

THE EARLEY CHARITY

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

THE EARLEY CHARITY

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THE EARLEY CHARITY

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees	Dr D G Jenkins (Co-opted) Dr D C Sutton (Vice Chairman, Reading Borough Council) Mr R E Ames (Chairman, Earley Town Council) Mr P Hooper (Co-opted) Mrs M Waite (Co-opted) Councillor T Maher (Earley Town Council) Councillor L Terry (Reading Borough Council)
Charity registered number	244823
Principal office	St Nicolas Centre Sutcliffe Avenue Earley Reading Berkshire RG6 7JN
Senior management team	Miss J Wittig, Clerk to the Trustees
Independent auditor	James Cowper Kreston Audit Chartered Accountants and Statutory Auditor Reading Bridge House George Street Reading Berkshire RG1 8LS
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ HSBC Bank Plc 26 Broad Street Reading Berkshire RG1 2BU
Solicitors	Field Seymour Parkes Solicitors 1 London Street Reading Berkshire RG1 4PN
Investment advisers and managers	Investec Wealth & Investments Limited 30 Gresham Street London EC2V 7QN

THE EARLEY CHARITY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 January 2022 to 31 December 2022. The Trustees confirm that the annual report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 2019).

Objectives and activities

The Earley Charity is a grant making trust with an area of benefit local to Reading described as the Ancient Liberty of Earley and the neighbourhood thereof. This provides a population of benefit potentially in excess of 150,000.

The object of the Charity shall be to further all or any of the following charitable purposes:

1. the relief of the aged, disabled or poor inhabitants of the area of benefit;
2. the relief of distress and sickness among the inhabitants;
3. the provision and support (with the object of improving the condition of life for the inhabitants in the interests of social welfare) of facilities for recreation and other leisure time occupations;
4. the provision and support of educational facilities for the inhabitants;
5. any other charitable purpose for the benefit of the inhabitants.

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit. All the charitable aims and all the charitable activities of The Earley Charity are for the public benefit as defined and described in the Charity Commission's guidance Charities and Public Benefit.

The objects are achieved by making grants to local charitable, voluntary and community groups, especially where the beneficiaries are likely to be aged, disabled or poor, as well as grants to individuals living within the area of benefit.

Grant making activities are broken down into the following categories:

- Grants to Individuals – for the relief of need experienced by individuals, including assistance to pursue further education.
- Grants to Organisations – to support local charitable, voluntary and community groups with specific projects.
- Douglas Chilvers Memorial Bursary – to support music and performing arts related activities undertaken by individuals and organisations.
- Earley Charity Workers – to fully fund workers at identified key voluntary sector organisations.
- Trustee-Led Grants – Trustees may propose one or more organisational grants per year up to an agreed value on the basis of their own knowledge of local voluntary, community, sporting or cultural organisations.

THE EARLEY CHARITY

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Objectives and activities (continued)

Grant-making policies

The Trustees have a grant making policy to achieve the Charity’s aims for the public benefit. The public benefit of The Earley Charity’s charitable aims can be described under 3 headings: general aim, current priorities, and occasional benefits. In the terminology of the Charities Act, the general aim of The Earley Charity is relief of need. This is explicit in all the Charity’s governance documents, and the widest possible interpretation of “need” is allowed for. The Charity’s current priorities include the relief of need by reason of age and the advancement of the arts, culture and heritage. Other charitable purposes as defined by the Charities Act which are occasionally met by The Earley Charity include the relief of poverty; the advancement of education; the advancement of health; the advancement of community development; the advancement of amateur sport; the advancement of environmental protection or improvement; and the relief of need by reason of ill-health or disability.

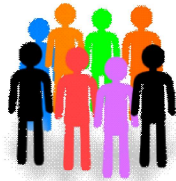
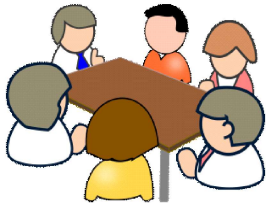


Grant applications for a specified purpose are welcomed from any individual living permanently in the area of benefit and experiencing need. Applications from individuals up to a value of £500 are determined by the Grants Panel. Applications over £500 are reviewed by the Grants Panel and determined at a Trustee Meeting.

Local charitable, voluntary and community groups, especially where the beneficiaries are likely to be aged, disabled or poor, are able to make grant applications for funding for specific projects. Applications from organisations are currently considered 4 times a year.

All applications need to comply with the objects of the Charity for a grant to be approved.

Achievements and performance

In 2022 Trustees awarded 74 grants totalling £559,786. Of these 24 were grants to individuals and 50 were made to organisations.

<p>Grants to Individuals</p> <p>24 applications received 24 grants awarded totalling £11,638 (1 was later withdrawn)</p> 	<p>Grants to Organisations</p> <p>47 applications received 43 grants awarded totalling £219,313</p> 
<p>Earley Charity Worker Grants</p> <p>5 grants awarded totalling £196,222</p> 	<p>Community Learning</p> <p>2 grants awarded totalling £132,613</p> 

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance (continued)

Grants to Individuals - Relief in Need

Number of grants awarded: 24
Amount awarded: £11,638

The Relief in Need programme supports families and individuals in financial hardship to enable them to buy essential household items and appliances that they would otherwise not be able to obtain. During the year 23 grants were awarded totalling £8,138. In the main these grants supported the purchase of kitchen appliances and beds. One award was for an iPad for a gentleman with multiple health issues.

