

**REPORT OF THE TRUSTEES AND  
AUDITED FINANCIAL STATEMENTS FOR THE YEAR  
ENDED 31 DECEMBER 2023  
FOR  
THE ERIC WRIGHT CHARITABLE TRUST**

Fairhurst  
Statutory Auditor  
Chartered Accountants  
Douglas Bank House  
Wigan Lane  
Wigan  
Lancashire  
WN1 2TB

**THE ERIC WRIGHT CHARITABLE TRUST**  
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**for the Year Ended 31 December 2023**

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# THE ERIC WRIGHT CHARITABLE TRUST

## TRUSTEES REPORT for the Year Ended 31 December 2023

The Trustees present their report with the financial statements of the Charity for the year ended 31 December 2023. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Governing document

The Charity was established by deed on the 23 April 1990. The Trust was granted charitable status on 17 May 1991 as a general charitable trust with registered charity number 1002966.

#### Organisational structure

The Trustees meet at least four times a year to agree strategic direction, receive reports from staff, approve budgets and finance reports and endorse new policies as well as changes to existing policies. The Trustees are also members of key Sub-Committees that meet periodically throughout the year to discuss Finance, Investment and Governance, Charitable Giving and Remuneration. The day-to-day responsibility for the Eric Wright Charitable Trust rests with a board of trustees who use professional advice and support where required.

#### Recruitment and appointment of new trustees

The power to appoint new trustees is vested in the settlor, Eric Wright, during his lifetime and, following his death, in Alison Wright, a Trustee of the Charity. New trustees are appointed as and when required and determined by the current trustee body and the needs of the Charity in consultation with the settlor.

No new trustees were appointed during the year. When appointing new trustees, the trustees would seek to address the issue of any skill and knowledge gap within their body.

#### Induction and training of new trustees

New trustees will be subject to training as required by their previous experience. Ongoing training is provided to the existing trustees as required.

#### Related parties

The Charity is related to its subsidiaries, Water Park Limited and Henmead Limited, and in turn all of Henmead's subsidiaries, and also to the Eric Wright Learning Foundation, a charitable company limited by guarantee of which the Trust is a member and provides the majority of its funding.

#### Conflicts of interest

The Trust operates in accordance with its Conflict of Interest policy. From time to time the Charity may make grants to organisations with whom one or more of its Trustees is connected, typically as a Trustee or member of staff. The Trustees make every effort to ensure that decisions on these grants are made at arms-length, and in accordance with their policy for dealing with potential conflicts of interest.

#### 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. The principal risks identified by the Trustees relate to financial controls, risk management within the operating subsidiaries, and investment. The policies in relation to financial controls and risk management are reviewed on an annual basis. In relation to investments, the Trustees review these in conjunction with investment advisors on a six-monthly basis.

**Financial Controls:** The Trustees operate on a day-to-day basis in accordance with their financial controls policy, which is formally reviewed and updated on an annual basis.

## THE ERIC WRIGHT CHARITABLE TRUST

### TRUSTEES REPORT for the Year Ended 31 December 2023

**Operating Subsidiaries:** there are detailed procedures in place in relation to risk management within the operating subsidiaries. In the case of Water Park Limited, the directors meet three times a year as a Board and provide operational and financial reports to the Trustees on a biannual basis. In the case of Henmead Limited and its subsidiaries, the directors of these operational boards meet on a monthly basis and provide operational and financial reports to the Trustees on a quarterly basis. There are also a number of reserved matters that require the consent of the Trustees before they can be implemented by the operational boards of Henmead Limited and its subsidiaries. The Trustees meet with the auditors of Henmead Limited and of its operating subsidiaries at their June meeting to receive their annual audit report and discuss any recommendations arising, which informs the Trustees' approach to ongoing risk management within that operating subsidiary. The Finance Sub-Committee consisting of three Trustees meet with the auditors of the Eric Wright Charitable Trust at their September meeting to receive their annual audit report.

**Investments:** The Trustees receive quarterly reports from their Investment advisors, who also present their reports in person at the Trustees' meetings in June and December each year to give their advice and address any matters.

In addition to the above, the Trustees formally review risk management on an annual basis.

#### **Charity Commission Governance Code**

The Trustees have taken note of and followed the Charity Governance Code where appropriate.

#### **Remuneration**

No Trustees are remunerated by the Charity. The Charity does not have any employees.

### **OBJECTIVES AND ACTIVITIES**

#### **Grant Making Policy**

The Eric Wright Charitable Trust is a general charitable trust with unrestricted objects. However, the Trustees have prioritised donations to charitable activities based in the North West of England within the following sectors:

- Youth Development
- Elderly Care
- Education and Training
- Carers' Support Services
- Health Support Services
- Community and Voluntary Service Organisations
- Mental Health
- Child and Family Support

#### **Procedures and policy for grant making**

The Trustees operate the following Grants Programmes referred to as the Charitable Giving Strategy:

- a Major Grants programme for grants equal to and exceeding £20,000, typically for medium-sized charities. Charitable organisations are invited to apply for these following an initial review and meeting. Application for a Major Grant is by invitation only and by way of a formal Grant Application Form stating, inter alia, how the funds would be used, what would be achieved, how results would be measured, and providing constitutional and financial information. In response to donee requests, in 2023 the Trustees introduced a pilot initiative to provide multi-year funding to a small number of charities on the Grants Programme. The pilot will be monitored with feedback to be obtained from the supported charities.
- a Community Grants programme for grants between £5,000 and £20,000, typically for small to medium sized charities. Charitable organisations are invited to apply for these following an initial review and meeting. Application for a Community Grant is by invitation only and by way of a formal Grant Application Form stating how the funds would be used and providing constitutional and financial information.
- a Minor Grants Programme for grants under £5,000, typically for charities with a turnover of less than £100,000. Applications are made in the first instance via the Trust's website and are subject to such requirements as the Trustees believe are appropriate in relation to the nature of the applicant organisation and the size of the grant.

The Trustees deal with approvals under each Grant Programme in the manner they believe is appropriate to that Grant Programme.

# THE ERIC WRIGHT CHARITABLE TRUST

## TRUSTEES REPORT for the Year Ended 31 December 2023

### Public Benefit

The Trustees confirm that they have had due regard to the Charity Commission's general guidance on public benefit in planning future strategy, developing grant-making policy and in making grants. The Trustees believe that the Charity achieves significant social benefit through the following activities:

- its operation of the Water Park facility, the public benefit of which is considered below
- its membership of the Eric Wright Learning Foundation, the public benefit of which is considered below
- its grant-making strategy, which aims at providing funding for charities, typically small and medium sized operating in the North West of England, which the Trustees believe provide a wide range of public benefit, with particular emphasis on the health, well-being and education of local residents and the development of local communities.

However, given that the Trust has unrestricted objects, the Trustees retain full discretion to make grants for any charitable purpose as they see fit, depending upon the circumstances.

### Significant activities

The activities of the Charity are set out below.

## ACHIEVEMENT AND PERFORMANCE

### Charitable activities for the public benefit

During the year, the Trust continued to operate in furtherance of the objectives stated above. Its principal activities were as follows:

#### Water Park Outdoor Pursuits Centre

Water Park is an outdoor pursuit centre owned by the Trust on Coniston Water in the Lake District aimed at helping young people, many from disadvantaged backgrounds, to spend time in a wholly different learning environment and assist their self-development. The centre does this by providing tailored and progressive outdoor adventurous experiences which develop confidence, raise self-esteem and increase an awareness of self, others and the environment. This progressive adventure approach accompanied by visiting teachers' collaboration will ensure a Water Park visit delivers the maximum life enrichment available through outdoor adventurous activities. The teachers from the respective schools stay with the children and frequently comment on the positive impact that the stay at Water Park has had. Comments include:

- *Improves young people's ability to work together and tolerate others*
- *Their resilience and perseverance is improved*
- *Young people who may struggle academically are allowed to shine in this different environment*
- *The opportunity to escape from a challenging home life and to be a child for a week is immeasurable*

The educational benefit of such courses can be seen from the fact that many bookings are return visits from schools who now see a visit to Water Park as an integral part of the broader curriculum.

The operation of Water Park is undertaken through a wholly owned subsidiary, Water Park Limited, the company responsible for running the centre. Day to day management and operation of the centre is delegated to a management team who, in turn, report to Water Park Limited.

Subsidies from the Trust are available for individuals or groups who cannot afford to attend. Applications for a subsidy are considered in accordance with guidelines established, periodically reviewed by the directors in order to ensure objectivity. This approach enables support to be focused towards groups or individuals where the need is greatest.

In the year to 31 December 2023, the total operating cost for Water Park was £1,262,000 (2022: £1,214,000). It is not envisaged that Water Park Limited will generate an operating surplus in the foreseeable future and as a consequence the Trustees have factored an ongoing financial commitment in support of the subsidiary into the Charity's reserves policy. During the financial year under review the Trust provided funding of £930,000 to Water Park Limited.

The Trustees are satisfied that the Water Park facility meets the Charity Commission's guidance on public benefit.

## THE ERIC WRIGHT CHARITABLE TRUST

### TRUSTEES REPORT for the Year Ended 31 December 2023

#### The Eric Wright Learning Foundation

The Trust is a member of the Eric Wright Learning Foundation, a charitable company limited by guarantee, and provides the funding to support its activities. The Learning Foundation aims to:

- inspire young people to be the best they can be
- support progress from early interactions through education and positive learning experiences that reflect a real world environment
- create opportunities for meaningful careers through relationships with industry employers

The Learning Foundation achieves this by working in partnership with Preston's College to provide vocational training for both the 14-16 and 16-18 learner cohorts in addition to scholarships for 16-18 students across the following trades:

- Brickwork
- Plastering & Joinery
- Painting & Decorating
- Plumbing
- Electrical

Support is provided by the Learning Foundation to 14-16 learners through mentoring, PPE, bursaries, and the opportunity to access apprenticeships or further training. During the financial year under review the Trust provided funding of £59,000 to The Eric Wright Learning Foundation.

#### Charitable Grant Making Strategy

During 2023, the Trustees delivered their charitable giving strategy by working with a wide number of organisations across the North West of England. Donations of £1,728,000 (2022: £2,137,000) were made to 92 registered charities predominantly working within the sectors listed below.

- Youth Development
- Elderly Care
- Education and Training
- Carers' Support Services
- Health Support Services
- Community and Voluntary Service Organisations
- Child and Family Support
- Mental Health

Examples of some of the projects within these sectors that the Trustees have supported with Major Grants include:

**Youth Development:** a number of Youth Zones in the North West that provide state-of-the-art facilities for young people. Funding from the Trust has supported the Youth Zones to deliver a variety of initiatives to give young people new skills and experiences to achieve their potential.

