

Charity Registration No. 293108

**THE JEAN SHANKS FOUNDATION**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

# THE JEAN SHANKS FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr Eric Rothbarth Professor Andrew Carr Dr Julian Axe Professor Sir James Underwood Professor Sir Nicholas Wright Mr Alistair Jones Professor Adrienne Flanagan
<b>Charity number</b>	293108
<b>Principal address</b>	Peppard Cottage Peppard Common Henley on Thames Oxon United Kingdom RG9 5LB
<b>Auditor</b>	H W Fisher & Company Acre House 11-15 William Road London United Kingdom NW1 3ER
<b>Bankers</b>	Coutts & Co 440 Strand London United Kingdom WC2R 0QS  Lloyds TSB Bank Plc 25 Gresham Street London EC2V 7HN
<b>Solicitors</b>	Maurice Turnor Gardner LLP Milton House 1 Milton Street London EC2Y 9BH
<b>Investment advisors</b>	Cazenove Capital Management Regency Court Glatigny Esplanade St Peter Port Guernsey GY1 3UF

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# THE JEAN SHANKS FOUNDATION

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# THE JEAN SHANKS FOUNDATION

## TRUSTEES' REPORT

*FOR THE YEAR ENDED 31 MARCH 2017*

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The Trustees present their report and accounts for the year ended 31 March 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Foundation's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities" Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

### **Objectives and activities**

The objects are to ensure the advancement and promotion of medical research and education and the dissemination of the results of such research, the establishment and maintenance of scholarships grants and prizes to be awarded to scientists and other people involved in branches of medical and related sciences.

The Foundation funds intercalated year awards to allow medical students the benefit of an extra year's research during their training. It also provides research awards in the general medical field and funds research and other projects where appropriate and in keeping with its aims.

All of the Foundation's objects are recognised by English law to be exclusively charitable.

The Trustees meet regularly with the Foundation's investment advisors to evaluate the performance of its portfolio.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Foundation should undertake.

The Foundation does not employ any personnel. However, if this were to change the policy will be to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests. Information of matters of concern to employees would be given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance. Any applicants for employment would be considered including disabled people.

### **Achievements and performance**

During the year the Foundation's investments performed in line with many other charity portfolios. The Foundation had investment income of £409,623 (2016: £400,139) and gains on investments of £3,426,006 (2016: loss of £521,700). The Foundation had a deficit on income, before gains on investments of £38,012 (2016: £82,557).

The Trustees have appointed Cazenove Capital Management, an investment bank, to manage the funds and to invest these funds with the aim of generating, on average, a 7% annual return and losses of no more than 15% in any one year.

The Foundation made 20 institutional grants totalling £297,025 (2016: 20 totalling £337,897). The Trustees aim to make grants to more institutions in the future. It was disappointing that not all the grants that were awarded were taken up by the applicants.

The Trustees require a written report annually from each person who receives a grant. The medical school or university reviews and appraises the work done by the recipient. The medical school or recipient will forfeit the following year's grant if no report is submitted or the rules are not adhered to.

The Foundation has made a good start to the current financial year and has weathered the markets well in these volatile times. The Foundation remains conservatively invested.

The Finance Committee met and communicated regularly and also met with the investment advisors on four occasions. The investment advisors have attended both Trustee meetings during the year to 31 March 2017.

The Foundation held a symposium for its Alumni in 2013. There were about 40 attendees and the event was considered to be a success by both the attendees and the Trustees. The event was held at the Academy of Medical Sciences in London and another event was held on 6 November 2016 where past recipients were invited, alongside other relevant supporters of the Foundation as well as medical school staff who help the Foundation with the selection of candidates and administration of the grant.

# THE JEAN SHANKS FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 MARCH 2017*

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### Financial review

For the year ended 31 March 2017, the results show a net deficit of incoming resources against resources expended of £38,012 (2016: £82,557) and net assets of £24,159,087 (2016: £20,771,093).

The incoming funds were received from the portfolio managed by Messrs Cazenove Capital Management as investment income of £404,941 (2016: £394,509) and bank interest of £4,682 (2016: £5,630). The charity had gains on its portfolio amounting to £3,426,006 (2016: loss of £521,700).

