169,421
Tangible fixed asset revaluation reserve				<u>54,848</u>	<u>21,948</u>
				<u>11,603,816</u>	<u>10,191,369</u>
TOTAL FUNDS				<u>11,735,143</u>	<u>10,217,396</u>

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

.....
O Clark Campbell - Trustee

JAC Trust

**Cash Flow Statement
for the Year Ended 31 December 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	21	<u>(442,609)</u>	<u>(441,531)</u>
Net cash used in operating activities		<u>(442,609)</u>	<u>(441,531)</u>
Cash flows from investing activities			
Purchase of fixed asset investments		(555,855)	(4,534,308)
Sale of fixed asset investments		1,038,224	4,482,881
Other recognised gains and losses		-	(18,564)
Movement in cash held for investment		(38,718)	-
Interest received		11	1,835
Dividends received		131,868	127,828
Property income		<u>27,691</u>	<u>29,908</u>
Net cash provided by investing activities		<u>603,221</u>	<u>89,580</u>
Cash flows from financing activities			
Expenditure attributable to endowment		<u>(55,301)</u>	<u>(46,594)</u>
Net cash used in financing activities		<u>(55,301)</u>	<u>(46,594)</u>
Change in cash and cash equivalents in the reporting period		105,311	(398,545)
Cash and cash equivalents at the beginning of the reporting period		<u>78,591</u>	<u>477,136</u>
Cash and cash equivalents at the end of the reporting period		<u><u>183,902</u></u>	<u><u>78,591</u></u>

The notes form part of these financial statements

JAC Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

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.

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.

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

JAC Trust

Notes to the Financial Statements - continued for the Year Ended 31 December 2021

1. **ACCOUNTING POLICIES - continued**

Expenditure

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 18. The trustees' policy is to 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.

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.

JAC Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

1. ACCOUNTING POLICIES - continued

Financial instruments

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

	2021	2020
	£	£
Donations	<u>-</u>	<u>5,200</u>

3. INVESTMENT INCOME

	2021	2020
	£	£
Property income	27,691	29,908
Listed investment portfolio	131,868	127,828
Deposit account interest	11	1,295
Soul of Africa loan interest	<u>-</u>	<u>540</u>
	<u>159,570</u>	<u>159,571</u>

4. OTHER INCOME

	2021	2020
	£	£
Compensation	<u>200</u>	<u>100</u>

JAC Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

5. RAISING FUNDS

Raising donations and legacies

	2021 £	2020 £
Rental expenses	<u>13,350</u>	<u>16,461</u>

Investment management costs

	2021 £	2020 £
Investment management	<u>55,301</u>	<u>46,594</u>

Aggregate amounts	<u>68,651</u>	<u>63,055</u>
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6. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 7) £	Support costs (see note 8) £	Totals £
Family Fund	26,710	8,293	35,003
Climate Change and Forced Displacement	<u>431,871</u>	<u>38,704</u>	<u>470,575</u>
	<u>458,581</u>	<u>46,997</u>	<u>505,578</u>

7. GRANTS PAYABLE

	2021 £	2020 £
Family Fund – Paid in year	31,500	33,400
Family Fund – Refunded from prior year	(4,790)	-
Climate Change and Forced Displacement	<u>431,871</u>	<u>272,740</u>
	<u>458,581</u>	<u>306,140</u>

JAC Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

7. GRANTS PAYABLE - continued

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

	2021	2020
	£	£
Somerset Community Fund (refunded)	(4,790)	-
Five Talents	-	25,000
Ashden Sustainable	-	25,000
California Clean Energy Fund	-	25,000
Small steps	-	25,000
Send a Cow	-	25,000
Thousand Currents	-	15,000
Rural Women's Centre	-	25,000
Lotus Flower Trust	-	22,800
Ideas Partnership	-	14,972
AMOR	-	24,987
Brave Hearts Orphanage	-	27,981
Cord Global	-	20,000
Total amount of small grants under £3,000 each	1,500	30,400
ARSDO	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	-
The Felix Project	15,000	-
Afghanistan & Central Asian Association	15,000	-
	<u>458,581</u>	<u>306,140</u>

