

THE HADFIELD CHARITABLE TRUST

Charity Registration Number: 1067491

**ACCOUNTS FOR THE YEAR ENDED
31st AUGUST 2023**

The Hadfield Charitable Trust

Accounts for the year ended 31st August 2023

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The Hadfield Charitable Trust

Accounts for the year ended 31st August 2023

Trustees' Annual Report

The Trustees have pleasure in submitting their Annual Report and Financial Statements for the year ended 31st August 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (second edition - October 2019 - effective 1 January 2019).

REFERENCE AND ADMINISTRATION DETAILS

Trustees who served during the year and on the date the Report was approved:	Mr A T Morris - appointed Chair 25 July 2023 Mr R A Morris - resigned as Chair 25 July 2023 Mrs C F E Addison Mr D Bailey Mr A W N Forsyth (Chairman of the Advisory Panel - n.b. resigned from Panel and as Chair of Panel with effect from 1 November 2022) Mr B Kenny - appointed 18th July 2023 Mr W Rathbone - died 31st December 2022
Principal Office:	Shoestone Cottage, Garnett Bridge, Kendal, Cumbria LA8 9AZ
Charity Registration Number:	1067491
Administrator to the Trust:	Ms S Berriman
Assistant to the Administrator:	Mrs V Hewitt
Accountancy:	Rathbones Trust Company Limited, Port of Liverpool Building, Pier Head, Liverpool, L3 1NW
Auditor:	BWM, Suite 5.1, 12 Tithebarn Street, Liverpool, L2 2DT
Bankers:	Rathbones Investment Management Ltd, Port of Liverpool Building, Pier Head, Liverpool, L3 1NW
Investment Managers:	Rathbones Investment Management Ltd, Port of Liverpool Building, Pier Head, Liverpool, L3 1NW

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STRUCTURE, GOVERNANCE AND MANAGEMENT

The Hadfield Charitable Trust is an unincorporated grant-making trust, a registered charity constituted under a trust deed dated 1 September 1997. The Trust was established through the generosity of the late Mrs Kathleen Hadfield Bibby. The Trustees hold the capital and income of the Trust on Unrestricted Funds to be applied as they in their discretion think fit. The Trust's sole activity is grant making.

By deed dated 1st August 2010 the Trustees varied the original deed to extend the total number of trustees at no time to exceed eight. At the end of the financial year under review the Trust had six trustees, each chosen for their particular skills which they bring to its governance. It is considered that the Trustees between them have the appropriate experience and skills to fulfil the Trust's objectives. Two of these trustees live and work in Cumbria.

The Trustees paid tribute to the late Mr William Rathbone who had been a Trustee since 1997 and whose tremendous input to the Trustee meetings were always gratefully received. It was acknowledged that the work he did was invaluable and will be a great loss. During the period under review, the Trustees welcomed Mr Brian Kenny as a Trustee and Mr Andrew Morris accepted the position of Chair of Trustees, as Mr Roy Morris stepped down from this position. Mr Roy Morris was thanked for all his hard work and effort he had put into the Trust since its inception.

The Trustees held three meetings during the financial year under review. This gave the Trustees the opportunity to discuss each grant application as well as to discuss strategy and governance matters. The Trust's Investment Manager attended all three meetings. At its March meeting, the 2022 Annual Report and Accounts were presented to considered and approved by the Trustees before being signed by the Chair in good time to meet its statutory obligations.

The Trustees have delegated the day to day management of the Charity to the Administrator of the Trust.

At each Trustees' meeting the Trustees decide what awards should be made in response to grant applications received for consideration. The Trustees are guided in their deliberations by an Advisory Panel. Panel members are appointed by the Trustees who are chosen for their knowledge of the county and its charitable sector. There are currently seven members on the Advisory Panel including one Trustee, Mrs Caroline Addison. There are three Panel meetings each year, held approximately four weeks prior to each Trustee Meeting. These are held in person in Cumbria at a time to suit the Panel Members.

Please note that 'Cumbria' at the local government level is governed by 'Cumberland' and 'Westmorland and Furness' Councils.

Recruitment, appointment and induction of new trustees

Prospective trustees are nominated by a Trustee for the specific skills they possess, and which will be of particular benefit to the Trust. Typically, candidates are asked to submit a letter of application detailing their skills and experience and then invited for a discussion with the Chairman and the Administrator on the work of the charity and its history. Candidates are then invited to attend a Trustees' meeting and if possible, an Advisory Panel meeting.

