

**THE SIR JULES THORN
CHARITABLE TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

**THE SIR JULES THORN CHARITABLE TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2022**

Charity Number	233838
Registered Office	24 Manchester Square, London, W1U 3TH
Trustees	Elizabeth Charal (Chairman) Timothy J Harvey-Samuel Julian D F Ide K Mark Lever OBE Prof Sir Ravinder N Maini FRS, FRCP, FMedSci (resigned 31 st December 2022) Prof Sharon J Peacock CBE FMedSci (appointed 1 st January 2023) John G Rhodes Prof David L Russell-Jones MBBS, BSc, MD, FRCP William H Sporborg
Director	Richard Benson
Auditor	Haysmacintyre LLP 10 Queen St Place London EC4R 1AG
Bankers	NatWest Bloomsbury Parr's Branch 214 High Holborn London WC1V 7BX
Solicitors	Mills & Reeve Botanic House 100 Hills Road Cambridge CB2 1PH
Investment Managers	Ruffer LLP 80 Victoria Street London SW1E 5JL Baillie Gifford Calton Square 1 Greenside Row Edinburgh EH1 3AN Sarasin Juxon House 100 St Paul's Churchyard London EC4M 8BU Vanguard Asset Services 4 th Floor, The Walbrook Building London EC4N 8AF

**THE SIR JULES THORN CHARITABLE TRUST
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The Trustees present their report along with the audited financial statements of the charity for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the charity's Trust Deed, the Charities Act 2011, and the Statement of Recommended Practice for Charities (SORP 2019). Our accounting policies are set out on pages 21-23 of this report.

The report describes the Trust's governance and management structure, its grant programmes and main activities for 2022. As noted in the previous year's report, the Board of Trustees completed a review of the Trust's strategy in November 2021, and implemented a number of changes to its grant programmes during 2022. These changes were informed by an evaluation of the Trust's existing programmes, feedback from current and previous grant-holders and other evidence about future needs and priorities for the research and health and care sectors as the immediate pressures of the Covid-19 pandemic began to recede.

As described in later sections of this report, the changes implemented for 2022 were positive and resulted in a significant increase in the number of applications for some of the Trust's programmes. The longer-term implications of the pandemic combined with the difficult economic climate nevertheless mean that many of the organisations that the Trust supports face a period of continued uncertainty and potentially increased demand for their services. The Trustees will keep the position under review and ensure that the Trust's activities continue to respond to changes in the external environment, support its charitable objectives and remain sustainable for the long-term.

Structure, Governance and Management

The Sir Jules Thorn Charitable Trust is constituted under a Trust Deed dated 18th February 1964 and is a registered charity, number 233838. It was established with an endowment from Sir Jules Thorn. The Trust does not fundraise and seeks to continue the charitable work inspired by Sir Jules through the careful stewardship of our existing resources. The charity has no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

The Trust is governed by a Board of Trustees who oversee the Trust's governance, set the strategic direction and review the progress of its implementation. The Trustees normally meet twice each year and are able to deal with all essential business between meetings through correspondence and online conferencing.

The Board's Investments Sub-Committee meets with the investment managers at least annually to discuss in detail the performance of the Trust's investments. The Sub-Committee makes a report to the Board following its meetings. The Investments Sub-Committee completed a review of the Trust's investment strategy during 2020, and the review's recommendations were implemented in February 2021.

The Board is also supported by the Trust's Medical Advisory Committee (MAC) of leading clinicians and researchers, which oversees the peer review of research grant applications and makes recommendations to the Board on funding. The Committee held three meetings in 2022. The Trustees wish to express their thanks to the Chair and members of the Committee for their continued support and advice, and in particular to Prof Sharon Peacock who stood down as Chair of the Committee when her term came to an

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end in December 2022. The Trustees were delighted that Prof Peacock agreed to join the Board from January 2023, and that Prof Hugh Watkins will succeed Prof Peacock as Chair of the Committee.

The Trustees wish to express their particular gratitude to Prof Ravinder Maini, who retired from the Board in December 2022. Professor Maini made an enormous contribution to the work of the Trust, both as a Trustee and during his previous membership of the Medical Advisory Committee and was instrumental in the establishment of the Sir Jules Thorn Award.

The Board undertakes an annual review of its effectiveness, in order to ensure continued compliance with the Charity Governance Code and relevant good practice. The review in November 2022 took account of regulatory changes that will come into force as a result of the Charities Act 2022.

While the Trust Deed does not provide for a minimum or maximum number of Trustees, the Board's Terms of Reference state that, unless the circumstances are exceptional, there will not be less than seven and no more than ten Trustees. The composition of the Board is kept under regular review to ensure its members continue to provide the range of skills required to support the Trust's strategy. The Board has considered guidance published in the Code regarding the period for which individuals should normally serve on boards as Trustees and new Trustees are appointed for a term of 5 years, which may be renewable with the agreement of the Board.

When Trustee vacancies arise, individuals are identified who provide the required skills and the broader requirements set out in the Trustee Role Description agreed by the Board. Potential candidates are invited to a selection interview, which may lead to an appointment to the Board. New Trustees are given a briefing about the Trust and all aspects of their responsibilities, including governance. Trustees are also offered the opportunity to attend sector specific courses run by AMRC and other providers and in addition are made aware of changes to Charity Commission guidance as and when appropriate to their role on the Trustee Board. Further, where appropriate, induction meetings with the Trust's professional advisors are offered. All Trustees are unpaid.

The Trust has a Conflicts of Interest Policy, which sets out the principles which are applied to identify transactions and decisions in which individuals may have a personal interest, and the process for managing potential conflicts. The Policy applies to all Trustees, Trust staff and members of the Medical Advisory Committee.

The Trust operates with a small team of four staff, including the Director, who provides the key management role within the definition of FRS 102. Key Management Personnel salaries are set by the Board, after benchmarking to market conditions and other similar charities. The Director is accountable to the Trustees for the implementation of the strategic plan, and for the day-to-day management of the Trust.

The Trust acknowledges the importance of its staff in ensuring both the ongoing strategic development and efficient administration of the charity. The overall aim of the Trust's policy is to offer fair pay to attract and retain appropriately qualified staff to lead, manage and administer the charity and to fulfil the charitable objects on behalf of the Trustees. The Trustees review the remuneration of the Director and other staff on an annual basis.

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Risk Management

The Trustees are responsible for monitoring the risks facing the Trust and ensuring that adequate steps are taken to manage them. The Trust has a formal risk register which is regularly reviewed by the Board, and risk is inherent to the Board's discussions on all aspects of the Trust's work. In addition, the Board considers any recommendations from the Trust's auditors regarding further improvements to the Trust's system of internal controls, and management responses to recommendations. The Investment Sub-Committee reviews risks specifically related to the Trust's investments.

The principal risks facing the Trust are:

- **Financial** – where inappropriate asset allocation or adverse market conditions could potentially undermine the financial sustainability of the Trust or mean that total returns from the Trust's investments were not sufficient to meet its normal level of grant commitments.
This risk was addressed by the Trustees' review of the Trust's investment strategy, implemented in 2021, and is managed through the ongoing monitoring of investment performance by the Investments Sub-Committee. The risk of short-term volatility in investment returns is further mitigated by the Trustees' policy of maintaining cash balances at a sufficient level to cover near-term grant commitments. The Board considers the affordability of new grant commitments when setting the annual budget.
- **Strategic** - where the Trust's grant making strategy has to keep pace with developments in research, clinical practice and relevant sectors of care.
The Trustees reviewed the Trust's strategy and grant programmes in November 2021. When making significant awards the Trustees consider advice from the Medical Advisory Committee and external experts contributing to the peer review of research proposals.
- **Operational** – where processing failures, fraud, or major incidents, would impede the charity's ability to function effectively, and thus to deliver its charitable objectives. Internal controls are kept under review. The Trust adopted a hybrid working model throughout 2022. This has proved effective and has not led to any disruption in operations or adverse impact on controls.
- **Compliance** – where a failure to comply with charity law, the general law, or the founding Trust Deed, would compromise the charity's status and reputation.
The Trustees review governance arrangements on an annual basis and will conduct a further review of the Board's effectiveness later in 2023 to ensure continued compliance.