Corporate governance expenditure amounted to £7,855 (2016: £8,082), investment management charges amounted to £109,898 (2016: £100,198) and administration and legal and professional fees amounted to £32,857 (2016: £36,519). These costs combined represent 0.65% (2016: 0.70%) of the fund. The increase in the investment management fee is due to the new legislation regarding commissions payable to advisers which now means that the Foundation will pay 0.5% commission on its portfolio valuation annually in addition to the fees charged by the fund managers which is deducted from the fund annually before being reported to the Foundation. The overall cost is approximately 1%. The charitable grants made to medical institutions are shown in Note 6 to the accounts amounting to £297,025 (2016: £337,897).

### Reserves policy

The Trustees have carefully considered the minimum amount of reserves that they should hold, having taken into account that they wish the Foundation to continue for the long term, the annual commitments that the Foundation has made and wishes to make in the future. The minimum amount of reserves that the Trustees will allow is £4.5 million.

Unrestricted funds at 31 March 2017 were £24,159,087 which is £3,387,994 higher than at 31 March 2016.

### Grant Making Policy

The Foundation continues to support intercalated grants to UK Medical Schools. The Foundation now asks medical schools to nominate one candidate for an intercalated grant per Medical School. This includes all medical schools in England, Scotland, Wales and Northern Ireland, except those which have a mandatory intercalated year. These Intercalated Grants are now awarded on a competitive basis and the top 15 research projects will receive a grant. The applications from the medical schools are reviewed by the Trustees and the successful applicants have been informed that they have received their award.

The MBPhD awards will also continue and three universities have been awarded their grants in 2016-17.

The Foundation will also fund further grants with the Pathological Society of Great Britain & Ireland whereby the two entities will share equally the cost of up to three research related grants at any one time. There are now two grants running together and this will continue for the foreseeable future.

The Trustees reviewed and accepted grant applications during the year under review. It is the Trustees' intention to continue to review grant applications in the future and make grants where they see fit in line with the grant making policy.

### Risk

The Trustees have considered the major risks to which the Foundation may be exposed, and are satisfied that systems are in place to mitigate exposure to these risks.

# THE JEAN SHANKS FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 MARCH 2017*

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### Investment policy

The Trustees regularly review their investment strategy and have agreed the following guidelines for their investment managers. The objective is to receive an average investment return of 7% per annum in money terms over the longer term. The constraints are that:

1. There is no great requirement for liquidity but the Foundation will maintain liquid reserves to cover at least one year's grant payments and any commitments for any longer term grants.
2. The portfolio should be managed on a total (capital and income) return basis but with a minimum annual distribution to match the income generated (excluding capital gains).
3. The Trustees are looking at a medium term time horizon being 3-7 years.
4. The Trustees employ Messrs Cazenove Capital Management, a firm of investment managers, to manage the portfolio. This firm is a subsidiary of Schroder & Co and there has been no change in investment managers other than the name.

At 31 March 2017, £826,526 (2016: £799,772) of the charity's Bank & Cash balance was held by Messrs Cazenove Capital Management as part of the investment portfolio. A further £316 (2016: £315) was held in a 90 day notice account, and £254,344 (2016: £269,989) in a reserve account at Coutts.

### **Structure, governance and management**

The Jean Shanks Foundation is registered with the Charity Commissioners (No. 293108) and constituted by a charitable trust deed dated 11 November 1985.

The Trustees who served during the year were:

Mr Eric Rothbarth  
Professor Andrew Carr  
Dr Julian Axe  
Professor Sir James Underwood  
Professor Sir Nicholas Wright  
Mr Alistair Jones  
Professor Adrienne Flanagan

The power of appointing new or additional Trustees is vested in the Board of Trustees. The Trustees meet at least twice yearly to assess grant applications, review current and ongoing projects and to review the Foundation's investment portfolio and agree future funding and strategy.

The Trustees are responsible for deciding the overall strategy of the Foundation and monitoring progress. One Trustee (Mr Eric Rothbarth) is delegated by the Board of Trustees to manage the day-to-day operation of the charity as the Managing Trustee.

