

Registered number: 03377965
Charity number: 1064595

THE VARRIER-JONES FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025



THE VARRIER-JONES FOUNDATION
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE FOUNDATION, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2025

Trustees	D Lowther, Chair S W Beach, Vice Chair and Chair of Appointments Committee M P Alexander, Chair of Property Investment Committee C M Baldasare D H R Browne, Chair of Grants Committee J L Bugg, Chair of Investment Committee, resigned 21 November 2024 S Crouch, Chair of Investment Committee from 22 November 2024 A K Lynch C Sheasby, Treasurer, resigned 31 August 2025 L R Sherratt, appointed 11 April 2025
Company registered number	03377965
Charity registered number	1064595
Registered office	Upper Pendrill Court Ermine Street North Papworth Everard Cambridge CB23 BUY
Independent auditors	UHY Hacker Young LLP Quadrant House 4 Thomas More Square London E1W 1YW
Bankers	Natwest Bank Plc 92 High Street Huntingdon PE29 3DT
Solicitors	Howes Percival Terrington House 13-15 Hills Road Cambridge CB2 1NL
Property Advisers	Bidwells LLP Trumpington Road Cambridge CB2 9LD

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE FOUNDATION, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Peck Property Consultants
College Farm
Hatchet Lane
Stanely
Cambridgeshire
PE19 5EG

Investment Managers

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Cazenove
Juxon House
100 St Paul's Churchyard
London
EC4m 8BU

Accountants

Green and Purple
Building 1000
Cambridge Research Park
Waterbeach
Cambridge
CB25 9PD

THE VARRIER-JONES FOUNDATION
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

INTRODUCTION

The Trustees of The Varrier-Jones Foundation ("the Foundation") present their report and the audited financial statements of the Foundation for the year ended 31 March 2025.

The Foundation was incorporated on 29 May 1997. The Foundation's registration company number is 03377965 and the registered charity number is 1064595.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

DIRECTORS AND TRUSTEES

The Directors of the Foundation are the Trustees of the Foundation for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and up to the date of signature of the financial statements were as follows:

D Lowther, Chair
S W Beach, Vice Chair and Chair of Appointments Committee
M P Alexander, Chair of Property Committee
C M Baldasare
D H R Browne, Chair of Grants Committee
J L Bugg, Chair of Investment Committee, resigned 21 November 2024
S Crouch, Chair of Investment Committee from 22 November 2024
A K Lynch
C Sheasby, Treasurer, resigned 31 August 2025
L R Sherratt, appointed 11 April 2025

OBJECTIVES AND ACTIVITIES

The Foundation supports people living with disabilities by pursuing the following objectives:

- making grants to the Papworth Trust, a UK-based charity providing supported housing, care services, employment support and a range of day services to people living with disabilities; and
- supporting disabled people more generally by making grants towards the work of other organisations providing services for disabled people.

In order to meet these objectives, the Foundation seeks to manage its investment and property portfolios to generate sufficient return to allow regular grants to be made whilst also seeking to preserve, in real terms, the long-term capital value of its assets, notwithstanding that it is free to distribute any or all of its capital in order to best meet these primary objects.

APPOINTMENT AND TRAINING OF NEW TRUSTEES

The Board of Trustees is responsible for the appointment of any new Trustees and for ensuring that a broad range of relevant skills and expertise are represented on the Board. In reviewing the membership of the Board, and any nominations for new Trustees or for the election of the Chair, the Board seeks to:

1. Ensure a good distribution of diverse skills and experience amongst Trustees;
2. Ensure the timely and effective succession of the Chair of the Board;
3. Implement an induction program, ensure relevant information is provided to new Trustees and monitor on-going training needs for all Trustees.

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In order to carry this out effectively, the Foundation has an Appointments Committee, which seeks to facilitate the above, recognising the desire to achieve equality and diversity at Board level and ensuring recruitment to the Board is transparent and objective.

The Foundation is also continually developing its induction program for Board members, and uses resources supplied by its key property and investment advisors to provide incoming Trustees with the information they need to deliver their roles effectively. The Foundation has developed its internal systems to provide Trustees with access to information digitally and utilises technology to hold Board and Sub-Committee meetings virtually, where appropriate.

PUBLIC BENEFIT

The Trustees confirm they have considered their duties and have regard to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities. The Foundation supports work to provide equality, choice and independence for disabled people, ensuring access to facilities and opportunities that may be available to the public in general.

The Foundation fulfils this purpose through the awarding of grant funding largely, but not exclusively, to the Papworth Trust in support of programs and activities that improve the lives of disabled people. The Trustees of the Foundation consider applications for funding from the Trust via consideration of its strategic plan and budgets, and from other organisations via a formal applications process which includes due diligence based on information in the public domain, and reviews the outcomes achieved via the submission of regular reports and presentations to the Board. The Trustees are therefore confident that the activities of the Foundation are carried out for the benefit of others, monitored by regular reporting on the impact and effectiveness of activities undertaken by beneficiary organisations and the Trustees have due regard to public benefit tests when making decisions.

FIXED ASSETS

Fixed assets are held in order to achieve the objectives of the Foundation. The movements in fixed assets during the year are set out in notes 12 and 13 to these financial statements.

ACHIEVEMENTS AND PERFORMANCE

In the Trustees' Report for the year ended 31 March 2024, The Foundation set out the following objectives for the year to 31 March 2025 and achievement against these is shown in the table below:

Objective	Achievement
Secure the planning consent for the existing application at Jubilee Green and sell the land at arm's length on the open market.	Planning consent was successfully obtained and the land was successfully sold in August 2025.
Increase the occupancy at Pendrill Court, deploying more flexible terms as necessary	Pendrill Court occupancy has not improved. The office market remains challenging following the pandemic and the increase in home-based working.
Establish clear plans for other vacant buildings/space in Papworth Everard	An outline strategic plan for all of the Foundations land and property assets has been developed and will be reviewed on an annual basis.