In common with other organisations, the Trust's risk management arrangements have been tested in recent years through the pandemic and the subsequent period of economic uncertainty. The Trust does not face the same challenges as charities which are dependent on fundraising or those delivering front-line services. The Trust's ability to navigate the changes in the external environment since 2020 has nevertheless confirmed the Trustees' previous assessment of the principal risks facing the Trust and that its risk assessment process is robust.

Overall, the Trustees are satisfied that all risks are being managed effectively and that measures are in place to ensure good governance, prevent financial or administrative fraud or malpractice, protect the good reputation of the Trust and ensure compliance with relevant legislation and guidance.

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Objectives, Activities and Public Benefit Objectives

The Trust Deed gives the Trustees absolute discretion to apply the capital and income of the Trust for charitable purposes generally but, in doing so, they take note of the Founder's wishes. In keeping with Sir Jules's original intentions, the Trust's largest grants support translational medical research undertaken in the UK's leading medical schools and NHS organisations. Beyond medical research, the Trust's other grant programmes support health and care services for people living with serious or life-limiting conditions, and those with – or at high risk of – physical or mental ill health, people living with disability, and their families and carers.

In discharging their responsibilities, the Trustees confirm that they have due regard to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

Activities

In pursuit of its objectives, the Trust delivers public benefit by providing awards to universities, NHS organisations and other registered charities. Awards are normally made through the Trust's competitive grant programmes; the details of which are available on our website

The Trustees reviewed the Trust's strategy in November 2021 and concluded that our research programmes were working well. The Trustees therefore agreed that the annual Sir Jules Thorn Award for Biomedical Research should continue in its existing form and that the Trust should continue to provide capital awards to support investment in laboratory equipment or other facilities needed to accelerate outstanding translational research. This capital funding had previously been offered under the Medically Related Donations programme, but in 2022 was awarded through the new Research Infrastructure Fund.

In reviewing the strategy, the Trustees agreed to re-focus the capital funding for health and care projects previously offered through the Medically Related Donations Programme. The Innovation and Improvement in Health and Care Fund was launched in February 2022 to support capital investment to improve services or facilities for people living with serious long-term or life-limiting conditions. Specifically, the new Fund aims to support the development of new models of health and care that will lead to improved outcomes for people using services, enhance access to services or improve their resilience. In launching this new fund, the Trustees agreed that the Trust should in particular look to support projects which are either scalable or replicable by other organisations, and therefore have the potential to deliver benefits beyond a single setting.

In previous years, the Trust has run two programmes offering small awards to support charities' core costs: the Hospice Fund, which offered core cost awards of £5,000, and the Ann Rylands Small Donations Programme which offered awards of up to £2,500 for either core costs or to support a specific project. Following the strategy review, the Trustees refined the criteria for the Ann Rylands Small Donations Programme to include end-of-life care and increased the maximum level for awards to £5,000. This change will enable the Trust to maintain support for smaller hospices - including hospice at home services – that may not have the fundraising infrastructure of larger hospices or that receive lower levels of statutory

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funding, and so help them to sustain existing provision. The broader scope of the new Innovation and Improvement in Health and Care Fund will enable any hospice to apply for a larger capital award to support investment in the further development and integration of their services.

The separate Hospice Fund closed in 2022, but the changes noted above have enabled the Trust to continue our support for the hospice sector through our other programmes.

The Trustees also closed the previous PhD programme in 2022. The programme was considered as part of the strategy review, and the Trustees concluded that while the Trust continued to attract strong applications, the scheme was too small to meet its original objectives. The Trustees therefore agreed to reallocate funding to support a fellowship scheme to support potential future leaders to develop a clinical research career. The Trust is considering a number of options in liaison with potential partners.

The Trust did not directly advertise our research programmes during the year but our longstanding support for medical research meant that the Trust continued to receive significantly more applications than it is able to fund in any one year. The quality of applications remains high. Given the changes outlined above, the Trust did place an announcement about the new Innovation and Improvement in Health and Care Fund in Civil Society. During the year the Trust also made changes to our website and published grants data through 360Giving, in order to raise awareness of our programmes and ensure that we continues to attract the strongest possible field of applications.

Reflecting the outcome of the strategy review, the Trust's grant programmes in 2022 are outlined briefly below.

The Sir Jules Thorn Award for Biomedical Research

The Sir Jules Thorn Award supports the work of outstanding investigators who are in the early stages of an established clinical research career. It offers a grant of up to £1.7million over 5 years. Since the inception of the Award in 2001, the Trust has pledged almost £26m to fund the highest quality translational research which seeks to bring benefit to patients through improved diagnostics and/or the development of new therapies for important clinical problems. Research can be in any field of clinical research, and in recent years we have funded major research projects in areas as diverse as T cell immunotherapy in autoimmune liver disease, defining the genetic basis of cardiomyopathies and treatment and headache mechanisms for people suffering from raised intracranial pressure.

The Award is normally made following an annual competition among UK medical schools and NHS organisations. Applications are subjected to rigorous peer review by the Medical Advisory Committee and external experts in the relevant clinical field. The Trust's peer review process is accredited by the Association of Medical Research Charities (AMRC) and is subject to audit by the Association. The AMRC completed its most recent audit in April 2021 and found the Trust's processes were fully compliant with AMRC's five principles of peer review: accountability, balance, independence, rotation and impartiality.

The terms of the Award stipulate that intellectual property rights created as a result of Trust-funded research should be protected and exploited, where commercially worthwhile. An Intellectual Property Agreement with each institution defines issues of protection and exploitation, and the arrangements for

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sharing any commercial income which is generated. The Trust's share of any such income would be allocated to the Trust's charitable purposes.

Research Infrastructure Fund

The Trust has a long track record of supporting capital investment in research equipment and facilities. As noted above, the Research Infrastructure Fund was launched in 2022 to support capital investment that will accelerate internationally competitive research in UK universities and/or NHS organisations. Applications may address any discipline or disease area but must demonstrate that the investment will translate into improvements in healthcare for patients.

The programme is open to UK universities and NHS organisations. Applications are also accepted from UK registered charities which work in partnership with universities and the NHS to support translational research. Short-listed applications are subject to external peer review.

Innovation and Improvement in Health and Care Fund

The Fund was launched in 2022 to support the development of new models of care and the integration of health and care services. The programme is designed to respond to feedback from the Trust's previous grant-holders and other analyses of emerging priorities for NHS organisations and care charities as they continue to recover from the pandemic and plan for future health and care challenges. As noted above, the Trust looks to support projects which are either scalable or replicable by other organisations, and therefore have the potential to deliver benefits beyond a single setting.

The programme is open to registered and exempt charities in the UK and to NHS organisations. Applications are also accepted from UK universities which work in partnership with charities or the NHS to support innovation and improvements in health and care. Projects may involve a number of partners, but the lead organisation should be an established centre of excellence or have the potential to become a leader in its field. Where appropriate, the Chairman and Director undertake site visits to shortlisted organisations as part of the assessment process.

The Ann Rylands Small Donations Programme

The programme is named in honour of a former Chairman of the Trust (and daughter of Sir Jules) and awards grants to support the core costs of small charities (which for the purposes of the programme are defined as those with an income below £2m). Charities can apply for grants of up to £5,000.