Reconciliation of grants

		£
Grants committed for the year		458,581
Grants paid during the year		(464,231)
Commitments at 1 January 2021		<u>32,149</u>
Commitments at 31 December 2021		<u>26,499</u>

Commitments at 31 December 2021 are payable as follows:

Within one year		26,499
After more than one year		-
		<u>26,499</u>

JAC Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

8. SUPPORT COSTS

	Other	Governance costs	Totals
	£	£	£
Family Fund	6,890	1,403	8,293
Climate Change and Forced Displacement	<u>32,152</u>	<u>6,552</u>	<u>38,704</u>
	<u>39,042</u>	<u>7,955</u>	<u>46,997</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	2021	2020
	£	£	£	£
Staff costs	26,551	-	26,551	31,748
Administration	8,843	2,211	11,054	16,604
Meetings, travel and office	35	138	173	3,303
Website marketing	477	-	477	4,820
Memberships, seminars and training	3,136	-	3,136	1,380
Accountancy	-	1,268	1,268	84
Audit	-	4,032	4,032	4,032
Legal	-	1,252	1,252	22,776
Bank charges and FX adjustments	-	(946)	(946)	2,165
	<u>39,042</u>	<u>7,955</u>	<u>46,997</u>	<u>83,912</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

	2021	2020
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>4,032</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 (2020: £nil).

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

Trustees' expenses

Trustees were reimbursed for travel costs incurred on trust business (i.e. attending trustee meetings), and the trust also paid for membership and training courses for the trustees provided by the Association of Charitable Foundations. These expenses totalled £Nil (2020: £189).

JAC Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

11. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	25,205	27,056
Other pension costs	<u>1,346</u>	<u>4,692</u>
	<u><u>26,551</u></u>	<u><u>31,748</u></u>

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

	2021	2020
Charitable activities	<u><u>1</u></u>	<u><u>1</u></u>

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

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Endowment funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	5,200	-	5,200
Investment income	159,571	-	159,571
Other income	<u>100</u>	<u>-</u>	<u>100</u>
Total	164,871	-	164,871
EXPENDITURE ON			
Raising funds	16,461	46,594	63,055
Charitable activities			
Family Fund	115,663	-	115,663
Climate Change and Forced Displacement	<u>274,389</u>	<u>-</u>	<u>274,389</u>
Total	406,513	46,594	453,107
Net gains/(losses) on investments	<u>-</u>	<u>(2,816,286)</u>	<u>(2,816,286)</u>
NET INCOME/(EXPENDITURE)	(241,642)	(2,862,880)	(3,104,522)
Transfers between funds	<u>(96,694)</u>	<u>96,694</u>	<u>-</u>
Other recognised gains/(losses)			
Gains on revaluation of fixed assets	<u>-</u>	<u>18,564</u>	<u>18,564</u>
Net movement in funds	(338,336)	(2,747,622)	(3,085,958)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>364,363</u>	<u>12,938,991</u>	<u>13,303,354</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>26,027</u></u>	<u><u>10,191,369</u></u>	<u><u>10,217,396</u></u>

JAC Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

13. TANGIBLE FIXED ASSETS

	Freehold property £
COST OR VALUATION	
At 1 January 2021	216,500
Revaluations	<u>32,900</u>
At 31 December 2021	<u>249,400</u>
NET BOOK VALUE	
At 31 December 2021	<u>249,400</u>
At 31 December 2020	<u>216,500</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 each year since using the Land Registry House Price Index.

14. FIXED ASSET INVESTMENTS

	Investments £	Unlisted investments £	Cash and settlements pending £	Totals £
MARKET VALUE				
At 1 January 2021	8,649,427	1	161,768	8,811,196
Additions	555,855	-	-	555,855
Disposals	(1,038,224)	-	(38,718)	(1,076,942)
Revaluations	<u>1,151,768</u>	<u>611,799</u>	<u>-</u>	<u>1,763,567</u>
At 31 December 2021	<u>9,318,826</u>	<u>611,800</u>	<u>123,050</u>	<u>10,053,676</u>
NET BOOK VALUE				
At 31 December 2021	<u>9,318,826</u>	<u>611,800</u>	<u>123,050</u>	<u>10,053,676</u>
At 31 December 2020	<u>8,649,427</u>	<u>1</u>	<u>161,768</u>	<u>8,811,196</u>

	£
Listed shares and securities	9,318,826
Unlisted shares	611,800
Cash held as part of the investment portfolio	<u>123,050</u>
	<u>10,053,676</u>

	£
Investment assets in the UK	4,969,663
Investment assets outside the UK	<u>5,084,013</u>
	<u>10,053,676</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 £1,151,768 increase in the value of listed investments and a £611,799 increase in value of unlisted investments.