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TRUSTEES' REPORT (CONTINUED)
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Embed the grants and distribution policies to support the long-term sustainability plans for the Foundation.	A grants management agreement has now been agreed with Papworth Trust and an Independent Expert appointed to attend the Grants Committee.
Further review and continue to revise the operational support for the Foundation in line with governance recommendations and best practice.	Management has been strengthened with the appointment of a Chief Executive with effect from Q3 2025/26.
Review the internal and external risk and assurance framework of the Foundation	The risk framework has been reviewed and a risk appetite statement created. This will now be reviewed on an annual basis.

IMPACT STATEMENT

Over the past year, the Foundation has been privileged to support a wide range of charities and community organisations, awarding £1,400,786 in grants and donations. Each grant reflects our commitment to improving lives the lives of disabled people.

The Foundation's largest grant this year was £1.35 million awarded to the Papworth Trust, one of the UK's leading disability charities. Their work is far-reaching, providing essential support to disabled people and their families across multiple areas of life including the following:

- Independent Living: Papworth Trust delivers personalised care and supported housing, enabling disabled people to live independently, safely, and with dignity in their own homes or community settings.
- Employment and Skills: The charity runs training, volunteering, and employment programs that give people the confidence, skills, and opportunities to access the workplace. This not only improves financial independence but also fosters inclusion and self-worth.
- Community Participation: Through day services and accessible activities, Papworth Trust reduces social isolation and builds stronger connections, ensuring that disabled people have equal opportunities to enjoy fulfilling lives.
- Advocacy and Advice: The Trust also provides information, guidance, and practical support on issues such as welfare rights and accessible housing, helping individuals and families navigate complex systems.

The scale of Papworth Trust's impact is significant: every year, thousands of disabled people benefit from their services, gaining greater independence, improved wellbeing, and the chance to participate fully in society. The Foundation is proud to contribute to this work, recognising that systemic, long-term support for disabled people requires sustained investment. Their own impact report for 2024/25 is available on their website, www.papworthtrust.org.uk.

Alongside this, we provided targeted grants to smaller charities making a difference locally and nationally. From Cauldwell Children, offering essential equipment and therapies, to Make Them Smile, bringing joy to children facing life-limiting conditions.

We are proud to have supported education and opportunity through Rowan Humberstone, Pear Tree Specialist School, and Ipswich Opportunity Group, ensuring that children and young people with additional needs can learn, create, and thrive. Grants to groups such as Power2Inspire, Listening Books, and Life Path Trust have promoted access, inclusion, and wellbeing across diverse communities.

Importantly, many of our grants have provided immediate, practical help. Whether funding respite services, creative programmes, or family support, these contributions enable charities like Marches Family Network, Side by Side, Stepping Stones, and Step by Step to deliver care and connection where it matters most.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

The Foundation is proud to play a part in sustaining the passion and dedication of these charities, and we remain committed to working alongside them to create brighter futures.

FINANCIAL REVIEW

The Foundation manages its financial performance and distribution policy on a total return basis in order to provide the best opportunity to meet its objectives over the medium to long term. In the financial year to 31 March 2025, total movement in funds was an increase of £226,983 (2024: increase of £2,277,451). The value of listed market and property investments still held decreased by £469,946 in the year (2024: increased by £2,431,861). Because the Foundation seeks to balance income and expenditure over the longer term, using a total return spending rule to determine affordability, and the cyclical nature of markets, it is not always possible to balance annual income and expenditure. Annual operating deficits therefore can and do arise in the normal course of business.

The Foundation recorded an operating deficit for the year of £429,637 (2024: deficit of £661,725). The deficit on operations is stated after direct grants of £1,400,786 (2024: £1,480,058). Expenditure on raising funds for the year to 31 March 2024 included the recognition of a £475,000 provision for remedial work to investment properties.

The Foundation made grants as follows:	£
The Papworth Trust	1,350,000
Cauldwell Children	1,670
Helping Disabilities Trust	3,000
Make Them Smile	3,911
Rowan Humberstone	10,000
Marches Family Network	5,280
Pear Tree specialist School	3,400
Ipswich Opportunity Group	5,000
Side by Side	5,176
Step by Step	349
Power2Inspire	5,000
Listening Books	3,000
Stepping Stones	3,000
Life Path Trust	2,000
Total	<u>1,400,786</u>

Reserves policy

The Foundation is free to adopt any approach to reserves management it deems appropriate, subject to general charitable principles under charity reserves: building resilience (CC19). The Trustees hold all the reserves of the Foundation as unrestricted funds. The Trustees aim to ensure sustainability of their grants and therefore, as far as possible, seek to protect the underlying capital held by the Foundation. In seeking to do this, the Trustees regularly review the Reserves policy of the Foundation and have developed the Reserves policy to reflect the Foundation's total return approach to reserves management. This policy designates elements of the reserves as described below in order to improve visibility of the resilience of the funds at the Foundation's disposal.

The Foundation's property and land assets were originally transferred from Papworth Trust on 29th December 1997 along with £1.7 million in cash

Designated Income Fund

The Foundation aims to maintain a designated income fund, consisting of income reserved from the planned distribution from its assets on a total return basis, with a view to sustaining charitable activities for a minimum of six months and a target of twelve months.