**Elderly:** North West based Age UK charities funded to deliver initiatives including information and advice services, activity centres and programmes for elderly people, and initiatives helping service users feel less isolated and more supported in later life.

**Mental Health:** projects range from supporting young people in school settings and older teenagers with their wellbeing and mental health, to family focused projects and adults with mental health conditions who need additional support with welfare rights and debts.

**Carers Support Services:** a range of diverse services designed to support carers in various circumstances. Projects include assistance for carers looking after individuals with dementia, and tailored support for young carers responsible for a parent. These services may adopt a whole-family approach, particularly for families affected by parental mental health issues or substance misuse, as well as providing support to families caring for a child with a life-limiting illness.

## THE ERIC WRIGHT CHARITABLE TRUST

### TRUSTEES REPORT for the Year Ended 31 December 2023

**Health:** projects run by charities focused on health care and well-being such as the development of a digital hub and befriending service for visually impaired people, creative support for young people with complex mental health conditions and a programme to support critically unwell children to make positive memories with their families whilst in hospital.

**Community and Voluntary Services:** the Trustees have worked with a number of CVS organisations across the North West to provide grant funds managed by the local CVS organisation which can be accessed by small grass roots organisations, thereby building community cohesion and reducing social isolation.

#### FINANCIAL REVIEW

##### Principal funding sources

The Eric Wright Charitable Trust is funded by donations from Henmead Limited. Income generated by the managed investment portfolio is reinvested within the portfolio.

##### Investment policy and objectives

There are no restrictions on the Trustees' powers to invest. To the extent that future accumulated reserves exceed the Trust's short to medium-term objectives, the Trustees may seek to build reserves to strengthen the long-term sustainability of the Trust as well as to develop the flexibility to fund larger projects that also meet its criteria.

##### Investment performance

The Trust has three principal investments in addition to the cash balances retained to fulfil the operational reserves policy. These are the property at High Nibthwaite, Cumbria; the 100% shareholding in Henmead Limited; and a portfolio of investments managed by Brewin Dolphin Investment Managers.

##### High Nibthwaite

The property is rented out to Water Park Limited at an annual rent of £80,000 per annum, representing a return of 3.2% on the investment. The property is valued at £2,500,000 and is subject to three-yearly revaluations, last valued with an effective date of 31<sup>st</sup> December 2023.

##### Henmead Limited

The Trust is sole shareholder of Henmead Limited, a subsidiary company with a net book value of £92,243,000. Financial results for Henmead Limited are published separately.

##### Managed Investment Portfolio

The managed investment portfolio was valued at £3,499,000 as at 31st December 2023. The Trustees have appointed professional investment advisors who advise on investment policy and strategy and asset allocation. The Trustees have aligned the investment risk profile with other charitable organisations and are confident that the investment strategy will serve the Trust well.

##### Reserves policy

It is the policy of the Trust to maintain cash funds at a level that will match committed expenditure. The reserves include a minimum of two years' committed expenditure at any one time and incorporate the multi-year grant programme, enabling the Trust to honour its commitments and make future pledges.

Under the terms of the Trust Deed, the General Fund is expendable at the Trustees' discretion. All unexpended funds are therefore held in the General Fund. The Trustees intend to continue monitoring the value of the General Fund in real terms to ensure that they are able to achieve both income and capital appreciation so as to maintain the existing level of charitable giving for the foreseeable future. At the year end the value of reserves held was £103,464,000.

##### Going concern

After making enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing the financial statements.

## THE ERIC WRIGHT CHARITABLE TRUST

### TRUSTEES REPORT for the Year Ended 31 December 2023

#### PLANS FOR FUTURE PERIODS

The Trustees are satisfied that the current Charitable Giving Strategy will provide the basis and guidance for future grant awards for the next two years. The Trustees will continue to evolve the strategy organically. However, a full review is underway in preparation for implementing a new strategy, which is expected to be rolled out in 2026.

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### Registered Charity number

1002966

##### Principal address

Sceptre House  
Sceptre Way  
Bamber Bridge  
Preston  
Lancashire  
PR5 6AW

##### Trustees

M E Collier  
A D Sturrock (retired 28<sup>th</sup> June 2023)  
H MacDonald  
A Wright  
J M Collier  
M Newsholme  
C J Wilson  
P Martin (appointed 27<sup>th</sup> March 2024)

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### Auditors

Fairhurst  
Statutory Auditor  
Chartered Accountants  
Douglas Bank House  
Wigan Lane  
Wigan  
Lancashire  
WN1 2TB

##### Bankers

Royal Bank of Scotland PLC  
Corporate Service Centre  
PO Box 2027 Parklands  
De Havilland Way  
Bolton  
BL6 4YU

## THE ERIC WRIGHT CHARITABLE TRUST

### TRUSTEES REPORT for the Year Ended 31 December 2023

#### 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).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, 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 Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the Board of Trustees on 9/10/2024 and signed on its behalf by:



**J M COLLIER**  
Trustee

## INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF THE ERIC WRIGHT CHARITABLE TRUST

### **Opinion**

We have audited the financial statements of The Eric Wright Charitable Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Trust Balance Sheet, the Consolidated Cash Flow Statement, notes to the Consolidated Cash Flow Statement 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, 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 Group's and of the parent charitable company's affairs as at 31 December 2023 and of the Group's 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 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 Group 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE ERIC WRIGHT CHARITABLE TRUST**

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

In the light of our knowledge and understanding of the charitable company 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 Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records, 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.

### **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**

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 on 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:

We obtained an understanding of the legal and regulatory framework within which the Charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 and the Charities Statement of Recommended Practice (SORP).

We identified the greatest risk of material impact on the financial statement from irregularities, including fraud, to be the override of controls by management and the completeness of income. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing of journals and reviewing accounting estimates for biases, reading minutes of those charged with governance and designing audit procedures to test the timing of income.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with accounting standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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](http://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 ERIC WRIGHT CHARITABLE TRUST**

**Use of our report**

This report is made solely to the Charity's Trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Fairhurst*

Fairhurst  
Statutory Auditor  
Chartered Accountants (Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006)  
Douglas Bank House  
Wigan Lane  
Wigan  
Lancashire  
WN1 2TB

Date: .....  
*14<sup>th</sup> October 2024*

**THE ERIC WRIGHT CHARITABLE TRUST**  
**INTRODUCTION TO THE FINANCIAL STATEMENTS**  
**for the Year Ended 31 December 2023**

The Eric Wright Charitable Trust (the Charity) owns Water Park Limited and Henmead Limited, the latter being a group of non-charitable trading companies operating in the property and construction industry. Water Park Limited and Henmead Limited are wholly owned subsidiaries and, as required by charitable law, are consolidated into charitable accounts as presented in the Financial Statements on the subsequent pages.

The Statement of Financial Activities for the Charity has been reproduced below to present the activities of the Charity prior to the consolidation of the subsidiary companies (Henmead Limited and Water Park Limited).

	<b>2023</b>	2022
	<b>£000</b>	£000
<b>INCOME AND ENDOWMENTS FROM:</b>		
Donations and legacies	3,326	3,520
Investment income	255	143
	<u>3,581</u>	<u>3,663</u>
<b>EXPENDITURE ON:</b>		
Raising funds	223	95
<b>Charitable activities:</b>		
Financial assistance to Water Park Ltd	893	841
Grant to institutions other than Water Park Ltd	1,728	2,137
	<u>2,844</u>	<u>3,073</u>
Operating surplus	737	590
Net (losses)/gains on investments	(2,358)	11,661
<b>NET MOVEMENT IN FUNDS</b>	<u>(1,621)</u>	<u>12,251</u>

A proportion of the profits from Henmead Limited (which trades through the Eric Wright Group of Companies) are donated annually to the Eric Wright Charitable Trust. The Charity uses the donation from Henmead Limited to support local charities as outlined in the Charitable Giving Strategy contained within the Trustees Report and listed in Note 10 of the accounts. Surpluses are invested in a managed share portfolio to provide future stability and fulfilment of the Charity's objectives.

**THE ERIC WRIGHT CHARITABLE TRUST**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
for the Year Ended 31 December 2023

		2023 Total funds	2022 Total funds
	Notes	£'000	£'000
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	3	1	1
Commercial trade operation	4	246,272	186,599
<b>Charitable activities</b>			
Third party fee income paid to Water Park	5	371	371
Investment income	6	<u>174</u>	<u>63</u>
<b>Total incoming resources</b>		<b>246,818</b>	<b>187,034</b>
<b>RESOURCES EXPENDED</b>			
<b>Costs of generating funds</b>			
Raising funds	7	45	42
Commercial trade operation	8	240,281	176,363
<b>Charitable activities</b>			
Grants to other Charitable bodies	9	1,728	2,137
Costs of operating Water Park and governance activities		<u>1,361</u>	<u>1,185</u>
<b>Total resources expended</b>		<b>243,415</b>	<b>179,727</b>
(Loss) on revaluation of investment property		(1,405)	(4,800)
Net gains/(losses) on investments		<u>197</u>	<u>(500)</u>
<b>NET INCOME</b>		<b>2,195</b>	<b>2,007</b>
<b>Other recognised (losses)/gains</b>			
Re-measurement of the net defined benefit liability		(121)	985
Share of comprehensive (loss)/income of joint ventures & associates		(3,239)	4,207
Effective portion of changes in fair value of cash flow hedge		(625)	7,088
Deferred tax on other comprehensive(loss)/income		<u>169</u>	<u>(2,036)</u>
		<b>(3,816)</b>	<b>10,244</b>
<b>Total (loss)/income for the year</b>		<b>(1,621)</b>	<b>12,251</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		<b>105,085</b>	<b>92,834</b>
		<hr/>	<hr/>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>103,464</u></b>	<b><u>105,085</u></b>

**THE ERIC WRIGHT CHARITABLE TRUST**

**CONSOLIDATED BALANCE SHEET**

At 31 December 2023

		2023 Total funds	2022 Total funds
	Notes	£'000	£'000
<b>FIXED ASSETS</b>			
Intangible assets	15	1,605	1,499
Tangible assets	16	5,183	4,191
<b>Investments</b>			
Investments	17	14,020	17,247
Investment property	18	<u>89,410</u>	<u>92,656</u>
		<b>110,218</b>	115,593
<b>CURRENT ASSETS</b>			
Stocks	19	31,366	20,324
Debtors	20	90,411	82,446
Cash at bank		<u>21,514</u>	<u>21,692</u>
		<b>143,291</b>	124,462
<b>CREDITORS</b>			
Amounts falling due within one year	21	<u>(102,892)</u>	(69,196)
<b>NET CURRENT ASSETS</b>		<u>40,399</u>	<u>55,266</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>150,617</b>	170,859
<b>CREDITORS</b>			
Amounts falling due after more than one year	22	(39,481)	(57,586)
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred tax liability	26	(5,176)	(5,610)
Pensions and similar obligations	27	(2,467)	(2,482)
Other provisions	28	(29)	(96)
		<u>103,464</u>	<u>105,085</u>
<b>NET ASSETS</b>		<u>103,464</u>	<u>105,085</u>
<b>FUNDS</b>	29		
Unrestricted funds		<u>103,464</u>	<u>105,085</u>
<b>TOTAL FUNDS</b>		<u>103,464</u>	<u>105,085</u>