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A new trustee must be elected by a majority of the Trustees and is provided with an induction pack containing relevant information including a copy of the Trust Deed, minutes of past Trustees' and Advisory Panel meetings and the latest Annual Report and Accounts. New Trustees are asked to read the Charity Commission guidance on the role, responsibilities and conduct of trustees (CC3: The Essential Trustee) and to visit the Charity Commission website.

Principal Risks and Uncertainties

The Trustees have considered the major risks to which the charity is exposed, together with the system which have been established to mitigate those risks. A risk management document is in place and is reviewed each year at the November meeting of the Trustees with a view to identifying any new risks and ensuring that the systems aimed at mitigating those risks remain appropriate.

The Trustees consider that the greatest risk affecting its ability to carry out its objectives would arise from material negative fluctuations in the investment assets. In order to mitigate this risk (and in accordance with s15 Trustee Act 2000) the Trustees have established a policy statement setting out the policies for investing the funds to guide the discretionary fund manager. This is regularly reviewed and was updated during the period under review. It will continue to be reviewed and any update discussed with and agreed by the investment manager.

OBJECTIVES AND ACTIVITIES

The Settlor had family roots in Cumbria and a deep affection for the county. In reflecting her wishes the Trustees determined that the Hadfield Charitable Trust should primarily provide assistance to community organisations with charitable objectives in Cumbria, particularly those whose work addresses the following priorities: social needs, youth and employment, older people, the arts, and the environment. However, from time to time, it has, and may in the future, make grants to charities operating outside the county.

How the Trust delivers public benefit through its activities:

The Trust primarily delivers public benefit through the awarding of grants to suitable community projects in Cumbria. The application process is designed to be straightforward and accessible. All applicants are encouraged to discuss projects before applying and the Trust is keen to build a rapport with organisations to help develop an effective and resilient charitable sector.

The Trust actively seeks good community projects to fund and aims to do this in various ways principally through attending the 5 annual charity funding fairs held throughout the county and through its website which was redeveloped working with design students at the University of Cumbria Institute of Arts. The Trust also sends funding plaques for display to organisations, thereby raising public awareness of its work.

There has been an increasing requirement for grants to cover salaries and annual running costs and in acknowledging the difficult environment many charities are operating under the Trustees have been supportive of these applications.

The Trustees have also noted an increase in requests for multi-year grants. The Trustees have approved these as and where appropriate.

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To ensure that public benefit is delivered widely and fairly, the Trustees apply a 'two year rule' i.e. a minimum two year gap between the payment of awards.

The Trustees consider applications from national charities if there is evidence of the public benefit to the Cumbrian community from their work. All applicants are asked to provide a Cumbria-based referee who can vouch for that organisation's work in the county.

From time to time the Trustees decide to hold back the grant until certain conditions and criteria are met. The applicant then has two years from the date of agreement to provide evidence that all conditions and criteria have been met. At that point the pledged award is paid. The as yet unpaid pledged awards are not included in these accounts. This principle also applies to as yet unpaid multi-year awards.

Working with third parties to maximise delivery of public benefit

The Trustees are always willing to support organisations which work county wide with numerous community groups. The Trustees were once again happy to support the Cumbria Community Foundation's Winter Warmth Appeal, who worked with several AGE UK offices and Copeland Age and Advice Service to distribute funds.

Performance-related awards

Grants are applied towards one-off projects; however, the Trustees recognise how critical it is to ensure the sustainability of effective organisations. When considered necessary, key projects may receive multi-year grants which are primarily always performance related, with subsequent payments being wholly dependent upon the receipt of satisfactory reporting to the Trustees. Examples in 2022/2023 multi-year grants include awards to Beep Doctors, Carer Support South Lakes and Lake District Calvert Trust

The Trustees also pledge awards where an additional condition needs to be fulfilled, particularly in the case of large capital schemes when remaining funds often need to be secured. These pledged awards frequently help organisations to lever additional funding.

The Trustees have complied with the duty in s17(5) of the Charities Act 2011 to have due regard to the Charity Commission's Public Benefit guidance when exercising any relevant powers or duties.

ACHIEVEMENTS AND PERFORMANCE

Since the Trust started to make grants in March 1998 a total of £6,642,472 had been donated to 2,956 charitable causes, mostly in Cumbria, by 31 August 2023.

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Donations made

During the year, donations totalling £377,517 (£346,477 in 2022) were agreed and paid by the Trustees. Grants ranging from £500 to £5,000 were awarded to 108 (116 in ye 31 August 2022) charitable causes. The total value and proportion of grants awarded by priority type from Unrestricted Funds were as follows:

	£	%
<i>Social Needs</i>	229,568	61
<i>Youth and Employment</i>	73,380	19
<i>Help for the Elderly</i>	13,400	4
<i>The Arts</i>	48,169	13
<i>The Environment</i>	11,000	3
	<u>375,517</u>	<u>100</u>

In dividing projects by priority there is always a degree of overlap, particularly under the 'Social Needs' priority, so projects can deliver benefit to several categories such as the elderly and disabled. A full list of all the donations made in the year is shown within the notes to these accounts.