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Designated Investment Fund

The Foundation aims to maintain a designated investment fund, consisting of Core Capital, which is the real term value of the underlying assets used to establish the Foundation, and Capital Reserves, which represent unapplied total return on investments.

The level of reserves to be retained is subject to annual review and will be linked to the Foundation's business plan and budget cycles.

The Income Fund at the 31 March 2025 was £1,654,778 (2024: £249,378). This was slightly above the Foundation's reserves policy target of 6 to 12 months of charitable expenditure (12 months being - 2025: £1,452,600; 2024: £1,516,947). The Trustee's aim is to maintain this Income Fund over time from the implementation date of the total return strategy in April 2021. The Income Fund aims to strengthen organisational resilience while minimising any adverse impact on the annual distribution of grants to the Foundation beneficiaries.

Comments on events that have affected financial performance

Total income has decreased by 2.4% this year compared to the prior year. Rental income increased by 11.4% mainly driven by improved rental income yield from investment properties. Despite this overall improvement, the market for small to medium-sized office space in rural locations remains suppressed as organisations continue to maintain hybrid/home-working approaches. Investment portfolio income is lower by 19%.

Expenditure on raising funds related mainly to third party investment management fees with regards to the Foundation's property and market investment portfolios. The overall cost has reduced to £1,182,307 (2024: £1,404,383) mainly due to a provision of £475,000 for remedial works to investment properties made in the year to 31 March 2024. The provision is retained at £475,000 (see note 17) as the remedial works have yet to be carried out. Property portfolio management fees increased from £569,040 in 2024 to £652,643 in 2025.

Charitable activities decreased slightly by 4.2% this year (2025: £1,452,600; 2024: £1,516,947). This was largely due to an 5.4% decrease in charitable grants (2025: £1,400,786; 2024: £1,480,058). Grants are expected to increase next year with increased levels of grants in our forecasts.

During the year, the Foundation carried out a detailed review of its support cost allocation methodology, which resulted in an increase in support costs being allocated to investment activities of 90%. This has also been reflected in the adjusted numbers for the year to 31 March 2024.

Net expenditure before investment gains was £429,637 (2024: £661,725). Net gains on investments during the year were £656,619 (2024: £2,939,176 gains), driven by gains on the market investment portfolio of £282,043 (2024: £3,673,507 gains) and gains of £240,998 on the property investment portfolio (2024: £585,750 losses). Net movement in funds, after investment gains, was a £226,983 surplus (2023: £2,277,451 surplus), representing a 0.4% surplus on opening net assets (2024: 4.0% surplus).

Investment policy

The Trustees have discretionary powers to invest the Foundation's monies in the purchase of investments or property. The investment property portfolio consists largely of legacy assets originally donated to the Foundation by the Papworth Trust, which have been developed, and in some cases disposed of, over time. Surplus cash thus generated has been used to establish the portfolio of listed market investments.

The overall investment objective of the Foundation is to maintain the real value of the assets over the long term, thus preserving the purchasing power of distributions, and subject to this, to produce the best risk adjusted total financial returns from its investments, which are used to meet the Foundation's charitable objectives by providing grants to the Papworth Trust and to other charities.

The investment property portfolio is actively managed by a third party professional property management firm to generate a commercial return and the listed market investment portfolio is managed by an external asset manager in accordance with the Statement of Investment Policy approved by the Trustees.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Distribution Policy

The Foundation seeks to distribute as charitable grants the maximum amount of funds available after providing for the maintenance of the real value of its investment assets and subject to the reserves policy set out above. During the year, the Foundation transferred a total of £2,858,000 (2024: £1,603,500), from the Investment Fund to the Income Fund for future expenditure on charitable purposes, including a one-off transfer of £1,100,000 to boost the level of the Income Fund to the targeted reserves level. The transfer of £1,758,000 represented 3.25% of the average quarterly value of net assets over a trailing three-year period.

Risk Management

The Foundation aims to manage the risks that it faces by considering the key risks anticipated at each Committee meeting, escalating these to the Board where necessary. The Foundation uses a risk register to record the key risks faced by the Foundation and the activities that are employed to mitigate those risks. This register is reviewed at least annually by the Trustees.

The Trustees retain oversight of the activities of the Foundation through a system of internal controls and delegation, designed to manage key risks, to give reasonable assurance as to the accuracy of financial information and to safeguard the Foundation's assets and reputation.

Principal risk faced by the Foundation

The Foundation's key risks are as follows:

Key Risk	Impact	Mitigation
Continued political and economic uncertainty and disruption could adversely affect financial returns yielded	Distributable funds may need to be reduced, or greater withdrawals made from the portfolio than planned, impacting current and future service delivery by our grantees	Adoption of total return approach to limit distributions to a long-term sustainable level. Seek to diversify the portfolio adequately to avoid concentration risk. Active broadening of the Trustee skills base to provide greater breadth of skills to manage property opportunities
Loss of key skills to manage and govern the Foundation.	The Foundation relies on a small number of individuals with key skills to manage complex property and investment portfolios. Loss of those skills could impact on performance and result in lower returns	The Board considers governance and succession planning regularly. The Board ensures it employs appropriate staff and establishes strategic partnerships with key advisors to ensure the Trustees are properly advised. The Foundation also purchases services from external parties to support operations, where required. Board resilience has been strengthened with additional Trustees. Trustees continue to commit additional time to key projects. Co-opted Grants Committee member is being recruited.
Portfolio liquidity: Lack of cash and other liquid assets to fund distributions and expenditure	Forced to sell assets to meet cashflow requirements at distressed prices which destroys value.	External investment manager selection prioritises funds with daily liquidity. The Statement of Investment Policy contains appropriate cash allocation and benchmark currency exposure ranges, noting 100% of VJF's expenditure is in sterling. The Board reviews the VJF forward-looking cashflow projections quarterly. An informal policy is to maintain approximately £250k cash and cash equivalents buffer outside the investment portfolio.