The financial statements were approved by the Board of Trustees on  
and were signed on its behalf by:

9/10/2024

  
**J.M. COLLIER**  
Trustee

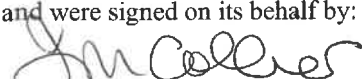
**THE ERIC WRIGHT CHARITABLE TRUST**

**TRUST BALANCE SHEET  
31 December 2023**

		<b>2023</b>	2022
		<b>Total funds</b>	Total funds
		<b>£'000</b>	£'000
<b>FIXED ASSETS</b>	Notes		
Tangible assets	16	17	19
<b>Investments</b>			
Investments	17	95,742	98,294
Investment property	18	<u>2,500</u>	<u>2,250</u>
		<b>98,259</b>	100,563
 <b>CURRENT ASSETS</b>			
Debtors	20	262	272
Cash at bank		<u>5,214</u>	<u>4,381</u>
		<b>5,476</b>	4,653
 <b>CREDITORS</b>			
Amounts falling due within one year	21	<u>( 271 )</u>	<u>(131)</u>
 <b>NET CURRENT ASSETS</b>		<u><b>5,205</b></u>	<u>4,522</u>
 <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>103,464</b>	105,085
 <b>CREDITORS</b>			
Amounts falling due after more than one year	22	<u>-</u>	<u>-</u>
 <b>NET ASSETS</b>		<u><b>103,464</b></u>	<u>105,085</u>
 <b>FUNDS</b>			
Unrestricted funds	29	<u>103,464</u>	<u>105,085</u>
 <b>TOTAL FUNDS</b>		<u><b>103,464</b></u>	<u>105,085</u>

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

9/16/2024



**J M COLLIER**  
Trustee

**THE ERIC WRIGHT CHARITABLE TRUST**

**CONSOLIDATED CASH FLOW STATEMENT  
for the Year Ended 31 December 2023**

	Notes	2023 £'000	2022 £'000
<b>Cash flows from operating activities:</b>			
Cash (used in)/generated from operations	1	(2,712)	12,843
Other comprehensive (loss)/income (non-cash)		3,816	(10,244)
Movement in provisions		(448)	(349)
Tax paid		<u>(35)</u>	<u>(858)</u>
<b>Net cash received by operating activities</b>		<b>621</b>	<b>1,392</b>
<b>Cash flows from investing activities:</b>			
Purchase of intangible fixed assets		(290)	(252)
Purchase of tangible fixed assets		(1,278)	(447)
Purchase of fixed asset investments		(3,133)	(4,227)
Purchase of investment property		(794)	(101)
Sale of tangible fixed assets		5,929	4,013
Repayment of loans		3,822	2,845
New loans		(52)	(3,406)
Interest received		98	9
Dividends received		<u>345</u>	<u>294</u>
<b>Net cash provided by/(used in) investing activities</b>		<b><u>4,647</u></b>	<b><u>(1,272)</u></b>
<b>Cash flows from financing activities:</b>			
Loan repayments in year		(6,507)	(2,351)
Increase in directors' loan		<u>1,061</u>	<u>653</u>
<b>Net cash used in financing activities</b>		<b><u>(5,446)</u></b>	<b><u>(1,698)</u></b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(178)</b>	<b>(1,578)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	2	<b><u>21,692</u></b>	<b><u>23,270</u></b>
<b>Cash and cash equivalents at the end of the reporting period</b>	2	<b><u>21,514</u></b>	<b><u>21,692</u></b>

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
for the Year Ended 31 December 2023**

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<b>Net income for the reporting period (as per the statement of financial activities)</b>	<b>(1,621)</b>	<b>12,251</b>
Adjustments for:		
Depreciation charges	477	433
(Gain)/loss on investments	(197)	495
Interest received	(98)	(9)
Dividends received	(76)	(54)
Revaluation of investment properties	1,405	4,805
Operating profit of joint ventures & associates	(3,562)	(3,225)
Profit on disposal of investment property and fixed assets	(215)	-
Taxation	(388)	(527)
Increase in stocks	(11,042)	(6,297)
(Increase)/decrease in debtors	(8,062)	599
Increase in creditors	<u>20,667</u>	<u>4,372</u>
<b>Net cash (used in)/generated by operating activities</b>	<b><u>(2,712)</u></b>	<b><u>12,843</u></b>

**2. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Cash & cash equivalents	<u>21,514</u>	<u>21,692</u>
<b>Total cash and cash equivalents</b>	<b><u>21,514</u></b>	<b><u>21,692</u></b>

## THE ERIC WRIGHT CHARITABLE TRUST

### NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 December 2023

#### 1. ACCOUNTING POLICIES

The Eric Wright Charitable Trust ("the Trust") is a Charitable Trust registered and domiciled in the UK. The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. Judgements made by the Trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed later in accounting policies under the title 'Accounting estimates and judgements'.

##### 1.1 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 2015)', 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.

All amounts in the financial statements have been rounded to the nearest £1,000.

##### 1.2 Going concern

The Trust's activities are set out on the Trustees' report set out on pages 2 to 7. The financial position of the Trust is set out in the balance sheet on page 15. The financial risk and management of financial risk is explained in the Trustees' report.

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

Consideration of going concern for subsidiary entities is made at Henmead level and the Trustees agree with the conclusion formed.

##### 1.3 Income

Income from charitable activities is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of the income can be reliably measured.

##### 1.4 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 charitable activities is incurred on directly undertaking the activities which further the groups objectives, as well as any support costs.

Grants payable are charged in the year when payment is made or an unconditional offer is made. Grants offered subject to conditions which have not been met at the year end are noted within the reserves note as a commitment, but not accrued as expenditure.

Expenditure is inclusive of irrecoverable VAT, where appropriate.

## THE ERIC WRIGHT CHARITABLE TRUST

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 December 2023

#### 1. ACCOUNTING POLICIES – continued

##### 1.5 Basis of consolidation

The consolidated financial statements include the financial statements of the Charity and its subsidiary undertakings made up to 31 December 2023. A subsidiary is an entity that is controlled by the Charity. The results of subsidiary undertakings are included in the consolidated statement of financial activities from the date that control commences until the date that control ceases. Control is established when the Charity has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Henmead Limited group of companies referred to as Group, takes into consideration potential voting rights that are currently exercisable. The Henmead Limited group of companies is controlled by the Charity, consequently the gross income and expenditure from its operations are presented on the Statement of Financial Activities for both the current and the comparative period.

An associate is an entity in which the Group has significant influence, but not control, over the operating and financial policies of the entity. Significance influence is presumed to exist when the investor holds between 20% and 50% of the equity voting rights.

A joint venture is a contractual arrangement undertaking in which the Group exercises joint control over the operating and financial policies of the entity. Where the joint venture is carried out through an entity, it is treated as a jointly controlled entity. The Group's share of the profits less losses of associates and of jointly controlled entities is included in the consolidated profit and loss account and its interest in their net assets is recorded on the balance sheet using the equity method. Where there is no obligation, commitment or guarantee by the group to fund the joint venture operations or make payments on behalf of the investees and there is no intention to in the future, then the share of net liabilities recognised in the group consolidated balance sheet is restricted to the value of the investment made by the group.

Where a group company is party to a joint venture which is not an entity, that company accounts directly for its share of the income and expenditure, assets, liabilities and cash flows. Such arrangements are reported in the consolidated financial statements on the same basis.

##### 1.6 Basis of preparing the financial statements

In the consolidated financial statements, investments in subsidiaries, jointly controlled entities and associates are carried at cost less impairment. In the accounts of the Trust, the investments in subsidiaries are carried at Net Asset Value.

##### 1.7 Turnover

Turnover in respect of trading activities is included in "other income" within income on the Statement of Financial Activities.

Turnover is stated net of VAT. In respect of contracting activities, turnover represents the value of work done in the year including estimates of amounts not invoiced and adjustments relating to prior years which have been agreed during the year. In respect of the commercial development activities, turnover represents the sale of property recognised on exchange. With regard to forward funded commercial schemes, revenue is recorded equivalent to the level of costs incurred. In respect of the residential development activity turnover is recognised on completion of property sales. In respect of the Public Private Partnership and management activities turnover represents the value of services supplied during the year. Rental income is recognised on a straight-line basis over the associated lease term.

All amounts are derived within the United Kingdom.

## THE ERIC WRIGHT CHARITABLE TRUST

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 December 2023

#### 1. ACCOUNTING POLICIES – continued

##### 1.8 Classification of financial instruments issued by the group

In accordance with FRS 102.22, financial instruments issued by the group are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the group; and

(b) where the instrument will or may be settled in the entity's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the entity's own equity instruments or is a derivative that will be settled by the entity exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

##### 1.9 Basic financial instruments

###### Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

###### Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

###### Investments in preference and ordinary shares

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value. Subsequent to initial recognition investments that can be measured reliably are measured at fair value with changes recognised in the Statement of Financial Activities. Other investments are measured at cost less impairment in the Statement of Financial Activities.

###### Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Charity's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

###### Finance lease debtors

At the commencement of the lease term, a finance lease is recorded in the balance sheet as a receivable, at an amount equal to the net investment in the lease.

The net investment in a lease is the gross investment in the lease discounted at the interest rate implicit in the lease.

The gross investment in the lease is the aggregate of:

- The minimum lease payments receivable under a finance lease; and
- Any unguaranteed residual value accruing to the company.

Initial direct costs (costs that are incremental and directly attributable to negotiating and arranging a lease) are included in the initial measurement of the finance lease receivable and reduce the income recognised over the lease term.

Finance income is recognised based on a pattern reflecting a constant periodic rate of return on the net investment outstanding in respect of the finance lease.

## THE ERIC WRIGHT CHARITABLE TRUST

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 December 2023

#### 1. ACCOUNTING POLICIES – continued

##### 1.10 Other financial instruments

###### Financial instruments not considered to be Basic financial instruments (Other financial instruments)

Other financial instruments not meeting the definition of Basic Financial Instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in the Statement of Financial Activities except as follows:

- investments in equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably shall be measured at cost less impairment; and
- hedging instruments in a designated hedging relationship shall be recognised as set out overleaf.

###### Derivative financial instruments and hedging

Within the Trust no derivative financial instruments exist however, the below represents those derivative financial instruments that occur in the Henmead group accounts and are included in the Trust accounts on consolidation.

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged (see below).

