

Charity Registration No. 209993

**THE PAWNBROKERS CHARITABLE INSTITUTION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2024**

THE PAWNBROKERS CHARITABLE INSTITUTION

LEGAL AND ADMINISTRATIVE INFORMATION

Registered Charity Number	209993
Chairperson	D A L Page
Treasurer	J Tannahill
Trustees	P M Diaper K Lyons K Raper D A L Page J Tannahill
Management Committee	A Bratton P M Diaper K Lyons K Raper
Finance Sub-committee	P M Diaper K Raper D A L Page J Tannahill
Administrator	Mrs K L Way
Principal address	Grasmere Dearleap Lane Knockholt Sevenoaks Kent TN14 7NP
Auditor	Baxter & Co Lynwood House Crofton Road Orpington Kent BR6 8QE
Bankers	Lloyds PLC Orpington Branch 177-179 High Street Orpington Kent BR6 0LJ
Investment Managers	J M Finn & Co 25 Cophall Avenue London, EC2R 7HA

THE PAWNBROKERS CHARITABLE INSTITUTION

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THE PAWNBROKERS CHARITABLE INSTITUTION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 OCTOBER 2024

The Trustees present their annual report and financial statements for the year ended 31 October 2024.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Structure, governance and management

The Institution was established in 1823 by Master Pawnbrokers for the relief of sick and aged assistants. In 1834 it was agreed to extend the relief to Masters, their widows and children of all members of the trade and in 1850 Alms Houses were built at West Ham, Essex for their occupation.

In the year 1897, with the approval of the Governors of the Charity, and the sanction of the Charity Commissioners, the Alms Houses were abandoned in favour of a scheme for the development of the estate by building on the land. Several shops were built and ground leases granted for the erection of others.

In 1968 the estate was sold by auction at the London Auction Mart for the sum of £367,000 to the Prudential Assurance Company. After payment of the expenses the net amount of £358,420 was invested in wide-range and narrow-range securities (gilts and equities) on advice of our stockbrokers, and with the agreement of the Official Custodian of Charity Funds.

The trustees are appointed by the Management Committee and their re-appointment is reviewed at the Annual General Meeting held on the first Tuesday of December each year. The Institution's Deed requires that there shall be no less than four trustees and that any new members automatically become a trustee. All trustees must attend a minimum of four meetings of the Management Committee each year. Failure to do so will empower the Management Committee to call a Special General Meeting to remove the said trustee or to remove the said trustee at the next Annual General Meeting, whichever is considered appropriate by the Management Committee.

The Trustees and Management Committee meet on the first Tuesday of each month. At the monthly meetings the Trustees and Management Committee review applications put forward to them for renewal, together with any new requests for financial assistance. Thereafter, each applicant has to re-apply for assistance on a yearly basis. The day-to-day administration of grants and the processing and handling of these applications prior to consideration by the Trustees and Management Committee is delegated to the administrator.

Risk management

The Trustees and Management Committee are fully aware that the portfolio of investments is the institution's only form of income. Therefore, it is monitored each and every quarter with the stockbroker ensuring that sufficient funds are available to ensure that the Institution's priority is to maintain grants for their beneficiaries. The Trustees and Management Committee together with the stockbroker always invest with a medium risk policy, and to this end the stockbroker, on a discretionary basis, guides the Trustees and Management Committee of the best way to achieve future income and capital growth. The Trustees and Management Committee are aware that the stock market is not 100% guaranteed and to this end they exercise and discuss other paths to take if the need arises, making sure that the institution is not without funds for their beneficiaries.

Objectives and activities

The objectives of the Institution are to make sure that the portfolio of investments is closely monitored, enabling it to provide sufficient revenue to maintain the governance costs of the Charity and award yearly grants to beneficiaries.

THE PAWNBROKERS CHARITABLE INSTITUTION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

Grant making policy

It is the responsibility of the Trustees and Management Committee to ensure that grants are only made to genuine applicants applying for financial assistance. All applicants have to have worked within the pawnbroking business for at least five years, or less at the Trustees' / Committee's discretion, and sufficient information is recorded proving that they are genuinely in need of financial help.

