

THE CROPWOOD ESTATE
REPORT AND FINANCIAL STATEMENTS
31 MARCH 2023

Registered charity number: 1085296

The Cropwood Estate

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The Cropwood Estate

Report of the Trustees for the Year Ended 31 March 2023

The Trustees present their report along with the financial statements of the charity for the year ended 31 March 2023. The financial statements have been prepared in accordance with the accounting policies set out in the notes thereto and comply with the charity's trust deed and applicable law.

Reference and administrative information

Name of charity:	The Cropwood Estate
Registered charity number:	1085296
Address for correspondence and/or donation is:	Birmingham City Council c/o Trusts & Charities Committee The Council House Birmingham B1 1BB Cheques should be made payable to "Birmingham City Council"
Trustee:	Birmingham City Council as the Sole Corporate Trustee
Independent Examiner:	Mr Jason Seagrave FCCA Seagrave French LLP 1 Poplars Court Lenton Lane Nottingham NG7 2RR
Investment Manager:	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET
Bank:	Barclays Bank plc 15 Colmore Row Birmingham B3 2BH

The Cropwood Estate

Report of the Trustees for the Year Ended 31 March 2023

(cont'd)

Structure, Governance and Management

Governing document

The Trust is established under a charity commission scheme dated 12 November 1997 and it is a registered charity, number 1085296.

Recruitment and appointment of trustees

The minimum number of Trustees is five and the maximum number is ten. The trustees shall be:

- Birmingham City Council - Trusts and Charities Committee.
- Nominated and Co-opted Trustees hold office for two years but on retirement are eligible for reappointment.

Trustees Meetings

Three Trustees are necessary to form a quorum. Issues are decided by a simple majority of those present and voting, provided at least two Trustees vote in favour of the resolution.

Objectives and Activities

The object of the Charity shall be the furtherance of any charitable purpose for the benefit of the inhabitants of the City of Birmingham including all or any of the following purposes:-

- a) the provision and support of educational facilities;
- b) the provision and support of facilities for recreation and other leisure time occupation, with the object of improving the conditions of life for the said inhabitants;
- c) the relief of the aged, impotent and poor; and
- d) the relief of sickness.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the charitable company and in planning any future activities. In particular, the Trustees have considered how planned activities will contribute to the aims and objectives set.

Public Benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the charitable company and in planning any future activities. In particular, the Trustees have considered how planned activities will contribute to the aims and objectives set.

Achievements and Performance

Total incoming resources for the year were £38,158 (2022: £22,349). This represents £24,733 interest earned through the City Councils CCLA (Churches, Charities and Local Authorities)

The Cropwood Estate

Report of the Trustees for the Year Ended 31 March 2023

(cont'd)

Investment Management Limited investment. Leased income earned in-year £13,425 (2022: £1,815) from the 3 properties managed by Birmingham Property Services (BPS).

The above represents the only financial movement on the account during the 2022-23 financial year.

Financial Review

Reserves and Grant Making Policy

As indicated above in 'Achievements and Performance' there has been no activity in respect of the trust during 2022-23. The Cropwood Advisory Liaison Group may take a report to the Trusts & Charities Committee to seek further funding for routine maintenance which is required in respect of the estate.

Unrestricted expenditure totalled £875 (2022: £464) which comprised administration costs.

The Trustees are of the opinion that the Balance Sheet discloses funds adequate for the purpose of fulfilling the obligations of the charity.

Reserves Policy

It is the policy of the charity to retain unrestricted funds, which are the free reserves of the charity, accumulated through the collection of rent from the Trust's property portfolio. This provides sufficient funds to cover 12 months estimated operating costs.

Investment policy

The Trustees have the power to invest trust money in the purchase of, or an interest in the security of, such stocks, funds, shares, securities or other investment or property of whatever nature and wherever situated as the Trustees in their absolute discretion think fit to the intent that the Trustees shall have the same full and unrestricted powers of investing and transposing investments as if they were beneficially entitled to the Trust Fund.

All investment is subject to the Trustee Act 2000.