##### 1.11 Hedge accounting

###### Fair value hedges

Within the Trust no fair value hedges exist however, the below represents those fair value hedges that occur in the Henmead group accounts and are included in the Trust accounts on consolidation.

Where a derivative financial instrument is designated as a hedge of the variability in fair value of a recognised asset or liability or an unrecognised firm commitment, all changes in the fair value of the derivative are recognised immediately in the Statement of Financial Activities. The carrying value of the hedged item is adjusted by the change in fair value that is attributable to the risk being hedged (even if it is normally carried at cost or amortised cost) and any gains or losses on remeasurement are recognised immediately in the income statement (even if those gains would normally be recognised directly in reserves). If hedge accounting is discontinued and the hedged financial asset or liability has not been derecognised, any adjustments to the carrying amount of the hedged item are amortised into the Statement of Financial Activities using the effective interest method over the remaining life of the hedged item.

###### Cash flow hedges

Within the Trust no cash flow hedges exist however, the below represents those cash flow hedges that occur in the Henmead group accounts and are included in the Trust accounts on consolidation.

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in other comprehensive income. Any ineffective portion of the hedge is recognised immediately in the Statement of Financial Activities.

For cash flow hedges, where the forecast transactions resulted in the recognition of a non-financial asset or non-financial liability, the hedging gain or loss recognised in other recognised losses is included in the initial cost or other carrying amount of the asset or liability. Alternatively, when the hedged item is recognised in profit or loss the hedging gain or loss is reclassified to the Statement of Financial Activities. When a hedging instrument expires or is sold, terminated or exercised, or the entity discontinues designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is recognised in the income statement immediately.

## THE ERIC WRIGHT CHARITABLE TRUST

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 December 2023

#### 1. ACCOUNTING POLICIES - continued

##### 1.12 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

Leases in which the entity assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases. Leased assets acquired by way of finance lease are stated on initial recognition at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, including any incremental costs directly attributable to negotiating and arranging the lease. At initial recognition a finance lease liability is recognised equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The present value of the minimum lease payments is calculated using the interest rate implicit in the lease. Lease payments are accounted for as described below.

The company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation is charged to the Statement of Financial Activities on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

- Freehold buildings	4% on cost
- Leasehold land and buildings	4% on cost
- Plant, machinery and scaffolding	15% on reducing balance
- Fixtures and fittings	15% on reducing balance
- Motor vehicles	25% on reducing balance
- Computer equipment	33% on cost

##### 1.13 Business combinations

Business combinations are accounted for using the purchase method as at the acquisition date, which is the date on which control is transferred to the entity.

At the acquisition date, the group recognises goodwill as:

- the fair value of the consideration (excluding contingent consideration) transferred; plus
- estimated amount of contingent consideration (see below); plus
- the fair value of the equity instruments issued; plus
- directly attributable transaction costs; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities and contingent liabilities assumed.

Consideration which is contingent on future events is recognised based on the estimated amount if the contingent consideration is probable and can be measured reliably. Any subsequent changes to the amount are treated as an adjustment to the cost of the acquisition.

FRS 102.35 granted certain exemptions from the full requirements of FRS 102 in the transition period. The Group elected not to restate business combinations that took place prior to 1 January 2014. In respect of acquisitions prior to 1 January 2014, goodwill is included on the basis of its deemed cost, which represents the amount recorded under old UK GAAP. Intangible assets previously included in goodwill, are not recognised separately.

## THE ERIC WRIGHT CHARITABLE TRUST

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 December 2023

#### 1. ACCOUNTING POLICIES - continued

##### 1.14 Intangible assets

Within the Trust no intangible assets exists however, the below represents intangible assets that occurs in the Henmead group accounts.

Intangible assets relate to computer software which is stated at cost less accumulated amortisation. Amortisation is charged to the profit and loss account on a straight-line basis over the estimated useful life which is 10 years.

##### 1.15 Stock and work in progress

Stock and work in progress is stated at the lower of cost and net realisable value. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

##### 1.16 Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost.

Subsequent to initial recognition

- i. investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. Any gains or losses arising from changes in the fair value are recognised in the Statement of Financial Activities in the period that they arise; and
- ii. no depreciation is provided in respect of investment properties applying the fair value model.

##### 1.17 Construction contract debtors

Within the Trust accounts no construction contract debtors exist however, the below represents those construction contract debtors that occur in the subsidiary accounts.

Amounts recoverable on long term contracts represents the gross unbilled amount for contract work performed to date. They are measured at cost plus profit recognised to date (see the revenue accounting policy) less a provision for foreseeable losses and less progress billings. Variations are included in contract revenue when they are reliably measurable and it is probable that the customer will approve the variation itself and the revenue arising from the variation. Claims are included in contract revenue only when they are reliably measurable and negotiations have reached an advanced stage such that it is probable that the customer will accept the claim. Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the entity's contract activities based on normal operating capacity.

Amounts recoverable on long term contracts are presented as part of trade debtors in the balance sheet. If payments received from customers exceed the income recognised, then the difference is presented as payments on account in the balance sheet.

## THE ERIC WRIGHT CHARITABLE TRUST

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 December 2023

#### 1. ACCOUNTING POLICIES - continued

##### 1.18 Impairment excluding stocks, investment properties and deferred tax assets

###### Financial assets (including trade and other debtors)

A financial asset not carried at fair value through the Statement of Financial Activities is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in the Statement of Financial Activities. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the Statement of Financial Activities.

###### Non-financial assets

Within the Trust accounts no non-financial assets exist however, the below represents those non-financial assets that occur in the subsidiary accounts.

The carrying amounts of the entity's non-financial assets, other than investment property, stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination. For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or if it has been integrated then the entire group of entities into which it has been integrated.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Financial Activities. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

## THE ERIC WRIGHT CHARITABLE TRUST

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 December 2023

#### 1. ACCOUNTING POLICIES - continued

##### 1.19 Employee benefits

###### Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The amount charged to the Statement of Financial Activities represents the contributions payable to the scheme in respect of the accounting period. Differences between contributions payable in the year and contributions actually paid are shown as either other creditors or prepayments in the balance sheet.

###### Defined benefit plans

Within the Trust no defined benefit plans exist however, the below represents those defined benefit plans that occur in the Henmead group accounts and included in the Trust accounts on consolidation.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The entity's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The entity determines the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate as determined at the beginning of the annual period to the net defined benefit liability taking account of changes arising as a result of contributions and benefit payments.

The discount rate is the yield at the balance sheet date on AA credit rated bonds denominated in the currency of, and having maturity dates approximating, to the terms of the entity's obligations. A valuation is performed annually by a qualified actuary using the projected unit credit method.

Changes in the net defined benefit liability arising from employee service rendered during the period, net interest on net defined benefit liability, and the cost of plan introductions, benefit changes, curtailments and settlements during the period are recognised in the Statement of Financial Activities.

Remeasurement of the net defined benefit liability is recognised in other comprehensive income in the period in which it occurs.

##### 1.20 Provisions

A provision is recognised in the balance sheet when the entity has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Where the Trust enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company treats the guarantee contract as a contingent liability in its individual financial statements until such time as it becomes probable that the company will be required to make a payment under the guarantee.

# THE ERIC WRIGHT CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 December 2023

### 1. ACCOUNTING POLICIES - continued

#### 1.21 Expenses

##### Operating lease

Within the Trust no operating leases exist however, the below represents operating leases that occur in the Henmead group accounts and are included in the Trust accounts on consolidation.

Payments (excluding costs for services and insurance) made under operating leases are recognised in the Statement of Financial Activities on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

##### Finance lease

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the rate implicit in the lease. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

##### Interest receivable and Interest payable

Interest payable and similar charges include interest payable, finance charges and finance leases recognised in the Statement of Financial Activities using the effective interest method and unwinding of the discount on provisions that are recognised in the Statement of Financial Activities.

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains. Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the Statement of Financial Activities on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

#### 1.22 Taxation

The Trust is exempt from taxation in respect of income or capital gains, to the extent that such income or gains are applied exclusively to charitable purposes.

Tax on the profit or loss for the year for trading subsidiaries comprises current and deferred tax. Tax is recognised in the statement of financial activities except to the extent that it relates to items recognised directly in equity or other gains and losses, in which case it is recognised directly in equity or other gains and losses.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, associates and joint ventures to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

## THE ERIC WRIGHT CHARITABLE TRUST

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 December 2023

#### 1. ACCOUNTING POLICIES - continued

##### 1.23 Fund accounting

All funds are held within unrestricted reserves, which are available for use at the discretion of the Trustees in furtherance of the charitable objectives of the Group.

#### 2. ACCOUNTING ESTIMATES AND JUDGEMENTS

##### (a) Key sources of estimation uncertainty in applying the Group's accounting policies

Preparation of the financial statements requires the Trustees to make estimates. The items across the group statements where these estimates have been made include:

##### Contract turnover, Amounts recoverable on contracts and provisions

The amount of profit attributable to the stage of completion of a long-term contract is recognised when the outcome of the contract can be foreseen with reasonable certainty however there is inherent judgement in this assessment. Turnover for such contracts is stated by reference to the costs incurred as a proportion of the total anticipated contract costs, less amounts recognised in previous years. Where the outcome cannot be reasonably foreseen, revenue is recognised to the extent of costs expensed as incurred. Amounts recoverable on contracts represent the gross unbilled amount for contract work performed to date. Provision is made for any losses as soon as they are foreseen. The provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

##### Life cycle provision

The Eric Wright Group has contractual obligations to maintain properties owned by LIFT entities and other third parties over the lives of those assets. The receipts are under contract however the timing and quantum of costs differs resulting in a provision on the balance sheet. Due to the duration of the life cycle contracts, there is uncertainty regarding the timing and extent of the costs required to maintain the assets and judgement is therefore required in order to assess sufficiency.

##### Trade debtors

Held within trade debtors are contract trade debtors that represent billed amounts for contract work performed to date. Contract trade debtors are regularly reported and monitored to ensure the full amount is recovered. Provision is made for doubtful debts.

##### Defect period provision

During the prior year, new legislation was introduced which resulted in an extension to the limitation period within the Building Safety Act. This created the potential for future liabilities on a small number of buildings which were constructed in the past 30 years. A provision for future costs has been calculated based on the information currently available, consequently £1.0m has been included within accruals.

##### (b) Critical accounting judgements in applying the Group's accounting policies

Certain critical accounting judgements (apart from those involving estimations included above) in applying the Group's accounting policies are described below.

##### Investment property

Investment properties are initially recognised at cost. Subsequent to initial recognition investment properties whose fair value can be measured reliably are held at fair value. Whilst the investment properties are valued by external experts, there are a number of judgements adopted in respect of items such as yield and lease renewals which affect the overall valuation.

