

**Charity registration number 1001363**

**THE SIR JAMES KNOTT TRUST**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

# THE SIR JAMES KNOTT TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr B Speke DL Mr J A Baker-Cresswell Reverend F J Sample Sir W J B Riddell
<b>Trust Secretary</b>	J J Curry
<b>Charity number</b>	1001363
<b>Principal office</b>	Connected Voice Office One Strawberry Lane Newcastle upon Tyne NE1 4BX
<b>Auditor</b>	Azets Audit Services Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS
<b>Bankers</b>	HSBC Bank plc Floor 3 Central Square South Orchard Street Newcastle upon Tyne NE1 3AZ
<b>Investment advisors</b>	Newton Investment Management Limited The Bank of New York Mellon Centre 160 Queen Victoria Street London EC4V 4LA
<b>Custodians of investments</b>	The Bank of New York Mellon One Canada Square London EC4V 4LA

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# THE SIR JAMES KNOTT TRUST

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# THE SIR JAMES KNOTT TRUST

## TRUSTEES' REPORT

### *FOR THE YEAR ENDED 31 MARCH 2025*

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The Trustees present their annual report and financial statements for the year ended 31 March 2025.

#### **Objectives and activities**

The Trust continued to meet its charitable objectives and to follow the wishes of the late Sir James Knott through the provision of grants of between £250 and £100,000 to 420 charitable organisations in the year to 31st March 2025. The Trust allocates grants principally to charities working to improve the lives of people living in Tyne & Wear, Northumberland, County Durham, and Hartlepool. Trustees follow the wishes of the Trust's founder by supporting causes that were of significant interest to him. Sir James Knott wanted to ensure that people had a secure place to live and a job. He supported military and maritime worthy causes. He was a man of faith and supported places and events that brought the community together.

The Trust is a generalist grant funder, with the flexibility to provide grants for core running costs, projects, and capital expenditure. The Trust purposefully invests in neighbourhood level organisations, those that know their community best. Trustees continue to recognise that the opportunities for charities to secure multi-year core funding are diminishing and so offer unrestricted grants over a longer period. Trustees understand that this is where a real difference can be made. In recent years, the running costs of charities have increased, often when demand for their services is rising. As a result average grant awards have been increasing. The Trust is prepared to join with other funders to make larger grants.

The Trust also recognises the value organisations still place on small grants that can be administered quickly. Applications for grants of £1,000 and under are considered between meetings by one Trustee. This will rise to £2,000 in 2025.

In respect of the late Sir James Knott's wishes to support young people, the Trust continued to underpin the of the High Sheriffs Award Schemes of Northumberland, Tyne & Wear and County Durham. The Awards celebrate and reward the achievements made by young people and the volunteers supporting them. The Trust also continues to support all the Sea Cadet Units in its area of benefit.

#### **Public benefit**

The Sir James Knott Trust exists and operates for the public benefit. Through its grant making it works to strengthen charities, improve the community, and enrich the lives of people in Tyne & Wear, Northumberland, County Durham, and Hartlepool. The Trustees confirm that they have referred to the guidance produced by the Charity Commission on public benefit when reviewing the aims and objectives, the grant making policies and in planning future activities, and are confident that the requirements are satisfied.