One individual received support through the Douglas Chilvers Memorial Bursary with a grant of £3,500 towards the year one fees for a place at a Performing Arts college.

Grants to Organisations

Number of grants awarded: 50
Amount awarded: £548,148

Community Centres

The Trustees' commitment to the advancement of community development is now well established and continues to be a significant priority. They have a major involvement with 2 local community centres – Earley CResCent Resource Centre in Earley and Weller Centre in Lower Caversham – and in recognising the valuable contribution community centres make to local communities have pledged on-going grant support to both. Each receives funding for a post through the Earley Charity Worker Scheme and grant support for community learning and activity programmes. Funding to the 2 centres in 2022 totalled £199,029 of which £66,416 was for the Earley Charity Worker posts and £132,613 for community learning and activity programmes. Trustees agreed to extend this funding until December 2024. Through the learning programme grant, CResCent delivers a range of courses including employability workshops, accredited courses for people in the voluntary sector, English for adults, IT for job seekers, and family learning classes and workshops. A total of 336 learners attended courses in 2022. At Weller Centre the grant funds a range of activities for young people and families health and wellbeing, employability, community engagement and volunteering, as well as a community learning programme offering a range of learning opportunities including adult literacy and numeracy skills, homework clubs and early years provision.

Earley Charity Worker Grants

Established in 2000, the Charity's innovative and much-praised 'Earley Charity Workers' scheme fully funds one worker in each of a number of key voluntary sector organisations in the area of benefit and provides job security by guaranteeing the funding into the future over a 3-year period. Five such posts are funded. These are with Earley CResCent Centre, Weller Centre, Berkshire Women's Aid (BWA), Reading International Solidarity Centre and Reading Voluntary Action. Four of the 5 posts have been funded for over 20 years and Trustees were pleased to extend all 5 grants until December 2024. The total awarded for 2022 was £196,222. The purpose of the scheme is to provide local voluntary sector organisations with key personnel who can work to create an equal and fair society by directing activity as much as possible towards those experiencing distress and hardship; support professionals working with the dispossessed and those in need while making best use of resources by encouraging partnership working and creating opportunities for people to share knowledge, experience and resources. Creation of Earley Charity Worker posts is undertaken proactively by the Trustees following extensive research and applications for this purpose are not accepted.

THE EARLEY CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance (continued)

On-going Partnership Funding

In recent years Trustees have established an on-going funding relationship with a number of organisations which run projects that are closely aligned with their priorities. Five Earley Charity Partners are currently receiving grants through this scheme. All 5 grants were renewed for 2023 with a total of £86,226 awarded. These grants supported:

- The Ready Friends Development Worker at Reading Voluntary Action. The project supports local people, communities and voluntary sector groups to reduce loneliness and social isolation in Reading. In particular the funding supports a regular Befriending Forum. In 2022 25 voluntary organisations with a combined workforce of over 1,000 befrienders and other support volunteers participated in 4 Befriending Forums.
- Graft Thames Valley Ltd to support vulnerable and disadvantaged jobseekers to improve their employability or gain and retain meaningful employment, training and other work-related opportunities. In 2022 the grant supported 11 service users.
- A community basketball programme in local primary and secondary schools and at the Weller Centre run by Rockets Sport & Educational Foundation. The project provides a safe, fun and positive environment and engages youngsters with professional players who are great role models for them. Around 140 young people benefited from this funding.
- Internships in the local charitable sector through the University of Reading Internship Scheme. In 2022 the grant supported 6 internships varying in length from 4 to 8 weeks and providing 1,190 hours of work experience in charities.
- Aspire2 to provide opportunities for children in Whitley schools to participate in a range of extracurricular activities that increase confidence, improve behaviour for learning, widen horizons and give them the chance to experience new opportunities they would otherwise not be able to access.

It is anticipated that additional Partners will be designated in the future.

Trustee-Led Grants

Each year a Trustee or group of Trustees may propose organisation grants on the basis of their own knowledge of local voluntary, community, sporting or cultural organisations. In 2022 6 projects were supported. These included: 2 projects providing a weekly town centre meal service to homeless people and families in need; the set up and initial running costs for a new community choir to help integrate various communities in the Caversham area; and seating and equipment at a local leisure centre to create a basketball hub. A total of £58,685 was awarded from this fund. Several Trustees pooled their allowance to award a grant of £25,000 to a music and arts charity in Reading that runs community focused projects and activities, towards an extension on their studio. This grant helped secure a substantial Arts Council grant needed to fund the extension.

Douglas Chilvers Memorial Bursary

This £5,000 Bursary Fund was used to support 2 projects. A grant of £3,500 was awarded to support a gifted young person attend performing arts college to study musical theatre. The remaining £1,500 was used in conjunction with a Trustee-Led grant award supporting the establishment of a community choir.

In addition to the specific programmes above, 36 applications seeking funding for a variety of projects were received. Of these 32 grants were awarded totalling £85,902. Grants ranged in value from £500 to £5,000 and supported projects for people with mental health issues and disabilities, activities and support for children and young people, and events and activities to bring people and communities together to address loneliness and isolation.