##### Loans to joint ventures

Loans to joint ventures are initially recognised at cost. The loans are reviewed annually for impairment via a review of the joint ventures cash flow forecast. No impairment is recognised as future trading and cash flow forecasts demonstrate the joint ventures have sufficient funds to meet repay the loans as they fall due.

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31 December 2023**

**2. ACCOUNTING ESTIMATES AND JUDGEMENTS - continued**

Investments in joint ventures

To the extent that the Henmead group have no legal or constructive obligation to fund the share of historic losses recognised in the joint ventures the value of the investment is restricted to the value of the investments made.

Classification of financial instruments

Financial instruments are recognised initially at fair value. Subsequent to initial recognition financial instruments are measured at fair value with changes recognised in the Statement of Financial Activities. Where the financial instrument falls under the classification of hedging instruments and is in a designated hedging relationship the effective part of any gain or loss on the derivative financial instrument is recognised directly in other gains and losses. Any ineffective portion of the hedge is recognised immediately in the Statement of Financial Activities. The assessment of hedge effectiveness requires judgement.

Defined benefit plan

The Group's net obligation in respect of defined benefit plans is calculated each year by a qualified Actuary and using the estimates set out in note 27. Full provision for the liability is recognised in the Group accounts.

**3. DONATIONS AND LEGACIES**

The grant income can be represented as:

	<b>2023</b>	2022
	<b>£'000</b>	£'000
Other	<u>1</u>	<u>1</u>

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 December 2023

**4. COMMERCIAL TRADE OPERATIONAL INCOME**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Group turnover	232,278	168,027
Other operating income – rental income	5,461	5,405
Profit on disposal of investment property	215	-
Share of profit in Joint Ventures	3,562	3,224
Share of profit in Associates	-	1
Income from investment	-	5,787
Interest receivable and similar income	<u>4,756</u>	<u>4,155</u>
	<u><b>246,272</b></u>	<u><b>186,599</b></u>

Commercial trade operational income relates to the Henmead Limited group of companies.

**5. INCOME FROM CHARITABLE ACTIVITIES**

		<b>2023</b>	<b>2022</b>
	<b>Activity</b>	<b>£'000</b>	<b>£'000</b>
Water Park fees received	Third party fee income paid to Water Park	<u>371</u>	<u>371</u>

**6. INVESTMENT INCOME**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Other fixed asset investment	76	54
Deposit account interest	<u>98</u>	<u>9</u>
	<u><b>174</b></u>	<u><b>63</b></u>

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 December 2023

**7. RAISING FUNDS**

**Other trading activities**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Purchases	<u>45</u>	<u>42</u>

**8. COMMERCIAL TRADE OPERATIONAL EXPENDITURE**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Cost of sales	<b>212,408</b>	148,315
Administrative expenses	<b>24,430</b>	23,502
Interest payable and similar expenses	<b>3,831</b>	3,109
Cost related to investment	-	1,958
Tax on profit on ordinary activities	<b>(388)</b>	(527)
Dividend to minority interest	-	6
	<u><b>240,281</b></u>	<u>176,363</u>

Commercial trade operational expenditure relates to the Henmead Limited group of companies.

**9. CHARITABLE ACTIVITIES COSTS**

	Direct costs	Grant funding of activities (See note 10)	Support costs (See note 11)	Totals
	£'000	£'000	£'000	£'000
Costs of operating Water Park	1,139	-	-	1,139
Governance costs	-	-	223	223
Grants to other Charitable bodies	-	1,728	-	1,728
	<u>1,139</u>	<u>1,728</u>	<u>223</u>	<u>3,090</u>

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31 December 2023**

**10. GRANTS PAYABLE**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Grants to other Charitable bodies	<b><u>1,728</u></b>	<b><u>2,137</u></b>
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Grants paid to institutions other than Water Park Limited are categorised into the following sectors:		
Health	<b>295</b>	411
Youth	<b>280</b>	310
Child and Family Support	<b>270</b>	289
Community Voluntary Services	<b>270</b>	125
Mental Health	<b>222</b>	377
Carers	<b>159</b>	295
Elderly	<b>145</b>	270
Education & Training	<b>75</b>	50
Other	<b>13</b>	10
	<b><u>1,728</u></b>	<b><u>2,137</u></b>

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31 December 2023**

**11. CHARITABLE SUPPORT COSTS**

Support costs, included in the above, are as follows:

**Governance costs**

	<b>2023</b>	2022
	<b>£'000</b>	£'000
Recharge of administrative resources	<b>103</b>	49
Auditors' remuneration	<b>15</b>	15
Accountancy and legal fees	<b>103</b>	30
Trustees and sundry expenses	<u><b>2</b></u>	<u>1</u>
	<u><b>223</b></u>	<u>95</u>

Audit fees across the group are disclosed as:

	<b>2023</b>	2022
	<b>£'000</b>	£'000
Trust auditor (Fairhurst):		
Audit of Trust and Water Park subsidiary	<b>15</b>	15
Henmead Limited auditor:		
Audit of Henmead Limited financial statements	<b>7</b>	7
Audit of financial statements of subsidiaries of Henmead Limited	<b>184</b>	160
Taxation advisory services	<u><b>45</b></u>	<u>29</u>
	<u><b>251</b></u>	<u>211</u>

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31 December 2023**

**12. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits payable by the Trust for the year ended 31 December 2023 nor for the year ended 31 December 2022.

However, during the year two Trustees received benefits for their former role as a director of two of the non-charitable trading subsidiaries (2022: two). One Trustee also received remuneration for supplying ad hoc professional advisory services to subsidiaries within the Henmead Limited group (2022: one).

**Trustees' expenses**

During the year Trustees were reimbursed a total of £772 (2022: £51) to cover out of pocket expenses.

**Directors' remuneration and key management personnel**

During the year Directors' and key management personnel of the Henmead group were compensated for their services as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Directors' remuneration	1,823	2,244
Benefits in kind	4	10
Company contributions to money purchase pension plans	<u>38</u>	<u>35</u>
	<u><b>1,865</b></u>	<u><b>2,289</b></u>

Information regarding the highest paid director is as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Remuneration	<u><b>903</b></u>	<u><b>1,276</b></u>

Retirement benefits are accruing to one (2022: one) director under a defined contribution scheme.

The remuneration of the Directors of Henmead Limited is disclosed above.

The additional remuneration of the Directors of Eric Wright Group Limited (key management personnel) is set out below.

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Key management personnel remuneration	<u><b>1,175</b></u>	<u><b>1,211</b></u>

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 December 2023

**13. STAFF NUMBERS AND COSTS**

The average number of persons employed by the Group (including Trustees) during the year, analysed by category, was as follows:

	<b>2023</b>	2022
	<b>No.</b>	No.
Direct labour	394	371
Administration	<u>473</u>	<u>432</u>
	<u><b>867</b></u>	<u><b>803</b></u>

The aggregate payroll costs of these persons were as follows:

	<b>2023</b>	2022
	<b>£'000</b>	£'000
Wages and salaries	36,632	36,389
Social security costs	3,735	3,654
Contributions to defined contribution plans	<u>3,941</u>	<u>3,343</u>
	<u><b>44,309</b></u>	<u><b>43,386</b></u>

**14. TAXATION**

During the year no tax was directly payable by the Trust. Taxation was paid by subsidiary entities and is disclosed in note 8.

**15. INTANGIBLE ASSETS**

<b>Group</b>	<b>Software</b>
	<b>£'000</b>
<b>COST</b>	
At 1 January 2023	1,821
Additions	<u>290</u>
At 31 December 2023	<u><b>2,111</b></u>
 <b>AMORTISATION</b>	
At 1 January 2023	322
Amortisation charge for year	<u>184</u>
At 31 December 2023	<u><b>506</b></u>
 <b>NET BOOK VALUE</b>	
At 31 December 2023	<u><b>1,605</b></u>
At 31 December 2022	<u><b>1,499</b></u>

**Trust**

The trust does not hold any goodwill or intangible assets.

THE ERIC WRIGHT CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
for the Year Ended 31 December 2023

16. TANGIBLE FIXED ASSETS

Group	Freehold property £'000	Long leasehold £'000	Plant and machinery £'000
<b>COST</b>			
At 1 January 2023	3,586	515	2,611
Additions	453	546	244
Disposals	<u>-</u>	<u>-</u>	<u>(4)</u>
At 31 December 2023	<u>4,039</u>	<u>1,061</u>	<u>2,851</u>
<b>DEPRECIATION</b>			
At 1 January 2023	370	341	2,136
Charge for year	33	19	132
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>(4)</u>
At 31 December 2023	<u>403</u>	<u>360</u>	<u>2,264</u>
<b>NET BOOK VALUE</b>			
At 31 December 2023	<u>3,636</u>	<u>701</u>	<u>587</u>
At 31 December 2022	<u>3,249</u>	<u>196</u>	<u>356</u>
	<b>Fixtures and fittings £'000</b>	<b>Motor vehicles £'000</b>	<b>Totals £'000</b>
<b>COST</b>			
At 1 January 2023	2,268	397	9,377
Additions	35	-	1,277
Disposals	<u>-</u>	<u>-</u>	<u>(4)</u>
At 31 December 2023	<u>2,303</u>	<u>397</u>	<u>10,651</u>
<b>DEPRECIATION</b>			
At 1 January 2023	2,061	278	5,186
Charge for year	71	30	285
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>(4)</u>
At 31 December 2023	<u>2,133</u>	<u>308</u>	<u>5,467</u>
<b>NET BOOK VALUE</b>			
At 31 December 2023	<u>170</u>	<u>89</u>	<u>5,183</u>
At 31 December 2022	<u>207</u>	<u>120</u>	<u>4,191</u>

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 December 2023

**16. TANGIBLE FIXED ASSETS - continued**

**Land and buildings**

The net book value of land and buildings in tangible fixed assets and investment properties comprises:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Freehold	<b>63,359</b>	65,674
Long leasehold	<b>29,437</b>	30,198
Short leasehold	<b>701</b>	174
	<u><b>93,497</b></u>	<u>96,046</u>

