

The Joseph and Lilian Sully Foundation

Registered Charity No. 1014823

**Annual Report and Consolidated Financial Statements for
the Year Ended 31 March 2025**

The Joseph and Lilian Sully Foundation
Contents page

	Page
Report of the Trustees	1 - 4
Independent Auditor's Report	5 - 8
Consolidated Statement of Financial Activities	9
Balance Sheets	10
Notes to the financial statements	11 - 22

The Joseph and Lilian Sully Foundation

Trustees Annual Report for the Year Ended 31 March 2025

1. Reference & Administrative Details

- (a) Name: The Joseph and Lilian Sully Foundation
- (b) Charity No: 1014823
- (c) Principal Office: Floor 6, 9 Appold Street, London EC2A 2AP
- (d) Names of the Trustees on the date this report was approved:

Peter Timms
John Mortimer
Alastair Collett
Dionne Dixon
Stella Murphy

- (e) The Governing document of the charity is the Trust Deed dated 25 September 1992 as amended by deed dated 2 February 2002.
- (f) Principal advisers:
 - Independent auditor – Moore Kingston Smith LLP
 - Lawyers – BDB Pitmans LLP
 - Investment managers – Quilter Cheviot and Rathbones
 - Bankers – HSBC UK Bank plc
- (g) The objects of the Charity are as follows:
 - 1) the relief of suffering, distress, disease and poverty among children and the provision of education, assistance for children, their families and their communities;
 - 2) the conservation and other activities for the preservation of Epping Forest as a public amenity; and
 - 3) to support such other general charitable purposes as the trustees may in their absolute discretion determine.

2. Explanation of the work of the Charity, grant awarding policy and future plans

The Charity, although set up in 1992, only became adequately funded after the death of Lilian Sully in 2015. The residuary beneficiary of her will was the charity and £13 million was bequeathed from her estate.

The major part of Lilian Sully's estate comprised 100% of the shares in the family investment company. This company is now a subsidiary of the charity and has funds of £1.98 million comprising investments that are managed by investment advisors and 1 commercial properties. During the year investments to the value of £nil (2024:£4,741,242) were transferred from the company to the charity.

The charity regularly receives appeals for assistance which, if the appeals are within its objects, are considered and, if approved, sums are donated. A major grantee of the charity is Voluntary Action Epping Forest (VAEF) which helps older people in the area in numerous ways. VAEF is a beneficiary of substantial grants from the Lottery Fund and this charity committed after the 2024 year end that support will continue to be forthcoming for the next 4 years of at least £30,000 per annum following an annual commitment of £20,000 since 2020.

In pursuit of its charitable objectives several payments have also been made to other individual charities and organisations who provide direct benefit to the wider public. Details of grants made are shown in note 5 to the financial statements.

All decisions are made by the trustees and it is they who decide which grants should be awarded primarily through meetings held throughout the year.

The long term strategy, and hence the plan for the future, is to continue making payments of an amount possibly greater than the investment income of the charity within the objects as defined by the Trust Deed. The Trustees have had regard to Charity Commission guidance on public benefit including the guidance 'public benefit: running a charity (PB2),' when reviewing the aims and objectives and in planning the future activities of the charity. The charity does not undertake fundraising activities.

3. Reserves Policy

The policy of the Trustees towards reserves of the Foundation is that any part of the capital or income of the charitable funds which may not for the time being be immediately required for the purposes of the Foundation may be invested by the Trustees. It is the intention of the Trustees to sustain funds at a level which will provide sufficient investment income to cover the level of donations paid and cover the management and administration costs and be also able to respond to any emergency applications which may arise.

As all the funds in the charity are an expendable endowment the trustees do not consider it necessary to identify a particular level of free reserves. At 31 March 2025 the charitable group had expendable endowment funds of £15,816,799 .

4. Financial Review and main achievements

The charity generated net income in the year of £433,175 (2024, £501,417) and also had net investment gains of £19,045 (2024 £1,189,266 gain). Grants awarded in the year were £ 649,579 (2024 £635,869).