A full list of the awards made to organisations in 2022 is in note 6 to the Financial Statements.

THE EARLEY CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance (continued)

Extension to the CResCent Resource Centre

In October 2022 Trustees took the difficult decision to put the planned project for an extension to the CResCent Resource Centre on hold with immediate effect. With the benefit of those works already completed, it was agreed that the major additional building project should be postponed for three to four years. The reasons for postponement are closely linked to the COVID pandemic. In particular the effects on building costs, and on lettings at CResCent leading to uncertainty about the need for more space at the Centre at this time.

Other Activities

In other activities the Charity renewed its website. The new site, which launched in December, benefits from a page showcasing a selection of recent grant awards and a pre-application questionnaire to help potential applicants determine their eligibility and register their interest.

Monitoring Achievement

The performance of organisational grant making is monitored using a mix of presentations and reports from grantees. It is a condition of a grant award that organisations complete a progress report where a grant is paid in instalments and/or a final report at the end of the grant. As well as telling what the grant helped to achieve and the difference it has made, this information also helps Trustees ensure the grant making has been carried out in accordance with the charitable objects and informs future programmes. Where an on-going funding relationship exists renewal of funding is conditional on a satisfactory report being received.

During the year one progress report and 39 completion reports were received. In addition, Trustees received annual presentations on the Earley Charity Worker posts and from both Community Centres. As well as a written report on each of the 5 Earley Charity Partner grants, the Trustees received a presentation by 3 of the Partners on the work funded by their grants.

Individual grant making is monitored by carrying out follow-up calls on a selection of grant awards. Monitoring makes sure funds have been used for the purpose they were awarded and assesses the recipient's experience of the grant process. Seven follow-up calls were made. The mother of an autistic child awarded a bed from a specialist supplier said the bed had made a big difference as the child is sleeping much better, and a family of five rehoused due to a serious mould issue, were pleased to receive a new fridge freezer large enough for the family's needs. A new mum was delighted to be granted a washing machine after having been without one for a couple of years. She said it had made a massive difference, making life so much easier.

Financial review

The Charity is funded by income and investment returns generated by its permanent endowment. The Trustees received authorisation from the Charity Commission to adopt total return accounting in an Order dated 15 January 2007. In 2010 the Trustees agreed to have income generated by the Main Fund reinvested and to draw down sufficient funds each year to cover expenditure. These withdrawals are in the form of a regular monthly transfer and occasional annual lump sum. The amount of the lump sum is determined by the Trustees following consultation with their fund manager, when setting their budget for the coming year.

The Charity's finances are in a strong position. At the end of 2022 Trustees were holding just over £2 million in local funds. Most of this was for planned expenditure on the grant project to fund an extension on the Earley CResCent Centre. Trustees drew down £880,000 from the unapplied total return to fund grant-making in 2022, taken as a £400,000 lump sum and £480,000 in regular monthly instalments of £40,000.

The annual transfers since adopting total return accounting have been as follows:

Year	Amount
2008	£851,574
2009	£684,000
2010	£810,000

THE EARLEY CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

2011	£575,000
2012	£658,000
2013	£740,000
2014	£520,000
2015	£825,000
2016	£1,430,000
2017	£821,000
2018	£1,144,000
2019	£858,000
2020	£881,111
2021	£1,708,242
2022	£nil

The Charity's investment income has decreased by some 12% from last year from £282,911 to £247,261. Direct charitable expenditure on grants decreased from £1,759,660 in 2021 to £(702,505) in 2022.

The Charity's net incoming resources before investment gains and losses showed a surplus this year of £789,410 (2021: deficit £1,646,805). The large deficit last year was due to the grant commitment for the Extension to the CResCent Resource Centre. The surplus this year is due to the reversal of this grant commitment now that works have been postponed. See page 6 for more information on the project.

Going concern

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

Reserves policy

The adoption of the total return basis of accounting means that the Trustees have the ability to transfer funds from the unapplied total return to maintain unrestricted free reserves at a level considered appropriate to the needs of the Charity.

Having carefully considered expenditure obligations and the general needs of the Charity, Trustees have decided on an agreed level of unrestricted free reserves of £500,000, equating to around six-months' expenditure.

Asset Cover for Funds

The Trustees consider that the assets of the Trust are fully adequate to meet the Charity's obligations.

Investment Policy and Performance

The Charity operates a total return approach to the investment of the permanent endowment. In accordance with the terms of the Order made by the Charity Commission, the Trustees confirm that:

- in identifying the value of the portion of the permanent endowment that represented unapplied total return, the Trustees first identified the value of the initial founding gift in April 1988 following the sale of the land originally given to the Charity;
- when determining the amount of unapplied total return to transfer to income the Trustees have considered the amount of income required to maintain the current level of charitable activity;
- when reaching their decision as to the unapplied total return to transfer to income, the Trustees have taken professional advice from their investment advisors regarding the market outlook, investment trends and yields and the prospect for future capital growth.

The investment objective of the fund is to invest for maximum return whilst taking into account the protection of the underlying capital of the fund.