#### **Achievements and performance**

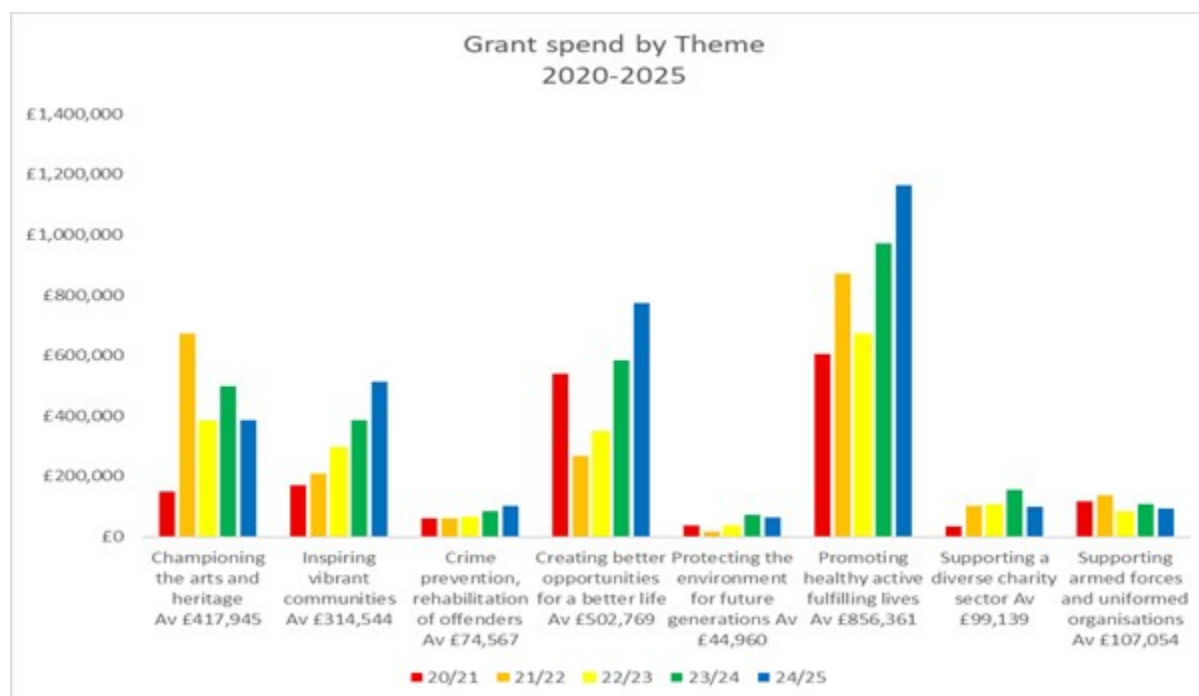
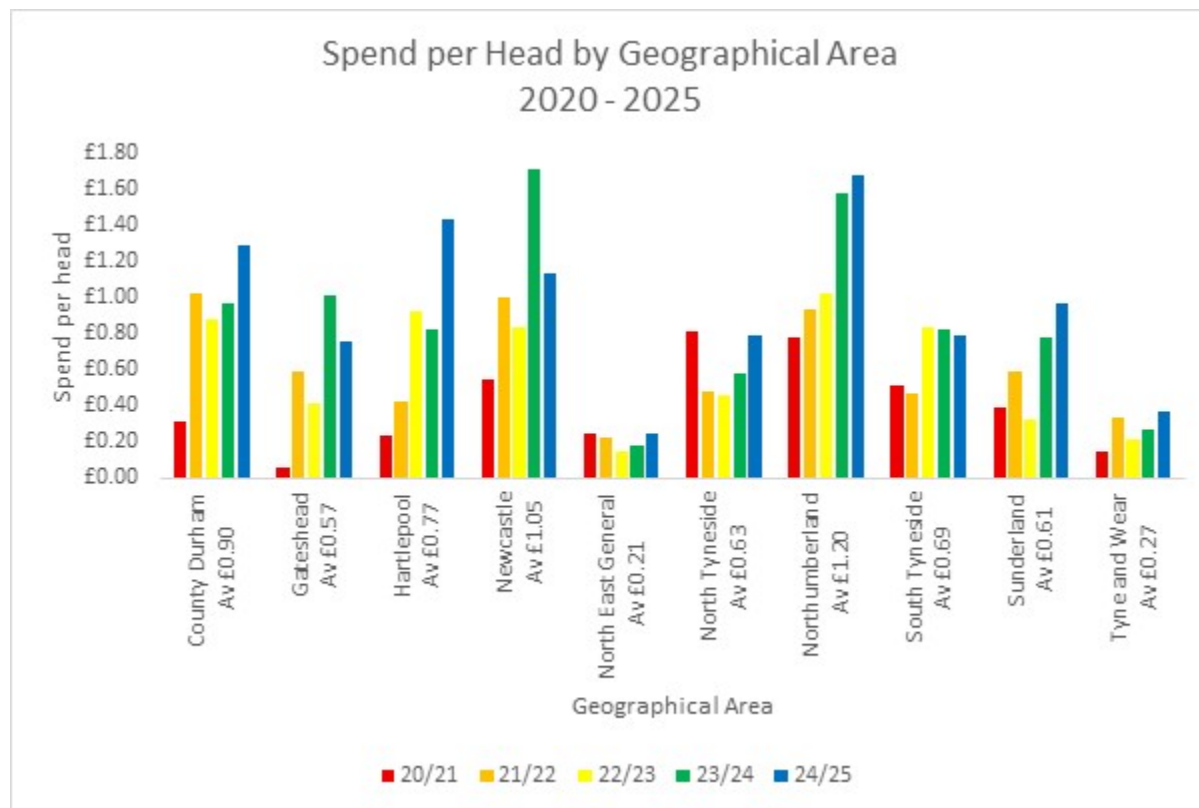
In 2024/25 The Trust made grants in the North East totalling £3,187,345. This is the highest value of grants ever paid out in one year in the Trust's history. There is not a single area of the Trust's geographical area of benefit that gains less than £0.57 spend per head of population from the Trust.

