

THE PAROCHIAL CHARITY

REGISTERED NUMBER 515251

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2024



THE PAROCHIAL CHARITY

REGISTERED NUMBER 515251

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THE PAROCHIAL CHARITY

LEGAL AND ADMINISTRATIVE DETAILS

Registered Charity Number:

515251

Principal Address (that of the Clerk to the Trustees, Mrs S.Heap):

Cedar Lawns,
Forties Lane,
Smisby,
Ashby-de-la-Zouch,
Leicestershire.
LE65 2SN

Trustees:

Mr S.J.Barnett
Miss C Hynam (resigned 2 September 2024)
Mr R Hounslow (resigned 16 May 2024)
Mr P Cooper
Ms G K Dickens (appointed 3 June 2024)
Ms E Sturgess (appointed 23 September 2024)

Bank:

CAF Bank Ltd.,
25, Kings Hill Avenue,
Kings Hill,
West Malling,
Kent.
ME19 4TA

Independent Examiner:

L Frost ACCA
Nuvo Accountancy Limited
Chartered Certified Accountants,
7 Faraday Court,
First Avenue,
Burton on Trent,
Staffordshire
DE14 2WX

THE PAROCHIAL CHARITY

REGISTERED NUMBER 515251

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

1 Structure, Objectives and Activities for the Public Benefit

The Trustees of the Parochial Charity operate under their Trust Deed dated January 1982 and hereby submit their Report and Accounts for the financial year ended 31 March 2024. The Trustees prepare the accounts in accordance with the 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) issued on 16 July 2014 and the Charities Act 2011.

The objects of the Charity are defined in its Trust Deed and its discretionary expenditure is all within the terms stated in that deed; all other expenditure relates to the management and administrative requirements of the Charity, including the fees payable to its professional advisers. The Charity was first endowed in 1794 and has undergone many changes, the latest being in 2005 when most of its endowed lands were sold, to conform with local planning authority requirements for an area which included the Charity owned land. This endowed land was sold for a sum of £2,360,000 but the monies were not received in full until 2009. These Endowed funds have risen to £3,128,842 by 31 March 2024, and cannot as such be spent, but are invested to yield disposable income. Endowed and General Funds totaled £3,138,567 over the same period. This represents an increase of £305,726 compared to the end of FY22-23 and is down to an overall increase in Endowed Funds of £329,198 and a decrease in General Funds of £23,472.

As stated last year, we have engaged TSP to oversee the transition to Charitable Incorporated Organisation (CIO) status. This widely recognised structure is advantageous for charities like ours, establishing the Charity as a distinct legal entity separate from the Trustees. This process also presents an opportunity to modernise the 1982 Trust Deed. We anticipate this transition to be finalized within the next reporting year.

After deducting half of the Charity's operating expenses, 50% of the remaining annual disposable income is allocated to The Church Charity, which operates independently and publishes a separate report on its activities.

The Parochial Charity is governed by four Trustees: two nominated by the Smisby Parish Council and two co-opted by the Charity. As stipulated in the Trust Deed, co-opted individuals should possess a strong understanding of Smisby.

The Trustees endeavour to concentrate their discretionary expenditure on projects that bring benefit to the greatest number of residents living in Smisby Parish. Christmas 2022 was the first time that the qualifying age for a Christmas Hamper was reduced to 60 years old by 25 Dec of that year. Christmas hampers were given to all those over 60 requesting a hamper, with this year's hampers again being sourced, produced and delivered by a number of volunteers from the community. This was well received again with a larger number of recipients thanking the Charity for their wonderful hampers either by email, social media or by card. Those of age not wishing to receive a hamper, have the option of donating the value of their hamper to a local food bank.

We continue to support educational development within our community. This includes providing grants to students pursuing higher education, distributing book tokens to local children, and offering an annual grant to the Smisby Women's Institute, which funds their subsidized educational outings. This grant is subject to an annual increase as collectively agreed upon by the Trustees. In addition the Charity has provided a small number of individual welfare based funds, including the recently introduced funeral expenses support. Importantly, our commitment to community support extends only to projects or individuals where public funding is either inaccessible or insufficient.