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Key risks (continued)

Key Risk	Impact	Mitigation
Fail to secure adequate planning approvals and disposal proceeds from development sites to mitigate loss of hospital income	Planned capital receipts not achieved in year, not giving the portfolio growth planned, adversely impacting cash flow	Positive engagement maintained with planners, via experienced property development Trustees. Sympathetic schemes sought of sufficient scale to attract developers
Material downgrade in property valuations due to difficult lettings market leads to potential impairment charge	Total asset value diminishes, reducing funds available for distribution, and potentially weakening returns	Diversified property portfolio, with key assets held in currently attractive large-scale industrial units. Mixture of tenancy periods also supports maintaining pace with the market
Change in key personnel and advisors could lead to loss of institutional memory	Loss of institutional memory, inconsistent handover or documentation	Clear handover meetings; documented processes and structured archives.
Investment Value: Significant fall in real capital value of listed investment portfolio	VJF endowment shrinks in real terms below core capital. Reduced absolute £ level of funds available for distribution.	Appropriate distribution policy is set at 3.25% of average NAV over previous 12 quarters and is considered in light of the expected forward looking return on the investment portfolio. Investment policy states guideline asset class ranges intended to deliver a 3.25% real return over the long term.
Relationship with main beneficiary is not appropriately governed	Charity Commission intervention; reputational damage.	Grant Management Agreement framework in place between Papworth Trust the Foundation which sets out clear process and responsibilities.

Internal Controls

The organisation successfully transitioned to independent providers of management accounting, IT and Human Resources support and utilises the support of professional firms to support property management and health & safety governance. It is also recognised that there are inherent risks with a small team, therefore a scheme of delegation has been established to address the difficulty of achieving suitable segregation of duties, and appropriate authorisation levels, which also involves the participation of the Trustees.

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PLANS FOR FUTURE PERIODS

In the next financial year, the Foundation plans to:

- Relet Business Park unit 2A which became vacant during the year.
- Continue to explore ways to increase the occupancy at Pendrill Court.
- Further develop a property strategy for all property and land assets.
- Recruit a director to provide executive management and resource.
- Embed the new processes and controls created this year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Foundation is a company limited by guarantee, governed by its Memorandum and Articles of Association. It is a registered charity with the Charity Commission. The Foundation is governed by its Board of Trustees, consisting of the Trustees, as stated on page 1 of the financial statements, which meets quarterly.

The Trustees, assisted by staff and professional contractors, are responsible for formulating the strategy and policies of the Foundation, including the approval of budgets and exercising of financial control. In addition, the Foundation procures support and advice from external advisors in key areas of its operations including investment and property management.

The Trustees also maintain Committees to oversee individual elements of the Foundation's operation. The Committees currently in operation are as follows:

Property Investment Committee

The Property Investment Committee oversees the property portfolio of the Foundation, working with external advisors to set the strategy, report on performance and to make recommendations to the Board. The terms of engagement of these advisors, and their performance, are reviewed regularly to ensure the primary objectives are being met. This Committee reports to the Board at each Board meeting.

Investment Committee

The Investment Committee oversees the investment portfolio of the Foundation. The Committee reviews the investment strategy, monitors investment performance and makes recommendations to the Board with regard to investment policy and asset allocation. The Statement of Investment Policy is reviewed regularly to ensure it remains suitable for the Foundation. The Committee monitors the performance of the investment manager, and reports on investment performance to the Board at each Board meeting.

Appointments Committee

An Appointments Committee manages the process of recruiting new Trustees and electing officers for the Foundation. This meets as required, and brings recommendations to the Board for new appointments, based upon an assessment of skills required and contributions new Trustees may bring.

Grants Committee

A Grants Committee has been established to set the criteria and consider grant awards to Papworth Trust and to other organisations that apply to the Foundation. This Committee meets at least twice a year and considers applications in accordance with the Foundation's Grant-Making Policy on their strategic fit, viability, and impact, as well as undertaking necessary due diligence on potential beneficiaries. The Committee makes recommendations to the Board for approval, and monitors the awards made via the collection of reports on expenditure made and impact achieved.

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TRUSTEES' REPORT (CONTINUED)
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Fundraising approach

The Foundation's income is generated mainly through returns on its investment and property portfolios which are appropriately managed to meet the objectives of the charitable organisation in full. No formal fund-raising activity is deployed to generate income from members of the public. Whilst members of the public are able to donate contributions voluntarily if they so wish, and the Trustees are empowered to accept such donations, the Foundation does not promote fund raising. No professional fundraisers are employed by the Foundation.

Responsibilities for day-to-day management of the Foundation

Debbie Lowther is Chair of the Foundation, overseeing the overall governance and operation of the Foundation. Michael Alexander oversaw all property matters as Chair of the Property Investment Committee until his retirement as a Trustee in November 2025, at which point Steven Beach became Chair of the Property Investment Committee, and Joanne Bugg (prior to 21 November 2024) and Stu Crouch (post 22 November 2024) have overseen financial investments as successive Chairs of the Investment Committee. Chris Sheasby, as Treasurer, supported the Board and Committees as appropriate until his resignation in August 2025. The Trustees are supported by employed staff, as well as outsourced governance and financial management support.

