

The John Charnley Trust
Report of the Trustees and
Audited Financial Statements
for the Year Ended 30 June 2025

The John Charnley Trust

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The John Charnley Trust

Report of the Trustees for the year ended 30 June 2025

The trustees present their report with the financial statements of the charity for the year ended 30 June 2025.

The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) FRS 102 'Accounting and Reporting by Charities' effective 1 January 2019.

OBJECTIVES AND ACTIVITIES

Objectives and activities

The object of the Charity is the promotion of research, education and training for or into the relief of pain, suffering and disability arising out of or associated with joints of the human skeleton and in particular (but without prejudice to the generality of the foregoing) in the field of Low Friction Arthroplasty of the hip and related areas of surgery.

The principal activities of the charity continue to be those of funding research in the field of joint replacement, research fellowships, and lectures, conferences and seminars to further the technique of Low Friction Arthroplasty.

Significant activities

The objectives for the year were to continue the promotion of research, education and training in the field of orthopaedic surgery. In achieving these aims the charity was able to carry out the following;

The charity promoted education and training by creating The Charnley Fellowship in 2010 from the gift of the late Mrs Doreen Latta, a patient who underwent reconstructive surgery at Wrightington Hospital and thereafter had over 30 years of pain-free walking and led a normal life.

Applications continue to be invited from committed orthopaedic surgeons for the unique opportunity to visit centres of excellence in reconstructive hip and knee surgery world-wide.

The charity promoted education by creating the Patient Information Centre at Wrightington. Due to redevelopment work at Wrightington Hospital the historical collection was largely placed in temporary storage although plans are being currently developed for a new site.

The Memorial Lecture was by Ian McGeechan in March 2025 at the British Hip Society meeting in Harrogate.

The charity promoted education and research by making grants including: -

Wrightington Wigan and Leigh NHS Trust	Education and Research coordination (see below)
Wrightington Wigan and Leigh NHS Trust	Origin Study by T Board
M Ammori	The Charnley Fellowship
H Magill	The Charnley Fellowship
I Kennedy	The Charnley Fellowship
Z Hamoodi	MD Studies
J Lamb	Future Leaders Programme

The funding from the Charity facilitates the growth and development in Hip and Knee research and Lower Limb Education at Wrightington Hospital.

Research and Education activity continues to thrive with the help of funding and secretarial support from the Charity.

The John Charnley Trust

Report of the Trustees

for the year ended 30 June 2025

OBJECTIVES AND ACTIVITIES

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives.

Grantmaking

The charity receives applications for the funding of projects through its website and publications and applicants are invited to submit a summary of their proposals in a standard format. The applications are reviewed against specific criteria and research objectives. As a condition of the grant the charity requests a copy of the final report on each piece of research or fellowship. All research is made publicly available as soon as possible and all those supported refer to the financial assistance provided by the charity.

The John Charnley Trust

Report of the Trustees

for the year ended 30 June 2025

ACHIEVEMENTS AND PERFORMANCE

Achievements and performance

The trustees are pleased to record their appreciation of the receipt in the year of general donations of £218 (2024: £Nil) and a legacy of £2,000 (2024: £10,000).

A Legacy of £292,256 was received after the year end from the late Elizabeth Eurwen Lewis.

Education and Courses.

The education and courses activity was previously coordinated at Wrightington by Henry Wynn Jones and Sunil Panchani, during the year Chris Welton took over from Henry Wynn Jones.

Growth of the meetings/courses has been somewhat limited by not having replaced the course administrator who retired in March 2025. After a significant delay by Wrightington, Wigan & Leigh NHS Trust, the position was advertised, shortlisted and interviewed. Of the four candidates invited to interview, one attended, was offered the position but dropped out owing to the offer of a better salary at her current employment.

Despite this, high quality educational content in 2025 has continued to be offered, including three FRCS viva courses, a British Hip Society associated basic hip course, acetabular masterclass course and regional registrar teaching.

In 2026 there are plans for a slightly reduced calendar, but will offer FRCS courses, a combined periprosthetic and acetabular meeting in May, and the Wrightington International Arthroplasty Meeting (WiAM). The meetings are being run in association with Clockwork Medical who have previously helped with WiAM, and whose input is somewhat mitigating the current absence of a course administrator. Another part time administrator has been hugely helpful in maintaining educational content delivery over the last 12 months.