The number of applications increased from 446 to 496 and the total value of requests was over £8.2m. The Trust is well networked and is visible to applicants. The success rate for applicants to the Trust remains high, with 63% of applicants receiving funding.

# THE SIR JAMES KNOTT TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025



# THE SIR JAMES KNOTT TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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The Trust asks grant recipients for feedback on how we can improve as a funder. The feedback is positive. Grant recipients repeatedly say that the things that we get right are:

- Straightforward application form
- Simple feedback form
- Good communication with staff and Assessors that is personalised
- Visits are greatly appreciated
- Good local knowledge
- Multiyear core funding
- Prompt payments

The following areas are suggestions for improvements:

- Asking for feedback at 6 months is too soon
- More visits and more communication would be great
- Offering support to meet local partners
- Offering links to other funders
- Explaining why applicants got less than the full amount applied for.
- Publishing data on 360 giving
- Promote the work of grant recipients on social media
- Trustees meeting more frequently so that there are shorter times between application and the result
- Extend multi-year funding over 5 years.

#### **Fundraising**

The Trust does not conduct any fundraising, use professional fundraisers, or subscribe to any scheme of fundraising regulation.

#### **Financial review**

##### **Principal funding and expenditure**

The Trust is reliant on the income from its investments to make grants and to cover the costs in doing so. Gross investment income for the year was £2,356,514, investment management and custody fees of £320,891 were paid in accordance with the current fee structure. These charges are expensed against the unrestricted gains and losses of investment assets.

This year the Trust received an increased donation of £1,002,298 from Samares Investment Management, and an increased donation of £400,000 from College Valley. The Trustees would like to record their gratitude for the donations that will be put towards grant making in the North East.

Support and governance costs were £206,677. Grants awarded amounted to £3,187,345. Total income exceeded expenditure by £43,899 before adjustments for investment gains of £958,577.

#### **Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue to adopt the going concern basis in preparing the financial statements.

#### **Reserves Policy**

The Trustees aim to maintain free reserves in unrestricted funds at a prudent level; these are held to smooth the quantum of grants paid in the normal course of business, to provide sufficient funds to cover administrative costs and to ensure there are funds available to respond to current and future applications. The level of cash reserves on 31st March 2025 was £1,007,778. The balance of unrestricted reserves mitigates against the volatility of the investment markets and on-going commitments of the Trust.

# THE SIR JAMES KNOTT TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2025**

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### **Investment policy and performance**

The Sir James Knott Trust is a lasting testimony to the philanthropic beliefs of Sir James Knott. The Trustees are committed to ensuring that the Trust maintains a diversified portfolio of investments, with a balance between growth and income, to ensure the Trust can continue to award grants to charitable organisations across the North East of England for many years to come. As such the Trustees wish to maintain the capital value of the portfolio in real terms and take a long-term approach. The Trustees have instructed the Investment Manager to take account of socially responsible, ethical, and environmental considerations.

The Trustees monitor the performance of the portfolio against internal and external benchmarks. The Investment Manager provides the Trust with quarterly financial reports and presents to the full body of Trustees twice yearly.

The Trust's capital improved after what has been a turbulent few years for the financial markets. At the end of the year the capital value of the fund was £73,413,042. The income generated from investments was £2,356,514. Trustees continue to monitor the performance of the Investment Manager actively and expect volatile markets to continue.

### **Risk management**

Trustees reviewed the Risk Framework which sets out major risks to which the Trust is exposed and have established systems to mitigate and insure against those risks. The Trust's investment activities represent its main financial risk. Key operational risks relate to grant making. Applications for grants are assessed carefully to ensure full due diligence is conducted. Judgements on need, impact and merit are made. Applications for grants above £10,000 usually receive an onsite visit before a grant is made. The Trust displays a willingness to take appropriate risks in grant making, sometimes being the first to support a venture to lever in additional funds and provide confidence to other funders.

### **Plans for future periods**

Trustees are mindful that demand for grants is increasing. The Trust is planning to maintain grant making at the level of £3.2m in 2025/26. The Trust will continue to provide grants to charities so that they may be strong vibrant organisations providing effective services to people in the North East. Trustees will ensure that the resources of the Trust are put to work where they are most needed. The Trust will find ways to deepen our impact and strengthen charities across the region for years to come.

There will be changes for the Trust in 25/26. The Chair of Trustees will retire having served as a Trustee since 2009, and as Chair since 2018. Ben Speke will be greatly missed, and his impeccable service will be commemorated. The Trust will appoint a new Trustee, and a new Chair will be chosen from the existing Trustees.