5. Investment Policy

The aim of the charity's investment policy is to produce a mix of income and capital growth to balance the needs of current and future beneficiaries, with a moderate risk profile. Of the £444,705 cash at bank shown in the balance sheet some £323,994 is with the investment advisors waiting to be invested.

6. Risk Management

Although the charity does not currently maintain a risk register, the trustees consider the principal risks to the achievement of the charity's objectives at each meeting. The main risk is an unexpected drop in the level of investment income leading to a requirement to curtail the charity's grant awarding programme. This is mitigated by the management of the investment portfolio by professional investment managers based on a moderate risk profile.

7. Related parties

The Joseph and Lilian Sully Foundation has one wholly owned trading subsidiary; Joseph Sully Holdings Limited, which generates income from two rental properties and an investment portfolio. Joseph Sully Holdings Limited distributes its taxable profits to the Foundation. There are occasionally other related party transactions

entered into knowingly by the Foundation and details of these can be seen in note 14.

8. Trustees – Induction and training

The Trustees have acted as such for a number of years and are well aware of the responsibilities of their role and of its importance. The Trustees review the accounts annually and take advice from Moore Kingston Smith LLP who act as independent auditors for the charity.

9. Trustees – Going concern

The financial statements have been prepared on a going concern basis. The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the entity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. The trustees conclude there is a reasonable expectation that the Foundation has adequate resources and unrestricted reserves/cash balances to continue in operational assistance for the foreseeable future. The Foundation therefore continues to adopt the going concern basis in preparing its financial statements.

10. Statement of Trustees Responsibilities for the Financial Statements

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

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

In preparing those financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in business.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure the financial statements comply with the Charity's Settlement Deed, the Charities Act 2011 and the reviewed Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015). The Trustees are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf by:

Trustee: John Mortimer



Date:

2ND DECEMBER 2025

**Independent Auditor's Report to the Trustees of
The Joseph and Lilian Sully Foundation**

Opinion

We have audited the financial statements of The Joseph and Lilian Sully Foundation for the year ended 31 March 2025 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Foundation Balance Sheets, the Consolidated 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 (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard Applicable in the UK and Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable foundation's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, including the income and expenditure 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 charitable company'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. 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.

**Independent Auditor's Report to the Trustees of
The Joseph and Lilian Sully Foundation**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial records are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 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.

**Independent Auditor's Report to the Trustees of
The Joseph and Lilian Sully Foundation**

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity considered that the most significant are, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity company complies with these requirements by discussions with management.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

**Independent Auditor's Report to the Trustees of
The Joseph and Lilian Sully Foundation**

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. 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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Moore Kingston Smith

9 January 2024

9 Appold Street
London
EC2A 2AP
Date:

Moore Kingston Smith is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

The Joseph and Lilian Sully Foundation
Consolidated Statement of Financial Activities
for the year ended 31 March 2025

	Note	Unrestricted Funds	Expendable Endowment Funds	Total 2025	Total 2024
		£	£	£	£
Income and endowments from:					
Investment income	3	433,175	-	433,175	501,417
Total		<u>433,175</u>	<u>-</u>	<u>433,175</u>	<u>501,417</u>
Expenditure on:					
Raising funds					
Investment management fees	5	-	87,397	87,397	85,089
Trading subsidiary costs		125,691	-	125,691	171,110
Charitable activities					
Grants awarded	5	649,579	-	649,579	633,820
Total		<u>775,270</u>	<u>87,397</u>	<u>862,667</u>	<u>890,019</u>
Gain/(loss) on fixed asset investments & investment property	4	-	19,045	19,045	1,189,266
Net income/(expenditure)	7	<u>(342,095)</u>	<u>(68,352)</u>	<u>(410,446)</u>	<u>800,664</u>
Transfer between funds	12	342,095	(342,095)	-	-
Net movement in funds		-	(410,447)	(410,447)	800,664
Fund balances at 1 April 2024	12	-	16,137,246	16,137,246	15,336,582
Fund balances at 31 March 2025	12	<u>-</u>	<u>15,726,799</u>	<u>15,726,799</u>	<u>16,137,246</u>

