

THE PHILLIPS CHARITABLE TRUST

FINANCIAL STATEMENTS FOR THE YEAR ENDED 5th APRIL 2023

JERVIS & PARTNERS
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2023

Legal and administrative details

Charity registration number: 1057019

Principal address: 66 Reedway
Spinney Hill
Northampton
NN3 6BT

Trustees: M J Ford
M J Percival
Mrs A M Marrum
P R Saunderson
Mrs P P Schanschieff
D J Lett (Appointed 3 July 2023)

Clerk to the Trustees: Gill Evans
66 Reedway
Spinney Hill
Northampton
NN3 6BT

Bankers: Lloyds Bank plc
NORTHAMPTON

Solicitors: HCR Solicitors
Lancaster House
Nunn Mills Road
NORTHAMPTON
NN1 5GE

Stockbrokers: RBC Brewin Dolphin
London

Independent Examiner: Jervis & Partners
Chartered Accountants
135/137 Wellingborough Road
Rushden
Northants
NN10 9TE

Report of the Trustees

The Trustees present their report together with financial statements for the year ended 5 April 2023. This report is prepared in accordance with the Scheme approved by the Charity Commissioners and the recommendation of the Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS 102) and complies with applicable law.

Structure, governance and management

The Phillips Charitable Trust ("the Trust") is established for charitable purposes and is governed by a Trust Deed dated 2 November 1995 as amended by a Deed of Variation and Appointment dated 21 June 1996.

Trustees

The present membership of the Board is set out on page 2.

The original Trustees were appointed by the Founder, Mrs Phillips. Following her death, further Trustees can only be appointed by the current Trustees for the time being.

Risk assessment

The Trustees have assessed the major risks to which the Charity is exposed. They have invested in a low to moderate risk and diversified investment portfolio and also take steps to limit the potential risks to the Charity's investment properties.

Objectives and activities

In accordance with its Trust Deed, the Trust's principal objective is to hold funds and income thereon for the benefit of the charitable institutions or purposes, at the Trustees' discretion. Following the death of Mrs Phillips on 25 February 1997, capital assets in the sum of £1,525,766 were appointed to the Trust.

The Trustees' role is to hold the Trust funds upon trust and to apply the capital and income thereon for the benefit of charitable institutions and purposes.

Grant policy

Applications for grants are sent to the Trustees for consideration. They consider whether they think a grant would be of merit and, if so, if the application will be granted and the value. Grants are made to registered charities and certain individuals.

Meetings

Three Trustee meetings were held during the year.

Achievement and Performance

The Trust continued its annual grant of £12,000 for SportsAid Eastern, an organisation committed to helping young people to further their career in a wide range of sporting activities. The trustees prefer applicants to be based in Northamptonshire. The trustees find it gratifying that several recipients send in information about the development of their career. Since these grants began in 2006, a total of £169,500 has been awarded.

Grants totalling £13,000 were also made to twelve other charities.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2023

Investment policy

The Board's policy is to ensure that a reasonable level and balance of income and capital growth is maintained each year for listed investments. During the year, the return on listed investments was 2.19% (2022 – 1.86%).

The Charity has also invested in property for its long term investment potential and rental income.

Financial Review

The Trustees have maintained the Charity's policy in applying funds for the benefit of charitable institutions in accordance with its objects.

The net incoming resources for the year amounted to £10,136 (2022 - £2,652). In addition, there were realised losses of £18,726 (2022 - £3,570) on the disposal of investment assets and unrealised losses of £196,552 (2022 – gains £20,035) on the revaluation of investment assets. Overall, there was a decrease in restricted funds of £205,112 (2022 - increase £19,117).

Financial

The trustees have regular contact with Financial Advisors Brewin Dolphin, and Mr Christian Fortune, Divisional Director, attended the November meeting.

The Trust's Investment portfolio was reviewed in Spring 2021, the ongoing object being to maintain, as far as possible a reasonable level of income with some opportunity for capital growth.

A new lease for the property 2 Burystead Place, Wellingborough, is under negotiation; the existing tenants wish to continue.

Due to the downturn generally in financial markets, the amount of income available for grants was again reduced, but the trustees continue with their policy of longer-term investment, and view the future with cautious confidence.

Assets

The assets are held in pursuance of the Charity's objectives. The net assets of restricted funds amounted to £2,712,103 at 5 April 2023 (2022 £2,917,215).

Reserves policy

All of the funds of the Charity are restricted and therefore there are no 'free' reserves. However, the Trustees have the power to pay management and administration expenses though do not consider it necessary to allocate reserves for future expenditure of this nature as it is unlikely to reach a level to affect the Charity's resources and activities.

Public benefit

The trustees believe that the work undertaken during the year continued to maintain the overall objectives of the Trust.

Work started during the year to explore and develop possible appropriate avenues of support which will maintain the objectives of the Trust and be in accordance with the known hopes of the original donor.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable

FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2023

law). The Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity for that period.

In preparing these financial statements, the Trustees are required to:-

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

The Trustees are responsible for keeping 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.