Trustees' responsibilities

The Trustees (who are also directors of The Varrier Jones Foundation for the purposes of company law) 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).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 relevant audit information and to establish that the auditor is aware of that information.

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FOR THE YEAR ENDED 31 MARCH 2025

AUDITORS

UHY Hacker Young LLP were appointed as auditors of the charitable company and in accordance with section 485 of the Companies Act 2006 a resolution proposing that they be reappointed will be put at a general meeting.

OUR THANKS

Finally, the Trustees would like to thank their staff and professional contractors for their dedication, hard work and commitment to the work of the Foundation.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Deborah Lowther

D Lowther
Chair

02-12-2025

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE VARRIER-JONES FOUNDATION

OPINION

We have audited the financial statements of The Varrier-Jones Foundation (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its 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 Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE VARRIER-JONES FOUNDATION
(CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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, except to the extent otherwise explicitly stated in our report, 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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

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 Companies Act 2006 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE VARRIER-JONES FOUNDATION
(CONTINUED)**

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, 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 charitable company'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 charitable company 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 the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charitable company and the industry in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the acts by the charitable company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls).

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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.



UHY Hacker Young LLP
Chartered Accountants
Quadrant House
4 Thomas More Square
London E1W 1YW

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE VARRIER-JONES FOUNDATION
(CONTINUED)**

Other Matters

During the year, UHY Hacker Young LLP were appointed as auditors to The Varrier-Jones Foundation, replacing Ensors Accountants LLP following a periodic review of audit services.

In accordance with auditing standards, UHY Hacker Young LLP have audited the financial statements for the year ended 31 March 2025. The comparative figures for the year ended 31 March 2024 were audited by Ensors Accountants LLP, who expressed an unqualified opinion. UHY Hacker Young LLP do not express an opinion on the prior year figures.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Harriet Hodgson-Grove

Harriet Hodgson-Grove (Senior Statutory Auditor)

for and on behalf of

UHY Hacker Young LLP

Chartered Accountants

Date: 08-12-2025

THE VARRIER JONES FOUNDATION
{A Company Limited by Guarantee}
REGISTERED NUMBER: 03377965

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025

	Note	Investment Fund 2025 £	Income Fund 2025 £	Total funds 2025 £	Total funds 2024 £
INCOME FROM:					
Investments	4	2,190,254	-	2,190,254	2,242,011
Other income	5	15,016	-	15,016	17,594
TOTAL INCOME		2,205,270	-	2,205,270	2,259,605
EXPENDITURE ON:					
Raising funds	6	1,182,306	-	1,182,306	1,404,383
Charitable activities	7	-	1,452,600	1,452,600	1,516,947
TOTAL EXPENDITURE		1,182,306	1,452,600	2,634,906	2,921,330
NET INCOME/(EXPENDITURE) BEFORE NET GAINS/(LOSSES) ON INVESTMENTS					
		1,022,964	(1,452,600)	(429,636)	(661,725)
Net gains/(losses) on investments		656,619	-	656,619	2,939,176
NET INCOME/(EXPENDITURE)		1,679,583	(1,452,600)	226,983	2,277,451
Transfers between funds	19	(2,858,000)	2,858,000	-	-
NET MOVEMENT IN FUNDS		(1,178,417)	1,405,400	226,983	2,277,451
RECONCILIATION OF FUNDS:					
Total unrestricted funds brought forward		58,541,903	249,378	58,791,281	56,513,830
Net movement in funds		(1,178,417)	1,405,400	226,983	2,277,451
TOTAL UNRESTRICTED FUNDS CARRIED FORWARD		57,363,486	1,654,778	59,018,264	58,791,281

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 21 to 37 form part of these financial statements.

THE VARRIER JONES FOUNDATION
{A Company Limited by Guarantee}
REGISTERED NUMBER: 03377965

BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
FIXED ASSETS			
Market investments	13	40,342,183	41,028,127
Investment property	12	17,792,000	17,576,002
		58,134,183	58,604,129
CURRENT ASSETS			
Debtors	14	242,211	164,857
Cash at bank and in hand		1,660,268	1,098,633
		1,902,479	1,263,490
Creditors: amounts falling due within one year	15	(342,601)	(399,235)
		1,559,878	864,255
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		59,694,061	59,468,384
Creditors: amounts falling due after more than one year	16	(49,997)	(51,303)
Provisions for liabilities	17	(625,800)	(625,800)
		59,018,264	58,791,281
TOTAL NET ASSETS			
UNRESTRICTED CHARITY FUNDS			
Investment Fund	19	57,363,486	58,541,903
Income Fund	19	1,654,778	249,378
		59,018,264	58,791,281
TOTAL UNRESTRICTED FUNDS			

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

**THE VARRIER JONES FOUNDATION
{A Company Limited by Guarantee)
REGISTERED NUMBER: 03377965**

**BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2025**

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

Deborah Lowther

**D Lowther
Chair**

Date: 02-12-2025

The notes on pages 21 to 37 form part of these financial statements.

THE VARRIER JONES FOUNDATION
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £	2024 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	21	(2,688,953)	(2,303,177)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interests and rents from investments		2,150,588	2,242,011
Withdrawals from investment portfolio		1,100,000	400,000
Proceeds from sale of investment property		0	108,000
NET CASH PROVIDED BY INVESTING ACTIVITIES		3,250,588	2,750,011
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR			
Cash and cash equivalents at the beginning of the year		1,098,633	651,799
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	22	1,660,268	1,098,633

The notes on pages 21 to 37 form part of these financial statements

THE VARRIER JONES FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. GENERAL INFORMATION

The Varrier-Jones Foundation is a private company limited by guarantee and incorporated in England and Wales. The liability of each member in the event of the Foundation being wound up is limited to £1. The registered office is Upper Pendrill Court, Papworth Everard, Cambridge, CB23 BUY.