The Charity continues to utilise the future leaders programme to enhance Wrightington Hospital, this year funding Josh Lamb and next year Eddie Jeans, peripheral nerve surgeon who will undoubtedly continue to develop the nationally renowned Wrightington service with the support of this networking and leadership development opportunity.

Research

The research activity was previously coordinated at Wrightington by Tim Board and Hiren Divecha, during the year Jonathan Barrow took over from Tim Board. Josh Lamb is now involved in research methodology and big data analysis.

There has been a significant downturn in trainee engagement and interest in participating in research activity over the last few years. Unfortunately, this has been driven by changes in the National Trauma and Orthopaedics (T&O) training curriculum and requirements for the Certificate of Completion of Training. Previously this included mandatory research paper publication (two by the end of training) which has now been removed. Jonathan Barrow has worked hard with trying to engage with more junior T&O trainees in the North West region and in Wrightington. Regular journal club meetings are run between Jonathan Barrow and Josh Lamb to try to encourage project idea generation and take-up. These have not managed to gain much traction as yet and there will be discussions on a plan moving forward into the following year to try to improve this position.

We continue to be active in supporting National Institute for Health and Care Research (NIHR) portfolio studies in the lower limb unit at Wrightington. The HIPPY trial (Principal Investigator - Tim Board, supported by Hiren Divecha and Josh Lamb) continues to recruit and are approximately on target for the agreed recruitment. The OAKS trial (Principal Investigator - Hiren Divecha) successfully opened, over recruited and closed in December 2025. The RESULT-Hip trial in hip fractures (Principal Investigator - Hiren Divecha) closed in September 2025 with lower than anticipated recruitment on the trauma site (mainly due to many patients not meeting the inclusion criteria).

The John Charnley Trust

Report of the Trustees

for the year ended 30 June 2025

ACHIEVEMENTS AND PERFORMANCE

Investment performance

Global equities delivered solid returns over the year, supported by resilient earnings, monetary policy stability and easing geopolitical risk. Broad benchmarks such as the MSCI All Country World Index recorded double-digit gains, marking one of the few consecutive years of strong performance despite headwinds from trade tensions and valuation concerns. The U.S. S&P 500 rose significantly, with extended leadership from technology and AI-related sectors helping drive all-time highs through the first half of 2025. Developed and emerging markets outside the U.S. outperformed many U.S. indices over the period, reflecting stronger cyclical rebounds and valuation support in Europe and Asia.

In Europe and the UK, equities performed well overall, although the UK market's heavy energy weighting acted as a drag in some quarters even as domestic earnings remained supportive. The FTSE 100 delivered positive returns, albeit amid ongoing structural shifts in investor allocation preferences. Sector leadership evolved over the year: after years of tech dominance, traditional "real economy" sectors such as energy, materials and staples showed increasing strength, driven by commodity dynamics and inflation-protected earnings.

Monetary policy was a central theme. Major central banks largely paused rate hikes in 2025, with many adopting a data-dependent stance amid moderating inflation and slower economic growth. While policymakers in the U.S. held rates steady, markets priced in potential easing later in the year, which contributed to improved sentiment across risk assets.

Trade policy and geopolitical events added volatility. Periodic tariff threats and negotiations weighed on investor confidence at times, but temporary pauses and diplomatic progress helped alleviate deeper market disruptions. Geopolitical flashpoints briefly pushed safe-haven flows and commodity price swings, though these proved short-lived in many cases.

In terms of individual contributors over the year, the likes of Hermes Asia ex Japan, Brevan Howard Absolute Return and direct equities Autotrader and Prudential all saw gains of over 10%, whilst Property as an asset class was a drag on overall returns.

Performance versus ARC remains positive, with 2024 and 2025 in line with benchmarks and with returns of 123.7% since October 2011 (after fees and charges), ahead of the ARC Sterling Steady Growth Private Client Index benchmark up 119.71%.

Internal and external factors

There are many internal and external factors which will affect the future performance of the charity. The trustees meet regularly and conduct regular reviews to safeguard the charity.

FINANCIAL REVIEW

Financial position

The financial position of the charity as set out in the financial statements. The charity maintains a healthy cash balance to deal with any circumstances as they arise.