**Trust**

**Fixtures and fittings**  
£'000

**COST**

At 1 January 2023 and 31 December 2023

204

**DEPRECIATION**

At 1 January 2023

185

Charge for year

2

At 31 December 2023

187

**NET BOOK VALUE**

At 31 December 2023

17

At 31 December 2022

19

**17. FIXED ASSET INVESTMENTS**

<b>Group</b>	<b>Loans to Joint Ventures £'000</b>	<b>Interests in Joint Ventures £'000</b>	<b>Investment in associates £'000</b>	<b>Share portfolio £'000</b>	<b>Cash and settlements pending £'000</b>	<b>Total £'000</b>
<b>COST OR MARKET VALUE</b>						
At 1 January 2023	13,198	2,122	3,437	3,088	184	22,029
Additions	-	-	-	1,620	1,513	3,133
Disposals	-	-	-	(1,437)	(1,641)	(3,078)
New loans provided	52	-	-	-	-	52
Repayment of loans	(386)	-	(3,436)	-	-	(3,822)
Revaluation	-	-	-	197	-	197
Share of loss	-	(623)	-	-	-	(623)
At 31 December 2023	<u>12,864</u>	<u>1,499</u>	<u>1</u>	<u>3,468</u>	<u>56</u>	<u>17,888</u>
<b>PROVISIONS</b>						
At 1 January 2023	(4,783)	-	-	-	-	(4,783)
Movement in provision	915	-	-	-	-	915
At 31 December 2023	<u>(3,868)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,868)</u>
<b>NET BOOK VALUE</b>						
<b>AT 31 DECEMBER 2023</b>	<u><b>8,996</b></u>	<u><b>1,499</b></u>	<u><b>1</b></u>	<u><b>3,468</b></u>	<u><b>56</b></u>	<u><b>14,020</b></u>
At 31 December 2022	<u>8,415</u>	<u>2,122</u>	<u>3,437</u>	<u>3,089</u>	<u>184</u>	<u>17,247</u>

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 December 2023

**17. FIXED ASSET INVESTMENTS - continued**

**Trust**

	Share portfolio £'000	Unlisted investments £'000	Cash and settlements pending £'000	Totals £'000
<b>FAIR VALUE</b>				
At 1 January 2023	3,062	95,048	184	98,294
Additions	1,620	-	1,513	3,133
Disposals	(1,437)	-	(1,641)	(3,078)
Revaluations	197	(2,804)	-	(2,607)
	<u>3,442</u>	<u>92,244</u>	<u>56</u>	<u>95,742</u>
At 31 December 2023	<u>3,442</u>	<u>92,244</u>	<u>56</u>	<u>95,742</u>
<b>NET BOOK VALUE</b>				
At 31 December 2023	<u>3,442</u>	<u>92,244</u>	<u>56</u>	<u>95,742</u>
At 31 December 2022	<u>3,062</u>	<u>95,048</u>	<u>184</u>	<u>98,294</u>

There were no investment assets outside the UK.

The Trust's investments in unlisted companies at the balance sheet date were:

Company	Percentage holding	Country of incorporation	Nominal value £
Henmead Limited	100	England	100
Water Park Limited	100	England	1

**18. INVESTMENT PROPERTY**

	2023 £'000 Group	2023 £'000 Trust
<b>FAIR VALUE</b>		
At 1 January 2023	92,656	2,250
Additions	794	-
Disposals	(2,635)	-
Net (deficit)/surplus from fair value adjustments	<u>(1,405)</u>	<u>250</u>
At 31 December 2023	<u>89,410</u>	<u>2,500</u>
<b>NET BOOK VALUE</b>		
At 31 December 2023	<u>89,410</u>	<u>2,500</u>
At 31 December 2022	<u>92,656</u>	<u>2,250</u>

All investment properties are held at fair value. With the exception of the asset held by the trust, all group assets were valued at 1 November 2023 at market value on the basis of existing use by Avison Young or Cushman and Wakefield, Chartered Surveyors, external independent valuers, having an appropriate recognised professional qualification (The Royal Institute of Chartered Surveyors) and recent experience in the location and class of property being valued. The investment asset held by the Trust was valued on the same basis, but as at 31<sup>st</sup> December 2023. Although the trust asset is used by Water Park Limited (a subsidiary company) for the furtherance of the trust's charitable activities, the Trustees have deemed that it is correct for it to be classified as an investment property in the consolidated accounts as it is their policy to revalue the asset on a regular basis.

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 December 2023

**19. STOCKS**

	<b>Group</b> <b>2023</b> <b>£000</b>	<b>Group</b> <b>2022</b> <b>£000</b>	<b>Trust</b> <b>2023</b> <b>£000</b>	<b>Trust</b> <b>2022</b> <b>£000</b>
Work in progress	31,366	20,324	-	-
	<u>31,366</u>	<u>20,324</u>	<u>-</u>	<u>-</u>

The write-down of stocks to net realisable value through cost of sales amounted to £65,000 (2022: £548,000). Offsetting this is a write-back of a previous impairment of £NIL (2022: £170,000).

**20. DEBTORS**

	<b>Group</b> <b>2023</b> <b>£000</b>	<b>Group</b> <b>2022</b> <b>£000</b>	<b>Trust</b> <b>2023</b> <b>£000</b>	<b>Trust</b> <b>2022</b> <b>£000</b>
<i>Amounts falling due within one year</i>				
Finance lease debtor receivable	2,353	2,001	-	-
Trade debtors	20,545	18,899	-	-
Amounts recoverable on long term contracts	23,805	16,833	-	-
Amounts due from subsidiaries	-	-	208	235
Corporation tax	216	176	-	-
VAT	-	-	-	13
Prepayments	4,867	5,289	55	24
Deferred tax	1,011	894	-	-
Financial Instruments	471	719	-	-
Other debtors	4,436	2,503	-	-
	<u>57,705</u>	<u>47,314</u>	<u>262</u>	<u>272</u>
<i>Due after more than one year</i>				
Finance lease debtor receivable	30,590	33,037	-	-
Trade debtors	2,116	2,095	-	-
	<u>90,411</u>	<u>82,446</u>	<u>-</u>	<u>272</u>

Amounts owed by group undertakings are non-interest bearing and repayable on demand. Within debtors due after one year are trade debtors in relation to retentions receivable on contracts after more than one year.

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 December 2023

**21. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>	Group	<b>Trust</b>	Trust
	<b>2023</b>	2022	<b>2023</b>	2022
	<b>£000</b>	£000	<b>£000</b>	£000
Bank loans and overdraft	14,610	2,507	-	-
Payments on account	12,350	7,599	-	-
Trade creditors	34,171	23,979	-	-
Amounts due to subsidiaries	-	-	29	96
Taxation and social security	7,669	5,606	3	-
Other creditors	19,928	16,315	56	-
Accruals and deferred income	7,417	7,505	182	35
Director's loan accounts	6,747	5,685	-	-
	<u>102,892</u>	<u>69,196</u>	<u>270</u>	<u>131</u>

Included within directors' loan accounts due within one year are loans due to R E Wright (Director). Amounts due to R E Wright are £6,747,000 (2022: £5,685,000). The maximum amount outstanding in the year to R E Wright was £6,747,000 (2022: £5,685,000).

Within other creditors is a provision of £3,036,000 in relation to an onerous development contract. This provision will be utilised in full by April 2025.

Within accruals there is a reserve of £1,000,000 in relation to potential defects as a result of the changes to the liability period imposed by the Building Act 2022.

Amounts owed to subsidiaries by the Trust are non-interest bearing and repayable on demand.

**22. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>	Group	<b>Trust</b>	Trust
	<b>2023</b>	2022	<b>2023</b>	2022
	<b>£000</b>	£000	<b>£000</b>	£000
Bank loans	33,441	52,050	-	-
Deferred Income	4,835	4,708	-	-
Financial instruments	1,205	828	-	-
	<u>39,481</u>	<u>57,586</u>	<u>-</u>	<u>-</u>

Details on financial instruments are included in note 25.

**23. INTEREST-BEARING LOANS AND BORROWING**

This note provides information about the contractual terms of Henmead's interest-bearing loans and borrowings, which are measured at amortised cost.

	<b>2023</b>	2022
	<b>£'000</b>	£'000
Loans and overdrafts can be analysed as falling due:		
In one year or less	14,610	2,507
Between one and two years	12,493	14,610
Between two and five years	4,888	19,611
In five years or more	<u>16,060</u>	<u>17,829</u>
	<u>48,051</u>	<u>54,557</u>

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 December 2023

**23. INTEREST-BEARING LOANS AND BORROWINGS – continued**

	2023	2022
	£'000	£'000
Creditors falling due in more than one year		
Secured bank loans	<u>33,441</u>	<u>52,050</u>

Bank loans are secured on certain investment properties of Eric Wright Group Limited, a subsidiary of Henmead Limited, and other group companies.

All financial liabilities are denominated in UK pounds sterling. The financial liabilities carry floating rates of interest, based upon market rates prevailing at the time. Some of these financial liabilities have been swapped to a fixed interest rate.

Interest rate swaps, denominated in pounds sterling have been entered into to protect the maximum interest expense to which the Group is exposed. These swaps with an underlying debt value of £33,584,000 (2022: £39,490,000) enable the Group to swap floating rate liabilities on loans to a fixed rate liability. The period of these swap arrangements ranges from 1 to 14 years as at 31 December 2023. This capped the maximum interest payable by the Group to December 2023 at 5.87%.

The interest paid by the Group on its bank floating rate liabilities was at a rate of SONIA plus a margin of 2% to 2.7% (2022: SONIA plus 2% to 2.7%).

Terms and debt repayment schedule

Group	Currency	Nominal interest rate	Year of maturity	Repayment schedule	2023 £000	2022 £000
Term loan 1	£ GBP	SONIA + 2.7%	2024	Amortising	12,400	12,800
Revolving Credit Facility	£ GBP	SONIA + 2%	2025	Revolving Credit Facility	11,000	15,000
Debenture loans	£ GBP	SONIA + 2%	-	Subordinated debt	67	67
Term loan 2	£ GBP	SONIA + 1%	2024	Amortising	664	1,323
Term loan 3	£ GBP	SONIA + 0.97%	2030	Amortising	3,965	4,450
Term loan 4	£ GBP	SONIA + 2.1%	2037	Amortising	19,955	20,917
					<u>48,051</u>	<u>54,557</u>

Following a refinance completed in December 2019, Term loan 1 is an amortising 5-year term loan with annual capital repayments of £400,000. The residual £12m loan will fall due for final repayment in December 2024 and discussions have commenced in relation to the refinancing of the facility

The Revolving Credit Facility (“RCF”) is drawn for a fixed period, agreed in advance with the bank. The RCF is either repaid at the end of the fixed period or the period extended. The RCF facility was refinanced in December 2021 for a 42 month period to June 2025. The available facility is £30m subject to the value of charged assets.

The debenture loan is unsecured and no redemption date has been set.

The term loans 2-4 are repaid bi-annually and full repayment will be made by the expiry date and relate to the Group’s PFI arrangement.