The Joseph and Lilian Sully Foundation
Balance Sheets
as at 31 March 2025

		Group		Foundation	
		2025	2024	2025	2024
		£	£	£	£
Fixed assets					
Investments	4	14,424,374	14,358,699	15,476,811	15,567,021
Investment Property	9	940,000	940,000	-	-
Current assets					
Debtors	10	68,964	37,901	67,756	18,504
Cash at bank		444,705	870,095	354,176	572,331
		<u>513,669</u>	<u>907,996</u>	<u>421,932</u>	<u>590,835</u>
Creditors: amounts falling due in less than one year	11	<u>(91,244)</u>	<u>(69,443)</u>	<u>(131,945)</u>	<u>(29,045)</u>
Net Current Assets		422,425	838,553	289,987	561,790
Creditors: amounts falling due after more than one year	11	<u>(60,000)</u>	-	<u>(60,000)</u>	-
Total Assets Less Total Liabilities		15,726,799	16,137,246	15,706,798	16,128,811
Total Net Assets		<u><u>15,726,799</u></u>	<u><u>16,137,246</u></u>	<u><u>15,706,798</u></u>	<u><u>16,128,811</u></u>
Funds					
Unrestricted Income fund	13	-	-	494,072	846,104
Expendable Endowment fund	13	15,726,799	16,137,246	15,212,726	15,282,707
Total Funds		<u><u>15,726,799</u></u>	<u><u>16,137,246</u></u>	<u><u>15,706,798</u></u>	<u><u>16,128,811</u></u>

The financial statements were approved by the Trustees and authorised for issue on ^{20 December} and were signed on their behalf by:


Trustee: P. Timms


Trustee: J. Mortimer

Charity No. 1014823

The Joseph and Lilian Sully Foundation
Notes to the Financial Statements
for the year ended 31 March 2025

1. Accounting Policies

a) Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention modified for the revaluation of investment assets to their market value at the balance sheet date.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The charity is a public benefit entity for the purposes of FRS 102 and therefore the charity prepares its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP) and the Charities Act 2011. The consolidated statements comprise the financial statements of the Joseph and Lilian Sully Foundation and its trading subsidiary Joseph Sully Holdings Limited.

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

The Charity is a Public Benefit Entity as defined by FRS 102.

The consolidated financial statements comprise the financial statements of the Foundation and its trading subsidiary "Joseph Sully Holdings Limited" Company Number 01276376 made up to 31 March 2025. The total income and expenditure of these entities is shown in the Statement of Financial Activities ("SOFA"). The statements are consolidated on a line by line basis. The Foundation has taken advantage of the exemption from disclosing its individual SOFA. The Foundation only surplus (net movement in funds) was £422,088 (2024: £791,167).

b) Going concern

The financial statements have been prepared on a going concern basis. There are no material uncertainties about the company's ability to continue as a going concern. The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the entity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. The trustees conclude there is a reasonable expectation that the Foundation has adequate resources and unrestricted reserves/cash balances to continue in operational existence for the foreseeable future. The Foundation therefore continues to adopt the going concern basis in preparing its financial statements.

c) Expenditure and its basis of allocation

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered. Expenditure is recognised once there is 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.

The Joseph and Lilian Sully Foundation
Notes to the Financial Statements
for the year ended 31 March 2025

1. Accounting policies

c) Expenditure and its basis of allocation (continued)

Expenditure includes direct costs of activities and those costs of an indirect nature necessary to support those activities. Grants are recognised when the recipient has been notified of the grant awarded.

d) Income

Donations and legacies are recognised when there is evidence of entitlement, the receipt is probable and the amount can be measured reliably. Dividends are recognised when the charity is entitled to the income. Rental income in relation to the investment properties held by the subsidiary is recognised once the payment becomes due. All income is recognised net of VAT.

e) Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

f) 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 valuation of assets less their residual values over their useful lives on the following bases:

Computer equipment	3 years straight line
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g) Taxation

The charity has suffered no tax charge, as it is not subject to UK Corporation tax on its charitable activities. No liability to current or deferred tax is considered necessary in the trading subsidiary as the directors have resolved to make charitable donations equivalent to the taxable profits to the Foundation.

h) Cash and Cash Equivalents

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

i) Fund accounting

The unrestricted income fund is for the objectives of the charity without further specified purpose, available as general funds.