The Trust values the partnerships forged with other funders through networking with the North East Trusts Group, the North East Funders Forum, VONNE, and the Association of Charitable Foundations.

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

The Trustees who served during the year and up to the date of signature of the financial statements were:

Mr B Speke DL

Mr J A Baker-Cresswell

Reverend F J Sample

Sir W J B Riddell

# THE SIR JAMES KNOTT TRUST

## TRUSTEES' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 31 MARCH 2025*

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#### **The Trust's history**

Sir James Knott was born in Howdon, North Tyneside in 1855 and started work as a clerk at a Newcastle upon Tyne Quayside shipping office aged fourteen. His fortune was based on the Prince Line, shipping company which he founded. During the First World War he sold the company and in 1924 settled in Jersey, with his wife Lady Margaret, where he formed Samares Investments to further his philanthropy. Sir James died in 1934, but his legacy lives on through the Trust and the thousands of charities that have benefited from the endowment that he created. In 1990, a substantial proportion of the fund was moved into an endowed trust under the governance of a registered charity named Sir James Knott 1990 Trust. In 1995 the name became The Sir James Knott Trust.

The Sir James Knott Trust is a registered Charitable Trust based in Newcastle upon Tyne which gives grants in support of charitable activity across Northumberland, Tyne and Wear, Durham, and Hartlepool. The Trust is an Unincorporated Trust, constituted under a Trust Deed dated 12 December 1990. Samares Investments Limited is a philanthropic organisation with historical links to this Trust and is based in Jersey. It holds the remainder of the endowment established by Sir James Knott. The Trust is grateful to Samares Investments Limited for continuing to provide significant donations to support the Trust's grant making activities.

The summer of 2024 marked the centenary of Sir James Knott establishing the endowment, a book commemorating this was launched in celebration of this legacy. 'Deeds not Words' written by Ian Ronayne charts the remarkable philanthropic legacy of Sir James Knott.

#### **Governance and management**

There have been no recent changes to the make-up of the governing body of the Trust. Full formal trustee meetings took place four times last year to review the strategy and activity of the Trust, including grant making, investment portfolio performance, finances, reserves, risk management, policies, resources, and staff performance.

Trustees are appointed based upon experience and knowledge of charities, investments, and the North East of England in general and are expected to have an affinity with the aims of the Sir James Knott Trust. Trustees adopt areas of specific responsibility for risk, staffing and investments. Newly appointed Trustees 'shadow' a trustee meeting prior to starting their trusteeship. They receive the Charity Commission's guidance on the roles and responsibilities of Trustees and key documents relating to the Trust. Ongoing training is available to all Trustees and opportunities are offered to visit the charities that we support.

Trustees delegate the administration of grants and processing of applications to the Trust Secretary who is responsible for the day-to-day management of the Trust. The Trust Secretary is supported by the Trust Administrator, a freelance finance manager and a team of freelance assessors. Staff are remunerated in line with roles and experience, and this is reviewed annually.

#### **Trustees' remuneration**

Trustees receive no financial benefit or expenses from the Sir James Knott Trust.

#### **Salaries**

The Trust employs two members of staff. Salaries were benchmarked within the last 3 years and are reviewed annually.

#### **Conflict of interest**

Trustees and staff are expected to conduct the business of the Trust with integrity. All complete an annual register of interests, and any declarations of conflicts are recorded at the start of every Trustee meeting.

# THE SIR JAMES KNOTT TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### Statement of Trustees' responsibilities

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

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

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements 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 Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' report was approved by the Board of Trustees.



Ben Speke 08 Aug 2025 18:24:25 BST (UTC +1)

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Mr B Speke DL

**Trustee**

Date: 08 August 2025  
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# THE SIR JAMES KNOTT TRUST

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF THE SIR JAMES KNOTT TRUST

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#### Opinion

We have audited the financial statements of The Sir James Knott Trust (the 'Charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 March 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# THE SIR JAMES KNOTT TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE SIR JAMES KNOTT TRUST

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#### **Responsibilities of Trustees**

As explained more fully in the statement of trustees' responsibilities, 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 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 cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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 there under.