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

JAC Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

14. FIXED ASSET INVESTMENTS - continued

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 Clark Ltd ordinary share is as follows:

C & J Clark Ltd £1 ordinary shares 1,330,000

	£
Valuation at 1 January 2021	1
Revaluation	<u>611,799</u>
Valuation at 31 December 2021	<u><u>611,800</u></u>

At 31 December 2021 the trustees held 1,330,000 £1 ordinary shares. In the light of the recent good performances by CJC these shares were valued by BDO at 31 July 2021 at a price of £0.46p per share, for the purposes of buying and selling in the internal market.

As a result of this valuation, the Trustees have agreed that the shares, which were valued at a nominal £1 at 31 December 2020 now have a value of £611,800. A further valuation based on the accounts to 31 January 2022 is likely to be available in mid 2022.

15. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 January 2021	1,165,000
Revaluation	<u>135,740</u>
At 31 December 2021	<u>1,300,740</u>
NET BOOK VALUE	
At 31 December 2021	<u><u>1,300,740</u></u>
At 31 December 2020	<u><u>1,165,000</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 the Land Registry House Price Index, using the average percentage change in value for existing properties for the year to December 2021, which was 15.2% (2020: 9.4%). 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 10% (2020: -1%).

Reconciliation of investment property valuation

	£
Carrying value at 1 January 2021	1,173,994
Revaluation	<u>135,740</u>
Carrying value at 31 December 2021	<u><u>1,309,734</u></u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Prepayments and accrued income	<u>544</u>	<u>838</u>

JAC Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Grants payable	26,499	32,149
Accruals and deferred income	<u>26,620</u>	<u>22,580</u>
	<u>53,119</u>	<u>54,729</u>

18. MOVEMENT IN FUNDS

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

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

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

Comparatives for movement in funds

	At 1.1.20	Net movement in funds	Transfers between funds	At 31.12.20
	£	£	£	£
Unrestricted funds				
General fund	364,363	(241,642)	(96,694)	26,027
Endowment funds				
Expendable endowment	12,936,837	(2,864,110)	96,694	10,169,421
Tangible fixed asset revaluation reserve	<u>2,154</u>	<u>19,794</u>	-	<u>21,948</u>
	<u>12,938,991</u>	<u>(2,844,316)</u>	<u>96,694</u>	<u>10,191,369</u>
TOTAL FUNDS	<u>13,303,354</u>	<u>(3,085,958)</u>	<u>-</u>	<u>10,217,396</u>

JAC Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

18. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	164,871	(406,513)	-	(241,642)
Endowment funds				
Expendable endowment	-	(46,594)	(2,817,516)	(2,864,110)
Tangible fixed asset revaluation reserve	-	-	19,794	19,794
	-	(46,594)	(2,797,722)	(2,844,316)
TOTAL FUNDS	<u>164,871</u>	<u>(453,107)</u>	<u>(2,797,722)</u>	<u>(3,085,958)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General fund	364,363	(600,800)	367,764	131,327
Endowment funds				
Expendable endowment	12,936,837	(1,020,105)	(367,764)	11,548,968
Tangible fixed asset revaluation reserve	2,154	52,694	-	54,848
	<u>12,938,991</u>	<u>(967,411)</u>	<u>(367,764)</u>	<u>11,603,816</u>
TOTAL FUNDS	<u>13,303,354</u>	<u>(1,568,211)</u>	<u>-</u>	<u>11,735,143</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	324,641	(925,441)	-	(600,800)
Endowment funds				
Expendable endowment	-	(101,895)	(918,210)	(1,020,105)
Tangible fixed asset revaluation reserve	-	-	52,694	52,694
	-	(101,895)	(865,516)	(967,411)
TOTAL FUNDS	<u>324,641</u>	<u>(1,027,336)</u>	<u>(865,516)</u>	<u>(1,568,211)</u>

The expendable endowment funds represent the original capital of the Trust, the gift of the property from the JA Clark 1960 settlement (see note 13) 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.