Rapid Response Activity

The Trust is always willing to meet community need in times of adversity. Examples of this in the past are during the Foot and Mouth Disease crises of 2001/2002 and again in January 2016 following Storm Desmond and the flooding this caused. To support the area during COVID the Trustees continued with its three funding rounds, accepting applications for both COVID and non Covid-related needs.

IMPACT OF DONATIONS

Social Need

Extracts from the Evaluation Forms returned to the Trustees from successful applicants

"The people and groups who rent out space are very happy and have agreed to continue renting from us in the years to come"

"The grant had a significant impact on the lives of beneficiaries. 100% of participants reported a positive overall experience of the programme with a diverse range of learnings, skills and increase in participants' self-confidence."

"The funding has enabled a greater number of members of the community to attend. The environment promotes physical and emotional well-being as the café provides a support network for many with multiple needs."

This is the criteria which receives the largest number of applications and the Trustees were keen to continue their long time support for community facilities such as village halls and community centres, sports clubs, and hospices. They were particularly keen to support several organisations providing "warm hubs", cooked meals and/or food and support to

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Trustees' Annual Report

alleviate increases in the cost of living. It was noted that there was a small increase in applications for support for refugees moving to the area.

Youth and Employment Activities

"The grant has helped six students from Cumbria as they start at university with help towards books"

"The grant has helped support children's physical activity which is vital in their all-round development, enabling them to pursue happy, healthy and active lives."

"The smiles on their faces said it all when they visited the zoo and theme park."

Applications during the year under review ranged from support for youth groups, to the refurbishment of play areas, to support for those who were vulnerable and homeless.

Hadfield Trust Creative Travel Award 2022-23

The Trust was pleased that, in conjunction with the University of Cumbria, the Hadfield Creative Travel Award was successfully held. This scheme enables Cumbrian students an opportunity to travel to develop their career opportunities through access to activities that without the bursary would not be possible. Each bursary is worth up to £500 (or up to £1,000 for a group application) and is awarded to students from the University's Institute of Arts. In the financial year 2022/2023 there were four awards were made totalling £3,000 as follows:

Lauren O'Donnell, Christopher Foulds, Ellie Westell and Chloe Atrill BA (Hons) Wildlife Media

To create a documentary on the conservation of the Orca population, Shetland. March 2023. Awarded £750

Lydia Hollingdale BA (Hons) Wildlife Media

To create a documentary on the Eurasian Otters, Isle of Mull. April 2023 Awarded £500

Sophie Steadman, Molly Hughes & Naomi Balaita BA (Hons) Fine Art

Enrichment trip to Iceland. July 2023 Awarded £1,000 (awarded by exception)

Adriana Barros & Alex Noakes BA (Hons) Wildlife Media

To create a documentary about fauna conservation and reintroduction of native species, Portugal
April 2023 Awarded £750

Help For The Elderly

Extracts from the Evaluation Forms returned to the Trustees from successful applicants

"Our aim is to address problems of isolation and loneliness among the elderly. Our activities promoted social inclusion and community spirit"

Although there are very few grants allocated to this important criteria this demographic does benefit from grants awarded under the Social Needs, Arts and Environment category.

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Arts

Extracts from the Evaluation Forms returned to the Trustees from successful applicants

"The Festival was successful and 98 individual participants took part.....in total 521 individuals attended.. the Gala Concert."

"The Society was delighted to receive the grant which enabled it to commence rehearsalsand was pleased to welcome new members."

"The concert was a huge success. The large audience enjoyed it immensely. By covering the deficit this meant that the concert covered its costs. So we can go forward to the next concert in a stronger position financially and can do it justice without having to play catch-up financially trying to recover from past losses."

The Trustees are great supporters of the Arts and were keen to award grants to ensure sustainability and longevity. Increasingly the awards are only paid after a deficit can be evidenced following say a concert.

The Environment

Extracts from the Evaluation Forms returned to the Trustees from successful applicants

"500 volunteers were in the project which has created a completely new community in itself, new friendships, renewed friendships."

"The funding literally relaunched the whole project."

"We have found that the insulation has made Level 4 of the mill warmer and as such a better working environment for our volunteer craft demonstrations."

The Trustees are always happy to receive applications under this criteria and anticipate the number increasing in the years to come.