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 December 2023

**24. OTHER FINANCIAL LIABILITIES**

	<b>Group 2023 £000</b>	<b>Group 2022 £000</b>	<b>Trust 2023 £000</b>	<b>Trust 2022 £000</b>
<b>Liabilities</b>				
<b>Amounts falling due after more than one year</b>				
Other financial liabilities designated as fair value through other comprehensive income	1,205	828	-	-
	<u>1,205</u>	<u>828</u>	<u>-</u>	<u>-</u>
	<b>Group 2023 £000</b>	<b>Group 2022 £000</b>	<b>Trust 2023 £000</b>	<b>Trust 2022 £000</b>
<b>Assets</b>				
<b>Amounts recoverable after more than one year</b>				
Other financial assets designated as fair value through other comprehensive income	471	719	-	-
	<u>471</u>	<u>719</u>	<u>-</u>	<u>-</u>

**25. FINANCIAL INSTRUMENTS**

**(a) Carrying amount of financial instruments**

The carrying amounts of the financial assets and liabilities include:

	<b>Notional amount £'000</b>	<b>Maturity year</b>	<b>Fixed rate %</b>	<b>Fair value 2023 £'000</b>	<b>Fair value 2022 £'000</b>
<b>Liabilities measured at amortised cost</b>					
Interest rate swap 1	671	2024	5.865	(2)	(26)
Interest rate swap 2	3,920	2030	5.400	(206)	(204)
Interest rate swap 3	19,954	2037	4.400	(997)	(598)
				<u>(1,205)</u>	<u>(828)</u>

	<b>Notional amount £000</b>	<b>Maturity Year</b>	<b>Fixed Rate %</b>	<b>Fair value asset</b>	
				<b>2023 £000</b>	<b>2022 £000</b>
<b>Assets measured at amortised cost</b>					
Interest rate swap 4	9,000	2024	0.545	471	719
				<u>471</u>	<u>719</u>

**(b) Financial instruments measured at fair value**

Derivative financial instruments

The fair value of interest rate swap and interest rate caps is based on broker quotes. Those quotes are tested for reasonableness by comparing against prior year valuations, market interest rates and valuations for similar instruments at the measurement date.

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 December 2023

**25. FINANCIAL INSTRUMENTS – continued**

**(c) Hedge accounting**

To hedge the potential volatility in future interest cash flows arising from movements in SONIA, the Group has entered into swap agreements with RBS, the Bank of Tokyo Mitsubishi, Santander and Co-operative Bank. These result in the Group paying the floating interest rate and receiving and/or paying a fixed interest rate on the swaps. This effectively fixes the interest cost on the loans.

The derivatives are accounted for as a hedge of variable interest rate risks, in accordance with FRS 102. The cash flows arising from the interest rate swaps will continue until their maturity, coinciding with the repayment of the loans.

The following table indicates the periods in which the cash flows associated with cash flow hedging instruments are expected to occur as required by FRS 102.29(a) for the cash flow hedge accounting models:

	Carrying Amount £000	Expected cash flows £000	2023				Carrying amount £000	Expected cash flows £000	2022				5years and over £000
			1 year or less £000	1 to <2years £000	2 to <5years £000	5 years and over £000			1 year or less £000	1 to <2years £000	2 to <5years £000		
<b>Interest rate swaps: Liabilities</b>	<b>33,545</b>	<b>12,031</b>	<b>1,637</b>	<b>1,463</b>	<b>3,756</b>	<b>5,175</b>	<b>35,653</b>	<b>13,807</b>	<b>1,775</b>	<b>1,637</b>	<b>4,070</b>	<b>6,325</b>	
	<u>33,545</u>	<u>12,301</u>	<u>1,637</u>	<u>1,463</u>	<u>3,756</u>	<u>5,175</u>	<u>35,653</u>	<u>13,807</u>	<u>1,775</u>	<u>1,637</u>	<u>4,070</u>	<u>6,325</u>	

The change in fair value in the period is recognised in other comprehensive income as the swaps were 100% effective hedges.

**(d) Fair values**

The amounts for all financial assets and financial liabilities carried at fair value are as follows:

	Fair value 2023 £'000	Fair value 2022 £'000
Interest rate swaps – liabilities	(1,205)	(828)
Interest rate swaps – assets	471	719
	<u>(734)</u>	<u>(109)</u>

**26. DEFERRED TAX ASSETS AND LIABILITIES**

Deferred tax assets and liabilities are attributable to the following:

	Group 2023 £000	Group 2022 £000	Trust 2023 £000	Trust 2022 £000
<i>Held in provisions for liabilities and charges</i>				
At 1 January	5,610	6,407	-	-
Profit and loss account credit	(395)	(1,182)	-	-
Amount recognised in other comprehensive income	(39)	385	-	-
At 31 December	<u>5,176</u>	<u>5,610</u>	<u>-</u>	<u>-</u>

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**for the Year Ended 31 December 2023**

**26. DEFERRED TAX ASSETS AND LIABILITIES - continued**

<i>Held in debtors</i>	<b>Group</b>	<b>Group</b>	<b>Trust</b>	<b>Trust</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
At 1 January	894	2,617	-	-
Profit and loss accounts charge	(13)	(72)	-	-
Amount recognised in other comprehensive income	130	(1,651)	-	-
	<u>1,011</u>	<u>894</u>	<u>-</u>	<u>-</u>
<i>Deferred tax liability</i>	<b>Group</b>	<b>Group</b>	<b>Trust</b>	<b>Trust</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Accelerated capital allowances	3,520	3,517	-	-
Other timing differences	193	39	-	-
Short term timing differences financial instruments	48	86	-	-
Other short term timing differences	1,415	1,968	-	-
	<u>5,176</u>	<u>5,610</u>	<u>-</u>	<u>-</u>
<i>Deferred tax asset</i>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Accelerated capital allowances	25	28	-	-
Other timing differences	120	96	-	-
Short term timing differences relating to pension provision	617	620	-	-
Short term timing differences - financial instruments	249	150	-	-
	<u>1,011</u>	<u>894</u>	<u>-</u>	<u>-</u>

**27. EMPLOYEE BENEFITS**

Henmead Limited operates a pension scheme providing benefits to a finite number of long serving retired employees based on an ex-gratia pension determined by the Chairman. The pension scheme has no assets and the pension scheme liability is recognised in full in the balance sheet and detailed below.

The information disclosed below is in respect of the whole of the plan and for which Henmead Limited is legally responsible.

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<u>Net pension liability</u>		
Defined benefit obligation	<u>2,467</u>	<u>2,482</u>
Net pension liability	<u>2,467</u>	<u>2,482</u>
<u>Movements in present value of defined benefit obligation</u>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
At 1 January	2,482	3,594
Interest expense	112	162
Remeasurement: actuarial losses (gains)	121	(985)
Benefits paid	<u>(248)</u>	<u>(289)</u>
At 31 December	<u>2,467</u>	<u>2,482</u>

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 December 2023

**27. EMPLOYEE BENEFITS - continued**

	<b>2023</b>	2022
<u>Expense recognised in the SOFA</u>	<b>£'000</b>	£'000
Net interest on net defined benefit liability	<u>112</u>	<u>162</u>
Total expense recognised in the SOFA	<u><u>112</u></u>	<u><u>162</u></u>

Principal actuarial assumptions (expressed as weighted averages) at the year-end were as follows:

	<b>2023</b>	2022
	%	%
Discount rate	<u>4.5</u>	<u>4.5</u>

The last full actuarial valuation was performed on 31 December 2023. The amount for the current and four previous periods are as follows:

	<b>2023</b>	2022	2021	2020	2019
	<b>£000</b>	£000	£000	£000	£000
Present value of scheme liabilities	<b>(2,467)</b>	(2,482)	(3,594)	(4,104)	(3,993)
Experience adjustments on scheme liabilities	<b>(121)</b>	985	296	(367)	(319)

In valuing the liabilities of the pension fund at 31 December 2023, mortality assumptions have been made as indicated below.

The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on standard actuarial mortality table and include an allowance for future improvements in longevity.

The assumptions are equivalent to expending a 75 year old to live for a number of years as follows:

	<b>2023</b>	2022
	Years	Years
Female	<b>15</b>	14
Male	<u>13</u>	<u>12</u>

**Defined contribution plans**

Group

The Group operates a number of defined contribution pension plans.

The total expense relating to these plans in the current year was £3,879,000 (2022: £3,285,000) and the amount due to the scheme at the year-end is £376,000 (2022: £460,000) and is included in other creditors.

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31 December 2023**

**28. OTHER PROVISIONS**

Other provisions represent a dilapidation provision for a property operated by the Trust.

Included within the Water Park accounts are provisions for lease dilapidation of £29,000 (2022: £96,000).

**29. MOVEMENT IN FUNDS**

	At 1/1/23 £'000	Net movement in funds £'000	Transfer between funds £'000	At 31/12/23 £'000
<b>Unrestricted funds</b>				
General fund	102,818	(1,871)	(250)	100,697
Designated funds	2,267	250	250	2,767
	<u>105,085</u>	<u>(1,621)</u>	<u>-</u>	<u>103,464</u>
<b>TOTAL FUNDS</b>	<u>105,085</u>	<u>(1,621)</u>	<u>-</u>	<u>103,464</u>

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

	Incoming resources £'000	Resources expended £'000	Gains and losses £'000	Movement in funds £'000
<b>Unrestricted funds</b>				
General fund	246,818	(243,415)	(5,274)	(1,871)
Designated fund	-	-	250	250
	<u>246,818</u>	<u>(243,415)</u>	<u>(5,024)</u>	<u>(1,621)</u>
<b>TOTAL FUNDS</b>	<u>246,818</u>	<u>(243,415)</u>	<u>(5,024)</u>	<u>(1,621)</u>

**Comparatives for movement in funds**

	At 1/1/22 £'000	Net movement in funds £'000	Transfer between funds £'000	At 31/12/22 £'000
<b>Unrestricted Funds</b>				
General fund	90,556	12,251	11	102,818
Designated fund	2,267	-	-	2,267
Designated (Stoves)	2	-	(2)	-
Wright Lodge fit out costs	9	-	(9)	-
	<u>92,834</u>	<u>12,251</u>	<u>-</u>	<u>105,085</u>
<b>TOTAL FUNDS</b>	<u>92,834</u>	<u>12,251</u>	<u>-</u>	<u>105,085</u>

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31 December 2023**

**29. MOVEMENT IN FUNDS – continued**

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

	Incoming resources £'000	Resources expended £'000	Gains and losses £'000	Movement in funds £'000
<b>Unrestricted funds</b>				
General fund	<u>187,034</u>	<u>(179,727)</u>	<u>4,944</u>	<u>12,251</u>
	<u>187,034</u>	<u>(179,727)</u>	<u>4,944</u>	<u>12,251</u>
<b>TOTAL FUNDS</b>	<u><u>187,034</u></u>	<u><u>(179,727)</u></u>	<u><u>4,944</u></u>	<u><u>12,251</u></u>

The designated fund reflects the value of the property, which has been designated for the use of the Water Park, and the grant received for the purchase of certain fixed assets, which is being released in line with the depreciation of the fixed assets purchased.