THE EARLEY CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Following a strong performance in 2021 the value of the portfolio at the start of the year was £12,054,605. The conflict in Ukraine and the rise in inflation saw stock markets fall. This negative reaction in markets led to the weak performance of the portfolio and a fall in value. By the end of the third quarter the fund had fallen to £9,833,276. The situation improved slightly in the last quarter and by year end the value of the portfolio had risen to £9,944,584.

The Trustees regularly review their strategy for withdrawing money from the Fund with their Investment Manager and are comfortable with the current practice.

The investment held with Berkshire Credit Union was closed in July 2022 following their merger with Boom Bank. As part of their Debt Advice and Management strategy, the Trustees had made an investment of £14,500 as a Corporate Investor in 2013. A dividend of £36.57 was paid in 2022 taking the value to £14,663.64 at closure.

Structure, governance and management

The Earley Charity is regulated by a Trust Deed sealed 10 May 1990, which replaced that of 14 November 1933.

The body of Trustees consists of 4 nominated Trustees and 4 co-opted Trustees. Nominated Trustees are appointed, 2 by Reading Borough Council and 2 by Earley Town Council. Each appointment is made for a term of 4 years at a meeting convened and held according to the ordinary practice of the appointing council. Co-opted Trustees are appointed for a term of 5 years by a resolution of the Trustees passed at a meeting of which not less than 21 days' notice has been given. Appointments may not be made more than one month before the term of an existing co-opted Trustee expires with effect from the date of expiry. In accordance with the Charity's Trust Deed, where a Trustee is co-opted to the board to replace another Trustee, he or she will continue to serve the outgoing Trustee's term of office.

New co-opted Trustees may be sought by advertisement or through nomination. Any potential new Trustee may have an informal meeting with a Trustee or the Clerk to the Trustees before being invited for interview with the Trustees. Once appointed they are given copies of the minutes from the previous 3 meetings and the Charity Commission booklet *The Essential Trustee: What You Need To Know*.

New and existing Trustees are provided with details of appropriate training opportunities as they occur.

The following Trustees served during the year:

Dr D G Jenkins
Dr D C Sutton
Mr R E Ames (Chairman)
Mr P Hooper
Mrs M Waite
Councillor T Maher
Councillor L Terry

The full body of Trustees meets 4 times a year. The first meeting of each year includes the Annual Meeting. At each of these meetings the Trustees consider the operations of the Charity and take decisions on recommendations made by the sub-committees. Grant applications received from individuals for over £500 and those received from organisations for over £3,000 are determined at these meetings.

The Grants Panel has been delegated the power to take decisions on grant applications from individuals (currently up to a value of £500). Power to approve organisational grants to a value of £3,000 is delegated to the Community Development Sub-Committee. It is felt that the delegation of power to sub-committees to take minor decisions is an appropriate way to ensure that the increasing workload of the Charity is handled in an efficient and effective manner.

The sub-committees are as follows:

Grants Panel Sub-Committee: considers applications from individuals. The Panel has authority to award

THE EARLEY CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management (continued)

grants up to £500 and makes recommendations on amounts over £500.

Finance and Planning Sub-Committee: deals with finance and strategic planning for the Charity. It has delegated authority to take straightforward financial decisions in line with existing Charity policy or precedents and exceptionally, major financial decisions in situations of urgency.

Community Development Sub-Committee: determines applications from organisations for amounts of £3,000 and under; previews larger applications which fall within its remit; develops and oversees policies for support for the arts and for community activities; and receives presentations from the Earley Charity Workers and other partner organisations.

Additional sub-committees will be set up from time to time to deal with issues as appropriate.

The Trustees periodically arrange special whole day meetings to dedicate time to discussing policy and planning issues. They would also use these occasions for training and team building.

Key Management Personnel

The Trustees are responsible for directing and controlling the Charity and all give of their time freely. Details of any payments made to Trustees are shown in note 11 to the Financial Statements.

Trustees and key management are required to disclose all relevant related party information, copies of which are held by the Clerk to the Trustees. Details of transactions with related parties are shown in note 27 to the Financial Statements. At the start of every meeting Trustees are asked to declare any conflicts of interest and conflicts of loyalty on the business of the meeting. Where a conflict arises they are required to withdraw from the meeting and take no part in the discussion or decision.

The day-to-day running of the Charity is delegated to the Clerk to the Trustees.

The pay of the Charity's key management personnel is reviewed annually and normally increased in line with average earnings and inflation.

THE EARLEY CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management (continued)

Risk Management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The Trustees consider poor investment performance to be the Charity's principal financial risk. To mitigate this risk the Trustees employ the services of a reputable investment manager to manage the permanent endowment. Funds are invested in a diversified investment portfolio which is measured against a customised benchmark. The Trustees have also decided to inflation-adjust the original investment by £100,000 per annum to safeguard the endowment for future beneficiaries. Operating on a total return basis helps to stabilise the financial resources available for the grant making programmes while giving the flexibility to make substantial grants for desirable projects.