ON BEHALF OF THE TRUSTEES



M J Percival
Trustee

Date: 20 November 2023

Independent Examiner's Report to the Trustees of The Phillips Charitable Trust

We report on the accounts of The Phillips Charitable Trust for the year ended 5 April 2023 which comprise the principal accounting policies, the statement of financial activities, the balance sheet and notes 1 to 10.

Responsibilities and basis of report

As the Charity's Trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011('the Act').

We report in respect of our examination of the charity's accounts carried out under section 145 of the Act and in carrying out our examination we have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's statement

We have completed our examination. We confirm that no material matters have come to our attention in connection with the examination giving us cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 13 of the Act; or
- 2 the accounts do not accord with those records; or
- 3 the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

We have no concerns and have come across no matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

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 independent examination work has been undertaken so that we might state to the Charity's Trustees those matters we are required state to them in an independent examiners report and for no other purpose. To the fullest extreme permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our independent examination work for this report or for the opinions we have formed.

Jervis & Partners
Chartered Accountants
135/137 Wellingborough Road
Rushden
Northants
NN10 9TE

Significant Accounting Policies

General Information

The Phillips Charitable Trust is a registered Charity in the United Kingdom. The address of the Charity's office is given in the legal and administrative information on page 2. The nature of the Charity's operations and principal activities are given in The Report of the Trustees on page 3 and 5. The Charity constitutes a public benefit entity as defined by FRS102.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standards (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as applied from January 2015. They have been prepared under the historical cost convention except that investments are valued at market value which is deemed to be their fair value (see below).

The principal accounting policies of the Charity have remained unchanged from the previous year and are set out below.

Income Recognition

Investment income

Investment income is recognised when receivable and when the Charity is legally entitled.

Expenditure Recognition

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

Expenditure is recognised on an accruals basis and allocated to the headings below.

Expenditure, which is charged on an accruals basis, is allocated between:-

- raising funds which consists of investment management fees and expenditure on investment properties;
- charitable activities which represent the grants made;
- Other costs which compromise the compliance and statutory costs incurred by the Charity such as independent examiners fees and legal advice.

Grants payable

Grants payable are payments to institutions in the furtherance of the charitable objectives of the Trust and are accounted for as they fall due.

Fund accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2023

Fixed Asset Investments

Traded securities are valued at the mid-point quotation in the Stock Exchange Daily List, which is deemed to be their fair value.

Other investments are included at Trustees' best estimate of fair value. In accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS 102), properties that are held for long term investment are included in the balance sheet at their open market values which is deemed to be the fair value. The surpluses or deficits on revaluation of such properties are transferred to the Restricted fund. Depreciation is not provided in respect of freehold investment properties.

This policy represents a departure from statutory accounting principles, which require depreciation to be provided on all fixed assets. The Trustees consider that this policy is necessary in order that the financial statements may give a true and fair view, because current values and changes in current values are of prime importance rather than the calculation of systematic annual depreciation. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Net gains and losses arising on revaluations and disposals during the year are included as part of the net income in the statement of financial activities.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2023

Statement of financial activities

	Note	Restricted Funds 2023 £	Restricted Funds 2022 £
Income			
Investment income	1	65,739	61,481
Other income	1	-	-
		<hr/>	<hr/>
Total income		65,739	61,481
		<hr/>	<hr/>
Expenditure			
Raising funds	2	18,182	19,448
Charitable activities	2	35,000	37,000
Other	2	2,421	2,381
		<hr/>	<hr/>
Total expenditure		55,603	58,829
		<hr/>	<hr/>
Net gains (losses) on investments:-			
Revaluation of investment property	8	-	-
Investment assets - Realised (losses) gains	8	(18,726)	(3,570)
- Unrealised (losses) gains	8	(196,522)	20,035
		<hr/>	<hr/>
		(215,248)	16,465
		<hr/>	<hr/>
Net movement in funds		(205,112)	19,117
Reconciliation of funds:-			
Fund balance brought forward			
at 6 April 2022		2,917,215	2,898,098
		<hr/>	<hr/>
Fund balance carried forward			
at 5 April 2023	8	2,712,103	2,917,215
		<hr/>	<hr/>

All income and expenditure derive from continuing activities.

The accompanying accounting policies and notes form an integral part of these financial statements.

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Balance sheet

	Note	2023		2022	
		£	£	£	£
Fixed assets					
Investment properties	4		165,000		165,000
Investments	5		2,442,471		2,655,608
			<hr/>		<hr/>
Total fixed assets			2,607,471		2,820,608
 Current assets					
Debtors	6	1,000		-	
Cash at bank and in hand		105,084		104,986	
			<hr/>		<hr/>
Total current assets		106,084		104,986	
 Liabilities					
Creditors: amounts falling due within one year	7	(1,452)		(8,379)	
			<hr/>		<hr/>
Net current assets			104,632		96,607
			<hr/>		<hr/>
Total assets less current liabilities			2,712,103		2,917,215
			<hr/>		<hr/>
 The funds of the Charity					
Restricted income funds	8		2,712,103		2,917,215
			<hr/>		<hr/>

The financial statements were approved by the Board of Trustees on 20 November 2023

A M Marrum
Trustee

M J Percival
Trustee

The accompanying accounting policies and notes form an integral part of these financial statements.