Achievements and performance

The Trustees and Management Committee, together with the stockbroker, have managed the portfolio in line with the prevailing market conditions enabling the Institution to continue to award annual grants to beneficiaries.

Financial review

The Institution is reliant on the income from its investments, which was £124,153 as well as capital growth. From this, the sum of £94,633 was awarded to 23 applicants of whom 3 were over 90 years old, four over 80 years old, nine over 70 years old, four over 60 years old, 2 over 50 years old, and one over 30. Of the 23 applicants, 17 were female and 6 were male.

The amount of grants awarded within this financial year was £3,977 less than last year. Christmas and summer gifts totalling £24,200 were awarded to applicants, in addition to the sum of £94,633.

During the year, a total amount of £95,773 was paid out in monthly payments to 23 beneficiaries. Due to the sad loss of an applicant, the PCI will commence the next financial year 2024/2025 with a total of 22 beneficiaries.

Trustees' responsibilities in relation to the finance statements

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity, and which enable them to ensure that these financial statements comply with the Charities Act 1993, the Charity (Accounts and Reports) Regulations and the provision of the Institution's Deed. The Trustees are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Trustee

Dated: 3 December 2024

Trustee




THE PAWNBROKERS CHARITABLE INSTITUTION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 OCTOBER 2024

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

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

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts 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.

Insofar as the trustees are aware:-

- there is no relevant audit information of which the charity's auditor is unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

THE PAWNBROKERS CHARITABLE INSTITUTION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE PAWNBROKERS CHARITABLE INSTITUTION

In our opinion, the financial statements:

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to 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.

- give a true and fair view of the state of the charity's affairs as at 31 October 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amount and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Conclusions relating to going concern

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

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

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

THE PAWNBROKERS CHARITABLE INSTITUTION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE PAWNBROKERS CHARITABLE INSTITUTION

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

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

THE PAWNBROKERS CHARITABLE INSTITUTION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE PAWNBROKERS CHARITABLE INSTITUTION

Responsibilities of Trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 either intend to cease operations, or have no realistic alternative but to do so.

Auditor's 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.

THE PAWNBROKERS CHARITABLE INSTITUTION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE PAWNBROKERS CHARITABLE INSTITUTION

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

Based on our understanding of the charity and the sector as a whole, and through discussions with the trustees and other management (as required by auditing standards), we identified that the principal risks of non compliance with laws and regulations, related to the Companies Act, the Charities Act, and safeguarding.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- We evaluated trustees and managements incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined the principal risks related to posting inappropriate journals to manipulate revenue or expenditure.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquires of management and those charged with governance and obtaining additional corroborative evidence as required.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

THE PAWNBROKERS CHARITABLE INSTITUTION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE PAWNBROKERS CHARITABLE INSTITUTION

Due 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 auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e. gives a true and fair view).

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

Use of our report

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

THE PAWNBROKERS CHARITABLE INSTITUTION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE PAWNBROKERS CHARITABLE INSTITUTION

Baxter & Co.
Baxter & Co

10 December 2024

**Chartered Accountants
Statutory Auditor**

Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Baxter & Co is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE PAWNBROKERS CHARITABLE INSTITUTION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2024

	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from:			
Investments	3	124,153	125,096
Total income		<u>124,153</u>	<u>125,096</u>
Expenditure on:			
Raising funds	4	16,597	16,452
Charitable activities	5	169,234	165,137
Total expenditure		<u>185,831</u>	<u>181,589</u>
Net gains/(losses) on investments	11	<u>327,659</u>	<u>(189,573)</u>
Net income/(expenditure) and movement in funds		265,981	(246,066)
Reconciliation of funds:			
Fund balances at 1 November 2023		<u>3,231,695</u>	<u>3,477,761</u>
Fund balances at 31 October 2024		<u>3,497,676</u>	<u>3,231,695</u>