The endowment fund represents expendable capital funds which have been bequeathed or donated to the charity. Transfers are made to the unrestricted income fund when necessary to support the charitable expenditure.

The Joseph and Lilian Sully Foundation
Notes to the Financial Statements
for the year ended 31 March 2025

j) Financial Instruments

The Group 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 and company balance sheet when the Foundation or company becomes party to the contractual provisions of the instruments.

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. Listed investments are a basic financial asset and are accounted according to the policy outlined in note 11.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 payments 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 business 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.

k) Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**The Joseph and Lilian Sully Foundation
Notes to the Financial Statements
for the year ended 31 March 2025**

1. Accounting policies

l) Investments

Investment are stated at market value rather than at historical cost. Any unrealised or realised gains or losses arising from this policy are disclosed in the statement of financial activities.

m) Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events and are believed to be reasonable under the circumstances, as follows:

• Valuation of investment property

The carrying value of the investment property as at 31 March 2025 is based on a valuation carried out by the Foundation's property managers Strettons Limited in July 2020. For the July 2020 valuations, the investment properties were not inspected as part of the valuation and as such the valuation has not been prepared in accordance with the Royal Institution of Chartered Surveyors (RICS) Valuation - Global Standards, incorporating the International Valuation Standards (IVS) 2017 (The Red Book). The valuation was made on an open market basis drawing upon comparable market transactions of most relevance. As a result of the outbreak of Covid-19 and uncertainty in the property sector the report included a 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Red Book Global.

2) Results from subsidiary

The Joseph and Lilian Sully Foundation has one wholly owned trading subsidiary: Joseph Sully Holdings Limited, which generates income from two rental properties and an investment portfolio. Joseph Sully Holdings Limited distributes its taxable profits to the Foundation. The registered office of the subsidiary is 9 Appold Street, London, EC2A 2AP. Unaudited financial statements for the subsidiary are filed annually with the Registrar of Companies. A summary of the results of Joseph Sully Holdings Limited for 2025 and 2024 are detailed on the next page.

The Joseph and Lilian Sully Foundation
Notes to the Financial Statements
for the year ended 31 March 2025

2) Results from subsidiary

Profit and Loss

	2025	2024
	£	£
Turnover	115,128	307,680
Administrative expenses	(130,139)	(180,694)
Operating profit	<u>(15,011)</u>	<u>126,986</u>
Decrease in fair value of investment property	-	(28,206)
(Loss)/Profit on disposal of listed investments transferred to the Foundation	-	370,789
(Loss)/Profit on revaluation of listed investments measured at fair value	7,691	(21,046)
Profit before taxation	<u>7,691</u>	<u>448,523</u>
Taxation	-	9,636
Net result	<u><u>(7,320)</u></u>	<u><u>458,159</u></u>
Distribution to the Foundation	<u>-</u>	<u>5,391,242</u>

Balance Sheet

Fixed Assets

Investment properties	940,000	940,000
Investments	933,999	774,923
	<u>1,873,999</u>	<u>1,714,923</u>

Current Assets

Debtors	66,208	21,405
Cash and cash equivalents	70,529	297,764
	<u>136,737</u>	<u>319,169</u>

Creditors: amount falling due within one year	(24,299)	(40,335)
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Net Current Assets	<u>112,438</u>	<u>278,834</u>
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Total assets less total liabilities	<u><u>1,986,437</u></u>	<u><u>1,993,757</u></u>
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Capital and Reserves

Called up Share capital	1,000,000	1,000,000
Revaluation Reserve	19,875	19,875
Capital redemption reserve	-	-
Retained earnings	966,562	973,882

Total equity	<u><u>1,986,437</u></u>	<u><u>1,993,757</u></u>
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During the year the subsidiary company transferred cash and investments to the value of £nil to the Foundation (2024: £5,391,242).