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

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Varrier-Jones Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

2.3 INCOME

All income is recognised once the Foundation has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The Foundation recognises rental income from properties let out under operating leases on a straight-line basis over the term of the lease. Rental income is included in the statement of financial activities in the period to which the income relates.

Dividend income is recognised on a receivable basis.

Income from studio hire is recognised in the period in which the studio is used. If payment is received in advance, it is recorded as deferred income and recognised in the statement of financial activities in the period in which the studio is used.

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

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

THE VARRIER JONES FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. ACCOUNTING POLICIES (CONTINUED)

2.4 EXPENDITURE

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.

Expenditure on raising funds includes all expenditure directly incurred by the Foundation on managing its investment properties and its portfolio of listed investments. Also included is an allocation of support and governance costs based on the time spent on investment management.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Foundation's objectives, as well as any associated support and governance costs.

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 attached 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.

All expenditure is inclusive of irrecoverable VAT.

2.5 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Investment properties are stated at fair value and are not depreciated. A full professional valuation of investment properties is conducted every four years as part of a rolling valuation programme of the total property portfolio. Although not depreciating investment property is in accordance with FRS 102, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. Investment properties are held for their investment potential and therefore their current value is of prime importance. The departure from the provisions of the Act is considered to be necessary in order to present a true and fair view.

Investments held as fixed assets are shown at cost less provision for impairment.

2.6 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.

2.7 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

THE VARRIER JONES FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. ACCOUNTING POLICIES (CONTINUED)

2.8 LIABILITIES

Liabilities and provisions 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. These include anticipated future liabilities for repair and maintenance work, which is contributed to by current tenants to reflect their obligation to contribute to the maintenance and upkeep of the infrastructure.

Liabilities are recognised at the amount that the Foundation 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.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.9 FINANCIAL INSTRUMENTS

The Foundation 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.10 PENSIONS

The Foundation enrolls staff into a defined contribution pension scheme and the pension charge represents the amounts payable by the Foundation to the scheme in respect of the year.

2.11 FUND ACCOUNTING

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

THE VARRIER JONES FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

3. 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 that are believed to be reasonable under the **circumstances**.

Critical accounting estimates and assumptions:

The Foundation makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Investment properties

The valuation of the investment properties requires the use of several estimates and judgements. Changes in these estimates and judgements can lead to material changes in the valuation. The value of investment property at the year-end was £17,792,000 (2024: £17,576,002).

Papworth bypass and remedial property costs provisions

The provisions for potential compensation claims and remedial works to investment property are subject to a number of assumptions; changes in these assumptions can lead to material changes in the provision. The value of the provision at the year-end was £625,800 (2024: £625,800).

4. INVESTMENT INCOME

	Investment Fund 2025 £	Total Funds 2025 £	Total Funds 2024 £
Rent receivable	1,275,133	1,275,133	1,108,130
Income from investment portfolio	915,121	915,121	1,133,881
	<hr/> 2,190,254	<hr/> 2,190,254	<hr/> 2,242,011

All investment income in the current and prior years is unrestricted.

THE VARRIER JONES FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

5. OTHER INCOMING RESOURCES

	Investment Fund 2025 £	Total Funds 2025 £	Total Funds 2024 £
Studio and room hire	7,329	7,329	7,297
Solar panel income	7,687	7,687	7,673
Wayleave income	-	-	2,624
	15,016	15,016	17,594

All other incoming resources in the current and prior years are unrestricted.

6. INVESTMENT MANAGEMENT COSTS

	Investment Fund 2025 £	Total Funds 2025 £	Total Funds 2024 £
Property portfolio management costs	652,642	652,642	569,040
Property disposal costs	27,510	27,510	30,342
Remedial cost provision on properties	-	-	475,000
Market investment portfolio management costs	209,869	209,869	175,507
Support costs - staff	44,176	44,176	75,089
Support costs - governance	64,160	64,160	22,024
Support costs - other	183,949	183,949	57,381
	1,182,306	1,182,306	1,404,383

All investment management costs in the current and prior years are unrestricted.

THE VARRIER JONES FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Grant funding of activities (note 8) 2025 £	Support costs 2025 £	Total Funds 2025 £	Total Funds 2024 £
Supporting disability charities	1,400,786	51,814	1,452,600	1,516,947
TOTAL 2024	<u>1,480,058</u>	<u>36,889</u>	<u>1,516,947</u>	

ANALYSIS OF SUPPORT COSTS

	Supporting disability charities 2025 £	Total Funds 2025 £	Total Funds 2024 £
Staff costs	4,908	4,908	8,343
Governance costs	7,130	7,130	2,447
Other	39,776	39,776	26,099
	<u>51,814</u>	<u>51,814</u>	<u>36,889</u>

8. ANALYSIS OF GRANTS

	Grants to charities 2025 £	Total Funds 2025 £	Total Funds 2024 £
Supporting people with disabilities	1,400,786	1,400,786	1,480,058

THE VARRIER JONES FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

8. ANALYSIS OF GRANTS (CONTINUED)

Grants to charities comprise the following:

	2025	2024
	£	£
The Papworth Trust	1,350,000	1,431,300
Able Kidz	-	3,000
Bedford Disabled Horse Riding Association (BDHRA)	-	5,000
Burwell Print Centre	-	5,000
Hamelin Trust	-	7,785
Tom's Trust	-	4,215
The Back-Up Trust	-	6,000
Children's Charitable Trust	-	8,398
Stowmarket ASD Saturday Club	-	6,000
Branching Out	-	3,000
Caudwell Children	1,670	-
Helping Disabilities Trust	3,000	-
Make Them Smile	3,911	-
Rowan Humberstone	10,000	-
Marches Family Network	5,280	-
Ipswich Opportunity Group	5,000	-
Side by Side (Children) Ltd	5,176	-
Pear Tree Special School	3,400	-
Power2Inspire	5,000	-
Other	8,349	360
	1,400,786	1,480,058

9. GOVERNANCE COSTS

	2025	2024
	£	£
Trustees' indemnity insurance	4,361	4,748
Other professional fees	44,197	8,546
Audit fee	22,731	11,177
	71,289	24,471

THE VARRIER JONES FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

10. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	43,872	41,870
Employer's national insurance	624	-
Contribution to defined contribution pension schemes	4,588	1,570
Contractually employed staff costs	49,084	43,440
Temporary staff costs	-	39,992
Total staff costs	49,084	83,432

The average number of persons employed by the Foundation during the year was as follows:

	2025	2024
	No.	No.
Support & administration	2	2

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel comprise the Operations Manager. The total amount of employee benefits paid to key management personnel during the year was £49,084 (2024: £42,921).

11. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year, expenses totaling £1,032 were reimbursed or paid directly to 4 Trustees (2024 - £309 to 3 Trustees). These expenses relate to travel and subsistence, postage, and staff appreciation costs.

THE VARRIER JONES FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

12. INVESTMENT PROPERTY

	Freehold investment property £
VALUATION	
At 1 April 2024	17,576,002
Disposals	(25,000)
Unrealised gain in the year	240,998
At 31 March 2025	17,792,000

The historical cost of all the investment properties at 31 March 2025 was £13,166,365 (2024: £13,166,365).

Investment properties are revalued based on a professional valuation by Peck Property Consultants on a 4-year rolling review. Those properties not included in the professional valuation at 31 March 2025 have been reviewed by the trustees, who are of the opinion that the valuation included in the accounts is consistent with the current fair value for these properties.

13. FIXED ASSET INVESTMENTS

	Market investments	Investment cash	Total
			£
VALUATION			
At 1 April 2024	40,411,355	616,772	41,028,127
Additions	52,388,011		52,388,011
Disposals	(53,945,090)		(53,945,090)
Unrealised gain	282,042		282,042
Cash movement		589,093	589,093
At 31 March 2025	39,136,318	1,205,865	40,342,183

THE VARRIER JONES FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

13. FIXED ASSET INVESTMENTS (CONTINUED)

Market value represented by:

	2025 £	2024 £
Historical cost of assets	38,667,777	36,068,668
Unrealised gains	1,674,406	4,959,459
	<u>40,342,183</u>	<u>41,028,127</u>

Investments held as:

	2025 £	2024 £
Cash & cash equivalents	1,205,865	616,772
Fixed income	7,855,484	6,637,115
Equities	27,510,538	30,039,033
Alternative investments	3,770,296	3,735,207
	<u>40,342,183</u>	<u>41,028,127</u>

As at 31 March 2025, the portfolio had no investments that amounted to more than 5% of the portfolio value (2024: There was 1 investment greater than 5%).

14. DEBTORS

	2025 £	2024 £
DUE WITHIN ONE YEAR		
Trade debtors	34,044	52,136
Other debtors	146,479	85,527
Prepayments and accrued income	61,688	27,194
	<u>242,211</u>	<u>164,857</u>

THE VARRIER JONES FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade creditors	57,310	23,020
Other taxation and social security	41,831	51,738
Other creditors	44,464	91,472
Accruals and deferred income	198,996	233,005
	342,601	399,235
	2025	2024
	£	£
Deferred income at 1 April 2024	132,153	17,395
Resources deferred during the year	80,251	124,153
Amounts released from previous periods	(130,153)	(9,395)
	82,251	132,153

Deferred income amounting to £80,251 (2024: £124,153) relates to rental income received in advance.

Also included is deferred income amounting to £2,000 (2024: £8,000) in respect of monies received for the granting of a 25-year lease. Amounts have been deferred to spread the income over the remaining term of the lease, with the remaining portion to be fully released within one year.

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025	2024
	£	£
Building repair receipts in advance	49,997	49,303
Deferred income	-	2,000
	49,997	51,303

THE VARRIER JONES FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

17. PROVISIONS

	Papworth Bypass £	Remedial property costs £	Total £
As at 1 April 2024	150,800	475,000	625,800
Change in year	-	-	-
As at 31 March 2025	<u>150,800</u>	<u>475,000</u>	<u>625,800</u>

Papworth Bypass

The provision represents potential compensation claims arising from the development of the Papworth bypass. The timing and amount of these claims are uncertain.

Remedial property costs

The provision represents the estimated net cost of reinstating property to its former state.

18. PRIOR YEAR RECLASSIFICATIONS

Support Costs

The method for allocating support costs between Investment Management and Charitable activity has been reviewed during the year based on the volume of transactions undertaken by the organisation. The outcome is that 90% of support costs are now allocated to Investment Management activity and 10% to Charitable activity. This apportionment method has been adopted for the year ending 31 March 2025 and applied to the prior year to 31 March 2024. The ratio will be reviewed annually going forwards.