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Notes to the financial statements

1 Investment income

	2023 £	2022 £
Dividends from listed investments	53,463	49,481
Bank deposit interest	276	-
Income from property (rents)	12,000	12,000
	<hr/>	<hr/>
	65,739	61,481
	<hr/>	<hr/>
Other income:-		
Dilapidations contribution	-	-
	<hr/>	<hr/>

2 Expenditure

Charitable activities

The Charity undertook no direct charitable activities, but made the following charitable donations to institutions in furtherance of its charitable activities.

Name of recipient	2023 £	2022 £
Exelsior Trust	2,500	2,500
Greyhound Rescue	-	3,000
Welcome to our future	1,000	1,500
SportsAid Eastern	12,000	12,000
Peterborough Cathedral Trust	-	8,000
Caring and Sharing	-	500
Asthma Relief	-	2,000
Dogs for Good	-	2,000
Disabled Sailors Association	-	3,500
Canine Partners	-	2,000
Suffolk Building Preservation Trust	2,500	-
The Fishermans Mission	2,000	-
Daventry Contact	1,000	-
Animals in Need	500	-
The Seafarers Charity	2,000	-
Serve	3,000	-
Exmoor Pony Centre	1,000	-
Sea Palling Independent Lifeboat	3,500	-
Medical Detection Dogs	1,000	-
RNLI Launch Appeal	3,000	-
	<hr/>	<hr/>
	35,000	37,000
	<hr/>	<hr/>

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	2023	2022
	£	£
Raising funds		
Property expenses	2,961	28
Investment management fees	15,221	19,420
Investment property valuation fee	-	-
	<hr/>	<hr/>
	18,182	19,448
	<hr/>	<hr/>
Other costs		
Independent Examination fees	1,452	1,482
Clerk to the Trustees fees and administrative costs	969	899
	<hr/>	<hr/>
	2,421	2,381
	<hr/>	<hr/>

3 Payments to Trustees and connected persons

No Trustee or person with a family or business connection with a Trustee received remuneration or expenses in the year directly from the Charity.

4 Investment properties

	£
Valuation and net book amount at 6 April 2022	165,000
Revaluation in year	

Valuation and net book amount at 5 April 2023	<hr/>
	165,000
	<hr/>

The investment property is located in the UK and was professionally valued at open market value as at 5 April 2021 by Messrs Underwoods, Chartered Surveyors, and this value has been incorporated in the financial statements. The basis of the valuation used was open market value which is deemed to be the fair value.

Investment properties (continued)

The investment property comprises:-

	2023	2022
	£	£
2, Burystead Place, Wellingborough	165,000	165,000
	<hr/>	<hr/>
	2023	2022
	£	£
Cost and net book amount	87,000	87,000
	<hr/>	<hr/>

5 Fixed asset investments

	Listed investments £
Valuation and net book amount	
At 6 April 2022	2,655,608
Additions in year	410,113
Unrealised losses in year	(196,522)
Disposals in year	(426,728)
	<hr/>
At 5 April 2023	2,442,471
	<hr/>

If the investment property had not been revalued, it would have been included on the historical cost basis at the following amounts:-

Listed investments are stated at their mid market value as at the balance sheet date which is their fair value.

If listed investments had not been revalued, they would have been included on the historical cost basis at the following amounts:-

	2023	2022
	£	£
Cost and net book amount	2,334,250	2,285,635
	<hr/>	<hr/>

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6	Debtors	2023	2022
		£	£
	Accrued income and prepayments	1,000	-
		<hr/>	<hr/>

7	Creditors falling due within one year	2023	2022
		£	£
	Accruals - professional fees and income in advance	1,452	8,379
		<hr/>	<hr/>

8	Restricted income funds					
	At 6 April 2022	Incoming resources	Expenditure	Realised Gains(loss)	Unrealised gains(loss)	At 5 April 2023
Accumulated						
capital fund	2,947,422	-	-	(18,726)	(196,522)	2,732,174
Accumulated						
revenue fund	(30,207)	65,739	(55,603)	-	-	(20,271)
	2,917,215	65,739	(55,603)	(18,726)	(196,522)	2,712,103

The fund was established on 2 November 1995 by Mrs D G Phillips for the purpose of benefiting charitable institutions or the furtherance of charitable purposes. Following the death of Mrs Phillips on 25 February 1997, the whole of the residue of her Estate in the sum of £1,525,766 passed to the Trust.

The fund is represented by investments and short term deposits.

9 Capital commitments

There were no capital commitments at 5 April 2023 or 5 April 2022.

10 Contingent liabilities

There were no contingent liabilities at 5 April 2023 or 5 April 2022.

11 Financial commitments

The Trustees have agreed that a grant of £50,000 will be paid to the Cynthia Spencer Hospice towards the building costs of the new Woodland Room once building work has started in the Summer of 2023.