The Joseph and Lilian Sully Foundation
Notes to the Financial Statements
for the year ended 31 March 2025

3. Investment income - group

Year to 31 March 2025	Unrestricted Funds £	Expendable Endowment Funds £	Total 2025 £
Investment income			
Dividends and bank interest	(359,237)	-	(359,237)
Rental income	(64,379)	-	(64,379)
Other Income	(9,560)	-	(9,560)
	<u>(433,175)</u>	<u>-</u>	<u>(433,175)</u>
Year to 31 March 2024	Unrestricted Funds £	Expendable Endowment Funds £	Total 2024 £
Investment income			
Dividends and bank interest	316,406	-	316,406
Rental Income	185,011	-	185,011
	<u>501,417</u>	<u>-</u>	<u>501,417</u>

4. Fixed Asset Investments	2025 £	2024 £
a. Group		
Market value at 1 April 2024	14,358,699	12,580,096
Additions	4,088,398	1,661,872
Disposal proceeds	(4,057,644)	(1,072,539)
Gain on Fixed asset Investments	34,921	1,189,271
Market value at 31 March 2025	<u>14,424,374</u>	<u>14,358,699</u>
Historic cost of investments of the Group	<u>14,245,842</u>	<u>13,375,060</u>
Market value of investments by type for the Group	2025 £	2024 £
UK listed investments	14,424,374	14,311,929
Offshore bonds	-	46,770
	<u>14,424,374</u>	<u>14,358,699</u>

Significant investment holdings for the Group based on market value at 31 March were:

There were no significant holdings at 31 March 2025 or 31 March 2024.

b. The Joseph and Lilian Foundation	2025 £	2024 £
Market value at 1 April 2024	13,583,772	8,172,351
Additions (including transfers from subsidiary)	3,169,590	5,591,835
Disposal proceeds	(3,269,644)	(1,019,942)
Unrealised gain	(1,903)	829,659
Realised gain	11,179	9,868
Market value at 31 March 2025	<u>13,492,994</u>	<u>13,583,772</u>
Investment in Subsidiary (at fair value on acquisition)	10,675,513	10,675,513
Less distribution of subsidiary assets to the Foundation	(8,691,696)	(8,692,264)
Total	<u>15,476,811</u>	<u>15,567,021</u>
Historic cost of investments of the Foundation (excluding trading subsidiary)	<u>12,790,513</u>	<u>8,752,830</u>

The Joseph and Lilian Sully Foundation
Notes to the Financial Statements
for the year ended 31 March 2025

5. Total Expenditure

	Total 2025	Total 2024
	£	£
Raising funds		
Investment management fees	84,158	82,299
Property Management fees	3,239	2,790
	87,397	85,089

Charitable activities

Grants to Institutions:

	Total 2025	Total 2024
	£	£
1st Chigwell Scout Group	-	2,500
3Food 4u	20,000	15,000
Accuro	10,000	-
Action for children	10,000	10,000
Alzheimers Research UK	40,000	40,000
Barnardos	5,000	10,000
Blind Veterans	10,000	10,000
Cancer Research UK	10,000	10,000
Cardiac Risk in the Young	10,000	5,000
Carers UK	-	10,000
Chess Homeless	20,000	10,000
Children with Cancer	-	10,000
Crisis UK	-	10,000
Dream Factory	10,000	-
ELHAP	10,000	10,000
Epping Forest Food Bank	10,000	10,000
Essex Community Foundation	-	40,000
Furniture Friends	5,000	-
Great Ormand Street Hospital	15,000	10,000
Haringay Law centre	15,000	10,000
Haven House	10,000	15,000
High Beech Holy Innocents Church	10,000	28,500
Kidney Research UK	5,000	10,000
Kids Out	-	5,000
London Air Ambulance	-	20,000
Macmillan Cancer Support	10,000	10,000
Maggies	10,000	10,000
Marie Currie	5,000	10,000
Maxibility	10,000	15,000
Misgav	10,000	10,000
Multiple Sclerosis Society	5,000	5,000
Music for my Mind	5,000	2,500
Musicall	10,000	10,000
New Directions	20,000	40,000
NSPCC Loughton	20,000	15,000
On Course Foundation	35,000	25,000
Open Road	25,000	20,000
Orpheas	10,000	10,000
Parkinsons UK	5,000	10,000
Phoenix Futures	10,000	10,000
Place2B	5,000	-