Further funding extends to supporting community floral displays around the village during the year. In addition, to commemorate the Coronation of King Charles, funding for a street party and the cost of a Village Hall wall mounted sundial was also supported by the Charity. The Charity also supported the Smisby Village Hall Christmas Party, repeated in 2023 and continues to be a huge success. Finally the Charity paid for the repair of a village footpath which the local council's highways department was not prepared to undertake.

2 Governance

The Charity, with assistance from our Land Agent (Fisher German), continues to explore opportunities to purchase agricultural land. However, no suitable properties have been identified, considering both location and price. The Charity's currently owned land had a complete Red Book valuation performed in 2021. It is intended to have a Red Book revaluation performed by the Land Agent towards the end of the following financial period (24-25). This will provide up to date investment information when the Charity transfers from the 1982 Scheme to a CIO.

Our investment portfolio is managed by Rathbone Brothers PLC (London), appointed in May 2021, who have consistently provided exceptional advice and planning, particularly crucial during the current economic downturn. Nuvo Accountancy Ltd (formerly ADS Accountancy Ltd) in Burton on Trent serves as our accountants, responsible for preparing and independently examining the financial statements.

Following recommendations from Rathbone Brothers, we have strategically increased our Endowment Funds using short term deposit General Funds, aiming to achieve a balanced level of approximately £300k in our General Funds. This should provide sufficient quick access funding for land acquisition should a suitable parcel of land come on the market.

Transparency remains a priority. All financial records are accessible on the Charity Commission's website. Additionally, we maintain open communication with residents through quarterly updates in the Parish Newsletter (available online and in print), actively welcoming suggestions for new community projects. An annual report summarising the Charity's activities is also provided to the Parish Council.

3 Management

The Trustees typically hold six meetings per year, adjusting the frequency as needed. All meetings are conducted in person. These meetings focus on:

- Exploring potential projects.
- Monitoring the progress of existing initiatives.
- Evaluating expenditures.
- Regularly reviewing capital investments.
- Review existing grants and look for further possible grant provision.

In addition to a formal annual investment review, the Trustees convene ad hoc meetings with our investment advisors, Rathbone Brothers, to discuss pertinent matters as needed.

4 Financial Review

The financial year 2023-24 saw a doubling of overall Charity income to £47,478 compared to £22,015 in the previous financial year. This is largely due to movement of funds from Capital deposit (short term banks/building society accounts) to the Rathbone Brothers managed Charity account providing an improved yield, and also increased interest rates over 2023/2024 for the Capital deposit holdings due to BoE base rate increases over the same period.

This year there has been further investment movement from the general deposit funds into the Rathbone Brothers endowment managed account with the result that the current holdings with bank/building society short term accounts is now close to the £300k referred to earlier. The requirement from previous years of trying to find replacement cash deposit charity accounts is now less of an issue. The remaining cash on deposit accounts are all within the Financial Services Compensation Scheme (FSCS) framework of £85k. Although the source of replacement charity accounts is more restricted than in the past, this is no longer a concern. Any endowed deposit fund which is closed is held in general funds on a temporary basis until a suitable deposit account can be found.

5 Investment Policy and Performance

The endowed capital of the Charity is invested in land (mainly agricultural) and in equity related funds with the remainder being on deposit, largely in 'term bonds' in the 'best buy' category available from time to time. These deposits are always with banks and building societies that operate within the FSCS framework, which now give guarantees for sums up to £85,000. Capital cash deposit recommendations either directly by the advisors or trustee sourced investments are discussed in advance with our financial advisers before being implemented by the trustees. The Rathbone Brothers Portfolio for the Charity is based on ethical criteria and of medium risk, with the aim of maintaining or ideally growing the real value of capital as defined by CPI whilst generating an income which also maintains real value over time. Equity related investments are usually longer term and form the major part of the annual financial review with our financial advisers. During the year, equity sales and purchases are generally discussed and agreed (or otherwise) following recommendations from our financial advisers. The long-term equity related funds have increased significantly from the previous year's loss of £104,853 to a gain of £147,550. This is partially due to market stability as a result of global inflation reducing almost everywhere. Consequentially the portfolio has performed well, particularly in the Overseas Equity asset class which equates to 53% of the portfolio.