Principal funding sources and fundraising

The charity derives its income from three main sources;

- Legacies and donations.
- Investment returns from investment assets.
- Training income and sale of merchandise.

The amount of any legacies received in any year is outside the control of the charity and is purely dependant upon the generosity of the donors. Investment income is dependent upon general economic and investment market conditions whilst the provision of training and courses is dependent upon take-up.

The John Charnley Trust

Report of the Trustees

for the year ended 30 June 2025

FINANCIAL REVIEW

Investment policy and objectives

The trustees have engaged Brooks MacDonald as investment managers who operate within guidelines agreed with the trustees. The trustees have asked the investment managers to consider social, environmental and ethical criteria when managing the portfolio. There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees and takes account of the demand for funds. The trustees consider the income requirements, the risk profile and the investment managers' view of the market prospects in the medium term. This strategy is set within an overall policy to invest in medium risk investments with an aim of overall income and capital growth. The strategy is reviewed with the investment managers at each trustees meeting. The value of the investments is in line with the investment strategy which aims to provide gross income (including cash on deposit with investment manager) of some £27,000 per annum insofar as is compatible with the investment objective of a balanced return from income and capital growth.

Reserves policy

In order that the trustees can meet the aims set out above they need to be able to provide longer-term certainty to projects that are supported by the charity. It is for this reason that the trustee's reserves policy is to continue to accumulate funds so as to maintain investments to give an aim of annual investment income of some £27,000 towards grants continuing to be made.

The funds in the financial statements are defined as:

General Fund

This fund is unrestricted and is used for all charitable purposes without restriction in accordance with the governing documents. Amounts held in these funds as at 30 June 2025 were £1,590,825 (2024: £1,590,236).

Restricted Fund: Wrightington Upper Limb Research

This fund is for the promotion of research, education and training for or into the relief of pain, suffering and disability arising out of or associated with joints of the human skeleton and in particular (but without prejudice to the generality of the foregoing) in the field of upper limb arthroplasty and related areas of surgery. The amount held in this fund as at 30 June 2025 was £28,921 (2024: £28,921).

Funds in deficit

There are no funds in deficit.

FUTURE PLANS

The trustees intend to carry on with the objectives and policies as they stand at present which in their opinion have led to both a successful management of resources and the furthering of medical knowledge.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The John Charnley Trust is an unincorporated charity, constituted under a trust deed dated 27 June 1983.

Recruitment and appointment of new trustees

The trustees who have served during the year are set out below and their appointment is based on their knowledge of the aims of the charity.

New trustees are recruited by contact with appropriately qualified individuals and appointed as required in line with the Charity's objectives. Appropriate induction and training will be given to any new trustees. The trustees generally meet twice a year, but a sub group meets more frequently to assess grant applications and then report to the full board of the Trustees.

Organisational structure and decision making

The management of the charity is vested in the trustees who meet at least twice a year to consider matters such as the performance of the investment portfolio and to decide both the value and recipients of grant expenditure.

The John Charnley Trust

Report of the Trustees

for the year ended 30 June 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

The charity has paid Wrightington Wigan and Leigh NHS Trust for the part time services of various consultants that it employs who are also trustees of the charity. The amounts paid are disclosed in the notes to the financial statements.

Risk management

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

326395

Principal address

28 Eaton Avenue
Matrix Office Park
Buckshaw Village
Chorley
Lancashire
PR7 7NA

Trustees

JC Faux FRCS (resigned 31/3/2026)
T Charnley BA
ML Porter FRCS Chairman
AC Ross MB FRCS
JP Hodgkinson FRCS
H Wynn Jones FRCS(Tr&Orth)
Professor AC Watts FRCS(Tr&Orth)
RW Parkinson FRCS(EdOrth)

Auditors

A I Cherry Limited
Chartered Accountants and
Statutory Auditors
26 Winckley Square
Preston
PR1 3JJ

The John Charnley Trust

Report of the Trustees

for the year ended 30 June 2025

REFERENCE AND ADMINISTRATIVE DETAILS

Secretaries and Financial Advisers

McMillan & Co LLP
Chartered Accountants
28 Eaton Avenue
Matrix Office Park
Buckshaw Village
Chorley
Lancashire
PR7 7NA

Telephone 01772 299888
E-mail mail@mcmillanaccountants.com

Website www.johncharnleytrust.org

Bankers

HSBC Bank plc.