The operational risk of awarding grants that are ineffective is managed by ensuring as much information as possible is available to the Trustees when making their decisions. This is collected by way of an application form and is backed up by the Trustees' extensive knowledge of the area of benefit. All individual applications have to be sponsored by a professional to whom the applicant is known and who can verify the need. The credibility of applications is further checked by the Charity's Officers. The Trustees operate systems to monitor and evaluate the benefit of their grant making from which they learn what aspects work and where risks might lie. The Trustees accept that on occasions they will be taking risks by supporting new organisation or those that are not well known to them but consider these risks to be worthwhile in the pursuit of the achievement of the Charity's objects and their strategic priorities.

The Trustees employ the services of a firm to provide HR advice to manage risks associated with employment.

Plans for future periods

Following the decision to postpone the project to fund an extension to the Earley CResCent Resource Centre, Trustees are well-placed to consider an expansion of the grant making programmes. They plan to consider a range of new initiatives early in 2023 and have made provision in their budget with a fund of £100,000 for new projects. They also anticipate identifying additional organisations for Earley Charity Partner status.

In a further step in modernising the Charity, Trustees intend to move to internet banking in 2023.

THE EARLEY CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of Trustees' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and 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.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, James Cowper Kreston Audit, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

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

R E Ames
Trustee
Date: 24 May 2023

D C Sutton
Trustee

THE EARLEY CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EARLEY CHARITY

Opinion

We have audited the financial statements of The Earley Charity (the 'charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 EARLEY CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EARLEY CHARITY (CONTINUED)

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

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

THE EARLEY CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EARLEY CHARITY (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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

THE EARLEY CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EARLEY CHARITY (CONTINUED)

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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

James Cowper Kreston Audit

Chartered Accountants and Statutory Auditor
Reading Bridge House
George Street
Reading
Berkshire
RG1 8LS

31 May 2023

James Cowper Kreston Audit are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE EARLEY CHARITY

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:					
Investments	2	2,295	244,966	247,261	282,911
Other income	3	-	-	-	271
Total income and endowments		2,295	244,966	247,261	283,182
Expenditure on:					
Raising funds	4	-	46,350	46,350	47,626
Charitable activities	5	(588,499)	-	(588,499)	1,882,361
Total expenditure		(588,499)	46,350	(542,149)	1,929,987
Net income/(expenditure) before net (losses)/gains on investments					
		590,794	198,616	789,410	(1,646,805)
Net (losses)/gains on investments		-	(1,497,410)	(1,497,410)	1,283,722
Net movement in funds		590,794	(1,298,794)	(708,000)	(363,083)
Reconciliation of funds:					
Total funds brought forward		500,000	11,433,040	11,933,040	12,296,123
Net movement in funds		590,794	(1,298,794)	(708,000)	(363,083)
Total funds carried forward		1,090,794	10,134,246	11,225,040	11,933,040

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

The notes on pages 19 to 34 form part of these financial statements.

THE EARLEY CHARITY

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	485	1,799
Investments	13	10,173,840	12,320,838
		<u>10,174,325</u>	<u>12,322,637</u>
Current assets			
Debtors	15	397	397
Cash at bank and in hand		1,823,424	1,602,868
		<u>1,823,821</u>	<u>1,603,265</u>
Creditors: amounts falling due within one year	16	(444,271)	(1,673,502)
Net current assets / liabilities		<u>1,379,550</u>	<u>(70,237)</u>
Total assets less current liabilities		<u>11,553,875</u>	<u>12,252,400</u>
Creditors: amounts falling due after more than one year	17	(328,835)	(319,360)
Net assets excluding pension asset		<u>11,225,040</u>	<u>11,933,040</u>
Total net assets		<u><u>11,225,040</u></u>	<u><u>11,933,040</u></u>
Charity funds			
Endowment funds	19	10,134,246	11,433,040
Restricted funds	19	-	-
Unrestricted funds	19	1,090,794	500,000
Total funds		<u><u>11,225,040</u></u>	<u><u>11,933,040</u></u>

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

Mr R E Ames
Trustee
Date: 24 May 2023

Dr D C Sutton
Trustee

The notes on pages 19 to 34 form part of these financial statements.

THE EARLEY CHARITY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	(659,444)	(725,413)
	<hr/>	<hr/>
Cash flows from investing activities		
Drawdown	880,000	880,000
	<hr/>	<hr/>
Net cash provided by investing activities	880,000	880,000
	<hr/>	<hr/>
Cash flows from financing activities		
	<hr/>	<hr/>
Net cash provided by financing activities	-	-
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	220,556	154,587
Cash and cash equivalents at the beginning of the year	1,602,868	1,448,281
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	<u>1,823,424</u>	<u>1,602,868</u>

The notes on pages 19 to 34 form part of these financial statements

THE EARLEY CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

1.2 Going concern

The Trustees have considered the ability of the Charity to continue operating for the foreseeable future. As the Charity is able to draw down sufficient funds each year from its permanent endowment, to cover the expenditure of its grant making activities, due to an Order dated 15 January 2007 from the Charity Commission to adopt total return accounting, the Trustees believe that the financial statements have been prepared appropriately on the going concern basis.

1.3 Income

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

Dividend income and interest on UK government stocks are included within the financial statements when they are paid.

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

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

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to the 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 is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

THE EARLEY CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies (continued)

1.4 Expenditure (continued)

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Charity. Grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside the control of the Charity.