Plans for the future

The Trustees will continue to target their priority categories to maximise public benefit and actively promote the work of the Trust to attract appropriate applications and effectively meet community need. It is anticipated that requests for revenue funding to cover annual running costs and salaries along with requests for multi-year awards will continue. There are no plans to change the application process.

The Trust will continue to monitor achievement by measuring impact through analysis of the evaluation reporting of every successful applicant. The Trustees decided that former applicants can only reapply if they have evaluated previously funded projects. Analysis of application by priority and location will continue to help identify gaps in uptake.

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Some awards in the Arts category can only be claimed if the event has made a deficit and the Trustees are continuing to measure the impact of this approach.

The Trust will continue to develop its working with key organisations to maximise the delivery of public benefit.

FINANCIAL REVIEW

Income generated by investments during the year totalled £331,573 (£396,445 in 2022) and £36,070 (£36,814 in 2022) was spent to raise funds. The amount applied directly towards charitable purposes during the year, net of returned donations, totalled £375,517 (net donations made of £347,910 in 2022) and £47,018 was spent on support and governance costs (£45,159 in 2022).

The SoFA includes the net gains and losses arising on revaluations and disposals throughout the year. For the year ended 31st August 2023 net investment losses totalled £389,874 (gains of £65,657 in 2022). There was a net decrease in funds during the year ended 31st August 2023 of £516,906 (net increase of £32,219 in 2022).

The Trustees continue to hold Unrestricted Funds. As at the year ended 31st August 2023 a total of £9,275,972 was held compared with £9,792,878 of Unrestricted Funds held as at 31st August 2022.

Reserves

The Trustees do not consider the underlying capital to be reserves since they provide the sole source of income for the Trust. The Trustees aim to expend each year's income, net of administration expenses, through the donation of grants with any under or over expenditure being balanced by over or under expenditure in subsequent years. Given the above, coupled with the low annual administrative expenditure, the Trustees do not consider it necessary to maintain designated free reserves.

Investments

The Trust's capital is invested in marketable investments or cash. There are no specific restrictions under the terms of the governing document. The Trustees have full discretion over the investments. The Trustees have delegated full discretionary day to day control of the investments to Rathbones Investment Management.

Assets been acquired and disposed of in accordance with the powers available to the Trustees.

Investment Objectives and Performance

The Trustees have agreed with the Investment Managers the objectives to secure a reasonable growth in income, consistent with the long term preservation of capital in real terms. Investment decisions should be made based on the views of a prudent person in accordance with the standard of investment criteria relating to suitability and diversification. These objectives are reviewed at least once a year at a Trustee meeting.

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The Trustees wish to ensure that the objectives outlined above are achieved with an acceptable risk. This implies the need for diversification of investment by the Trust to include a range of assets including fixed interest stocks, UK and overseas shares.

Investments comprise holdings in the UK, larger overseas listed companies, unit and investment trusts including those investing in major international markets and also fixed interest securities. The portfolio can therefore include a proportion of medium-sized, or smaller, UK companies and have exposure to international markets.

The Trustees are aware that significant enhancements have been and continue to be made to the investment process at Rathbones which will allow a deeper understanding of the Environmental, Social and Governance (ESG) aspects of the investments and identify any risks associated with these. This development is welcomed and the Trustees will keep their position on this reviewed and the Policy Statement will be updated accordingly should any changes to the current objectives be identified.

The Investment Managers are required to operate within the constraints applying to trusts governed by the Trustee Act 2000.

The performance of the fund is monitored and the Trustees review each individual asset class against its appropriate benchmark.

The Investment Manager provides regular reports to the Trustees who review the performance of the portfolio and of the Investment Manager at least three times a year. The Trustees are satisfied with the performance during the period under review.

The Trustees are aware that significant enhancements have been and continue to be made to the investment process at Rathbones which will allow a deeper understanding of the Environmental, Social and Governance (ESG) aspects of the investments and identify any risks associated with these. This development is welcomed and the Trustees will keep their position on this reviewed and the Policy Statement will be updated accordingly should any changes to the current objectives be identified.

The Investment Managers are required to operate within the constraints applying to trusts governed by the Trustee Act 2000.

The performance of the fund is monitored and the Trustees review each individual asset class against its appropriate benchmarks as detailed in the current Policy Statement.

The Investment Manager provides regular reports to the Trustees who review the performance of the portfolio and of the Investment Manager at least three times a year. The Trustees are satisfied with the performance during the period under review.