The funding criteria were refined in 2022 to enable the Trust to increase support for smaller charities whose work aligns with our mission to improve provision in health and care. The Trust prioritises applications from charities providing practical and emotional support to people with – or at high risk of – physical or mental ill health, people living with disability, and their families and carers. Although the level of individual awards is modest, the Trustees maintained the overall budget at £500,000 for the year, consolidating the increases made in 2020 and 2021 in response to the pandemic. The cumulative support that the Trust provides for smaller charities is therefore significant and feedback from recipients indicates that the programme is valued and continues to meet a need.

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The Trust received 580 applications from small charities in 2022, which was a reduction of 16% from the previous year (when the Trust received 689 applications). The reduction reflects the more focused criteria introduced in 2022, and an easing of some of the most acute pressures on smaller charities experienced during the pandemic. The number of applications in 2022 was nevertheless 10% higher than in 2019 and was drawn from a narrower range of charities, suggesting that the funding environment and level of demand for services remain very challenging for many of the organisations that the Trust supports.

Achievements and Performance

During 2022 670 grant applications were processed and 221 grants awarded by the Trustees totalling £3,269,076 net, including future year commitments. This was significantly lower than the £5,283,094 awarded in 2021, but this higher figure was inflated by the resumption of the competitions for the Sir Jules Thorn Award and the previous PhD programme, both of which had been suspended during the first wave of the pandemic, and by the additional Translational Biomedical Research Award (£974,226) made in 2021.

The number of applications to the Trust's grant programmes decreased by 23% in 2022 (670 applications against 874 in 2021). The reduction in applications to the Ann Rylands Small Donations programme, noted above, was partially off-set by a significant increase in applications for the capital programmes (which increased from 20 in 2021 to a total of 76 in 2022). This growth was driven by applications for the new Innovation and Improvement in Health and Care Fund, which attracted 65 applications in its first year, compared to 13 applications for Care projects under the equivalent scheme in 2021. This substantial growth indicates that the changes implemented following the Trustees' strategy review were well made, and that the new Fund is responding to the priorities identified in the review.

A full list of grants can be found on pages 33-40 of this report, and highlights are summarised in the following table.

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Grants Summary for 2022		
Applications Received	Grants Awarded	TOTAL Funds Pledged in Year
670	221	£3,269,076
<i>2021: 874</i>	<i>2021: 451</i>	<i>2021: £5,311,884</i>
The reduction in total funding pledged for the year is in part due to the phasing of awards in prior years. The figure for 2021 includes research awards that had been deferred from 2020, due to the impact of the pandemic.		
The Sir Jules Thorn Award for Biomedical Science		
Applications Received	Full applications Invited	Applications Shortlisted
14	5	3
£1,699,572 awarded to King's College London for their project: <i>Novel Diagnostic and Therapeutic Insights for Fibromyalgia</i>		
and £41,154 extension of an earlier grant was awarded to the University of Birmingham for additional costs resulting from the interruption of research during the pandemic.		
<i>2021: 18 applications received</i>	<i>2021: 5 full applications Invited</i>	<i>2021: 3 applications shortlisted</i>
Capital Awards		
Applications Received		Applications Shortlisted
65	Awards for Innovation and Improvement in Health and Care	7
11	Awards for Research Infrastructure	4
£1,050,000 awarded in 2022		
£500,000 for 2 projects supporting the development of innovative care models		
£550,000 for 3 projects supporting research infrastructure		
<i>2021: a total of 20 applications were received under the previous capital award scheme. £1,500,000 was awarded to 6 projects supporting either innovations in care or investment in research infrastructure</i>		
The Ann Rylands Small Donations Programme		
Applications Received		Awards Granted
580	£478,350 awarded in 2022	215
<i>2021: 689</i>	<i>to small charities across the UK providing practical and emotional support to people with – or at high risk of – physical or mental ill health, people living with disability, and their families and carers.</i>	<i>2021: 337</i>
<i>2021: £418,200 awarded</i>		
As explained earlier in the Trustees' Report, the Trust refined its grant programmes in 2022. The comparative figures shown above for 2021 for total funds pledged, and for the number of applications and awards in that year, include two programmes that were not offered in 2022. In 2021, the Trust ran a separate programme for hospices, which received 131 applications and made 100 awards totalling £515,000. The Trust continued to make funding available for the hospice sector in 2022 through the revised capital programme for health and care projects and the Ann Rylands programme. In 2021 the Trust invited 4 applications to its previous PhD programme and made 2 awards totalling £223,527. Following the strategic review noted earlier in the Trustees' Report, the PhD programme was not offered in 2022 and funding was reallocated for a fellowship scheme to support future potential leaders to develop a clinical research career. The Trust is considering a number of options in liaison with potential partners		

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Plans for the Future

As outlined above, some significant changes were made to the Trust's grant programmes in 2022. The Trustees have reviewed the outcome of the competitions for each programme and agreed some further refinements to the award criteria and supporting processes for 2023. The Trustees will keep the programmes under review to ensure that the Trust continues to focus our funding in areas where we can make the greatest difference.

The Trust is conscious of the workload for organisations applying for funding and will continue to engage with potential applicants before they invest time and resources in submitting full applications. This will be a particular priority for the Trust's capital programmes, where the total number of applications for the 2023 funding round (which closed in February 2023) increased to 104. This is a 37% increase on the number received in 2022, as reported above, and a five-fold increase on the number received for the equivalent schemes in 2021. This growth provides further assurance that the capital programmes are meeting a need, but the Trust will need to consider the most effective means of managing future funding rounds to ensure that the workload for applicants and the Trust's team remains proportionate to the number of awards.

The Trustees consider that the Trust has adequate funds to meet its current obligations and to finance its planned activities.

Financial Review

The endowment provided by Sir Jules Thorn remains the source of funding for the Trust's grant-making activities and our day-to-day operations.

As explained below, the Trust operates a total return approach which enables a prudent amount of investment gains made in previous years to be used to augment distributions. The Trust is therefore not solely reliant on the level of our investment income in determining how much it is able to distribute in any one year.

Income of £1,616,493 was received during the year from the investment portfolios managed by Baillie Gifford, Sarasin and Partners, Ruffer and Vanguard.

Total expenditure commitments were £3,807,090 which included net grants of £3,691,102 and Investment Managers' Costs of £115,988, resulting in a deficit of £2,190,597 which was augmented by net Investment losses of £18,263,219, from all investment funds, making an overall deficit for the year of £20,453,816 (2021 surplus £371,979). This reduced total funds held as at 31st December 2022 to £108,381,204 (2021 £128,835,020). Details of transfers between general and endowment funds are detailed below.

Reserves Policy

Under the terms of the Trust Deed the Endowment Fund is expendable at the Trustees' discretion and provides the resources to finance the Trust's activities, including its administration. It is the Trustees'

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intention that the Trust's grant-making should continue for the foreseeable future and, as a consequence, the investments in the Fund are managed on a long-term basis, as described below. The Trustees aim to have a sustainable distribution policy which maintains the level of charitable giving provided it is prudent to do so. They have adopted a total return approach designed to ensure that a sustainable level of investment gains is distributed as grants. Investment income is reinvested in the Fund and expenditure is financed by cash withdrawn according to a formula which recognises that some past capital gains can be safely distributed, provided that the ability of the Fund to generate adequate returns into the future is not compromised. The current formula provides for up to 3.5% of the market value of the Fund, averaged over the previous three years, to be withdrawn, subject to the value of the fund remaining above a minimum level.