# THE JEAN SHANKS FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 MARCH 2017*

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### **Public benefit**

The sections of this report above entitled "Objectives and Activities of the Charity" and "Review of Activities" sets out The Jean Shanks Foundation objectives and reports on the activity and successes in the period to 31 March 2017 as well as explaining the plans for the current financial year. The Jean Shanks Foundation's work benefits medical practitioners, medical students and medical specialists in carrying further research to further medicine and cures for present and new diseases.

The Trustees have considered this matter and concluded:

1. That the aims of the organisation continue to be charitable;
2. That the aims and the work done give identifiable benefits to the charitable sector and both indirectly and directly to individuals in need;
3. That the benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay; and
4. That there is no detriment or harm arising from the aims or activities.

On behalf of the Board of Trustees

**Mr Eric Rothbarth**

Trustee

Dated: 22 September 2017

# **THE JEAN SHANKS FOUNDATION**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 MARCH 2017***

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

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

In preparing these accounts, 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the accounts 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 Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# THE JEAN SHANKS FOUNDATION

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF THE JEAN SHANKS FOUNDATION

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We have audited the financial statements of The Jean Shanks Foundation for the year ended 31 March 2017 set out on pages 8 to 18. 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), including Financial Reporting Standard 102.

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 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditor**

As explained more fully in the statement of trustees' responsibilities set out on page 5, the trustees are responsible for the preparation of accounts which give a true and fair view.

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the accounts**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on accounts.**

In our opinion the accounts:

- give a true and fair view of the state of the charity's affairs as at 31 March 2017 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.

# THE JEAN SHANKS FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF THE JEAN SHANKS FOUNDATION

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#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the accounts; or
- the accounts 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.

#### **Other matter**

Your attention is drawn to the fact that the charity has prepared accounts in accordance with "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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

**H W Fisher & Company**

**Chartered Accountants**

**Statutory Auditor**

**Acre House**

11-15 William Road

London

NW1 3ER

United Kingdom

29 September 2017

H W Fisher & Company is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

# THE JEAN SHANKS FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

*FOR THE YEAR ENDED 31 MARCH 2017*

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	Notes	2017 £	2016 £
<b><u>Income from:</u></b>			
Investments	3	409,623	400,139
		<hr/>	<hr/>
<b><u>Expenditure on:</u></b>			
<u>Raising funds</u>			
Investment management	4	109,898	100,198
		<hr/>	<hr/>
Charitable activities	5	337,737	382,498
		<hr/>	<hr/>
<b>Total resources expended</b>		447,635	482,696
		<hr/>	<hr/>
Net gains on investments	10	3,426,006	(521,700)
		<hr/>	<hr/>
<b>Net movement in funds</b>		3,387,994	(604,257)
		<hr/>	<hr/>
Fund balances at 1 April 2016		20,771,093	21,375,350
		<hr/>	<hr/>
<b>Fund balances at 31 March 2017</b>		24,159,087	20,771,093
		<hr/> <hr/>	<hr/> <hr/>

# THE JEAN SHANKS FOUNDATION

## BALANCE SHEET

AS AT 31 MARCH 2017

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	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Investments	11		23,106,316		19,700,671
<b>Current assets</b>					
Debtors	13	15,339		17,734	
Cash at bank and in hand		1,133,762		1,157,904	
		<u>1,149,101</u>		<u>1,175,638</u>	
<b>Creditors: amounts falling due within one year</b>	14	(96,330)		(105,216)	
Net current assets			1,052,771		1,070,422
<b>Total assets less current liabilities</b>			<u>24,159,087</u>		<u>20,771,093</u>
<b>Income funds</b>					
Unrestricted funds			24,159,087		20,771,093
			<u>24,159,087</u>		<u>20,771,093</u>

The accounts were approved by the Trustees on 22 September 2017

Mr Eric Rothbarth  
Trustee

Professor Andrew Carr  
Trustee

# THE JEAN SHANKS FOUNDATION

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2017

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	Notes	2017 £	£	2016 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	16		(454,126)		(436,094)
<b>Investing activities</b>					
Purchase of investments		(1,291,199)		(1,476,464)	
Proceeds on disposal of fixed asset investments		1,311,560		1,433,509	
Interest received		4,682		5,630	
Dividends received		404,941		394,509	
<b>Net cash generated from investing activities</b>			429,984		357,184
<b>Net cash used in financing activities</b>			-		-
<b>Net decrease in cash and cash equivalents</b>			(24,142)		(78,910)
Cash and cash equivalents at beginning of year			1,157,904		1,236,814
<b>Cash and cash equivalents at end of year</b>			1,133,762		1,157,904