TRUSTEES' RESPONSIBILITIES

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

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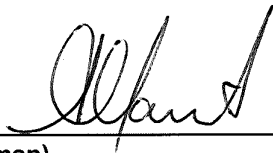
The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards (FRS102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As approved and signed on behalf of the Board of Trustees:



A T Morris (Chairman)

4th August 2024
Date

The Hadfield Charitable Trust

Independent Auditor's Report

To the Trustees of The Hadfield Charitable Trust

Opinion

We have audited the financial statements of The Hadfield Charitable Trust (the 'charity') for the year ended 31 August 2023 which comprise of the Statement of Financial Activities, the Balance Sheet and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

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.

Other information

The other information comprises of 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 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 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; or

The Hadfield Charitable Trust

Independent Auditor's Report

To the Trustees of The Hadfield Charitable Trust

- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of 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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 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.

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including taxation legislation and data protection, anti-bribery, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and

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Independent Auditor's Report

To the Trustees of The Hadfield Charitable Trust

- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

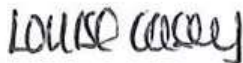
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) 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 now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

BWM
Chartered Accountants
Statutory Auditor



Dated

29/08/2024

Suite 5.1
12 Tithebarn Street
Liverpool
L2 2DT

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

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Statement of financial activities

		Unrestricted Funds 2023 £	Total 2023 £	Total 2022 £
	<i>Notes</i>			
Income from:				
Investments	3	328,838	328,838	396,148
Other Interest	4	2,735	2,735	297
Total		331,573	331,573	396,445
Expenditure on:				
Raising funds	5	36,070	36,070	36,814
Charitable activities	6	422,535	422,535	393,069
Total		458,605	458,605	429,883
Net (losses)/gains on investments	12	(389,874)	(389,874)	65,657
Net movement in funds		(516,906)	(516,906)	32,219
Reconciliation of funds:				
Balance as at 1 September 2022		9,792,878	9,792,878	9,760,659
Balance as at 31 August 2023		9,275,972	9,275,972	9,792,878

There are no acquisitions or discontinued operations in the year.

The notes on pages 16 to 25 form part of these accounts.

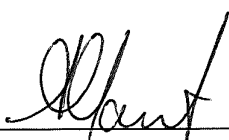
The Hadfield Charitable Trust

Accounts for the year ended 31st August 2023

Balance Sheet

		Unrestricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
	<i>Notes</i>			
Fixed Assets				
Investments	12	9,200,488	9,200,488	9,586,701
Total Fixed Assets		<u>9,200,488</u>	<u>9,200,488</u>	<u>9,586,701</u>
Current Assets				
Debtors	13	57,249	57,249	63,692
Cash at bank		85,045	85,045	153,975
Total Current Assets		<u>142,294</u>	<u>142,294</u>	<u>217,667</u>
Liabilities:				
Creditors: Amounts falling due within one year	14	56,810	56,810	11,490
Net Current Assets		<u>85,484</u>	<u>85,484</u>	<u>206,177</u>
Creditors: Amounts falling due within more than one year	15	10,000	10,000	0
Total Net Assets as at 31 August 2023		<u><u>9,275,972</u></u>	<u><u>9,275,972</u></u>	<u><u>9,792,878</u></u>
Funds of the Charity				
Total Funds as at 31 August 2023		<u><u>9,275,972</u></u>	<u><u>9,275,972</u></u>	<u><u>9,792,878</u></u>

Approved by the Board of Trustees and signed on its behalf on: 4th August 2024



A T Morris (Chairman)

The notes on pages 16 to 25 form part of these accounts.

Notes to the Accounts

1 Accounting Policies

The Hadfield Charitable Trust is a Public Benefit Entity governed by a Settlement Deed dated 1st September 1997 and registered in England and Wales. The principal address is Shoestone Cottage, Garnett Bridge, Kendal, Cumbria, LA8 9AZ.

Accounting Convention

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

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

The accounts have been prepared on the historical cost convention, modified to include the revaluation of investments at fair value. The principal accounting policies adopted are set out below.

The charity has taken advantage of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

Going Concern

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

Charitable Funds

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

Income

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

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

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

All dividend income is recorded net and includes tax deducted only when it is repayable to the charity.

Notes to the Accounts

Expenditure

Expenditure is recognised when paid or when there is a legal or constructive obligation for which it is more likely than not that a transfer of economic benefit will be required in settlement and the amount can be reliably measured as at the reporting date. A constructive obligation exists where the charity has communicated the commitment to provide particular goods, services or funding to the recipient by the reporting date and there are no conditions attached to its payment falling due after the reporting date.

Provisions for liabilities must be recognised when either the timing or the amount of future expenditure required to settle the obligation is uncertain. These are distinguished separately on the balance sheet. If a transfer of resources is no longer required, provisions are reversed and charged to the SoFA.