The trustees are aiming to review/revise our Investment Policy Statement and strategy with Rathbone Brothers in the following financial year.

The Charity's Trustees desire for investment in land remains unchanged, though our Land Agent (Fisher German) has not been able to recommend any suitable land for possible purchase, at least not with sufficient potential to make it attractive to the Trustees. Our investment in land is now valued at a 2021 Red Book value for five of the six land holdings, and a further valuation of the car park, totaling £575,000. This is a substantial increase from the original cost price value previously in the accounts £437,090. It is intended to perform a revised Red Book valuation on all land holdings before the end of the following financial period. The current value of land equates to approx. 19% of total endowment funds, providing headroom to purchase further land to achieve the current investment policy on land of 25-30%.

6 Reserves Policy

After allowing for the fact that half the Charity income (after deduction of all costs incurred) passes to the Church Charity each year, our capital this year has yielded over £47K to maintain the established and traditional expenditure that solely benefits Smisby Parish residents. Over the past few years, in order to allow the Charity to undertake one or more significant projects in the future, we had allowed our disposable cash reserves to build up steadily and this FY saw a decrease of these funds from £33,197 to £9,725. Furthermore £85k of endowment funds was being held in General funds at the end of the 23/24 financial year. This will be transferred immediately in the new FY to provide further investment with the Rathbone Brothers portfolio. As the total disposable income exceeds the FSCS £85k threshold, other quick access bank/building society accounts are to be used to hold the reserves of the General Fund, leaving a sufficient amount in the day-to-day working account. Any requirement to call back from the reserves will be based on either a) a high value community project, or b) should the investment performance vs expenditure for a financial year be such that the working account goes below a base line threshold.



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Dated: 27 January 2025

Mr Simon J Barnett
(On behalf of the trustees)

THE PAROCHIAL CHARITY

**Statement of Financial Activities
For the year ended 31st March 2024**

	Note	General Funds	Endowment Funds	Total 2024	Total 2023
INCOMING RESOURCES	2				
Investment Income		3,740	43,738	47,478	22,015
Other Incoming Resources		-	-	-	-
TOTAL INCOMING RESOURCES		3,740	43,738	47,478	22,015
RESOURCES EXPENDED	3				
Charitable expenditure:					
Grants payable		15,699	-	15,699	22,921
Management and administration		11,513	-	11,513	9,201
TOTAL RESOURCES EXPENDED		27,212	-	27,212	32,122
NET INCOMING RESOURCES BEFORE TRANSFERS		(23,472)	43,738	20,266	(10,107)
Transfers between funds			-	-	-
NET INCOMING RESOURCES BEFORE GAINS ON INVESTMENTS		(23,472)	43,738	20,266	(10,107)
Net gains/(losses) on revaluation and disposal of investments		-	147,550	147,550	(104,853)
Net movement in funds		(23,472)	191,288	167,816	(114,960)
Total funds at 1 st April 2023		33,197	2,799,644	2,832,841	2,947,801
Revaluation of properties		-	137,910	137,910	-
Total funds at 31st March 2024		9,725	3,128,842	3,138,567	2,832,841