THE VARRIER JONES FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

19. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
INCOME FUND						
Income Account	249,378	-	(1,452,600)	2,858,000	-	1,654,778
INVESTMENT FUND						
Core Capital Account	51,326,940	-	-	1,745,116	-	53,072,056
Capital Reserves Account	7,214,963	1,315,248	(292,284)	(4,603,116)	656,619	4,291,430
	58,541,903	1,315,248	(292,284)	(2,858,000)	656,619	57,363,486
TOTAL UNRESTRICTED FUNDS	58,791,281	1,315,248	(1,744,884)	-	656,619	59,018,264

THE VARRIER JONES FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

19. STATEMENT OF FUNDS (CONTINUED)

Income Fund

The Income Fund represents funds that are freely available to spend on charitable activities. The transfer to this account represents an allocation of funds from the Investment Fund (Capital Reserves Account) to fund charitable activities during the year. The amount transferred represents 3.25% of the average quarterly investment assets {less provisions and certain other costs} over a trailing three-year period. The Trustees believe that this represents the appropriate spending rule required to achieve a sustainable level of charitable activities.

Investment Fund

The Investment Fund represents designated funds that have been invested to provide a long-term source of total return to fund the Foundation's charitable activities. Within this:

Core Capital Account

The Core Capital Account represents the real value of the original gift made by The Papworth Trust to the Foundation. The Trustees aim to preserve the value of this fund to ensure the gift can continue to generate sufficient total return funding for charitable activities over the long term. The transfer to this account represents the increase in CPI during the year.

Capital Reserves Account

The Capital Reserves Account represents the unapplied total return, being the surplus of investment funds over the real value of the original gift from The Papworth Trust. This account is the portion of the Investment Fund that can be transferred to the Income Fund without diminishing the real value of the original gift. The transfer from this fund represents a transfer to the Core Capital Account (to align the Core Capital Account with the real value of gifted assets) and a transfer to the Income Fund to fund charitable activities.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

19. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
INCOME FUND						
Income Account	212,337	-	(1,566,459)	1,603,500	-	249,378
INVESTMENT FUND						
Core Capital Account	49,454,830	-	-	1,872,110	-	51,326,940
Capital Reserves Account	6,846,663	2,259,605	(1,354,871)	(3,475,610)	2,939,176	7,214,963
	56,301,493	2,259,605	(1,354,871)	(1,603,500)	2,939,176	58,541,903
TOTAL UNRESTRICTED FUNDS	56,513,830	2,259,605	(2,921,330)	-	2,939,176	58,791,281

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Income Fund £	Core Capital £	Capital Reserve £	Total Funds £
Fixed Assets	-	53,072,056	5,062,127	58,134,183
Current Assets	1,654,778	-	247,701	1,902,479
Creditors due <1 year	-	-	(342,601)	(342,601)
Creditors due >1 year	-	-	(675,797)	(675,797)
Net Assets	1,654,778	53,072,056	4,291,430	59,018,264

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025	2024
	£	£
Net income for the period (as per Statement of Financial Activities)	226,983	2,277,451
ADJUSTMENTS FOR:		
Gains/(losses) on investments	(630,054)	(2,939,176)
Dividends, interests and rents from investments	(2,150,588)	(2,242,011)
Non-cash investment transactions	-	(685)
Increase in debtors	(77,354)	(88,416)
Increase/(decrease) in creditors	(57,940)	214,660
Increase in provisions	-	475,000
NET CASH USED IN OPERATING ACTIVITIES	(2,688,953)	(2,303,177)

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2025	2024
	£	£
NatWest cash	537,832	968,709
Sarasin Income Account cash	22,436	129,924
Cazenove Cash Reserve Account	1,100,000	-
TOTAL CASH AND CASH EQUIVALENTS	1,660,268	1,098,633

23. PENSION COMMITMENTS

During the year, the Foundation paid contributions into one employee's personal pension scheme (2024: one employee). The pension cost charge represents contributions payable by the Foundation to the funds and amounted to £4,588 (2024: £1,570). There were no outstanding contributions at 31 March 2025 (2024: £Nil).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

24. LESSOR

The operating leases represent leases to third parties. The leases are negotiated over various terms.

At the reporting end date, the Foundation had contracted with tenants for the following minimum lease payments.

	2025	2024
	£	£
Within one year	815,890	842,405
Between two and five years	1,598,881	1,456,035
In over five years	1,031,384	1,309,880
	3,446,155	3,608,320

25. RELATED PARTY TRANSACTIONS

The Varrier-Jones Foundation has a longstanding relationship with The Papworth Trust, a UK-based charity supporting people with disabilities. The Foundation was originally established with assets gifted by The Papworth Trust and continues to make significant grants to support its work.

During the year, the Foundation awarded grants totalling £1,350,000 (2024: £1,431,300) to The Papworth Trust. These grants were made in accordance with the Foundation's Grant-Making Policy and were subject to appropriate due diligence and Board approval.

In addition, the Foundation procured services from The Papworth Trust totalling £23,521 (2024: £45,630), which included IT support, accountancy services, telephone costs, and administrative support. These services were provided on an arm's length basis. The Foundation also charged The Papworth Trust rental income of £84 (2024: £11,500), also on an arm's length basis.

At the year end, the Foundation had a balance due to The Papworth Trust of £12,000 (2024: £Nil) and a balance due from The Papworth Trust of £62 (2024: £33).

To manage potential conflicts of interest, the Foundation has undertaken a transition to independent providers for operational support services previously delivered by The Papworth Trust. All related party transactions are reviewed and approved by non-conflicted Trustees.

26. CONTROLLING PARTY

The Foundation is controlled by the Board of Trustees, who are also the members and the directors under company law.