Risk Management

The Trustees keep under review the major strategic and operational risks which the charity faces and are satisfied that systems have been established in order to minimise the possible effects of such risks on the charity.

Retaining the property portfolio in Trust and the management and investment of the accumulated income by the CCLA in COIF, minimises the risk to the Trust.

Systems are in place, which likewise lessens any risk associated.

The Cropwood Estate

Report of the Trustees for the Year Ended 31 March 2023

(cont'd)

Trustees' Responsibilities in Relation to the Financial Statements

The Trustees are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the affairs of the charity and of the incoming resources and application of resources 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 2019;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any 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 accounting records that 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 2016, the Charity (Accounts and Reports) Regulations 2016, Financial Reporting Standard (FRS 102) 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.

Approved by the Trustees and signed on their behalf by:



Trustee: Councillor Phil Davis (Chair of the Trusts and Charities Committee)

Date: 4 February 2025

The Cropwood Estate

Independent Examiner's Report to the Trustees of The Cropwood Estate

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2023.

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').

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

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 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.

I have no concerns and have come across no other 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.



Jason Seagrave FCCA

Seagrave French LLP
1 Poplars Court
Lenton Lane
Nottingham
NG7 2RR

Date: 4 February 2025

The Cropwood Estate

Statement of Financial Activities for the Year Ended 31 March 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Incoming resources					
Investment income	2	24,733	-	24,733	20,534
Leased land income	3	13,425	-	13,425	1,815
Other incoming resources					
Misc. income		-	-	-	-
Total incoming resources		38,158	-	38,158	22,349
Resources expended					
Costs of BCC administration on behalf of the trust	5	875	-	875	464
Grants payable in furtherance of the charity's objectives		-	-	-	-
Total resources expended		875	-	875	464
Net incoming resources before transfers		37,283	-	37,283	21,884
Transfer					
Gross transfers between funds		-	-	-	-
Net incoming resources before other recognised gains and losses		37,283	-	37,283	21,884
Net gains/(losses) on investments	4	-	(27,836)	(27,836)	59,239
Revaluation of fixed assets for charity's own use	6	(5,000,700)	-	(5,000,700)	-
Net movement in funds		(4,963,417)	(27,836)	(4,991,253)	81,124
Reconciliation of funds					
Balance of funds brought forward at 1 April		14,353,401	742,590	15,095,991	15,014,867
Balance of funds carried forward at 31 March		9,398,984	714,754	10,104,738	15,095,991

The Cropwood Estate

Balance Sheet as at 31 March 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Fixed assets					
Land and buildings	6	9,174,300	-	9,174,300	14,175,000
Investments	7	201,132	714,754	915,886	919,578
		9,375,432	714,754	10,090,186	15,094,578
Current assets					
Debtors: Amounts falling due within one year		15,892	-	15,892	1,878
Current liabilities					
Creditors: Amounts falling due within one year		(1,340)	-	(1,340)	(464)
Net current assets	8	14,552	-	14,552	1,413
Net assets		9,389,984	714,754	10,104,738	15,095,991
Funds		9,389,984	714,754	10,104,738	15,095,991

Approved by the Trustees and signed on their behalf by:



Trustee: Councillor Phil Davis (Chair of the Trusts and Charities Committee)

Date: 4 February 2025

The Cropwood Estate

Notes forming part of the Financial Statements for the year ending 31 March 2023

Note 1: Principal Accounting Policies

a) Accounting Convention

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

The financial statements are prepared on a going concern basis, under the historic cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the charity.

The significant accounting policies applied in the presentation of these financial statements, are set out below. These policies have been consistently applied to all years presented, unless otherwise stated. The charity has taken advantage, of the option provided in the Statement of Recommended Practice, to use headings in the Statement of Financial Activities, that are applicable to their specific activity, rather than reporting on an activity basis

b) Income

Income from rents and easements are credited to income in the year in which they are receivable. Interest on short-term deposits is credited to income in the year in which it is received.

c) Expenditure

Expenses are charged in the financial statements in the year to which the liability relates.