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# THE JEAN SHANKS FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 31 MARCH 2017*

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### **1 Accounting policies**

#### **Charity information**

The Jean Shanks Foundation is a registered charity. The charity meets the definition of a public benefit entity under FRS102.

#### **1.1 Accounting convention**

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The accounts have been prepared on the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the accounts, the trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees' continue to adopt the going concern basis of accounting in preparing the accounts.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

#### **1.4 Incoming resources**

Income is recognised when the Foundation is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank. Dividends are recognised once the dividend has been declared and notification has been received by our investment advisor of the investment portfolio.

Legacies are recognised on receipt or otherwise if the Foundation has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

#### **1.5 Resources expended**

Liabilities are recognised as expenditure once there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated to the charitable activity in the statement of financial activities.

Costs of raising funds are those costs incurred in managing the Foundation's investment portfolio.

# THE JEAN SHANKS FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

(Continued)

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the charity.

Provisions for grants are made when the intention to make the grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

A provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the charity that would permit the charity to avoid making the future payments, settlement is probable, and the effect of discounting is material. The discount rate used is the rate offered on government bonds (Gilts) for a commensurate or similar time period offered in the year in which the grant award is made.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

### 1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

### 1.7 Financial instruments

The Foundation has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

# THE JEAN SHANKS FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

(Continued)

#### *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 goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### *Derecognition of financial liabilities*

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

### 2 Critical accounting estimates and judgements

In the application of the Foundation's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The Trustees do not believe there to be any judgements or estimates that would be considered critical to the financial statements.

### 3 Investments

	2017	2016
	£	£
Income from listed investments	404,941	394,509
Interest receivable	4,682	5,630
	<u>409,623</u>	<u>400,139</u>

# THE JEAN SHANKS FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 4 Raising funds

	2017	2016
	£	£
Investment management fees	109,898	100,198
	<u>109,898</u>	<u>100,198</u>
	<u><u>109,898</u></u>	<u><u>100,198</u></u>

### 5 Charitable activities

	2017	2016
	£	£
<b>Medical Research and Education</b>		
Secretarial expenses	10,509	12,288
Office expenses	713	2,594
Legal and professional	21,635	21,637
	<u>32,857</u>	<u>36,519</u>
Grant funding of activities (see note 6)	297,025	337,897
Share of governance costs (see note 7)	7,855	8,082
	<u>337,737</u>	<u>382,498</u>
	<u><u>337,737</u></u>	<u><u>382,498</u></u>

# THE JEAN SHANKS FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 6 Grants payable

	2017	2016
	£	£
Grants to institutions:		
Queen Mary, University of London	-	15,000
University of Birmingham	15,000	15,000
Brighton & Sussex Medical School	-	15,000
University of Bristol	15,000	15,000
University of Cardiff	15,000	15,000
University of Edinburgh	6,000	15,000
University of Exeter	(3,465)	10,100
University of Glasgow	-	7,820
King's College, London	-	15,000
University of Leeds	-	11,500
University of Leicester	15,000	15,000
University of Manchester	15,000	15,000
University of Southampton	15,000	9,465
St George's, University of London	-	15,000
University of Nottingham	-	21,000
University of Cambridge	21,000	21,000
Academy of Medical Sciences	-	40,000
Pathological Society of Great Britain and Ireland	45,612	46,012
University of Aberdeen	6,000	-
Queens University, Belfast	9,925	-
University of Dundee	7,820	-
University of Newcastle	10,532	-
University of Oxford	21,219	21,000
University of Hull	15,000	-
Barts and The London School of Medicine and Dentistry	15,000	-
University of Liverpool	7,500	-
University of Sheffield	15,000	-
University College London	21,000	-
Imperial College London	21,000	-
	<u>297,025</u>	<u>337,897</u>

During the year, twenty grants were made to institutions (2016: twenty).