All expenditure is inclusive of irrecoverable VAT.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	10%
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1.7 Investments

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

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and in hand

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

THE EARLEY CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies (continued)

1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.12 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

1.13 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

1.14 Fund accounting

- a) Permanent endowment fund: these are funds which must be held permanently and the capital maintained. A total return approach has been adopted for these funds.
- b) Expendable endowment fund: these are funds where the Trustees have a power of discretion to convert endowed capital into income.
- c) Unrestricted fund: these are funds available for any purpose within the objects of the Charity.
- d) Designated funds: these are unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

THE EARLEY CHARITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Investment income

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Quoted securities	-	244,966	244,966	282,822
Short term deposits	2,295	-	2,295	89
	<u>2,295</u>	<u>244,966</u>	<u>247,261</u>	<u>282,911</u>
<i>Total 2021</i>	<u>89</u>	<u>282,822</u>	<u>282,911</u>	

3. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Other income	-	-	271
	<u>-</u>	<u>-</u>	<u>271</u>
<i>Total 2021</i>	<u>271</u>	<u>271</u>	

4. Rasing funds

	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment management fees	46,350	46,350	47,626
	<u>46,350</u>	<u>46,350</u>	<u>47,626</u>
<i>Total 2021</i>	<u>47,626</u>	<u>47,626</u>	

THE EARLEY CHARITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Total 2022 £	Total 2021 £
Grants payable	(699,048)	(699,048)	1,759,660
Support Costs	96,477	96,477	109,829
Governance	14,072	14,072	12,872
	<u>(588,499)</u>	<u>(588,499)</u>	<u>1,882,361</u>
<i>Total 2021</i>	<u>1,882,361</u>	<u>1,882,361</u>	

6. Grants

	2022 £	2021 £
Grants payable to organisations	423,524	329,626
Grants payable to individuals	9,410	13,236
Grants to Earley Charity Workers	129,156	116,324
Grants for Earley CResCent Community Association Resource Centre	(1,261,138)	1,300,474
	<u>(699,048)</u>	<u>1,759,660</u>

In October 2022 Trustees took the difficult decision to put the planned project for an extension to the CResCent Resource Centre on hold with immediate effect. The amount accrued last year has been released as there is no longer a commitment to provide these funds. This will be revisited in three - four years.

The Charity paid 24 (2021: 43) grants to individuals during the year.

The following grants were paid to Organisations and Earley Charity Workers by the Charity during the year:

	2022 £
1st Lower Earley Scout Group	600
3rd & 1st Shinfield Guides	1,746
ABC to read	3,000
All Yours Period Box CIC	2,800
ARC	5,000
Aspire2	33,000
Autism at Kingwood	1,500

THE EARLEY CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Autism Berkshire	4,313
Becoming Mums	500
Berkshire County Blind Society (Berkshire Vision)	2,434
Berkshire Record Office	3,000
Berkshire Women's Aid (BWA)	46,292
British Islamic Gardens (BIG)	1,800
Chapter2	3,000
Cianna's Smile	3,790
Coffee and Craft	2,243
Dingley's Promise	4,774
Earley CResCent Community Association	103,529
EASI (Earley Adopt a Street Initiative)	1,585
Food Parcels	2,500
Graft Thames Valley Ltd	10,000
Hope into Action: Reading	3,000
Lower Earley Baptist Church	1,585
Macular Society Reading Group	1,000
Map Club Ltd	2,866
Me2 Club	5,000
Nature Nurture	3,650
No.5 Young People	2,250
Parenthesis	9,185
Reading International Solidarity Centre (RISC)	42,814
Reading Male Voice Choir	3,000
Reading Samaritans	3,000
Reading Voluntary Action (RVA)	38,093
Rockets Sport and Educational Foundation	20,000
Sadaka	2,500
Shinfield Baptist Church Senior Citizens Afternoon Teas	500
Sport in Mind	2,092
Stepping Forward	3,600
The Engine Shed	5,000
The Rising Sun Arts Centre	3,600
Trinity Concert Band	600
University Of Reading - Internships 2022	11,305
Weller Centre	102,600
Wesley Methodist Church	4,500
CResCent Extension Project (invoiced) excludes legal	6,439
Movement in 'grant approved not paid' creditor	(1,208,680)
	<hr/>
	(693,095)
	<hr/> <hr/>

THE EARLEY CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. Support costs

	2022 £	2021 £
Office costs	15,699	14,725
Bank charges	385	455
Professional fees	6,243	3,219
Wages and salaries	67,412	82,302
National insurance costs	2,054	3,699
Pension costs	3,370	4,115
Depreciation	1,314	1,314
	96,477	109,829
	96,477	109,829

8. Governance costs

	2022 £	2021 £
Audit and accountancy	12,000	10,800
Indemnity insurance	2,072	2,072
	14,072	12,872
	14,072	12,872

9. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	9,500	8,700
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	2,500	2,100
	12,000	10,800

10. Staff costs

	2022 £	2021 £
Wages and salaries	67,412	82,302
Social security costs	2,054	3,699
Contribution to defined contribution pension schemes	3,370	4,115
	72,836	90,116
	72,836	90,116

THE EARLEY CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. Staff costs (continued)

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

	2022	<i>2021</i>
	No.	<i>No.</i>
Administration and welfare	2	<i>3</i>
	<u><u>2</u></u>	<u><u>3</u></u>