Charitable expenditure comprises those costs incurred by the Charity in the delivery of the activities and services for its beneficiaries. It includes, both costs that can be allocated directly to such activities and those costs of an indirect nature, necessary to support them.

Governance costs included charitable activities, include those costs associated with meeting the constitutional and statutory requirements of the charity and costs linked to the strategic management of the Charity.

Administration costs are costs for Birmingham City Council officer's time to support the Charity.

d) Fund Accounting

Details and the nature of each fund are set below:

Unrestricted Funds comprise those funds which the Trustees are free to use in accordance with the charitable objects.

Restricted Funds represent those assets that must be held permanently by the charity.

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Notes forming part of the Financial Statements for the year ending 31 March 2023 (cont'd)

2. Investment Income

	2023 £	2022 £
Dividends from COIF Investment Fund	20,808	20,400
CCLA Deposit Fund Interest	3,925	134
Total	<u>24,733</u>	<u>20,534</u>

3. Leased Land Income

	2023 £	2022 £
Leased Land Income	13,425	1,815
Total	<u>13,425</u>	<u>1,815</u>

Leased Income is collected on behalf of the Trust by Birmingham Property Services (BPS) and should be paid annually for Property Ref 1314 - Linthurst Road, ref 2237 - St Catherines Road and ref 10030 Cropwood Scout Hut.

4. Gains and Losses on CCLA Investments

	2023 £	2022 £
Opening Balance at 1 April	742,590	683,351
Closing Balance at 31 March	714,754	742,590
Movement in COIF Investment Fund	<u>(27,836)</u>	<u>59,239</u>

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Notes forming part of the Financial Statements for the year ending 31 March 2023 (cont'd)

Gains and Losses on CCLA Investments (cont'd)

All gains and losses are taken to the statement of financial activities as they arise.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

5. Resources Expended

	2023	2022
	£	£
BCC administration costs	475	464
Cost of Essential Maintenance Work	-	-
Independent Examiners Cost	400	-
Total	<u>875</u>	<u>464</u>

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Notes forming part of the Financial Statements for the year ending 31 March 2023 (cont'd)

6. Tangible Assets

Cost	Land and Buildings	Total
	£	£
At 31 March 2022	14,175,000	14,175,000
Additions	-	-
Revaluation	(5,000,700)	(5,000,700)
Disposals	-	-
At 31 March 2023	<u>9,174,300</u>	<u>9,174,300</u>
Depreciation	Land and Buildings	Total
	£	£
At 31 March 2022	-	-
Disposals	-	-
Depreciation	-	-
Impairment	-	-
At 31 March 2023	=	=
Net Book Value	Land and Buildings	Total
	£	£
At 31 March 2022	14,175,000	14,175,000
At 31 March 2023	<u>9,174,300</u>	<u>9,174,300</u>

The revaluation for the financial year 2022-23 acknowledges that the site previously housed an educational facility, which was valued using the Depreciated Replacement Cost method. With the closure of this facility, the asset has now been reclassified as Other Land & Buildings, designated for development.

Land and buildings are included and are on the following valuation basis:-

- The valuation assumes no tenancies exist on the estate.
- In the absence of a detailed site inspection, the absence of any adverse site conditions has been assumed.

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Notes forming part of the Financial Statements for the year ending 31 March 2023 (cont'd)

Tangible Assets (cont'd)

- Full compliance with all relevant planning consent is assumed.
- Suitable road access has been assumed.
- Good freehold title and the absence of any onerous easements, restrictions or covenants is assumed.
- Land is not revalued on a yearly basis.

7. Investments

Analysis of Movements in Investments

	Unrestricted Funds £	Restricted Funds £	Total £
Market value as at 1 April 2022	176,988	742,590	919,578
In-year movement	24,144	(27,836)	(3,692)
Market value as at 31 March 2023	201,132	714,754	915,886

Investments are included at closing market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

8. Net Current Assets

The net current asset will be transferred to the CCLA deposit account in 2023-24.

9. Remuneration and Expenses

None of the Trustees receive remuneration or other benefits from the Charity or reimbursement for any expenses incurred on behalf of the Charity, (2022: None).