In 2022, the Trustees have authorised an additional transfer from endowment funds to cover the shortfall in unrestricted funds needed to finance the grants awarded in the year. This is presented as a transfer between funds of £2,074,609 in the statement of financial activities.

The Trust does not need to retain unrestricted income funds as reserves although in some years such funds can remain due to the timing of commitments. There were no such balances extant at 31 December 2022.

At the year end the value of the Endowment Fund was £108,381,204 which the Trustees consider adequate in the context of the above policy, despite the reduction in value of the Baillie Gifford fund during the year, as noted below.

Investment Policy

The Trust Deed does not impose any restriction on the Trustees' power to invest. The endowment funds are invested for the long term under the professional guidance of The Trust's Fund Managers, who operate with discretionary mandates but subject to guidelines defined in the Trustees' Statement of Investment Principles.

As noted previously, the Trustees undertook a review of the Investment Policy during 2020. This included an external assessment of asset allocation and historic performance and a re-tendering process to assess alternative approaches and test managers' performance and value for money. The recommendations from the review were approved by the Trustees in November 2020, and fully implemented in February 2021.

The effect of the changes was to increase the proportion of the Trust's investments held in equities to approximately 70%. This is the level that the Trustees consider necessary to achieve the Trust's investment objective of achieving returns of 3.5% above the Consumer Prices Index (CPI), net of fees, measured over a rolling 3 year period. While greater exposure to equities carries some risk of volatility in the short-term, the Trustees consider this to be balanced by the Trust's other more defensive investments and strong cash balances.

The returns achieved during 2022 by the Trust's investment managers were: Sarasin (which holds the Trust's funds in a pooled fund, comprising approximately 70% equities) -9.5%; Ruffer (a more defensive fund with approximately 15% equities) 6.0%, Baillie Gifford (100% equities) -34.9%, and Vanguard (100% equities) - 8.0%. Overall, the performance of the funds managed by Sarasin, Ruffer and Vanguard was satisfactory

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given adverse market conditions. The performance of the portfolio managed by Baillie Gifford has been very disappointing since the Trust placed its investment in February 2021, and in 2022 off-set the more positive results delivered by other managers. The Investments Sub-Committee monitored the Baillie Gifford Fund closely throughout the year and has met with Baillie Gifford to discuss performance and the changes that the firm has made to the management of the Fund since year-end. The Sub-Committee will continue to assess performance in the months ahead.

The fund managers provide the Trustees with a written valuation and performance report each quarter and meet with the Investments Sub-Committee at least once per annum to review the performance of the funds which they manage and respond to questions from the Sub-Committee on behalf of the Board. Additional meetings have been held with Baillie Gifford.

The Trustees considered the Trust's approach to the Environmental, Social and Governance (ESG) aspects of our portfolio holdings as part of their investment review, and the Sub-Committee gave careful consideration to the managers' approach to ESG during the tender process. The Trustees expect the investment managers to adopt an active policy on the exercise of voting rights in accordance with the principles of good corporate governance published by the Institutional Shareholders' Committee. ESG considerations are included in the managers' reports to the Trustees.

The Trust's cash resources - £15,204,694 - at the year-end - are invested to ensure that funds are readily available to meet grant payments and other obligations as they fall due. In the current environment, the income yield on cash balances is modest but the Trustees opened a cash deposit account with Investec Specialist Bank plc in February 2022 to take advantage of higher interest rates than currently available to the Trust from the main high street banks. Diversifying the Trust's cash management is also intended to mitigate any risk of holding large balances with a single bank.

The Trustees regard the present 83% cash cover for all outstanding grant commitments to be appropriate, when coupled with the Trust's substantial £108m of expendable endowment funds.

The Trustees consider that their responsibility for the safety and performance of the Trust's investments is discharged appropriately by the arrangements set out above, when combined with the Trust's own monitoring of portfolio activity, and the annual audit procedures.

Conclusions regarding Going Concern

The Trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. The Trustees are not aware of any material uncertainties about the charity's ability to continue and accordingly, they consider it appropriate to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' Responsibilities on page 14.

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Trustees' responsibilities in relation to the financial statements

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

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 of the charity for that period. In preparing these 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 judgements and estimates that are reasonable and prudent;
- Follow applicable UK Accounting Standards and the Charities SORP, disclosing and explaining any departures in the accounts; and
- 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 adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charity's constitution. 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 irregularity.

Auditor

Haysmacintyre LLP has indicated its willingness to be reappointed as statutory audit for the next financial year.

Approved by the Trustees and signed on their behalf by:



Elizabeth Charal, Chairman

Date: 12th May 2023

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INDEPENDENT AUDITORS REPORT
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Independent auditor's report to the Trustees of The Sir Jules Thorn Charitable Trust

Opinion

We have audited the financial statements of The Sir Jules Thorn Charitable Trust for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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 2022 and of the charity's net movement in funds 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 have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 auditor's 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 Trustees' Report. 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

THE SIR JULES THORN CHARITABLE TRUST
INDEPENDENT AUDITORS REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2022

whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity's 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 for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on page 14, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they 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.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report 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 charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, Charities SORP (2019) and payroll taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls. Audit procedures performed by the engagement team included:

- Enquiries of management regarding correspondence with regulators and tax authorities;

**THE SIR JULES THORN CHARITABLE TRUST
INDEPENDENT AUDITORS REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2022**

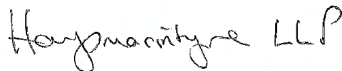
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing the controls and procedures of the charity, particularly in relation to grant payments, to ensure these were in place throughout the year;
- Evaluating management's controls designed to prevent and detect irregularities; and
- Reviewing and testing journal entries made in the year, particularly those made as part of the year end financial reporting process.

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 auditor's report.

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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 auditor's 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's Trustees as a body for our audit work, for this report, or for the opinions we have formed.



Haysmacintyre LLP
Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date 12 September 2023

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE SIR JULES THORN CHARITABLE TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2022

	Notes	Unrestricted Funds 2022 £	Endowment Fund 2022 £	Total Funds 2022 £	Total Funds 2021 £
INCOME AND ENDOWMENTS					
Income from Investments	2	1,616,493	-	1,616,493	1,411,068
Total Income and Endowments		<u>1,616,493</u>	<u>-</u>	<u>1,616,493</u>	<u>1,411,068</u>
EXPENDITURE					
Expenditure on Raising Funds					
Investment Management Costs	7	-	115,988	115,988	162,599
Expenditure on Charitable Activities					
Grantmaking					
Medical Research Grants	3	1,881,035	-	1,881,035	2,986,675
Medically Related Grants		1,182,893	-	1,182,893	1,618,552
Hospice Fund		-	-	-	545,876
Small Donations Scheme		627,174	-	627,174	501,367
		<u>3,691,102</u>	<u>-</u>	<u>3,691,102</u>	<u>5,652,470</u>
Total Expenditure	3	<u>3,691,102</u>	<u>115,988</u>	<u>3,807,090</u>	<u>5,815,069</u>
Net Operating (Deficit) for the Year		(2,074,609)	(115,988)	(2,190,597)	(4,404,001)
Net (Losses) Gains on Investments		-	(18,263,219)	(18,263,219)	4,775,980
Net Income/(Expenditure) for the Year		<u>(2,074,609)</u>	<u>(18,379,207)</u>	<u>(20,453,816)</u>	<u>371,979</u>
Transfer Between Funds		<u>2,074,609</u>	<u>(2,074,609)</u>	<u>-</u>	<u>-</u>
Net Movement in Funds		-	(20,453,816)	(20,453,816)	371,979
Reconciliation of Funds					
Balance brought forward					
As at 1 st January 2021		-	128,835,020	128,835,020	128,463,041
Total Funds Carried Forward		<u>-</u>	<u>108,381,204</u>	<u>108,381,204</u>	<u>128,835,020</u>
At 31st December 2021		<u>-</u>	<u>108,381,204</u>	<u>108,381,204</u>	<u>128,835,020</u>