Support Costs and Employee Benefits

All support costs and employee benefits are paid from Unrestricted Funds.

The employees of the charity do not accrue holiday entitlement. Any termination benefits awarded are recognised immediately as an expense.

Retirement Benefits

The charity is required to provide a pension scheme for one employee; the Administrator, only. A Defined Contribution scheme commenced 1st August 2016.

Investments

Investments held in the fund are included at their market value as follows:

- (a) Listed securities are valued at the mid market value ruling at the balance sheet date.
- (b) Listed securities held in foreign currencies have been valued at the mid market value and translated into their sterling equivalents at the rates ruling at the balance sheet date.
- (c) Gilts are valued at the mid market value ruling at the Balance Sheet date and include interest that has accrued up to that date.

Investments are classified as a fixed asset except when classified as a current asset where the intention of the Trustees is to dispose of the asset and not reinvest the proceeds.

Other recognised Gains and Losses

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost and are charged or credited to the Statement of Financial Activities in the year of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities resulting from revaluing investments to market value at the Balance Sheet date.

Taxation

The Charity is not liable to income tax or capital gains tax on its charitable activities. Irrecoverable VAT is included in the asset cost or the expense to which it relates.

The Hadfield Charitable Trust

Accounts for the year ended 31st August 2023

Notes to the Accounts

Cash and cash equivalents

Cash at bank and in hand is held to meet short-term cash commitments as they fall due rather than for investment purposes. Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Cancellation of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Notes to the Accounts

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. There are no critical accounting estimates or judgements included in these accounts.

3 Income from Investments	2023	2022
	£	£
<i>Net of non reclaimable tax deducted at source:</i>		
Overseas	91,197	106,173
UK Fixed Interest	8,220	2,539
UK Unit Trust Income	44,080	52,969
UK Equities and Income	187,703	226,264
Other Income	8,190	8,826
Non reclaimable tax	(10,552)	(623)
	<u>328,838</u>	<u>396,148</u>

4 Other Income	2023	2022
	£	£
Bank Interest	2,728	297
Other Interest received	7	0
	<u>2,735</u>	<u>297</u>

5 Raising funds	2023	2022
	£	£
Rathbone Investment Management fees	36,070	36,814
	<u>36,070</u>	<u>36,814</u>

The Hadfield Charitable Trust

Accounts for the year ended 31st August 2023

Notes to the Accounts

6 Charitable activities

Grant making:

	Unrestricted Funds		Total Funds	Total Funds
	Direct Activities	Support Costs	2023	2022
	£	£	£	£
Donations made (note 7)	375,517	0	375,517	347,910
Salaries (note 9)	0	29,428	29,428	27,318
Office costs	0	4,038	4,038	2,214
Governance costs (note 10)	0	13,552	13,552	15,627
	375,517	47,018	422,535	393,069

7 Donations made

An analysis of donations made from Unrestricted Funds by type is summarised as follows:

	£	%
Social Needs	229,568	61
Youth and Employment	73,380	19
The Elderly	13,400	4
The Arts	48,169	13
The Environment	11,000	3
Total unrestricted donations	375,517	100

A full list of donations made to institutions from Unrestricted Funds and analysed by type for the year:

	£	£
<i>Social Needs:</i>		
ACTION with Communities in Cumbria (Voluntary Action Cumbria)	4,000	
Autism Support Allerdale & Copeland	5,000	
Beep Doctors (Basics Cumbria) 1 of 2	5,000	
Beep Doctors (Basics Cumbria) 2 of 2	5,000	
Bouth Village Hall	4,000	
Calderwood House - Time to Change (West Cumbria)	5,000	
Carer Support South Lakes - 1 of 2	5,000	
Carer Support South Lakes - 2 of 2	5,000	
Carlisle Matters (Carlisle) District Federation	1,050	
Carlisle Sight Support	978	
Community Club CIC	1,250	
Community Cupboard - Kirkby Lonsdale	3,143	
Crosthwaite & Lyth Recreation Field Trust	1,500	
Cruse Bereavement Support	2,500	
Cumbria Addictions: Advise& Solutions	5,000	
Cumbria Cerebral Palsy	3,000	
Cumbria Family Support Ltd - 1 of 3	5,000	
Cumbria Family Support Ltd - 2 of 3	5,000	