JAC Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

19. RELATED PARTY DISCLOSURES

Donations received from trustees and other related parties to the JA Clark Charitable Trust without attached conditions totalled £nil in 2021 (2020: £4,900).

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

20. ULTIMATE CONTROLLING PARTY

The charity is controlled jointly by the trustees.

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

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	1,484,847	(3,104,522)
Adjustments for:		
(Gain)/losses on investments	(1,899,306)	2,816,286
Interest received	(11)	(1,835)
Dividends received	(131,868)	(127,828)
Expenditure attributable to endowment	55,301	46,594
Property income	(27,691)	(29,908)
Loan to Soul of Africa UK Ltd	-	29,600
Gain on revaluation of fixed assets	77,435	18,564
Decrease in debtors	294	636
Decrease in creditors	<u>(1,610)</u>	<u>(89,118)</u>
Net cash used in operations	<u>(442,609)</u>	<u>(441,531)</u>

22. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21 £	Cash flow £	At 31.12.21 £
Net cash			
Cash at bank	<u>78,591</u>	<u>105,311</u>	<u>183,902</u>
	<u>78,591</u>	<u>105,311</u>	<u>183,902</u>
Total	<u>78,591</u>	<u>105,311</u>	<u>183,902</u>

23. 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 semi-annual valuations of the shares by BDO Chartered Accountants. The valuation based on the annual accounts to 30 January 2021 was prepared in October 2021, the valuation closest to the balance sheet date. The trustees consider that the valuation, which allowed for trading on the internal market, puts value back into the shares, and the shares have been valued at the price given in the C&J Clark Limited notification of £0.46p per share.

JAC Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

23. FAIR VALUE OF ASSETS AND LIABILITIES - continued

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.

24. MERGER ACCOUNTING

JAC Trust was incorporated on 18 May 2020 in order that the J A Clark Charitable Trust (charity 1010520), could change its legal structure. Although JAC Trust commenced operations on 1 July 2020, the principles of merger accounting were applied in the previous year and the results of the combining charities for the whole year in which the merger occurred were combined as if they were always one entity.

JAC Trust

Detailed Statement of Financial Activities
for the Year Ended 31 December 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	-	5,200
Investment income		
Property income	27,691	29,908
Listed investment portfolio	131,868	127,828
Deposit account interest	11	1,295
Soul of Africa loan interest	<u>-</u>	<u>540</u>
	159,570	159,571
Other income		
Compensation	<u>200</u>	<u>100</u>
Total incoming resources	159,770	164,871
EXPENDITURE		
Raising donations and legacies		
Rental expenses	13,350	16,461
Investment management costs		
Investment management	55,301	46,594
Charitable activities		
Grants to institutions	458,581	306,140
Support costs		
Other		
Wages	25,205	27,056
Pensions	1,346	4,692
Administration	10,758	10,883
Meetings, travel and office	173	2,642
Website marketing	-	4,820
ACF membership & seminars	3,136	1,380
Other:Website & Grant Management	<u>477</u>	<u>-</u>
	41,095	51,473
Governance costs		
Auditors' remuneration	4,032	4,032
Administration	-	2,721
Meetings, travel and office	-	661
Legal	1,252	22,776
Accountancy	1,564	84
Bank charges	<u>(946)</u>	<u>2,165</u>
	<u>5,902</u>	<u>32,439</u>
Total resources expended	<u>574,229</u>	<u>453,107</u>
Net expenditure before gains and losses	(414,459)	(288,236)
Realised recognised gains and losses		
Carried forward	(414,459)	(288,236)

This page does not form part of the statutory financial statements

JAC Trust

Detailed Statement of Financial Activities
for the Year Ended 31 December 2021

	2021 £	2020 £
Realised recognised gains and losses		
Brought forward	(414,459)	(288,236)
Realised gains/(losses) on fixed asset investments	1,763,566	(2,841,442)
Realised gains/(losses) on investment property	<u>135,740</u>	<u>25,156</u>
Net income/(expenditure)	<u>1,484,847</u>	<u>(3,104,522)</u>