The notes on pages 21 to 32 form part of these financial statements

THE SIR JULES THORN CHARITABLE TRUST
BALANCE SHEET
AS AT 31ST DECEMBER 2022

	Notes		2022		2021
		£	£	£	£
FIXED ASSETS					
Furniture and Fittings	6		4,039		5,681
Investments	7		111,406,699		131,591,102
			111,410,738		131,596,783
CURRENT ASSETS					
Debtors & Accrued Income	8	100,005		112,332	
Cash at bank and in hand		15,204,694		14,965,309	
		15,304,699		15,077,641	
CREDITORS: amounts falling due within one year					
Grant Commitments	9	5,584,212		4,963,933	
Creditors	10	96,113		55,896	
		5,680,325		5,019,829	
NET CURRENT ASSETS			9,624,374		10,057,812
TOTAL ASSETS LESS CURRENT LIABILITIES			121,035,112		141,654,595
CREDITORS: amounts falling due after more than one year					
Grant Commitments	9		12,653,908		12,819,575
NET ASSETS	11		108,381,204		128,835,020
THE FUNDS OF THE CHARITY					
Endowment Funds			108,381,204		128,835,020
Unrestricted income funds			-		-
Total Charity Funds			108,381,204		128,835,020

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

E. Chival
Chairman

Date: *12th of May 2023*

The notes on pages 21 to 32 form part of these financial statements

THE SIR JULES THORN CHARITABLE TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2022

	Notes	2022 £	2021 £
Net cash (outflow) from operating activities	(A)	(3,247,176)	(3,628,064)
Net cash inflow from investing activities	(B)	3,486,561	11,166,839
(Decrease)/Increase in cash in the period	(C)	<u>239,385</u>	<u>7,538,775</u>

A) Reconciliation of net incoming resources to net cash outflow from operating activities

	2022 £	2021 £
Net income (expenditure) for the year	(20,453,816)	371,979
Depreciation	2,408	2,385
Loss on the disposal of fixed assets	205	102
Management fees paid from endowment funds	117,090	268,950
(Gains) / Losses on investments	18,263,219	(4,747,830)
Dividends and interest from investments	(1,575,906)	(1,404,799)
Interest income	(107,532)	(1,284)
(Increase)/Decrease in debtors	12,327	(5,036)
Increase/(Decrease) in creditors	494,829	1,887,469
Net cash (outflow) from operating activities	<u>(3,247,176)</u>	<u>(3,628,064)</u>

B) Net cash inflow from investing activities

	2022 £	2021 £
Cash withdrawals from investment portfolio	3,380,000	11,166,385
Interest income	107,532	1,284
Purchase of tangible fixed assets	(971)	(830)
	<u>3,486,561</u>	<u>11,166,839</u>

C) Analysis of changes in net cash funds

	At 1 January 2022 £	Cashflows £	At 31 December 2022 £
Cash in hand	14,965,309	239,385	15,204,694
Total cash and cash equivalents	<u>14,965,309</u>	<u>239,385</u>	<u>15,204,694</u>

The notes on pages 21 to 32 form part of these financial statements

THE SIR JULES THORN CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022

1. PRINCIPAL ACCOUNTING POLICIES

a) *Basis of accounting*

The Trust is a registered charity in England and Wales and as such is a Public Benefit entity. Governed by its Trust Deed, dated 18 February 1964.

The Trust's Charity Commission registration number is 233838 and its registered address is 24, Manchester Square, London, W1U 3TH.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP 2019) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The functional currency of the Trust is considered to be GBP because that is the currency of the primary economic environment in which the charity operates.

After making enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. The trustees are not aware of any material uncertainties about the charity's ability to continue and accordingly, they consider it appropriate to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' Responsibilities on page 14.

b) *Critical accounting judgements and key sources of estimation uncertainty*

In the application of the charity's accounting policies, which are described in this note, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the presentation of the financial statements are as follows:

c) *Income from investments*

Dividend, interest and other income is accounted for on an accruals basis and is shown gross of any associated tax credits recoverable.

d) *Grants and donations payable*

Grants and donations are recognised in the Statement of Financial Activities based on the commitments made during the year. Because most projects last for more than one year the total of amounts committed but not yet paid is shown split between current and long-term liabilities.

**THE SIR JULES THORN CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022**

e) Fixed assets and depreciation

Fixed assets over £500 are capitalised. Depreciation is provided on fixed assets, in order to write off the cost of the assets over their expected useful lives estimated residual values, at the following rates:

Office equipment	20% p.a. straight line
Fixtures and fittings	20% p.a. straight line

f) Investments

Investments are stated at mid-market value at the year end. The Statement of Financial Activities includes the aggregate of realised and unrealised gains and losses during the year.

g) Basis of allocation of costs

Cost of generating funds

The cost of generating funds represents amounts paid to the Trust's external investment managers.

Support costs

These costs are incurred directly in the delivery of the Trust's charitable activities. These costs are based on the percentage of time that a resource is used in the application of grants administration and associated activities together with the overhead costs of the charity.

Governance costs

Governance costs comprise costs incurred in Trust administration and compliance with regulatory requirements. Staff costs are calculated as a percentage of time committed.

h) Portfolio management fees

The cost of managing the Trust's investment portfolio is met from Endowment Funds. Portfolio management fees are recognised on an accruals basis.

i) Pensions

Contributions were made to all employees' personal pension schemes in accordance with their employment contracts. All such contributions are expensed through the Statement of Financial Activities in the year in which they are due.

j) Funds

Endowment funds represent the investment assets derived from the original gift from Sir Jules Thorn. The endowment is expendable at the discretion of the Trustees.

**THE SIR JULES THORN CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022**

k) Financial instruments

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument. Additionally, all financial assets and liabilities are classified according to the substance of the contractual arrangements entered into.

Financial assets, comprised of cash, other debtors and accrued income, and financial liabilities, comprised of grants payable, other creditors and accruals, are initially measured at transaction price (including transaction costs) and are subsequently re-measured where applicable at amortised cost except for investments which are measured at fair value with gains and losses recognised in the statement of financial activities.

The Trust's investment managers enter into forward rate currency contracts to manage its exposure to fluctuations in exchange rates within the investment portfolio throughout the year. These contracts are recognised at fair value within the overall valuation of the investment portfolio with gains or losses recognised in the Statement of Financial Activities.

Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

2. INCOME FROM INVESTMENTS

	2022	2021
	£	£
Listed investments	1,508,961	<i>1,409,784</i>
Cash - interest income	107,532	<i>1,284</i>
	<u>1,616,493</u>	<i><u>1,411,068</u></i>

THE SIR JULES THORN CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2022

3. ANALYSIS OF TOTAL EXPENDITURE

	Raising funds £	Medical research grants £	Medically- related grants £	Hospice Fund £	Ann Rylands Small Donations £	Total Expenditure £
2022						
Investment Management Fees	115,988	-	-	-	-	115,988
Grants Awarded	-	1,740,726	1,050,000	-	478,350	3,269,076
Staff Costs	-	39,265	59,477	-	71,497	170,239
Support Costs	-	63,065	35,437	-	39,322	137,824
Depreciation & losses	-	846	846	-	871	2,563
Governance	-	37,133	37,133	-	37,134	111,400
2022 Activity Total	115,988	1,881,035	1,182,893	-	627,174	3,807,090
2021						
Investment Management Fees	162,599	-	-	-	-	162,599
Grants Awarded	-	2,890,644	1,500,000	471,250	421,200	5,283,094
Staff Costs	-	31,108	41,847	37,241	52,348	162,544
Support Costs	-	40,838	38,168	18,116	13,368	110,490
Depreciation & losses	-	622	995	498	373	2,488
Governance	-	23,463	37,542	18,771	14,078	93,854
2021 Activity Total	162,599	2,986,675	1,618,552	545,876	501,367	5,815,069

Full details of grants awarded in the year are on pages 33 to 40 of this report

THE SIR JULES THORN CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2022

	2022	2021
	£	£
SUPPORT COSTS		
Staff Costs	170,239	162,544
Rent, rates and service charges	57,841	58,127
Other	82,546	54,851
	<u>310,626</u>	<u>275,522</u>
Governance costs		
Staff costs	76,562	73,170
Trustees & Peer Reviewers Expenses etc	608	884
Other	5,850	0
Audit fees - current year	23,840	19,760
Audit fees - prior year	4,500	-
Legal Fees	40	40
	<u>111,400</u>	<u>93,854</u>
Total Support and Governance costs	<u>422,026</u>	<u>369,376</u>

	2022	2021
	£	£
4. STAFF COSTS		
Salaries	211,236	198,103
Employer's National Insurance	19,842	19,688
Pension and Death in Service Contributions	15,723	17,766
	<u>246,801</u>	<u>235,557</u>

The number of employees whose emoluments are above £60,000 during the year was:-

	No.	No.
£90,000 - £100,000	<u>1</u>	<u>1</u>

The average weekly number (headcount) of persons employed by the charity during the year was:

	No.	No.
Administration and Governance	<u>4</u>	<u>4</u>

The total amount of employee benefits received by key management in the year ended 31st December 2022 was £125,932 (2021 - £116,272) including Employer's National Insurance Contributions

TRUSTEES	2022	2021
	£	£
Total emoluments	<u>Nil</u>	<u>Nil</u>
Total reimbursement of expenses	<u>76</u>	<u>569</u>

2 Trustees received travel and meeting expenses in the year (2021 - 4 Trustees - £569)

THE SIR JULES THORN CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2022

5. RELATED PARTIES

There were no related party transactions or balances which require disclosure within the financial statements during 2022 (2021 - £Nil)

6. TANGIBLE FIXED ASSETS

	Fittings and Equipment £
Cost as at 1 January 2022	34,903
Additions	971
Disposals	(1,575)
At 31 December 2022	30,269
Depreciation	
At 1 January 2022	29,222
Charge for the year	2,408
Disposals	(1,370)
At 31 December 2022	30,260
Net Book Value	
At 31 December 2022	4,039
At 31 December 2021	5,681

THE SIR JULES THORN CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2022

7. INVESTMENTS

	2022	2021
	£	£
Market value at 1 January 2022	131,591,102	<i>136,873,808</i>
Investment income received	1,575,906	<i>1,404,799</i>
Cash Fund withdrawals	(3,380,000)	<i>(11,166,385)</i>
	<hr/>	<hr/>
Net movement in investment cash balances	129,787,008	<i>127,112,222</i>
Net gains / (losses) on investments	(18,263,219)	<i>4,747,830</i>
Net Management fees paid	(117,090)	<i>(268,950)</i>
	<hr/>	<hr/>
Market value at 31 December 2022	111,406,699	<i>131,591,102</i>
	<hr/>	<hr/>
Cost at 31 December 2022	128,462,152	<i>129,403,280</i>
	<hr/>	<hr/>
Investments at year end were made up as follows:	2022	2021
	£	£
UK equities	1,725,266	<i>5,043,485</i>
UK fixed interest securities	8,038,688	<i>7,334,924</i>
Overseas equities	2,662,608	<i>8,282,683</i>
Overseas fixed interest securities	10,305,643	<i>5,183,000</i>
Managed funds	85,492,325	<i>101,069,929</i>
Forward foreign exchange	(13,065)	<i>147,273</i>
Other	1,404,666	<i>2,678,797</i>
Cash	1,790,568	<i>1,851,011</i>
	<hr/>	<hr/>
	111,406,699	<i>131,591,102</i>
	<hr/>	<hr/>
Portfolio Management Fees	2022	2021
Investment management fees incurred in the year were:	£	£
Cazenove - to February 2021	-	<i>30,820</i>
Ruffer	270,260	<i>277,015</i>
Sarasin - Fees Rebated	(154,272)	<i>(145,236)</i>
Net charge to SOFA	115,988	<i>162,599</i>
	<hr/>	<hr/>

Fees Arrangement with Sarasin

Included in the cost of units held within this fund is an embedded fee. This fee is higher than that agreed by the trustees and so the fund manager makes a rebate directly to the fund, which is reinvested in additional units.

**THE SIR JULES THORN CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2022**

7. INVESTMENTS (CONTINUED)

Forward contracts

There were no commitments to purchasing currencies under forward rate contracts at 31 December 2022 (2021: £NIL).

The Trust is committed to selling a total of USD £2,653,566 (2021: USD £3,147,077) EUR £NIL (2021: EUR £780,961), JPY £NIL (2021: JPY £2,631,960), under forward rate contracts at 31 December 2022.

All contracts mature on 19.1.23 and are included within the investment portfolio at a market value of £13,065 (loss) at 31 December 2022 (2021: £147,273 - profit).

8. DEBTORS	2022	2021
	£	£
Accrued income	42,504	<i>92,690</i>
Prepayments	<u>57,501</u>	<u><i>19,642</i></u>
	<u>100,005</u>	<u><i>112,332</i></u>

THE SIR JULES THORN CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2022

9. GRANT COMMITMENTS	2022	2021
	£	£
Forward commitments at 1 January 2022	17,783,508	15,775,918
Commitments made during the year	2,749,572	5,311,844
Adjustments re Grants made in Previous Year	41,154	(28,750)
Amounts paid during the year	<u>(2,336,114)</u>	<u>(3,275,504)</u>
Forward commitments at 31 December 2022	<u><u>18,238,120</u></u>	<u><u>17,783,508</u></u>
Forward commitments at 31 December 2022 in respect of ongoing projects were as follows:		
50th Anniversary Award	5,000,000	5,000,000
Medical Research Grants	8,937,903	8,637,189
Medically Related Grants	4,300,217	4,146,319
Ann Rylands Small Donations Scheme	-	-
	<u><u>18,238,120</u></u>	<u><u>17,783,508</u></u>
Split as follows:		
Amounts due within one year	5,584,212	4,963,933
Amounts due after one year	<u>12,653,908</u>	<u>12,819,575</u>
	<u><u>18,238,120</u></u>	<u><u>17,783,508</u></u>
10. CREDITORS	2022	2021
	£	£
Accruals	35,687	20,102
Taxation - PAYE/NIC	-	10,703
Portfolio management fees	<u>60,426</u>	<u>25,091</u>
	<u><u>96,113</u></u>	<u><u>55,896</u></u>

THE SIR JULES THORN CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2022

ANALYSIS OF NET ASSETS BETWEEN FUNDS

11a. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Investments	Tangible Fixed Asses	Other Net Liabilities	Total Funds
	£	£	£	£
Unrestricted funds	-	-	-	-
Endowment funds	111,406,699	4,039	(3,029,534)	108,381,204
Total funds	111,406,699	4,039	(3,029,534)	108,381,204

ANALYSIS OF NET ASSETS BETWEEN FUNDS 2021

	Investments	Tangible Fixed Asses	Other Net Liabilities	Total Funds
	£	£	£	£
Unrestricted funds	-	-	-	-
Endowment funds	131,591,102	5,681	(2,761,763)	128,835,020
Total funds	131,591,102	5,681	(2,761,763)	128,835,020