THE PAROCHIAL CHARITY

**Balance Sheet
as at 31st March 2024**

	Note	2024	2023
FIXED ASSETS			
Tangible assets	6	575,000	437,090
		<hr/>	<hr/>
		575,000	437,090
CURRENT ASSETS			
Debtors and prepayments	7	-	-
Investments	8	2,348,524	2,197,907
Cash at bank and in hand		249,566	217,888
		<hr/>	<hr/>
		2,598,090	2,415,795
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	9	34,523	20,044
		<hr/>	<hr/>
NET CURRENT ASSETS		2,563,567	2,395,751
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,138,567	2,832,841
LONG TERM LIABILITIES			
Creditors: Amounts falling due after more than one year		-	-
		<hr/>	<hr/>
NET ASSETS		3,138,567	2,832,841
		<hr/> <hr/>	<hr/> <hr/>
CAPITAL FUNDS			
Endowment	13	3,128,842	2,799,644
INCOME FUNDS			
General fund	13	9,725	33,197
		<hr/>	<hr/>
		3,138,567	2,832,841
		<hr/> <hr/>	<hr/> <hr/>



Approved by the Trustees on 27 January 2025 and signed on its behalf by (Mr Simon J Barnett).

The analysis of net assets between funds can be found on note 13, on page 12. The notes on pages 7 to 12 form part of these accounts.

THE PAROCHIAL CHARITY

Notes to the Accounts For the year ended 31st March 2024

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with FRS102. The financial statements have also been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in 2015.

The accounts have been prepared under the historical cost convention, with the exception that investments are valued at market value.

Donations, legacies and similar incoming resources

Donations, legacies and similar incoming resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource.

Investment income

Income from quoted investments and interest on short term deposits is accounted for in the year in which it is receivable.

Rental income is included in the period to which it relates. Amounts received in advance are deferred to the following period.

Tangible fixed assets and depreciation

Land is included at a valuation and no provision for depreciation has been made as it is considered that market value is not less than original cost.

Allocation of expenditure

For accounting purposes expenditure is allocated as follows:

Grants Payable

Grants payable are charged in full in the year in which they are awarded.

Management and administration

All other expenditure arising from the management and administration of the charity.

Funds Accounting

The funds held by the charity are categorised as follows;

General Funds

These are funds which the trustees are free to use in accordance with the objects of the charity as set out in its governing document. Designated funds are amounts which have been set aside at the discretion of the trustees for a specific purpose in the future. Trustees have the power to reallocate these funds until such time as they have been expended. Reserves are the general funds which have not been designated.

Endowment Funds

These funds must be retained by the charity and cannot be spent. The income generated from the assets held in these funds is first applied to the cost of maintaining those assets. Surplus income is available for expenditure by the trustees in accordance with the objects of the charity after the fulfilment to pay half income less half costs to the church charity.

THE PAROCHIAL CHARITY

Notes to the Accounts For the year ended 31st March 2024

2. INCOMING RESOURCES

Investment Income	General Funds	Endowment Funds	Total 2024	Total 2023
Rental income	320	16,757	17,077	18,297
Dividends and interest	3,420	70,719	74,139	25,732
Church Charity share of income	-	(43,738)	(43,738)	(22,014)
	<hr/> 3,740	43,738	47,478	22,015

Other Income	General Funds	Endowment Funds	Total 2024	Total 2023
Other income	-	-	-	-
Church Charity share of other income	-	-	-	-
	<hr/> -	-	-	-

3. RESOURCES EXPENDED

Charitable giving	General Funds	Endowment Funds	Total 2024	Total 2023
Events:				
Christmas hampers	4,084	-	4,084	3,894
Village events	3,238	-	3,238	6,576
Village projects	4,481	-	4,481	1,928
Book Tokens	387	-	387	360
Donation to Women's Institute	1,400	-	1,400	1,250
Grants for students	2,109	-	2,109	2,713
Building of downstairs cloakroom	-	-	-	6,200
	<hr/> 15,699	-	15,699	22,921