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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# THE SIR JAMES KNOTT TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE SIR JAMES KNOTT TRUST

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#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the field in which the charity operates, we identified the following area as the most likely to have a material impact on the financial statements: compliance with the UK Charities Act.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

#### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

# THE SIR JAMES KNOTT TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE SIR JAMES KNOTT TRUST

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Simon Brown 11 Aug 2025 07:59:32 BST (UTC +1)

**Simon Brown BA ACA DChA (Senior Statutory Auditor)  
for and on behalf of Azets Audit Services**

11 August 2025  
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**Chartered Accountants  
Statutory Auditor**

Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

Azets Audit Services is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**THE SIR JAMES KNOTT TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 MARCH 2025**

**Current financial year**

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total 2025 £	Total 2024 £
<b><u>Income and endowments from:</u></b>						
Donations and legacies	3	400,000	1,002,298	-	1,402,298	931,743
Investments	4	2,356,514	-	-	2,356,514	2,156,339
Other income	5	-	-	-	-	35,000
<b>Total income</b>		<b>2,756,514</b>	<b>1,002,298</b>	<b>-</b>	<b>3,758,812</b>	<b>3,123,082</b>
<b><u>Expenditure on:</u></b>						
Raising funds	6	320,891	-	-	320,891	292,323
Charitable activities	7	2,391,724	1,002,298	-	3,394,022	3,058,504
<b>Total expenditure</b>		<b>2,712,615</b>	<b>1,002,298</b>	<b>-</b>	<b>3,714,913</b>	<b>3,350,827</b>
Net gains/(losses) on investments	13	902,990	-	11,688	914,678	4,831,201
<b>Net movement in funds</b>		<b>946,889</b>	<b>-</b>	<b>11,688</b>	<b>958,577</b>	<b>4,603,456</b>
<b>Net movement in funds</b>		<b>946,889</b>	<b>-</b>	<b>11,688</b>	<b>958,577</b>	<b>4,603,456</b>
Fund balances at 1 April 2024		62,488,897	-	9,965,568	72,454,465	67,851,009
<b>Fund balances at 31 March 2025</b>		<b>63,435,786</b>	<b>-</b>	<b>9,977,256</b>	<b>73,413,042</b>	<b>72,454,465</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 15 to 28 form part of these financial statements.

# THE SIR JAMES KNOTT TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2025**

**Prior financial year**

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total 2024 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	100,000	831,743	-	931,743
Investments	4	2,156,339	-	-	2,156,339
Other income	5	35,000	-	-	35,000
<b>Total income</b>		<b>2,291,339</b>	<b>831,743</b>	<b>-</b>	<b>3,123,082</b>
<b><u>Expenditure on:</u></b>					
Raising funds	6	292,323	-	-	292,323
Charitable activities	7	2,226,761	831,743	-	3,058,504
<b>Total expenditure</b>		<b>2,519,084</b>	<b>831,743</b>	<b>-</b>	<b>3,350,827</b>
Net gains/(losses) on investments	13	4,430,752	-	400,449	4,831,201
<b>Net movement in funds</b>		<b>4,203,007</b>	<b>-</b>	<b>400,449</b>	<b>4,603,456</b>
Fund balances at 1 March 2023		58,285,890	-	9,565,119	67,851,009
<b>Fund balances at 31 March 2024</b>		<b>62,488,897</b>	<b>-</b>	<b>9,965,568</b>	<b>72,454,465</b>

# THE SIR JAMES KNOTT TRUST

## BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025		2024	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	15		8,120		10,731
Investments	16		72,433,015		71,578,883
			<u>72,441,135</u>		<u>71,589,614</u>
<b>Current assets</b>					
Debtors	17	104,206		229,529	
Cash at bank and in hand		1,007,778		787,847	
		<u>1,111,984</u>		<u>1,017,376</u>	
<b>Creditors: amounts falling due within one year</b>	18	<u>(140,077)</u>		<u>(152,525)</u>	
Net current assets			<u>971,907</u>		<u>864,851</u>
<b>Total assets less current liabilities</b>			<u><u>73,413,042</u></u>		<u><u>72,454,465</u></u>
<b>Capital funds</b>					
Endowment funds - general	20		9,977,256		9,965,568
<b>Income funds</b>					
Unrestricted funds			<u>63,435,786</u>		<u>62,488,897</u>
			<u><u>73,413,042</u></u>		<u><u>72,454,465</u></u>

The financial statements were approved by the Trustees on .....08 August 2025



Ben Speke 08 Aug 2025 18:24:25 BST (UTC +1)

.....  
Mr B Speke DL  
Trustee

# THE SIR JAMES KNOTT TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	25	(2,187,025)		(2,361,366)	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(10,104)		(9,226)	
Purchase of investments		(19,087,772)		(11,436,781)	
Proceeds from disposal of investments		19,148,318		10,262,937	
Investment income received		2,356,514		2,156,339	
<b>Net cash generated from investing activities</b>			2,406,956		973,269
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			219,931		(1,388,097)
Cash and cash equivalents at beginning of year			787,847		2,175,944
<b>Cash and cash equivalents at end of year</b>			1,007,778		787,847

# THE SIR JAMES KNOTT TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2025

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#### 1 Accounting policies

##### Charity information

The Sir James Knott Trust is a unincorporated Charitable Trust, registered in England and Wales, charity number: 1001363. The address of the principal office is Connected Voice Office, One Strawberry Lane, Newcastle upon Tyne, NE1 4BX.