During 2010 a donation was received towards the costs of Stoves. This was transferred to a separate designated fund. Depreciation of the Stoves in Water Park Limited accounts are covered by a grant paid out of the Stoves Designated Fund.

During 2012 a donation was received towards the fit-out costs of the Wright Lodge Building. This was transferred to a separate designated fund. Depreciation of the fit-out costs in Water Park Limited accounts are covered by a grant paid out of the Fit Out Designated Fund.

In 2022, the remaining reserves held within the Stoves and Wright Lodge funds were transferred into the General fund, by the agreement of the board.

**30. LEASING AGREEMENTS**

**Operating leases**

Non-cancellable operating lease rentals are payable as follows:

	Group 2023 £000	Group 2022 £000	Trust 2023 £000	Trust 2022 £000
Less than one year	1,946	1,552	-	-
Between one and five years	3,952	2,907	-	-
More than five years	19,767	19,390	-	-
	<u>25,665</u>	<u>25,871</u>	<u>-</u>	<u>-</u>

During the year £1,513,000 (2022: £1,271,000) was recognised as an expenses in the Statement of Financial Activities in respect of operating leases.

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31 December 2023**

**30. LEASING AGREEMENTS -continued**

**Leases as lessor**

The investment properties held by Henmead Limited are let under operating leases. The future minimum lease payments receivable under non-cancellable leases are as follows:

	<b>Group</b> <b>2023</b> <b>£000</b>	<b>Group</b> <b>2022</b> <b>£000</b>	<b>Trust</b> <b>2023</b> <b>£000</b>	<b>Trust</b> <b>2022</b> <b>£000</b>
Less than one year	6,093	4,927	-	-
Between one and five years	18,774	14,466	-	-
More than five years	51,702	55,978	-	-
	<u>76,569</u>	<u>75,371</u>	<u>-</u>	<u>-</u>

There are no individual material leasing arrangements requiring disclosure.

**Finance leases**

**Leases as lessor**

The Group has finance leases in connection with its PFI arrangements. The minimum lease receivable payment receivable at the end of the reporting period are as follows:

	<b>Minimum</b> <b>lease</b> <b>receivable</b> <b>2023</b> <b>£000</b>	<b>Interest</b> <b>2023</b> <b>£000</b>	<b>Principal</b> <b>2023</b> <b>£000</b>	<b>Minimum</b> <b>lease</b> <b>receivable</b> <b>2022</b> <b>£000</b>	<b>Interest</b> <b>2022</b> <b>£000</b>	<b>Principal</b> <b>2022</b> <b>£000</b>
Within one year	4,941	2,588	2,353	4,746	2,745	2,001
Greater than one year and less than two years	5,056	2,386	2,670	4,961	2,572	2,389
Greater than two years and less than five years	13,057	5,926	7,131	14,467	6,474	7,993
Greater than five years	28,303	7,514	20,789	31,880	9,225	22,655
	<u>51,357</u>	<u>18,414</u>	<u>32,943</u>	<u>56,054</u>	<u>21,016</u>	<u>35,038</u>

**31. COMMITMENTS**

The Group and the Trust have no contractual commitments to purchase tangible fixed assets at either the current or prior year-end.

In respect of interests in Jointly Controlled Entities, the Group and the Trust have no commitment to incur capital expenditure at either the current or prior year end.

**32. CONTINGENT LIABILITIES**

There is a cross guarantee in place in relation to the Group's Revolving Credit Facility between a number of Group companies. This is supported by a first legal charge over certain Group investment properties.

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 December 2023

**33. RELATED PARTY DISCLOSURES**

Related parties

The following is the identity of related parties of the Group.

<b>Company/entity</b>	<b>Portion of ordinary shares held</b>	
<b><i>Subsidiary undertakings</i></b>		
Henmead Limited*	100%	
Eric Wright Group Limited	100%	
Eric Wright Construction Limited	100%	
Eric Wright Partnerships Limited	100%	
Eric Wright Civil Engineering Limited	100%	
Maple Grove Developments Limited	100%	
Eric Wright Investments Limited	100%	Dormant
Maple Grove Investments Limited	100%	
Stonecross Enterprises Limited	100%	
Elltech Limited	95%	
Sceptre Nursery Limited	100%	
Eric Wright Commercial Limited	100%	Dormant
Skemtech Limited	95%	
Fleetwood PPP Limited	100%	
Cobco 494 Limited	100%	
Cobco 450 Limited	100%	
Eric Wright FM Limited	100%	
Eric Wright Homes Limited	100%	
Maple Grove Residential Limited	100%	
Applethwaite Limited	100%	
Eric Wright Developments	100%	Dormant
Eric Wright Water Limited	100%	
EWGN Blackpool PSP Limited	80%	Dormant
Blackpool LEP Limited	64%	
Highfield PFI Holdco Limited	72%	Dormant
Highfield PFI SPV Limited	72%	
Samlesbury Developments Limited	100%	Dormant
Wrightcare Holdings Limited	100%	
Wrightcare Developments Limited	100%	
Wrightcare Clitheroe Limited	100%	
<b>Joint ventures</b>		
Foundation for Life Limited	60%	
Leigh Holdco Limited	60%	Dormant
Leigh Fundco Limited	60%	
Pacific Shelf 888 Limited	60%	
Pemberton Care Limited	60%	
Pinco 2033 Limited	60%	
Pinco 2206 Limited	60%	
Pinco 2401 Limited	60%	
FFL Capital Projects Limited	60%	Dormant
East Lancashire Building Partnership Limited	60%	
Blackburn Holdco Limited	60%	Dormant
Blackburn Fundco Limited	60%	
Rossendale LIFT Limited	60%	
Pinco 2223 Limited	60%	
Pimco 2297 Limited	60%	
Inhoco 2952 Limited	60%	
Pimco 2451 Limited	60%	
East Lancashire Capital Projects Limited	60%	
Brahm LIFT Limited	60%	

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31 December 2023**

**33. RELATED PARTY DISCLOSURES – continued**

<b>Company/entity</b>	<b>Portion of ordinary shares held</b>	
<b>Joint ventures</b>		
Brahm Intermediate Holdco 1 Limited	60%	Dormant
Brahm Fundco 1 Limited	60%	
Brahm Intermediate Holdco 2 Limited	60%	Dormant
Brahm Fundco 2 Limited	60%	
Bolton Holdco 1 Limited	60%	Dormant
Bolton Fundco 1 Limited	60%	
Brahm Capital Projects Limited	60%	Dormant
Booths Partnership Limited	50%	
Regional and Local Education Partnership Limited	26%	Dormant
Tri link 140 Holdings 1 LLP	50%	
Tri Link 140 Holdings 2 LLP	50%	
Winsford Holdings 1 LLP	50%	
Winsford Holdings 2 LLP	50%	
Holbeck Homes (Cartmel) Limited	50%	
Glenholme Wrightcare Limited	50%	
Glenholme Senior Living (Bispham Gardens) Limited	50%	
<b>Associates</b>		
Deeside Regeneration Limited	24.9%	

All companies are registered and operate in England and Wales and principal activities are either building, contracting, civil engineering or property development. The registered addresses of the related parties are available in the accounts of each of the entities, which are available from Companies House.

\* Eric Wright Charitable Trust directly owns the share capital of this entity. All remaining share capital, apart from Water Park Limited (which is directly owned) is owned indirectly through subsidiary undertakings.

Related party transactions

	<b>Henmead shareholding</b>	<b>Goods and services supplied</b>		<b>Balance outstanding at the end of the year</b>	
		<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
		<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>

During the year subsidiaries of Henmead Limited supplied construction services to the following companies in which the Group has an interest. These services were provided by Eric Wright Construction Limited.

Blackpool Local Education Partnership Limited	64%	-	2,908	-	-
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During the year subsidiaries of Henmead Limited supplied hard FM services to the following companies in which Eric Wright Group Limited has an interest. These services were provided by Eric Wright FM Limited.

Blackburn Fundco Limited	60%	453	448	-	-
Bolton Fundco 1 Limited	60%	595	378	-	-
Brahm Fundco 1 Limited	60%	1,172	745	-	-
Brahm Fundco 2 Limited	60%	894	585	-	86
Highfield PFI SPV Limited	72%	816	736	-	-
Inhoco 2952 Limited	60%	1,189	920	-	-
Leigh Fundco Limited	60%	405	291	170	-
Pacific Shelf 888 Limited	60%	67	38	38	40
Pemberton Care Limited	60%	151	118	-	-
Pimco 2297 Limited	60%	72	73	-	-
Pimco 2401 Limited	60%	259	157	-	-

**THE ERIC WRIGHT CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the Year Ended 31 December 2023

**33. RELATED PARTY DISCLOSURES – continued**

Related party transactions

	Henmead shareholding	Goods and services supplied		Balance outstanding at the end of the year	
		2023	2022	2023	2022
		£000's	£000's	£000's	£000's
Pimco 2451 Limited	60%	655	684	-	-
Pinco 2033 Limited	60%	902	515	-	-
Pinco 2206 Limited	60%	512	308	-	-
Pinco 2223 Limited	60%	854	625	-	-
Rossendale Lift Limited	60%	492	438	-	10

During the year subsidiaries of Henmead Limited provided management services to the following companies in which Eric Wright Group Limited has an interest. These services were provided by Eric Wright Partnerships Limited.

Blackburn Fundco Limited	60%	24	22	-	-
Blackpool Local Education Partnership Limited	64%	5	-	-	-
Bolton Fundco 1 Limited	60%	145	126	-	-
Brahm Fundco 1 Limited	60%	243	263	-	-
Brahm Fundco 2 Limited	60%	198	172	-	-
Brahm Lift Limited	60%	223	174	-	-
Inhoco 2952 Limited	60%	348	309	-	-
Leigh Fundco Limited	60%	60	53	-	-
Pacific Shelf Limited	60%	11	10	-	-
Pemberton Care Limited	60%	36	33	-	-
Pimco 2297 Limited	60%	12	11	-	-
Pimco 2401 Limited	60%	86	77	-	-
Pimco 2451 Limited	60%	102	91	-	-
Pinco 2033 Limited	60%	268	238	-	-
Pinco 2206 Limited	60%	139	122	-	-
Pinco 2223 Limited	60%	102	91	-	-
Rossendale Lift Limited	60%	3	30	-	-
East Lancashire Building Partnership Limited	60%	267	74	-	-
Foundation for Life Limited	60%	213	46	-	-

During the prior year a Group company carried out construction services on behalf of a Trustee. The work was undertaken by a non-charitable trading subsidiary of the Charity. The services were completed on commercial terms and so fall outside of the remit of the Charity itself. The total value of services was £nil (2022: £569,000). No amounts are outstanding at the year-end (2022: £Nil).

**34. ULTIMATE CONTROLLING PARTY**

The Trust is under the control of the board of Trustees.