Investment managers

Brooks MacDonald Asset Management, Manchester

FUNDS HELD AS CUSTODIAN FOR OTHERS

The charity does not hold any funds as a custodian.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Charity law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011 and The Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The John Charnley Trust

Report of the Trustees for the year ended 30 June 2025

Approved by order of the board of trustees on 31 March 2026 and signed on its behalf by:

ML Porter FRCS - Trustee

Report of the Independent Auditors to the Trustees of The John Charnley Trust

Opinion

We have audited the financial statements of The John Charnley Trust (the 'charity') for the year ended 30 June 2025 which comprise the Statement of Financial Activities, the Balance Sheet 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine 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.

Report of the Independent Auditors to the Trustees of The John Charnley Trust

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Trustees of The John Charnley Trust

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A I Cherry Limited
Chartered Accountants and
Statutory Auditors
26 Winckley Square
Preston
PR1 3JJ

31 March 2026

The John Charnley Trust

Statement of Financial Activities for the year ended 30 June 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	2,218	-	2,218	10,000
Charitable activities					
Education	5	44,126	-	44,126	44,752
Investment income	4	27,272	-	27,272	28,512
Total		73,616	-	73,616	83,264
EXPENDITURE ON					
Raising funds	6	14,309	-	14,309	13,500
Charitable activities					
Grants	7	64,283	-	64,283	82,467
Memorial Lecture		-	-	-	57
Education		16,950	-	16,950	32,596
Other		19,040	-	19,040	17,019
Total		114,582	-	114,582	145,639
Net gains on investments		41,555	-	41,555	154,531
NET INCOME		589	-	589	92,156
RECONCILIATION OF FUNDS					
Total funds brought forward		1,590,236	28,921	1,619,157	1,527,001
TOTAL FUNDS CARRIED FORWARD		1,590,825	28,921	1,619,746	1,619,157

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The John Charnley Trust

Balance Sheet 30 June 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
FIXED ASSETS					
Investments	13	1,572,626	-	1,572,626	1,560,436
CURRENT ASSETS					
Debtors	14	6,250	-	6,250	4,480
Cash at bank		43,674	28,921	72,595	94,648
		49,924	28,921	78,845	99,128
CREDITORS					
Amounts falling due within one year	15	(31,725)	-	(31,725)	(40,407)
NET CURRENT ASSETS		18,199	28,921	47,120	58,721
TOTAL ASSETS LESS CURRENT LIABILITIES		1,590,825	28,921	1,619,746	1,619,157
NET ASSETS		1,590,825	28,921	1,619,746	1,619,157
FUNDS	16				
Unrestricted funds				1,590,825	1,590,236
Restricted funds				28,921	28,921
TOTAL FUNDS				1,619,746	1,619,157

The financial statements were approved by the Board of Trustees and authorised for issue on 31 March 2026 and were signed on its behalf by:

ML Porter FRCS - Trustee

The John Charnley Trust

Notes to the Financial Statements for the year ended 30 June 2025

1. GENERAL INFORMATION

The charity is a registered charity in England and Wales and is unincorporated. The address of the registered office and principal office is 28 Eaton Avenue, Matrix Office Park, Buckshaw Village, Chorley, Lancashire, PR7 7NA.

The presentational currency of the financial statements is the Pound Sterling (£). The amounts in the financial statements have been rounded to the nearest £1.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The accounts have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (issued October 2019) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice (effective from January 2019).

The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The financial statements cover the Charity as an individual entity.

There are no material uncertainties about the Charity's ability to continue as a going concern. The balance of funds as at 30 June 2025 was £1,619,746, an increase of £589 in the financial year.

The Trustees concluded that the financial statements give a true and fair view.