The Charitable Trust is a grant making charity, which makes donations in support of registered charities across Northumberland, Tyne and Wear, County Durham and Hartlepool.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include investments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds, which include endowment funds, are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund. Investment income generated from funds is all unrestricted.

#### 1.4 Income

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

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from grants is recognised when there is evidence of entitlement to the grant, receipt is probable and its amount can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

# THE SIR JAMES KNOTT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 1 Accounting policies

(Continued)

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

#### 1.5 Expenditure

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support and governance costs involved.

Charitable activities are costs incurred on the charity's grant making operations, including support costs and costs relating to the governance of the charity.

Support costs are those incurred in support of expenditure on the activities of the charity.

Governance costs are those incurred in compliance with constitutional and statutory requirements of the charity.

Costs of raising funds are investment management and custody fees.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold Improvements	33.3% straight line
Furniture and fittings	15% Reducing Balance
Computer Equipment	30% Reducing Balance.

#### 1.7 Fixed asset investments

Fixed asset investments are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

The charity holds investments denominated in foreign currencies. Transactions in foreign currencies are translated into sterling at the rate ruling on the settlement date. Exchange gains and losses are recognised within net gains on investments in the statement of financial activities.

# THE SIR JAMES KNOTT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 1 Accounting policies (Continued)

##### 1.8 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.

##### 1.9 Financial instruments

The Charity 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 Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

##### **Basic financial assets**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

##### 1.10 Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

##### 1.11 Retirement benefits

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

##### 1.12 Trade Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### 1.13 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

#### 2 Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported.

Management have provided depreciation, prepayments, accruals and other cut-off adjustments. Whilst management believe that these estimates and judgements are accurate, there is every likelihood that they will not be exact.

These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**THE SIR JAMES KNOTT TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

3 Donations and legacies	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2025	2025	2025	2024	2024	2024
	£	£	£	£	£	£
Donations and gifts	400,000	1,002,298	1,402,298	100,000	831,743	931,743
	=====	=====	=====	=====	=====	=====

# THE SIR JAMES KNOTT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 4 Investments

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Dividends income	2,347,219	2,133,754
Interest receivable	9,295	22,585
	<u>2,356,514</u>	<u>2,156,339</u>

### 5 Other income

	Total Unrestricted funds	
	2025	2024
	£	£
Other income	-	35,000
	<u>-</u>	<u>35,000</u>

Other income relates to grants being returned to the charity.

### 6 Raising funds

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
<u>Investment management</u>	320,891	292,323
	<u>320,891</u>	<u>292,323</u>

# THE SIR JAMES KNOTT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 7 Charitable activities

	2025 £	2024 £
Charitable costs	-	15,510
Grant funding of activities (see note 8)	3,187,345	2,869,725
Share of support costs (see note 9)	193,865	162,965
Share of governance costs (see note 9)	12,812	10,304
	<u>3,394,022</u>	<u>3,058,504</u>
<b>Analysis by fund</b>		
Unrestricted funds	2,391,724	2,226,761
Restricted funds	1,002,298	831,743
	<u>3,394,022</u>	<u>3,058,504</u>

### 8 Grants payable

	2025 £	2024 £
Grants to institutions:		
Arts and culture	316,500	333,808
BAME	53,000	103,797
Community building	383,562	296,179
Community events	129,950	89,829
Crime	101,336	85,000
Disability	391,995	273,500
Domestic violence	46,500	24,000
Education and training	291,980	186,684
Employment and support	57,000	72,000
Environment	63,000	47,471
Financial inclusion poverty	300,000	260,780
Health sports and wellbeing	525,816	602,565
Heritage	70,916	163,402
Homeless	124,000	65,000
Infrastructure	45,000	53,000
Mental health	192,640	105,990
Service and uniformed orgs	94,150	106,720
	<u>3,187,345</u>	<u>2,869,725</u>

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# THE SIR JAMES KNOTT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 9 Support costs