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

The total employee benefits of the key management personnel were £49,747 (2021: £48,462).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

12. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 January 2022	13,141
At 31 December 2022	<u><u>13,141</u></u>
Depreciation	
At 1 January 2022	11,342
Charge for the year	1,314
At 31 December 2022	<u><u>12,656</u></u>
Net book value	
At 31 December 2022	<u><u>485</u></u>
<i>At 31 December 2021</i>	<u><u>1,799</u></u>

THE EARLEY CHARITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

13. Fixed asset investments

	Listed investments £	Cash held on bank deposits £	Unit Trusts £	Other fixed asset investments £	Total £
Cost or valuation					
At 1 January 2022	11,626,184	428,420	251,607	14,627	12,320,838
Additions	2,113,077	(2,113,077)	-	-	-
Disposals	(2,418,436)	2,418,436	-	(14,627)	(14,627)
Revaluations	(1,475,059)	-	(22,351)	-	(1,497,410)
Transfers between classes	-	(880,000)	-	-	(880,000)
Dividends reinvested	-	245,039	-	-	245,039
At 31 December 2022	<u>9,845,766</u>	<u>98,818</u>	<u>229,256</u>	<u>-</u>	<u>10,173,840</u>
Net book value					
At 31 December 2022	<u>9,845,766</u>	<u>98,818</u>	<u>229,256</u>	<u>-</u>	<u>10,173,840</u>
At 31 December 2021	<u>11,626,184</u>	<u>428,420</u>	<u>251,607</u>	<u>14,627</u>	<u>12,320,838</u>

14. Investments at market value comprise:

	UK 2022 £	Overseas 2022 £	Total funds 2022 £	Total funds 2021 £
Listed securities	4,321,307	5,524,459	9,845,766	11,626,184
Cash held on bank deposits	98,818	-	98,818	428,420
Unit Trusts	229,256	-	229,256	251,607
Other fixed asset investments	-	-	-	14,627
	<u>4,649,381</u>	<u>5,524,459</u>	<u>10,173,840</u>	<u>12,320,838</u>
<i>Total 2021</i>	<u>5,138,772</u>	<u>7,182,066</u>	<u>12,320,838</u>	

The Charity Commission permitted the Charity to adopt the use of total return investment powers in relation to its permanent endowment investments by an order granted on 15 January 2007. The power permits the Trustees to invest the portfolio to maximise total return and to apply an appropriate proportion of the unapplied total return to income each year. Until the power is exercised to transfer a portion of unapplied total return to income (as disclosed in the fund transfers, note 20), the unapplied total return remains invested as part of the permanent endowment.

THE EARLEY CHARITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2022
£

The investment fund and application of total return to permanent endowment funds:

Opening value of permanent endowment	11,433,040
Less: Original value of the gift	(6,100,000)
Unapplied total return as at 31 December 2021	5,333,040
Add: Investment return: dividends and interest	244,966
Losses on investments - Endowment funds	(1,497,410)
Less: Investment management costs	(46,350)
Unapplied total return before transfer to income	4,034,246
Transfer of funds	-
Sub total: unapplied total return as at 31 December 2022	4,034,246
Add: Original value of the gift	6,100,000
	10,134,246

15. Debtors

	2022 £	2021 £
Due within one year		
Prepayments and accrued income	397	397
	397	397

16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	2,091	-
Other creditors	24,740	23,852
Grants	417,440	1,649,650
	444,271	1,673,502

THE EARLEY CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

17. Creditors: Amounts falling due after more than one year

	2022	2021
	£	£
Grants	328,835	319,360
	<u><u>328,835</u></u>	<u><u>319,360</u></u>

18. Charitable commitments - grants

	2022	2021
	£	£
Commitments at the beginning of the period	1,969,010	852,942
Additional commitments entered into	1,129,755	1,540,519
Commitments met	(2,352,490)	(424,451)
	<u><u>746,275</u></u>	<u><u>1,969,010</u></u>

THE EARLEY CHARITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

19. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds					
General Funds	500,000	2,295	588,499	-	1,090,794
	<u>500,000</u>	<u>2,295</u>	<u>588,499</u>	<u>-</u>	<u>1,090,794</u>
Endowment funds					
Permanent Endowment Funds	6,100,000	-	-	-	6,100,000
Expandable Endowment Funds	5,333,040	244,966	(46,350)	(1,497,410)	4,034,246
	<u>11,433,040</u>	<u>244,966</u>	<u>(46,350)</u>	<u>(1,497,410)</u>	<u>10,134,246</u>
Total of funds	<u><u>11,933,040</u></u>	<u><u>247,261</u></u>	<u><u>542,149</u></u>	<u><u>(1,497,410)</u></u>	<u><u>11,225,040</u></u>

THE EARLEY CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

19. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2021 £</i>
Unrestricted funds						
General Funds	673,759	360	(1,882,361)	1,708,242	-	500,000
Endowment funds						
Permanent Endowment Funds	6,100,000	-	-	-	-	6,100,000
Expandable Endowment Funds	5,522,364	282,822	(47,626)	(1,708,242)	1,283,722	5,333,040
	<u>11,622,364</u>	<u>282,822</u>	<u>(47,626)</u>	<u>(1,708,242)</u>	<u>1,283,722</u>	<u>11,433,040</u>
Total of funds	<u><u>12,296,123</u></u>	<u><u>283,182</u></u>	<u><u>(1,929,987)</u></u>	<u><u>-</u></u>	<u><u>1,283,722</u></u>	<u><u>11,933,040</u></u>