Financial instruments

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument. Basic financial assets, which include debtors, prepayments and bank balances, are initially measured at transaction price and are subsequently carried at cost unless the arrangement indicates otherwise and then the asset is measured at the present value of the future receipts discounted at a market rate of interest. Basic financial liabilities, which include creditors, accruals, bank loans and group borrowings, are initially recognised at transaction price and are subsequently carried at cost unless the arrangement indicates otherwise and then the liability is measured at the present value of the future obligations discounted at a market rate of interest.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

The John Charnley Trust

Notes to the Financial Statements - continued for the year ended 30 June 2025

2. ACCOUNTING POLICIES - continued

Expenditure

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Governance costs comprise amounts for the running of the charity itself as an organisation.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Investments

The investments are included at closing mid-market value at the balance sheet date. The cost of investments includes commission paid to the investment managers. Any gain or loss or revaluation is taken to the Statement of Financial Activities.

3. DONATIONS AND LEGACIES

	2025	2024
	£	£
Other donations and gifts	218	-
Legacies	2,000	10,000
	<u>2,218</u>	<u>10,000</u>

4. INVESTMENT INCOME

	2025	2024
	£	£
Dividends received	27,120	28,035
Interest received	152	477
	<u>27,272</u>	<u>28,512</u>

The John Charnley Trust

Notes to the Financial Statements - continued for the year ended 30 June 2025

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2025 £	2024 £
Training & course income	Education	43,524	43,682
Sale of books	Education	602	1,070
		<u>44,126</u>	<u>44,752</u>

6. RAISING FUNDS

Raising donations and legacies

	2025 £	2024 £
Investment managers' fee	14,309	13,500
	<u>14,309</u>	<u>13,500</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 8) £	Totals £
Grants	-	64,283	64,283
Education	12,050	4,900	16,950
	<u>12,050</u>	<u>69,183</u>	<u>81,233</u>

8. GRANTS PAYABLE

	2025 £	2024 £
Grants	64,283	82,467
Education	4,900	7,440
	<u>69,183</u>	<u>89,907</u>

The total grants paid to institutions during the year was as follows:

	2025 £	2024 £
WWL - Origin Study	4,200	2,800
WWL - Education and courses	26,179	26,925
WWL - Training	14,159	12,704
WWL - Research	14,369	14,204
	<u>58,907</u>	<u>56,633</u>

The John Charnley Trust

Notes to the Financial Statements - continued for the year ended 30 June 2025

8. GRANTS PAYABLE - continued

The total grants paid to individuals during the year was as follows:

	2025	2024
	£	£
S M Graham	-	8,000
K Malik-Tabassum - The Charnley Fellowship	-	2,000
M Clark - The Charnley Fellowship	-	728
S Madanipour - The Charnley Fellowship	-	3,750
M Zeiton - The Charnley Fellowship	-	6,800
Z Hamoodi - MD Studies	3,191	4,611
M Hague - The Charnley Fellowship	-	2,000
H Magill - The Charnley Fellowship	185	1,665
J Barrow - Future Leaders	-	3,720
J Lamb - Future Leaders	4,900	-
I Kennedy - The Charnley Fellowship	1,000	-
M Ammori - The Charnley Fellowship	1,000	-
	<u>10,276</u>	<u>33,274</u>

9. SUPPORT COSTS

	Information technology £	Governance costs £	Totals £
Other resources expended	215	18,825	19,040
	<u>215</u>	<u>18,825</u>	<u>19,040</u>
Governance costs		2025	2024
		£	£
Auditors remuneration		4,800	4,800
Postage and stationery		832	159
Secretarial and support services		12,661	11,334
Paypal fees		532	518
		<u>18,825</u>	<u>16,811</u>

10. AUDITORS' REMUNERATION

	2025	2024
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	4,800	4,800
	<u>4,800</u>	<u>4,800</u>

The John Charnley Trust

Notes to the Financial Statements - continued for the year ended 30 June 2025

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2025 nor for the year ended 30 June 2024.