THE PAWNBROKERS CHARITABLE INSTITUTION

BALANCE SHEET

AS AT 31 OCTOBER 2024

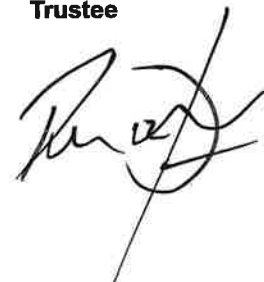
	Notes	2024 £	£	2023 £	£
Fixed assets					
Investments	13		3,431,306		3,147,617
Current assets					
Debtors	14	2,630		1,208	
Cash at bank and in hand		71,407		89,996	
		<u>74,037</u>		<u>91,204</u>	
Creditors: amounts falling due within one year	15	<u>(7,667)</u>		<u>(7,126)</u>	
Net current assets			66,370		84,078
Total assets less current liabilities			<u>3,497,676</u>		<u>3,231,695</u>
Income funds					
Unrestricted funds			3,497,676		3,231,695
			<u>3,497,676</u>		<u>3,231,695</u>

The accounts were approved by the Trustees on 3 December 2024

Trustee



Trustee



THE PAWNBROKERS CHARITABLE INSTITUTION

BALANCE SHEET

AS AT 31 OCTOBER 2024

1 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Accounting policies

Charity information

The Pawnbrokers Charitable Institution is an unincorporated charity governed by the Scheme of Commissioners dated 13 January 1993 as amended by resolution dated 6 December 2016.

2.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention, modified to include the revaluation of Investments and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

2.2 Going concern

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

2.3 Charitable funds

The charity has an expendable endowment fund. The income of this fund is used for providing grants to individuals who are sick, infirm or distressed pawnbrokers, their widows and children. The terms of the endowment allow the capital of the fund to be spent if the trustees so determine. This is an Unrestricted fund.

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

2.4 Incoming resources

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

THE PAWNBROKERS CHARITABLE INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2024

2 Accounting policies

(Continued)

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

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

2.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure. It is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to 2.8 below.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the charity.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

2.6 Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

2.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

THE PAWNBROKERS CHARITABLE INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

2 Accounting policies

(Continued)

2.8 Allocation of Support and Governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on estimated activity levels where 85% of staff costs and 90% of office rental and costs relate to awarding, monitoring and assessing, and payment of grants relating to charitable activities. The allocation of support and governance costs is analysed in note 7.

The costs of generating funds consist of investment management costs.

The costs of charitable activities include grants made, governance costs and an apportionment of support costs.

2.9 Realised gains and losses

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

2.10 Contingent liabilities

A contingent liability is identified and disclosed for those grants resulting from:

- a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control; or
- a present obligation following a grant offer where settlement is either not considered probable; or
- the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

3 Investments

	2024	2023
	£	£
Dividends - equities	100,222	104,080
Interest - securities	17,428	11,263
Interest on cash deposits	827	542
Distributions - UK property	5,676	9,211
	<u>124,153</u>	<u>125,096</u>

THE PAWNBROKERS CHARITABLE INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

4 Raising funds

2024
£

2023
£

Investment management	16,597	16,452
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5 Charitable activities

2024
£

2023
£

Grant funding of activities (see note 8)	119,973	119,564
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Share of support costs (see note 6)	22,394	21,713
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Share of governance costs (see note 6)	26,867	23,860
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	169,234	165,137
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Analysis by fund

Unrestricted funds	169,234	165,137
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	169,234	165,137
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6 Support costs allocated to activities

2024
£

2023
£

Staff costs	20,893	19,859
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Office and rental costs	1,501	1,854
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Governance costs	26,867	23,860
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	49,261	45,573
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Analysed between:

Charitable activities	49,261	45,573
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2024
£

2023
£

Governance costs comprise:

Staff costs	3,687	3,505
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Audit fees	4,590	4,620
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Trustees and management expenses	16,944	14,323
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Hire of meeting rooms	1,479	1,206
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Office and rental costs	167	206
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	26,867	23,860
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THE PAWNBROKERS CHARITABLE INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

7	Net movement in funds	2024	2023
		£	£
	The net movement in funds is stated after charging/(crediting):		
	Fees payable for the audit of the charity's financial statements	4,590	4,620
		<u> </u>	<u> </u>

8	Grants payable	2024	2023
		£	£
	Grants to individuals	119,973	119,564
		<u> </u>	<u> </u>

9	Employees	2024	2023
		Number	Number
	The average monthly number of employees during the year was:	1	1
		<u> </u>	<u> </u>

Employment costs	2024	2023
	£	£
Wages and salaries	24,580	23,364
	<u> </u>	<u> </u>

The Charity employs the administrator on a part-time basis. The average number of part-time employees during the year was 1 (2023 : 1), with all employee time involved in providing either support services to charitable activities or support to the governance of the Charity.