The Joseph and Lilian Sully Foundation
Notes to the Financial Statements
for the year ended 31 March 2025

Charitable activities (continued)

Prostate Cancer UK	5,000	10,000
Race Against Dementia	20,000	20,000
Royal British Legion	5,000	10,000
Royal National Institute of Blind	5,000	10,000
Salvation Army	5,000	10,000
St Clare Hospice	25,000	20,000
St Josephs Hospice	10,000	5,000
StreetSmart	-	5,000
Teenage Cancer Trust	10,000	10,000
Voluntary Action Epping Forest	124,500	11,350
Walk the walk	2,500	-
	632,000	614,850

5. Total Expenditure (continued)

Governance costs

	2025	2024
Audit fees	15,780	15,540
Legal fees	900	1,799
Trustee expenses	807	1,529
Bank charges	92	102
	17,579	18,970

Total charitable expenditure

649,579	633,820
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6. Group tangible fixed assets

	2025	2024
	£	£
Cost at 1 April 2024 and 31 March 2025	1,114	1,114
Depreciation at 1 April 2024 and 31 March 2025	1,114	1,114
Net book value at 1 April 2024 and 31 March 2025	-	-

7. Net income

	2025	2024
	£	£
This is stated after charging:		
External auditors:		
Audit fees	13,340	15,540
Accounting services for Joseph Sully Holdings Ltd	13,390	23,000

Accounting services for Joseph Sully Holdings Ltd includes fees paid to the external auditors relating to accounting fees, tax compliance, payroll and other advice. The subsidiary has two employees (2024: 2), both employees are directors of the company and trustees of the Foundation.

The Joseph and Lilian Sully Foundation
Notes to the Financial Statements
for the year ended 31 March 2025

8. Salaries and Wages

	2025	2024
	£	£
Wages and salaries	84,000	84,000
Social Security costs	4,080	4,080
Pension costs	1,248	1,248
	89,328	89,328
	2	2

The charity has no employees in the current or preceding year. The trustees of the charity are considered to be the key management personnel. 1 (2024: 1) trustee was reimbursed £807 (2024: £1,529) for postage and administrative expenses.

The subsidiary has two 2 employees (2024: 2) , both employees are directors of the company and trustees of the Foundation. Their remuneration was as follows:

	2025	2024
	£	£
J Mortimer	48,000	48,000
PJ Timms	36,000	36,000
	84,000	84,000
	84,000	84,000

The Joseph and Lilian Sully Foundation
Notes to the Financial Statements
for the year ended 31 March 2025

9. Investment Property (Group)	2025	2024
	£	£
Fair value		
Brought forward 1 April 2024	940,000	1,780,000
Revaluation	-	-
Disposal proceeds	-	(840,000)
Carried forward 31 March 2025	<u>940,000</u>	<u>940,000</u>

The carrying value of the investment property brought forward was based on a valuation carried out by the Foundation's property managers Strettons Limited in July 2020. The investment property remaining as at 31 March 2025 is valued as follows. The directors took formal advice from the managing agents of the property investments as to their open market value at 17 July 2020. The managing agents undertook a desktop valuation and based their valuation on their knowledge of properties as managing agents. This was not a full valuation in accordance with the RICS Appraisal and Valuation Manual. The valuation report included a 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Red Book Global. A significant judgement has been included in the accounting policies in relation to this. The historic cost of the properties at the balance sheet date was £920,125 (2024: £920,125).

10. Debtors

	Group		Foundation	
	2025	2024	2025	2024
	£	£	£	£
Other Debtors	41,841	9,935	41,841	9,935
Trade Debtors	-	442	-	-
Prepayments and accrued income	27,123	27,524	25,915	8,569
	<u>68,964</u>	<u>37,901</u>	<u>67,756</u>	<u>18,504</u>

11. Creditors

Amounts falling due within one year

	Group		Foundation	
	2025	2024	2025	2024
	£	£	£	£
Accruals and deferred income	50,224	28,140	36,040	28,140
Trade creditors	905	905	905	905
Intercompany creditor	-	-	65,000	-
Grant creditors	30,000	-	30,000	-
Other taxation and social security	10,115	40,398	-	-
	<u>91,244</u>	<u>69,443</u>	<u>131,945</u>	<u>29,045</u>

Amounts falling due after more than one year

Grant creditors	<u>60,000</u>	-	<u>60,000</u>	-
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Included in accruals and deferred income for the group is £14,184 of deferred rental income (2024: £nil).