11b. RECONCILIATION OF FUNDS

	Funds b/fwd at 1.1.22	Income	Expenditure	Transfers	Gains and Losses	Funds c/fwd at 31.12.22
	£	£	£	£	£	£
Endowment funds	128,835,020		(115,988)	(2,074,609)	(18,263,219)	108,381,204
Unrestricted funds	-	1,616,493	(3,691,102)	2,074,609		-
	128,835,020	1,616,493	(3,807,090)	-	(18,263,219)	108,381,204

RECONCILIATION OF FUNDS 2021

	Funds b/fwd at 1.1.21	Income	Expenditure	Transfers	Gains and Losses	Funds c/fwd at 31.12.21
	£	£	£	£	£	£
Endowment funds	128,463,041	-	(162,599)	(4,241,402)	4,775,980	128,835,020
Unrestricted funds	-	1,411,068	(5,652,470)	4,241,402	-	-
	128,463,041	1,411,068	(5,815,069)	-	4,775,980	128,835,020

The Endowment funds represent the investment assets derived from the original gift from Sir Jules Thorn. The endowment is expendable at the discretion of the Trustees. The Trustees have authorised an additional transfer from the endowment to unrestricted funds in order to finance grants awarded in the year.

THE SIR JULES THORN CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2022

12. OPERATING LEASE COMMITMENTS

Total future minimum lease payments due under non-cancellable operating leases at the end of the year are as follows:

	2022	2021
	£	£
Land & Buildings		
Due not later than one year	11,750	<i>47,000</i>
Due later than one year but not later than five years	-	<i>11,750</i>
Due later than five years	-	-
	<hr/>	<hr/>
Total future minimum lease payments	<u>11,750</u>	<i><u>58,750</u></i>

Lease payments recognised as an expense in the year totalled £47,000 (*2021: £47,000*)

THE SIR JULES THORN CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2022

13. COMPARATIVE STATEMENT OF FINANCIAL STATEMENTS

	Notes	Unrestricted Funds 2021	Endowment Fund 2021	Total Funds 2021	<i>Total Funds</i> <i>2020</i>
		£	£	£	£
INCOME AND ENDOWMENTS					
Income from Investments	2	1,411,068	-	1,411,068	972,318
Total Income and Endowments		<u>1,411,068</u>	<u>-</u>	<u>1,411,068</u>	<u>972,318</u>
EXPENDITURE					
Expenditure on Raising Funds					
Investment Management Costs	7	-	162,599	162,599	489,073
Expenditure on Charitable Activities					
Grantmaking					
Medical Research Grants	3	2,986,675	-	2,986,675	104,444
Medically Related Grants		1,618,552	-	1,618,552	1,135,525
Hospice Fund		545,876	-	545,876	598,565
Small Donations Scheme		501,367	-	501,367	488,159
		<u>5,652,470</u>	<u>-</u>	<u>5,652,470</u>	<u>2,326,693</u>
Total Expenditure	3	<u>5,652,470</u>	<u>162,599</u>	<u>5,815,069</u>	<u>2,815,766</u>
Net Operating (Deficit) for the Year		(4,241,402)	(162,599)	(4,404,001)	(1,843,448)
Net Gains on Investments		-	4,775,980	4,775,980	8,440,877
Net Income/(Expenditure) for the Year		<u>(4,241,402)</u>	<u>4,613,381</u>	<u>371,979</u>	<u>6,597,429</u>
Transfer Between Funds		<u>4,241,402</u>	<u>(4,241,402)</u>	<u>-</u>	<u>-</u>
Net Movement in Funds		-	371,979	371,979	6,597,429
Reconciliation of Funds					
Balance brought forward					
Ast 1 st January 2021		-	128,463,041	128,463,041	121,865,612
Total Funds Carried Forward		<u>0</u>	<u>128,835,020</u>	<u>128,835,020</u>	<u>128,463,041</u>
At 31st December 2021		<u>0</u>	<u>128,835,020</u>	<u>128,835,020</u>	<u>128,463,041</u>

**THE SIR JULES THORN CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2022**

MEDICAL RESEARCH GRANTS

THE SIR JULES THORN AWARD FOR MEDICAL RESEARCH **£**

King's College London

Novel Diagnostic and Therapeutic Insights for Fibromyalgia

5-year project

1,699,572

University of Birmingham

Defining new treatment and headache mechanisms in raised intercranial pressure

41,154

Total JTA Awards

1,740,726

MEDICALLY RELATED CAPITAL AWARDS

INNOVATION AND IMPROVEMENT IN HEALTH AND CARE

£

Tommy's

250,000

Alder Hey Children's Charity

250,000

Medical Detection Dogs

50,000

Total Innovation and Improvement in Health and Care

550,000

RESEARCH INFRASTRUCTURE FUND

£

Evelina London Children's Charity

350,000

University of Dundee

150,000

Total Research Infrastructure Fund

500,000

Total

1,050,000

**THE SIR JULES THORN CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2022**

THE ANN RYLANDS SMALL DONATIONS GRANT PROGRAMME

Award Amount	Number	Total £
£5,000	2	10,000
£3,000	45	135,000
£2,500	69	172,500
£2,300	1	2,300
£2,000	41	82,000
£1,750	8	14,000
£1,500	24	36,000
£1,250	6	7,500
£1,050	1	1,050
£1,000	18	18,000
	215	478,350

THE SIR JULES THORN CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2022

THE ANN RYLANDS SMALL DONATIONS GRANT PROGRAMME (Detailed)

NUMBER		£
1	North Yorkshire Hospice Care	5,000
2	The Sussex Beacon	5,000
3	Barons Court Project Limited	3,000
4	Berkshire Autistic Society	3,000
5	Cambridge Samaritans	3,000
6	Care Network Cambridgeshire	3,000
7	Caxton Youth Organisation	3,000
8	Chris Westwood Charity for Children with Physical Disabilities	3,000
9	Clan Cancer Support	3,000
10	Cornwater Evergreens	3,000
11	Create (Arts) Limited	3,000
12	Dame Vera Lynn Children's Charity	3,000
13	DEMAND Design & Manufacture For Disability	3,000
14	Dementia Support	3,000
15	Dorset Mind	3,000
16	Glasgow's Golden Generation	3,000
17	Growing Well Limited	3,000
18	Headway Birmingham & Solihull	3,000
19	Headway East London	3,000
20	Hearts and Minds Limited	3,000
21	Home-Start Horizons	3,000
22	Integrated Neurological Services	3,000
23	Kinship Care Northern Ireland	3,000
24	LinkAble Woking Limited	3,000
25	Listening Books	3,000
26	MACS_Microphthalmia, Anophthalmia and Coloboma Support	3,000
27	Marches Family Network	3,000
28	ME2 CLUB	3,000
29	Over The Wall	3,000
30	Positive Help	3,000
31	Reading Mencap	3,000
32	Scottish Huntington's Association	3,000
33	SERVE	3,000
34	Space4autism	3,000
35	Spinal Muscular Atrophy Support UK	3,000
36	Springboard Opportunity Group	3,000
37	Sussex MS Centre	3,000
38	Swings & Smiles	3,000
39	The Back-Up Trust	3,000
40	The Helpful Bureau	3,000
41	The Honeypot Children's Charity	3,000