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

THE PAWNBROKERS CHARITABLE INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2024

10 Auditor's remuneration

The auditor's remuneration constituted an audit fee of £4,590 (2023: £4,620).

11 Gains and losses on investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Gains/(losses) arising on:		
Revaluation of investments	265,480	(214,796)
Sale of investments	62,179	25,223
	<u>327,659</u>	<u>(189,573)</u>

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

THE PAWNBROKERS CHARITABLE INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2024

13 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 November 2023	3,147,617
Additions	498,677
Valuation changes	265,480
Disposals	(480,468)
	<u>3,431,306</u>
At 31 October 2024	<u>3,431,306</u>
Carrying amount	
At 31 October 2024	<u>3,431,306</u>
At 31 October 2023	<u>3,147,617</u>

	2024 £	2023 £
Investments at fair value comprise:		
Equities	3,143,154	2,819,452
Interest - securities	205,077	206,199
UK property	83,075	121,966
	<u>3,431,306</u>	<u>3,147,617</u>

All investment assets were held in the UK. The trustees consider that there were no material individual investment holdings in the year that require disclosure.

14 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Accrued income	2,630	1,208
	<u>2,630</u>	<u>1,208</u>

15 Creditors: amounts falling due within one year

	2024 £	2023 £
Accrued expenses	7,667	7,126
	<u>7,667</u>	<u>7,126</u>

THE PAWNBROKERS CHARITABLE INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

16 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 November 2023 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 October 2024 £
General funds	3,231,695	124,153	(185,831)	327,659	3,497,676
Previous year:					
	At 1 November 2022 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 October 2023 £
General funds	3,477,761	125,096	(181,589)	(189,573)	3,231,695

17 Analysis of net assets between funds

	Unrestricted funds 2024 £
At 31 October 2024:	
Investments	3,431,306
Current assets/(liabilities)	66,370
	<u>3,497,676</u>
	Unrestricted funds 2023 £
At 31 October 2023:	
Investments	3,147,617
Current assets/(liabilities)	84,078
	<u>3,231,695</u>

THE PAWNBROKERS CHARITABLE INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

18 Charitable commitments

The trustees approve applications for grants to individuals at monthly meetings. These commitments are not legally binding on the Charity and are only approved where funds are already in place to meet the cost. The value of charitable commitments authorised by the trustees but not contracted for are only charged within the financial statements in the year in which they are paid.

At 31 October 2024, the value of outstanding commitments was £35,392 (2023: £37,756) all of which are expected to be paid within one year.

19 Related party transactions

Trustees and committee members received no emoluments (2023: £nil).

Trustees and committee members are reimbursed annually by allowances to cover travel and attendance costs of monthly meetings which they have attended over the year. The rate of allowance is based on the distance travelled.

Expenses in the year totalled £11,200 (2023: £9,522) for five trustees.

Expenses in the year totalled £3,828 (2023: £3,276) for one committee member and the administrator (2023: one committee member and the administrator).

The Charity provided the trustees, committee members and administrator with a Christmas luncheon, the cost of which was £1,071 (2023: £1,525).

During the year the Charity administrator was paid the sum of £600 (2023: £600) for the rental of offices. This is included within support costs.

20 Analysis of charitable funds	2024 £	2023 £
Balance at 31 October	3,231,695	3,477,761
Total income	124,153	125,096
Total expenditure	(185,831)	(181,589)
Net gains/(losses) on investments	327,659	(189,573)
Funds carried forward	<u>3,497,676</u>	<u>3,231,695</u>