The Joseph and Lillian Sully Foundation
Notes to the Financial Statements
for the year ended 31 March 2025

12. Allocation of Reserves
a. Group reserves

Year to 31 March 2025

	As at April 2024	Income	Expenditure	Net investment gains	Property revaluation	Transfers	At 31 March 2025
	£	£	£	£		£	£
Unrestricted Fund	-	433,175	(775,270)	-	-	342,095	-
Expendable Endowment Fund	16,137,246	-	(87,397)	19,045	-	(342,095)	15,726,799
Total funds	16,137,246	433,175	(862,667)	19,045	-	-	15,726,799

Year to 31 March 2024

	As at April 2023	Income	Expenditure	Net investment losses	Property revaluation	Transfers	At 31 March 2024
	£	£	£	£		£	£
Unrestricted Fund	-	501,417	(804,930)	-	-	303,513	-
Expendable Endowment Fund	15,336,582	-	(85,089)	1,189,266	-	(303,513)	16,137,246
Total funds	15,336,582	501,417	(890,019)	1,189,266	-	-	16,137,246

The endowment fund is an expendable endowment based on the wishes of Mrs A H Sully, who died on 12 July 2015. Mrs Sully bequeathed the residue of her estate to the Foundation as a further expendable endowment.

Transfers are made from the Expendable Endowment Fund where necessary to support the charity's grant making activity.

The Joseph and Lilian Sully Foundation
Notes to the Financial Statements
for the year ended 31 March 2025

13. Analysis of net assets by fund

a. Group

	Unrestricted Funds	Expendable Endowment Fund	31 March 2025
Investments	-	14,424,374	14,424,374
Investment Property	-	940,000	940,000
Debtors	-	68,964	68,964
Cash at bank	-	444,705	444,705
Current liabilities	-	(91,244)	(91,244)
Long term liabilities	-	(60,000)	(60,000)
Total funds	-	15,726,799	15,726,799

b. Foundation

	Unrestricted Funds	Expendable Endowment Fund	31 March 2025
Investments	-	15,476,811	15,476,811
Debtors	-	67,756	67,756
Cash at bank	494,072	(139,896)	354,176
Current liabilities	-	(131,945)	(131,945)
Long term liabilities	-	-	-
Total funds	494,072	15,272,726	15,766,798

14. Related Party Transactions

There were no related party transactions during the year (2024: none).

The Joseph and Lillian Sully Foundation
Notes to the Financial Statements
for the year ended 31 March 2025

12. Allocation of Reserves (continued)
b. Foundation reserves

Year to 31 March 2025

	As at April 2024	Income	Expenditure	Unrealised gains/(losses)	Realised gains/(losses)	Transfers	At 31 March 2025
	£	£	£	£		£	£
Unrestricted Fund	846,104	317,548	(669,580)	-	-		494,072
Expendable Endowment Fund	15,282,707	500	(82,949)	12,463	-	-	15,212,721
Total funds	16,128,811	318,048	(752,529)	12,463	-	-	15,706,793

Year to 31 March 2024

	As at April 2023	Income	Expenditure	Unrealised losses	Realised losses	Transfers	At 31 March 2024
	£	£	£	£		£	£
Unrestricted Fund	638,236	843,737	(635,869)	-	-		846,104
Expendable Endowment Fund	14,699,408	4,741,242	(52,815)	(4,114,996)	9,868	-	15,282,707
Total funds	15,337,644	5,584,979	(688,684)	(4,114,996)	9,868	-	16,128,811

The endowment fund is an expendable endowment based on the wishes of Mrs A H Sully, who died on 12 July 2015. Mrs Sully bequeathed the residue of her estate to the Foundation as a further expendable endowment.

Transfers are made from the Expendable Endowment Fund where necessary to support the charity's grant making activity.