The Hadfield Charitable Trust

Accounts for the year ended 31st August 2023

Notes to the Accounts

	£	
Cumbria Family Support Ltd - 3 of 3	5,000	
Cumbria Gateway Limited	3,750	
Dementia UK	3,000	
Eden Carers	5,000	
Farfield Mill Ltd	1,574	
Ford Park Community Group, Ulverston	3,000	
Furness Broadcast Media CIC	3,500	
Furness Multi-Cultural Community Forum	2,000	
Furness Refugee Support	3,000	
Grange Over Sands Community Lunch	2,500	
Great Corby Village Association	2,000	
Great North Air Ambulance Service	5,000	
Growing Well Ltd	5,000	
Hospice at Home Carlisle & North Lakeland	5,000	
Hospice at Home West Cumbria - 1 of 2	5,000	
Hospice at Home West Cumbria - 2 of 2	5,000	
Houghton Village Hall	2,400	
Irthing Vale Wanderers Cricket Club	2,500	
Keswick Area Food Share	5,000	
Lake District Calvert Trust 1 of 3	5,000	
Lake District Calvert Trust 2 of 3	5,000	
Lake District Calvert Trust 3 of 3	5,000	
Lakes Malayalee Association	2,000	
Laurie Brewis Trust	1,600	
Making Space	1,000	
Manna House (Cumbria)	2,911	
Maryport Rescue	2,500	
Morland Parish Council	3,000	
Newton Rigg Ltd	4,900	
Orton Market Hall	3,000	
Parkinson's Disease Support Group 1 of 2	5,000	
Parkinson's Disease Support Group 2 of 2	5,000	
Penrich Cricket Sports & Social Club	2,500	
Penrith & Eden Refugee Network	5,000	
Read Easy Morecambe Bay	1,500	
Right2work CIC	4,000	
Rookhow	5,000	
Rose Castle Foundation	2,000	
Rotary Club of Keswick 1 of 2	1,012	
Rotary Club of Keswick 2 of 2	5,000	
Shipping Brow Gallery	2,500	
St John's Hospice North Lanc. & South Cumbria	5,000	
Upper Eden Linking Lives	3,000	
Vision Support Barrow & Dist.	2,500	
Warcop Parish Hall	1,000	
West Cumbria Domestic Violence	5,000	
Works 4 You Limited	5,000	231568

The Hadfield Charitable Trust

Accounts for the year ended 31st August 2023

Notes to the Accounts

	£	
Youth & Employment		
Arkwright Trust	4,400	
Bendrigg Trust	5,000	
Carlisle Key	5,000	
Church Walk Pre-School Nursery	3,000	
Depaul UK 1 of 2	5,000	
Depaul UK 2 of 2	5,000	
Distington Club for Young People	4,000	
Drop Zone Youth Projects	5,000	
Hadfield Creative Travel Award	3,000	
Heron Corn Mill (Beetham) Ltd	2,000	
Howgill Family Centre	3,000	
K.E.Y Project	3,000	
National Youth Advocacy Service	2,500	
Ocean Youth Trust North	2,855	
Ousby Activity Committee	2,500	
Reading List Foundation	1,500	
South West Lakes District Scouts	1,500	
Wellness at Green Acres CIC	1,125	
Windermere Science Festivals CIC	3,000	
Young Minds Trust	1,000	
Youth Presence 1 of 2	5,000	
Youth Presence 2 of 2	5,000	73380
 The Elderly		
Cockermouth Linking Lives	2,000	
Cumbria Community Foundation - Winter Warmth Fund	5,000	
Keswick Museum and Art Gallery	3,000	
Lower Holker Bowling Club	2,000	
Upperby Elderly Activities Group	1,400	13,400
 The Arts		
Ambleside & District Choral Society	1,500	
Annie Mawson's Sunbeams Music Trust	5,000	
Another Way	2,500	
Artworks - Art4all	2,000	
Boom Dang Foundation	1,500	
Cockermouth Festivals Group	2,050	
Cumbria Opera Group	4,000	
Dignity in Dementia CIC	2,500	
Egremont & Area Regeneration Partnership Ltd	2,000	
Furness Tradition Forum Club & Society	500	
Grange over Sands & District Concert Club	1,220	
Grizedale Arts	2,500	
Horizon Studios (NW) CIC	4,000	
Mahogany Opera Group	1,400	
Mainspring Arts	1,000	

The Hadfield Charitable Trust

Accounts for the year ended 31st August 2023

Notes to the Accounts

	£	
Moore Arts Millom	5,000	
Musiclinks Limited	2,278	
Pro Nobis Singers	1,500	
Promoting Autonomy and Change Ltd	2,000	
Sedbergh Festival 2000	1,500	
Stavely Amateur Operatic Society	1,000	
Westmorland Orchestra	1,221	48,169
 The Environment		
Glaxo Ulverston Rangers F C	1,000	
Marsh Street Arches & Garden CIC	5,000	
Watchtree Nature Reserve Ltd	5,000	11000
 Total Unrestricted Donations made		377,517
 Returned donations and retracted pledges		<u>(2,000)</u>
 Net Total Unrestricted Donations made		<u><u>375,517</u></u>