	Support costs	Governance costs	2025	Support costs	Governance costs	2024
	£	£	£	£	£	£
Staff costs	96,561	-	96,561	86,138	-	86,138
Depreciation and profit loss on disposal	12,715	-	12,715	165	-	165
Rent and rates	7,557	-	7,557	4,284	-	4,284
Insurance	688	-	688	421	-	421
Motor and Travel	4,184	-	4,184	4,022	-	4,022
Office costs	1,309	-	1,309	962	-	962
IT and repairs	8,084	-	8,084	9,605	-	9,605
Legal, professional and consultancy fees	56,299	-	56,299	49,656	-	49,656
Bank Charges	152	-	152	148	-	148
Sundry expenses	6,316	-	6,316	7,564	-	7,564
Audit fees	-	9,500	9,500	-	8,000	8,000
Accountancy	-	1,500	1,500	-	1,400	1,400
Governance costs	-	1,812	1,812	-	904	904
	<u>193,865</u>	<u>12,812</u>	<u>206,677</u>	<u>162,965</u>	<u>10,304</u>	<u>173,269</u>
Analysed between Charitable activities	<u>193,865</u>	<u>12,812</u>	<u>206,677</u>	<u>162,965</u>	<u>10,304</u>	<u>173,269</u>

#### 10 Auditor's remuneration

Fees payable to the Charity's auditor and associates:	2025	2024
	£	£
Audit of the Charity's annual accounts	9,500	8,000
<b>Non-audit services</b>		
All other non-audit services	1,500	1,400

#### 11 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year or in the prior year.

# THE SIR JAMES KNOTT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 12 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Support	1	1
Administration	1	1
Total	<u>2</u>	<u>2</u>

### Employment costs

	2025 £	2024 £
Wages and salaries	85,562	77,366
Social security costs	4,297	3,166
Other pension costs	6,702	5,606
	<u>96,561</u>	<u>86,138</u>

There were no employees whose annual remuneration was more than £60,000.

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

	Unrestricted funds 2025 £	Endowment funds general 2025 £	Total Unrestricted funds 2025 £	Endowment funds general 2024 £	Total 2024 £
Gain/(loss) on sale of investments	<u>902,990</u>	<u>11,688</u>	<u>914,678</u>	<u>4,430,752</u>	<u>4,831,201</u>

### 14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

# THE SIR JAMES KNOTT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 15 Tangible fixed assets

	Leasehold Improvements	Furniture and fittings	Computer Equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2024	9,000	2,310	13,806	25,116
Additions	9,156	-	948	10,104
Disposals	(9,000)	-	-	(9,000)
At 31 March 2025	9,156	2,310	14,754	26,220
<b>Depreciation and impairment</b>				
At 1 April 2024	-	593	13,792	14,385
Depreciation charged in the year	3,052	253	410	3,715
At 31 March 2025	3,052	846	14,202	18,100
<b>Carrying amount</b>				
At 31 March 2025	6,104	1,464	552	8,120
At 31 March 2024	9,000	1,717	14	10,731

#### 16 Fixed asset investments

	Listed investments	Unlisted investments	Total
	£	£	£
<b>Cost or valuation</b>			
At 1 April 2024	68,200,558	3,378,325	71,578,883
Additions	18,897,772	190,000	19,087,772
Valuation changes	(1,643,935)	-	(1,643,935)
Disposals	(16,439,433)	(150,272)	(16,589,705)
At 31 March 2025	69,014,962	3,418,053	72,433,015
<b>Carrying amount</b>			
At 31 March 2025	69,014,962	3,418,053	72,433,015
At 31 March 2024	68,200,558	3,378,325	71,578,883

No individual investment exceeded 5% of total market value as at the year end.

The historic cost of the investment portfolio was 2025: £55,550,951 (2024: £52,079,493).

# THE SIR JAMES KNOTT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 17 Debtors

	<b>2025</b>	<b>2024</b>
	£	£
<b>Amounts falling due within one year:</b>		
Other debtors	2,969	17,608
Prepayments and accrued income	101,237	211,921
	<u>104,206</u>	<u>229,529</u>

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

	<b>Notes</b>	<b>2025</b>	<b>2024</b>
		£	£
Deferred income	<b>19</b>	44,000	20,000
Trade creditors		11	14,896
Other creditors		651	38,617
Accruals		95,415	79,012
		<u>140,077</u>	<u>152,525</u>

### 19 Deferred income

	<b>2025</b>	<b>2024</b>
	£	£
Other deferred income	44,000	20,000
	<u>44,000</u>	<u>20,000</u>

Deferred income is included in the financial statements as follows:

	<b>2025</b>	<b>2024</b>
	£	£
Deferred income is included within:		
Current liabilities	44,000	20,000
	<u>44,000</u>	<u>20,000</u>
Movements in the year:		
Deferred income at 1 April 2024	20,000	-
Released from previous periods	(10,000)	-
Resources deferred in the year	34,000	20,000
	<u>44,000</u>	<u>20,000</u>
Deferred income at 31 March 2025	<u>44,000</u>	<u>20,000</u>

# THE SIR JAMES KNOTT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 20 Endowment funds

The Endowment Fund arose on the creation of the trust, being the capital element of monies transferred from the Sir James Knott 1920 Settlement. The Trustees are restricted to only distributing the income arising from this fund.