Trustees' expenses

Trustees' expenses amounting to £Nil (2024: £Nil) were reimbursed in the year.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	10,000	-	10,000
Charitable activities			
Education	44,752	-	44,752
Investment income	28,512	-	28,512
Total	<u>83,264</u>	<u>-</u>	<u>83,264</u>
EXPENDITURE ON			
Raising funds	13,500	-	13,500
Charitable activities			
Grants	82,467	-	82,467
Memorial Lecture	57	-	57
Education	32,596	-	32,596
Other	17,019	-	17,019
Total	<u>145,639</u>	<u>-</u>	<u>145,639</u>
Net gains on investments	<u>154,531</u>	<u>-</u>	<u>154,531</u>
NET INCOME	92,156	-	92,156
RECONCILIATION OF FUNDS			
Total funds brought forward	1,498,080	28,921	1,527,001
TOTAL FUNDS CARRIED FORWARD	<u><u>1,590,236</u></u>	<u><u>28,921</u></u>	<u><u>1,619,157</u></u>

The John Charnley Trust

Notes to the Financial Statements - continued for the year ended 30 June 2025

13. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 July 2024	1,560,436
Additions	217,907
Disposals	(253,464)
Revaluations	47,747
	<hr/>
At 30 June 2025	1,572,626
	<hr/>
NET BOOK VALUE	
At 30 June 2025	1,572,626
	<hr/> <hr/>
At 30 June 2024	1,560,436
	<hr/> <hr/>

The market value of investments at the end of the year is analysed as follows:

	2025 £	2024 £
UK Investments:		
Corporate bonds and preference shares	558,021	492,774
Ordinary shares	337,766	344,838
	<hr/>	<hr/>
	895,787	837,612
Overseas investments:		
Investment/Unit Trusts	676,839	722,824
	<hr/>	<hr/>
	1,572,626	1,560,436
	<hr/> <hr/>	<hr/> <hr/>
Historical cost at end of year	1,290,035	1,279,379
	<hr/> <hr/>	<hr/> <hr/>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade debtors	6,250	4,480
	<hr/> <hr/>	<hr/> <hr/>

The John Charnley Trust

Notes to the Financial Statements - continued for the year ended 30 June 2025

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Accruals and deferred income	22,300	23,356
Grants payable	9,425	17,051
	<u>31,725</u>	<u>40,407</u>

16. MOVEMENT IN FUNDS

	At 1/7/24 £	Net movement in funds £	At 30/6/25 £
Unrestricted funds			
General fund	1,590,236	589	1,590,825
Restricted funds			
Wrightington Upper Limb Research	28,921	-	28,921
	<u>1,619,157</u>	<u>589</u>	<u>1,619,746</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	73,616	(114,582)	41,555	589
	<u>73,616</u>	<u>(114,582)</u>	<u>41,555</u>	<u>589</u>

Comparatives for movement in funds

	At 1/7/23 £	Net movement in funds £	At 30/6/24 £
Unrestricted funds			
General fund	1,482,461	107,775	1,590,236
Charnley Latta Fellowship	15,619	(15,619)	-
	<u>1,498,080</u>	<u>92,156</u>	<u>1,590,236</u>
Restricted funds			
Wrightington Upper Limb Research	28,921	-	28,921
	<u>1,527,001</u>	<u>92,156</u>	<u>1,619,157</u>

The John Charnley Trust

Notes to the Financial Statements - continued for the year ended 30 June 2025

16. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	83,264	(124,085)	148,596	107,775
Charnley Latta Fellowship	-	(21,554)	5,935	(15,619)
	<u>83,264</u>	<u>(145,639)</u>	<u>154,531</u>	<u>92,156</u>
TOTAL FUNDS	<u>83,264</u>	<u>(145,639)</u>	<u>154,531</u>	<u>92,156</u>

The Wrightington Upper Limb Research fund is a restricted fund and the future planned use of this fund is for the promotion of research, education and training for or into the relief of pain, suffering and disability arising out of or associated with joints of the human skeleton and in particular (but without prejudice to the generality of the foregoing) in the field of upper limb arthroplasty and related areas of surgery.

The Charnley Latta Fellowship fund is a designated fund and the future planned use of this fund is for the promotion of research, education and training for or into reconstructive hip and knee surgery. The fund completed during the preceding year.

17. RELATED PARTY DISCLOSURES

The charity has paid Wrightington Wigan and Leigh NHS Trust for the part time services of various consultants that it employs, including Mr H Wynn Jones.

During the year payments amounting to £5,657 (2024: £6,933) have been made in respect of services provided by Mr H Wynn Jones.

18. COMMITMENTS

At 30 June 2025, the Trustees have approved the following grants to be paid in future years:

	2025 £	2024 £
Wrightington Wigan and Leigh NHS Trust	<u>24,534</u>	<u>43,410</u>