8 Trustee and Key Management Personnel Remuneration and benefits

Clause 7.8 of the deed bestows power on the trustees to employ any person, firm or company to manage or assist in managing the day to day running of the Trust Fund upon such reasonable terms as the Trustees think fit and to pay, enter into agreements and fix such reasonable salary as the Trustees deem proper and to make all necessary provisions for the payment of pensions on behalf of employees.

9 Paid employees	2023	2022
	£	£
Gross wages	28,850	26,794
Employer's contribution to defined contribution pension scheme	578	523
	<u>29,428</u>	<u>27,318</u>

The charity is required to provide a pension scheme for one employee; the Administrator, only.

Employment Allowance reduced Employer's NIC contributions for the year to nil.

No employee received emoluments in excess of £60,000 (none in 2022).

Average number of part-time employees in the year:	2023	2022
Charitable activities - administration and support	2	2

The Hadfield Charitable Trust

Accounts for the year ended 31st August 2023

Notes to the Accounts

10 Governance Costs	2023	2022
	£	£
Panel expenses and meeting room hire	485	520
Accountancy and administration fees	4,230	8,280
Tax and Pension Administration fees	1,420	1,420
Audit fees	5,736	4,284
Insurance	1,141	1,123
Legal fee	540	0
	<u>13,552</u>	<u>15,627</u>

11 Details of certain expenditure

Trustee Remuneration and benefits

None of the Trustees have been paid any remuneration or received any other benefits during the year ended 31st August 2023 or the previous financial year.

Trustee expenses

No amounts were reimbursed to any Trustees for expenses incurred during the year ended 31st August 2023 or the previous financial year.

12 Investments	<i>Value at 31/08/22</i>	<i>Purchases at cost</i>	<i>Sales proceeds</i>	<i>Realised Gains/(Losses)</i>	<i>Unrealised Gains/(Losses)</i>	<i>Value at 31/08/23</i>
	£	£	£	£	£	£
<i>Listed:</i>						
Overseas	3,626,034	7	(4,603)	(442)	(118,986)	3,502,010
Fixed Interest	408,967	245,938	(169,291)	1,519	(20,570)	466,563
UK Equities and Income	5,551,700	314,127	(382,515)	6,363	(257,758)	5,231,915
	<u>9,586,701</u>	<u>560,072</u>	<u>(556,409)</u>	<u>7,440</u>	<u>(397,314)</u>	<u>9,200,488</u>

13 Current assets	2023	2022
<i>Debtors</i>	£	£
Income Tax repayable	0	(2,175)
Dividend income - XD	57,249	65,867
	<u>57,249</u>	<u>63,692</u>

The Hadfield Charitable Trust

Accounts for the year ended 31st August 2023

Notes to the Accounts

14 Liabilities:	2023	2022
<i>Creditors: Amounts falling due within one year</i>	£	£
Accrual for grants	50,000	1,433
Rathbone Trust Company Ltd	600	4,700
BWM	5,220	4,200
HM Revenue & Customs	990	1,157
	<u>56,810</u>	<u>11,490</u>
15 Liabilities:	2023	2022
<i>Creditors: Amounts falling due after one year</i>	£	£
Accrual for grants	10,000	0
	<u>10,000</u>	<u>0</u>
16 Financial Instruments	2023	2022
	£	£
Carrying amount of financial assets		
Debt instruments receivable within one year		
- Debtors	57,249	65,867
- Cash	85,045	153,975
	<u>142,294</u>	<u>219,842</u>
Carrying amount of financial liabilities		
Payable within one year		
- Creditors	<u>56,810</u>	<u>10,333</u>
Payable within more than one year		
- Creditors	<u>10,000</u>	<u>0</u>
Instruments measured at fair value through SOFA		
Investments at value	<u>9,200,488</u>	<u>9,586,701</u>

17 Related Party Transactions

Other charitable organisations of which the Trustees of this charity have an interest in are always properly declared and acknowledged during determination of applications. If such a situation arises, the Trustee with the related party interest does not participate in the decision other than to clarify facts.

Amounts paid from the Hadfield Charitable Trust to any such charitable organisations are disclosed in note 7.

As at 31st August 2023 the Trustees had no interest in any charitable organisation affected by the above.

No other disclosures are required for the reporting period.