# THE JEAN SHANKS FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 7 Support costs

	Governance costs	2017	2016
	£	£	£
Audit fees	7,855	7,855	8,082
	<u>7,855</u>	<u>7,855</u>	<u>8,082</u>
Medical Research and Education	7,855	7,855	8,082
	<u>7,855</u>	<u>7,855</u>	<u>8,082</u>

### 8 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year save for Mr Eric Rothbarth who was paid a fee of £18,000, excluding VAT (2016: £18,000) for his services managing the Foundation on a day to day basis. Three trustees (2016: four) were reimbursed a total of £743 (2016: £1,792) for travel and office expenses.

### 9 Employees

There were no employees during the year.

### 10 Net gains/(losses) on investments

	2017	2016
	£	£
Revaluation of investments	3,396,496	(522,001)
Gain/(loss) on sale of investments	29,510	301
	<u>3,426,006</u>	<u>(521,700)</u>

### 11 Fixed asset investments

	2017	2016
	£	£
Listed investments	<u>23,106,316</u>	<u>19,700,671</u>

# THE JEAN SHANKS FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

11 Fixed asset investments	(Continued)	
	2017	2016
	£	£
Listed investments at 31 January which are over 5% of the portfolio by value were:		
Fidelity Emerging Markets Fund	1,139,641	-
Schroder Global Emerging Markets	1,408,380	1,018,845
AXA Framlington UK Select	-	1,124,428
Schroder QEP Global Active Value Fund	2,714,732	2,040,322
Schroder QEP Global Quality Fund	2,820,637	2,483,527
Old Mutual UK Alpha Fund	1,129,213	-
Majedie UK Equity Fund	1,127,696	-
	<u>                    </u>	<u>                    </u>
<b>Movements in fixed asset investments</b>		<b>Shares</b>
		<b>£</b>
<b>Cost or valuation</b>		
At 1 April 2016		19,700,671
Additions		1,291,199
Valuation changes		3,396,496
Disposals		(1,282,050)
		<u>                    </u>
At 31 March 2017		23,106,316
		<u>                    </u>
<b>Carrying amount</b>		
At 31 March 2017		23,106,316
		<u>                    </u>
At 31 March 2016		19,700,671
		<u>                    </u>
<b>12 Financial instruments</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Carrying amount of financial assets</b>		
Equity instruments measured at cost less impairment	23,106,316	19,700,671
	<u>                    </u>	<u>                    </u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	96,330	105,216
	<u>                    </u>	<u>                    </u>
<b>13 Debtors</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Prepayments and accrued income	15,339	17,734
	<u>                    </u>	<u>                    </u>

# THE JEAN SHANKS FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 14 Creditors: amounts falling due within one year

	2017	2016
	£	£
Accruals and deferred income	96,330	105,216

### 15 Related party transactions

At 31 March 2017, Mr Eric Rothbarth was owed £21,600 (2016: £21,600) by the Foundation.

Mr Eric Rothbarth's wife, Mrs Lynda Rothbarth, was commissioned by the Foundation to develop and maintain its website in the year to 31 March 2017. During the year, Mrs Lynda Rothbarth was paid £600 (2016: £720 including VAT) for this service.

During the year, the Foundation paid a grant of £45,612 (2016: £46,012) to The Pathological Society of Great Britain & Ireland. Professor Adrienne Flanagan, a trustee of the Foundation, is a committee member of The Pathological Society of Great Britain & Ireland.

The above transactions were all wholly at arms-length.

### 16 Cash generated from operations

	2017	2016
	£	£
Surplus/(deficit) for the year	3,387,994	(604,257)
Adjustments for:		
Investment income recognised in profit or loss	(409,623)	(400,139)
Gain on disposal of investments	(29,510)	(301)
Fair value gains and losses on investments	(3,396,496)	522,001
Movements in working capital:		
Decrease in debtors	2,395	18,293
(Decrease)/increase in creditors	(8,886)	28,309
<b>Cash absorbed by operations</b>	<b>(454,126)</b>	<b>(436,094)</b>