THE SIR JULES THORN CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2022

42	The Peter Pan Centre	3,000
43	The Spitz Charitable Trust	3,000
44	Trailblazers Mentoring Ltd	3,000
45	Turning the Red Lights Green T/A Red2Green	3,000
46	Wetherby in Support of the Elderly (WiSE)	3,000
47	Youth Concern	3,000
48	Age Concern North Norfolk	2,500
49	Amaze	2,500
50	Autism Bedfordshire	2,500
51	Autism Early Support Trust Limited	2,500
52	Bath and North East Somerset Carers Centre	2,500
53	Birmingham Disability Resource Centre	2,500
54	BOSP Brighter Opportunities for Special People	2,500
55	Braid Health and Wellbeing	2,500
56	Cancer Campaign in Suffolk	2,500
57	Cancer Support Scotland (Tak Tent)	2,500
58	Cancerwise	2,500
59	Caring Hands	2,500
60	Cerebral Palsy Cymru	2,500
61	Child Brain Injury Trust	2,500
62	Children's Adventure Farm Trust	2,500
63	Clear Sky Children's Charity	2,500
64	Colostomy UK	2,500
65	Community Voluntary Action Ledbury & District	2,500
66	Compaid	2,500
67	Dads Unlimited	2,500
68	Daisy's Dream	2,500
69	Disability Advice and Support Hillingdon (DASH)	2,500
70	Fair	2,500
71	Families InFocus (Essex)	2,500
72	Go Beyond	2,500
73	Gympanzees	2,500
74	Headway Suffolk	2,500
75	Healthy Generations	2,500
76	Home Start Camden and Islington	2,500
77	Home-Start Aberdeen	2,500
78	Home-Start Surrey Heath	2,500
79	Insight - Counselling Coaching And Support Service	2,500
80	Kindred Advocacy	2,500
81	Link to Change	2,500
82	Little Hearts Matter	2,500
83	London Wheelchair Rugby Club	2,500
84	Maggs Day Centre	2,500
85	Magic Me	2,500

THE SIR JULES THORN CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2022

86	Mentoring Plus Bath & North East Somerset	2,500
87	Merlin MS Centre	2,500
88	My Life Films Ltd.	2,500
89	MyVision Oxfordshire	2,500
90	Natural Ability	2,500
91	Open Age	2,500
92	Perth Autism Support SCIO	2,500
93	Phoenix Enterprises (Swindon) Ltd	2,500
94	Prisoners Abroad	2,500
95	SAFE Foundation	2,500
96	Safe New Futures	2,500
97	Salvesen Mindroom Centre	2,500
98	SeeSaw	2,500
99	SNAP Special Needs Action Project	2,500
100	Surrey Drug And Alcohol Care	2,500
101	Sutton Vision	2,500
102	Tailor Ed Foundation	2,500
103	TALK Surrey CIO	2,500
104	Teapot Trust SCIO	2,500
105	The Anthony Seddon Fund	2,500
106	The Downright Special Network	2,500
107	The Hollow Lane Club	2,500
108	The Neuromuscular Centre	2,500
109	The Sick Children's Trust	2,500
110	The Vine Centre	2,500
111	Visyon Ltd	2,500
112	Voluntary Action Stratford on Avon District	2,500
113	Wag & Company North East Friendship	2,500
114	Winchester Youth Counselling	2,500
115	York Blind and Partially Sight Society (MySight York)	2,500
116	Youth Adventure Trust	2,500
117	Home-Start Blackmore Vale	2,300
118	Activity Club For Children with Special Needs - Thumbs Up Club	2,000
119	Alice (Relief of Poverty and Advancement of Community)	2,000
120	Alive Activities Ltd	2,000
121	Beverley Community Lift	2,000
122	Beyond the Horizon	2,000
123	Brainstrust	2,000
124	Cerebral Palsy Scotland	2,000
125	Cleft Lip and Palate Association	2,000
126	Daisy Programme	2,000
127	Different Strokes	2,000
128	Dorset Blind Association	2,000

THE SIR JULES THORN CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2022

129	Dundee Age Concern	2,000
130	Dyspraxia Foundation	2,000
131	ECHO for Extra Choices in Herefordshire Limited	2,000
132	Essex Dementia Care	2,000
133	Every Parent & Child	2,000
134	Goldies Sing and Smile - ONLINE	2,000
135	Grampian Cardiac Rehabilitation Association	2,000
136	Headway Hertfordshire Limited	2,000
137	Home-Start East Surrey	2,000
138	Home-Start Hampshire	2,000
139	Home-Start South Wiltshire	2,000
140	Home-Start Wessex (formerly South East Dorset)	2,000
141	Knowsley Disability Concern	2,000
142	Living Paintings Trust	2,000
143	Magic Carpet (Exeter)	2,000
144	My Life My Choice	2,000
145	Nacoa – National Association for Children of Alcoholics	2,000
146	Oakleaf Enterprise	2,000
147	Only Connect UK	2,000
148	Parity for Disability	2,000
149	Pennyhooks Farm Trust	2,000
150	Purple Patch Arts	2,000
151	React	2,000
152	Skills for People	2,000
153	Space	2,000
154	Sparkle (South Wales)	2,000
155	Steps Charity Worldwide	2,000
156	The Open Theatre Company	2,000
157	West Berkshire Therapy Centre	2,000
158	Wintercomfort for the homeless	2,000
159	Age UK Ealing	1,750
160	Back On Track Manchester Ltd	1,750
161	Blue Smile	1,750
162	Brain Tumour Support	1,750
163	Kent Mulpile Sclerosis Therapy Centre	1,750
164	PLUS (Forth Valley) Limited	1,750
165	Sussex Association for Spina Bifida and Hydrocephalus	1,750
166	Wessex Cancer Trust	1,750
167	Afasic	1,500
168	Age Concern Voluntary Assoc. for the Elderly Merstham, Redhill & Reig	1,500
169	Age Well East Ltd	1,500
170	Assist Trust	1,500
171	Aylsham & District Care Trust	1,500

THE SIR JULES THORN CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2022

172	Boccia England	1,500
173	Care and Repair Edinburgh	1,500
174	Cued Speech UK	1,500
175	Dingley Family and Specialist Early Years Centres	1,500
176	Eating Matters	1,500
177	Families United Network	1,500
178	Headway North Staffordshire (Head Injuries Association) Ltd	1,500
179	Herts Inclusive Theatre	1,500
180	Multiple-Sclerosis-UK Ltd	1,500
181	Our Special Friends	1,500
182	Somerset Sight	1,500
183	Soundwell Music Therapy Trust	1,500
184	The Booth Centre	1,500
185	The Carers Centre Bristol & South Gloucestershire	1,500
186	The Orpheus Centre Trust	1,500
187	Unite Carers in Mid Devon	1,500
188	Wiltshire Mind	1,500
189	Young Carers Development Trust	1,500
190	Young Roots	1,500
191	BEfriend	1,250
192	Connects & Co	1,250
193	JIGSAW Thornbury	1,250
194	Room to Heal	1,250
195	The Rainbow Centre	1,250
196	Tom's Trust	1,250
197	Autism NI (PAPA)	1,050
198	Bluebell Care Trust	1,000
199	BucksVision	1,000
200	CANCER UNITED	1,000
201	Carymoor Environmental Trust	1,000
202	Fife Young Carers (FYC)	1,000
203	Gynaecology Cancer Research Fund	1,000
204	Kairos Women Working Together	1,000
205	Key Changes - Positive Mental Health Through Music Ltd	1,000
206	Lothian Centre for Inclusive Living	1,000
207	Next Steps Mental Health Resource Centre	1,000
208	North Norfolk Community Transport	1,000
209	Rookie Rockstars	1,000
210	SHINE (East Norfolk)	1,000
211	Staffordshire Sight Loss Association	1,000
212	Suffolk Rape Crisis	1,000
213	Sydenham Garden	1,000

**THE SIR JULES THORN CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2022**

214	The Anne Robson Trust	1,000
215	Washington Mind	1,000
TOTAL AWARDS MADE IN THE YEAR		<u>478,350</u>