On 1 April 1993 the investments representing the Sir James Knott 1920 Settlement were transferred to the main fund at market value.

Each year an amount reflecting the gains earned by the main fund on the investments representing the Sir James Knott 1920 Settlement is allocated to the endowment fund.

	Balance at 1 April 2023	Revaluations gains and losses	Balance at 1 April 2024	Revaluations gains and losses	Balance at 31 March 2025
	£	£	£	£	£
<b>Permanent endowments</b>					
Permanent endowment fund	9,565,119	400,449	9,965,568	11,688	9,977,256
	<u>9,565,119</u>	<u>400,449</u>	<u>9,965,568</u>	<u>11,688</u>	<u>9,977,256</u>

#### 21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Incoming resources	Resources expended	Balance at 1 April 2024	Incoming resources	Resources expended	Balance at 31 March 2025
	£	£	£	£	£	£
Samares	831,743	(831,743)	-	1,002,298	(1,002,298)	-
	<u>831,743</u>	<u>(831,743)</u>	<u>-</u>	<u>1,002,298</u>	<u>(1,002,298)</u>	<u>-</u>

Samares income is only recognised when the charity makes an onward grant. Any income received which has not yet been expended as a grant is carried forward in deferred income.

**THE SIR JAMES KNOTT TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

22 Analysis of net assets between funds	Unrestricted funds		Restricted funds		Endowment funds		Total Unrestricted funds		Restricted funds		Endowment funds		Total	
	2025	£	2025	£	2025	£	2025	£	2024	£	2024	£	2024	£
Fund balances at 31 March 2025 are represented by:														
Tangible assets	8,120		-		-		8,120		-		-		-	10,731
Investments	62,455,759		-		9,977,256		72,433,015		-		9,965,568		9,965,568	71,578,883
Current assets/(liabilities)	971,907		-		-		971,907		-		-		-	864,851
	63,435,786		-		9,977,256		73,413,042		-		9,965,568		9,965,568	72,454,465

# THE SIR JAMES KNOTT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

<b>23 Grant commitments</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
At 31 March 2025 the Charity had grant commitments as follows:		
Committed for but not provided in the financial statements:		
Payable next year	1,577,978	1,223,157
Payable in 2 years	777,255	606,417
Payable in 3 years	-	5,000
	<u>2,355,233</u>	<u>1,834,574</u>

The charity has received a commitment from Samares Investments Limited to fund £796,034 of these future payments (2024: £404,012).

## 24 Related party transactions

### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Aggregate compensation	<u>87,862</u>	<u>79,390</u>

Samares Investments Limited is a philanthropic organisation with historical links to this Trust, based in Jersey. Note 20 sets out details of grants received by the Sir James Knott Trust from Samares Investments Limited in respect of payments to be made for charitable purposes in the North East. At the balance sheet date the amount due to Samares Investments Limited and included in deferred income was £44,000 (2024 - £20,000).

The Sir James Knott Trust is a related party with College Valley, by having common Trustees. During the year, The Sir James Knott Trust received a donation of £400,000 (2024 - £100,000).

The Trust made grants to other charities with which Trustees have an association totalling £50,000 (£2024: £15,000).

# THE SIR JAMES KNOTT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

<b>25 Cash generated from operations</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Surplus for the year	958,577	4,603,456
Adjustments for:		
Investment income recognised in statement of financial activities	(2,356,514)	(2,156,339)
Loss on disposal of tangible fixed assets	9,000	-
Gain on disposal of investments	(914,678)	(4,831,201)
Depreciation and impairment of tangible fixed assets	3,715	165
Movements in working capital:		
Decrease/(increase) in debtors	125,323	(51,740)
(Decrease)/increase in creditors	(36,448)	54,293
Increase in deferred income	24,000	20,000
<b>Cash absorbed by operations</b>	<b>(2,187,025)</b>	<b>(2,361,366)</b>
<b>26 Analysis of changes in net funds</b>		
The Charity had no debt during the year.		