THE PAROCHIAL CHARITY

Notes to the Accounts For the year ended 31st March 2024

3. RESOURCES EXPENDED

Management and administration	General Funds	Endowment Funds	Total 2024	Total 2023
Insurance	888	-	888	832
Honorarium	2,700	-	2,700	2,300
Accountancy	2,820	-	2,820	2,640
Professional fees	7,908	-	7,908	7,534
Rathbones fees	4,312	-	4,312	2,264
Miscellaneous	3,445	-	3,445	2,029
Bank interest and charges	120	-	120	159
Jubilee Ground maintenance	834	-	834	644
Church Charity contribution to costs	(11,514)	-	(11,514)	(9,201)
	<hr/>	<hr/>	<hr/>	<hr/>
	11,513	-	11,513	9,201

4. TRUSTEES' EXPENSES

The Trustees received reimbursement of expenses totalling £Nil (2023: £Nil)

Trustees do not receive any remuneration from the charity.

5. STAFF COSTS

There were no employees during the year.

6. TANGIBLE FIXED ASSETS

	Land
Cost or valuation	
At 1 st April 2023	437,090
Additions	-
Revaluation	137,910
	<hr/>
At 31 st March 2024	575,000

THE PAROCHIAL CHARITY

**Notes to the Accounts
For the year ended 31st March 2024**

7. DEBTORS AND PREPAYMENTS

Amounts falling due within one year	2024	2023
Church debtor (Creditor this year)	-	-

8. INVESTMENTS

	2024	2023
<u>Long Term</u>		
Shares/investments held within Transact	-	-
Rathbones Investment Management : Holdings	2,015,990	1,701,822
Rathbones Investment Management : Cash	308	1,137

Current Holdings

Hinckley & Rugby	85,000	85,000
COIF Charities Deposit Fund	-	10,000
Market Harborough Building Society	-	75,000
Cambridge and Counties Bank	84,948	84,948
Close Bros	82,278	75,000
Redwood Bank	-	85,000
Mansfield Building Society	80,000	80,000
	<hr/> 2,348,524	<hr/> 2,197,907 <hr/>

THE PAROCHIAL CHARITY

Notes to the Accounts For the year ended 31st March 2024

9. CREDITORS

Amounts falling due within one year	2024	2023
Accruals and deferred income	4,820	6,460
Church creditor - current year	32,225	12,814
Church creditor - previous year	(2,522)	770
	<hr/>	<hr/>
	34,523	20,044
	<hr/> <hr/>	<hr/> <hr/>

10. GENERAL FUNDS

General funds represent the accumulated income of the charity which can be applied in furtherance of the objects of the charity at the discretion of the trustees.

11. INVESTMENTS

During the year 2023/24 investments matured before the year end which were not reinvested prior 31st March 2024, these amount to £85,000.

12. CHURCH CREDITOR

At the balance sheet date, a creditor of £32,225 is owed to the Church relating to the current year, less an overpayment from the previous year of £2,522.

THE PAROCHIAL CHARITY

**Notes to the Accounts
For the year ended 31st March 2024**

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Funds	Endowment Funds	Total
Tangible fixed assets			
Cost of car park and farm land	-	437,090	437,090
Revaluation of car park and farm land		137,910	137,910
	-	575,000	575,000
<hr/>			
Current assets			
Debtors and prepayments	-	-	-
Investments	-	2,348,524	2,348,524
Cash at bank and in hand	44,248	205,318	249,566
	44,248	2,553,842	2,598,090
<hr/>			
Current liabilities			
Creditors: Amounts falling due within one year	(34,523)	-	(34,523)
	(34,523)	-	(34,523)
<hr/>			
Long term liabilities			
Creditors: Amounts falling due after more than one year	-	-	-
	-	-	-
<hr/>			
Net assets	9,725	3,128,842	3,138,567
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**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE PAROCHIAL CHARITY**

I report on the accounts of the Charity for the year ended 31 March 2024 which are set out on pages 5 to 12.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1 which gives me reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or

2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Mr L Frost ACCA of Nuvo Accountancy Limited

7 Faraday Court
First Avenue
Burton on Trent
Staffordshire
DE14 2WX

Date: 27 January 2025