20. Fund transfers

The Charity engaged in correspondence with the Charity Commission in a previous financial year with the explicit intention of applying the total return approach to the investment of its permanent endowment. The investment power of total return was granted on 15 January 2007. Having considered their obligations under the duty of even handedness, during the year the Trustees made a transfer of £nil (2021: £1,708,242) unapplied total return to unrestricted funds in respect of the charitable activities of the Charity, taking account of the return on investment for the whole of the year and the income needs of the Charity.

21. Taxation

HM Revenue & Customs has accepted the Charity as a Charity within the definition of Part 11 Corporation Tax Act 2010 with the result that the exemptions afforded by Part 11 are available to the extent that income and gains are applicable and applied to charitable purposes only.

It is considered that all income and gains of the Charity are applicable and applied to charitable purposes only and on this basis, no provision for taxation has been made.

THE EARLEY CHARITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Tangible fixed assets	485	-	485
Fixed asset investments	-	10,173,840	10,173,840
Current assets	1,823,821	-	1,823,821
Creditors due within one year	(404,677)	(39,594)	(444,271)
Creditors due in more than one year	(328,835)	-	(328,835)
Total	<u>1,090,794</u>	<u>10,134,246</u>	<u>11,225,040</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £
Tangible fixed assets	1,799	-	1,799
Fixed asset investments	-	12,320,838	12,320,838
Current assets	1,603,265	-	1,603,265
Creditors due within one year	(785,704)	(887,798)	(1,673,502)
Creditors due in more than one year	(319,360)	-	(319,360)
Total	<u>500,000</u>	<u>11,433,040</u>	<u>11,933,040</u>

23. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net expenditure for the year (as per Statement of Financial Activities)	<u>(708,000)</u>	<u>(363,083)</u>
Adjustments for:		
Depreciation charges	1,314	1,314
(Gains)/losses on investments	1,497,410	(1,283,722)
Dividends, interests and rents from investments	(244,966)	(282,822)
Increase/(decrease) in creditors	(1,205,202)	1,202,900
Net cash used in operating activities	<u>(659,444)</u>	<u>(725,413)</u>

THE EARLEY CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

24. Analysis of cash and cash equivalents

	2022	<i>2021</i>
	£	£
Cash in hand	1,823,424	<i>1,602,868</i>
Total cash and cash equivalents	<u>1,823,424</u>	<i><u>1,602,868</u></i>

25. Analysis of changes in net debt

	At 1 January 2022	Cash flows	At 31 December 2022
	£	£	£
Cash at bank and in hand	1,602,868	220,556	1,823,424
	<u>1,602,868</u>	<u>220,556</u>	<u>1,823,424</u>

26. Pension commitments

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £3,370 (2021: £4,115). Contributions totalling £900 (2021: £1,123) were payable to the fund at the balance sheet date and are included in creditors.

THE EARLEY CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

27. Related party transactions

Funds belonging to the Charity amounting to £2,072 (2021: £2,072) have been used for the purchase of insurance to indemnify the Trustees against the consequence of any neglect or default on their part.

The Earley Charity appoints two of the Trustees of the Earley CResCent Community Association, Mr R Ames and Mr P Hooper. These appointments were made following a major grant award and as a condition of that grant award. During the year, The Earley Charity gave £103,529 (2021: £65,926) to the Earley CResCent Community Association with a further £198,058 (2021: £192,852) approved but unpaid at the balance sheet date and included within creditors. In addition to this The Earley Charity also signed a contract for a building extension in 2021 at The Earley CResCent Centre. At the year end £nil (2021: £1,269,423) was approved but unpaid at the balance sheet date and included within creditors as the project is no longer going ahead.

Trustees, Dr D Jenkins and Dr D Sutton are on the Weller Centre management board. They are also members of the Weller Centre Advisory Board along with trustee, Mr P Hooper. These appointments were made following a major grant award and as a condition of that grant award. During the year, The Earley Charity gave £102,600 (2021: £97,037) to this organisation with a further £200,000 (2021: £196,674) approved but unpaid at the balance sheet date and included within creditors.

Trustee, Mrs M Waite is a partner of Aspire2. During the year, The Earley Charity paid £33,000 (2021: £nil) in grants to Aspire2 with a further £12,000 (2021: £10,000) approved but unpaid at the balance sheet date and included within creditors.

Trustees, Dr D Jenkins and Dr D Sutton are members of the Reading International Solidarity Centre. During the year, The Earley Charity paid £42,814 (2021: £43,770) in grants to the Reading International Solidarity Centre. At the year end £85,628 (2021: £87,539) was approved but unpaid and included within creditors.

Councillor L Terry was an elected member of Reading Citizen Advice, although stood down during the year. During the year, The Earley Charity paid £nil (2021: £10,000) in grants to the Reading Citizen Advice. At the year end £nil (2021: £nil) was approved but unpaid and included within creditors.