

Charity registration number 1150919

THE HARROP GREEN CHARITABLE TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023

THE HARROP GREEN CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs A R Harrop Ms C M Green Mr J D Harrop
Charity number	1150919
Principal address	C/o DWF LLP 1 Scott Place 2 Hardman Street Manchester M3 3AA
Independent examiner	David Kay FCA Barlow Andrews LLP Carlyle House 78 Chorley New Road Bolton BL1 4BY
Bankers	Lloyds Bank PLC 76-78 Stamford New Road Altrincham WA14 1BS
Solicitors	DWF LLP 1 Scott Place 2 Hardman Street Manchester M3 3AA

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THE HARROP GREEN CHARITABLE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2023

The trustees present their annual report and financial statements for the year ended 5 April 2023.

The financial statements have been prepared in accordance 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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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.

Objectives and activities

The charity's objects are to support charitable causes by the making of grants.

Requests for grants and donations are received by the trustees on an individual basis. The trustees consider the merits of each request and invest mainly in local charities, with particular emphasis on children, animals, health and social care.

Each year the trustees review the objectives and activities of the charity to ensure they continue to reflect the charity's aims and to provide a public benefit. The trustees are more than satisfied that they do.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

During the year the charity made grants and donations totalling £61,500 to charitable causes (2022: £44,488). Recipients of our grants and donations this year included two charities which support homeless people, a charity supporting people with physical disabilities and mental health issues and a charity which supports the educational needs of migrants.

The results for the year are set out in the Statement of Financial Activities on page 4. Income for the year from investments was £50,028 (2022: £47,604). There has been an decrease in the stock market valuation of the investments (shares in PZ Cussons plc) during the year, however the trustees consider the performance of the investments to be satisfactory.

Financial review

The trustees confirm that the charity's assets are available and adequate to fulfil its obligations as they fall due.

Principal funding sources

The trust's income is primarily in the form of dividends from its investments which were settled on it as endowment funds.

Reserves Policy

It is the policy of the charity to maximise unrestricted funds, which are free reserves of the charity, to ensure that sufficient funds are available to cover grants and donations payable, and management and administration costs for the foreseeable future. Free reserves at the year end were £47,026 (2022: £61,518).

Investment policy

The charity has significant funds that are being held within investment funds. The trustees, who set the investment strategy, review it on an annual basis. The current strategy is to invest in low risk, blue chip shares, primarily PZ Cussons plc (see "Achievements and performance" above).

Risk management policy

The trustees have examined the operational and business risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

THE HARROP GREEN CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

Future plans

The trustees are aware that the need for aid seems never ending and they plan to continue doing what they can to assist. However the trustees realise they must use the resources they have wisely. They therefore intend to continue their approach of funding a mix of local charitable institutions.

Structure, governance and management

The charity was established by a charitable trust deed dated 8 January 2013, on the settlement of property by Mr C N Green.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mrs A R Harrop

Ms C M Green

Mr J D Harrop

No trustees have any interest in the charity.

Recruitment and appointment of trustees

The first trustees will serve until they resign. Subsequent trustees are appointed by the board and are appointed for a term of three years.

When new trustees are appointed, they are given an introduction to the work of the trust and provided with the information they need to fulfil their roles, which includes information about the role of trustees and charity law.

Organisation structure

The Harrop Green Charitable Trust is governed by a Board of Trustees, which meets at such times as circumstances require and covers all matters relating to policy and management. There are currently three trustees and all grants and donations payable are approved by them.

The trustees' report was approved by the Board of Trustees.

Mrs A R Harrop

Trustee

Dated: 26 January 2024

THE HARROP GREEN CHARITABLE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE HARROP GREEN CHARITABLE TRUST

I report to the trustees on my examination of the financial statements of The Harrop Green Charitable Trust (the charity) for the year ended 5 April 2023.

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity, the charity's members as a body and the charity's trustees as a body for my independent examiner's work, for the report, or for the opinions I have formed.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no 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 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.

David Kay, FCA
Barlow Andrews LLP

Bolton
BL1 4BY

Dated: 26 January 2024

THE HARROP GREEN CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 5 APRIL 2023

	Notes	Unrestricted funds £	Endowment funds £	Total 2023 £	Total 2022 £
<u>Income from:</u>					
Investments	2	50,028	-	50,028	47,604
<u>Expenditure on:</u>					
Charitable activities	3	64,520	-	64,520	50,267
Total resources expended		64,520	-	64,520	50,267
Net gains/(losses) on investments	6	-	(126,631)	(126,631)	(527,631)
Net movement in funds		(14,492)	(126,631)	(141,123)	(530,294)
Fund balances at 6 April 2022		61,518	1,586,800	1,648,318	2,178,612
Fund balances at 5 April 2023		47,026	1,460,169	1,507,195	1,648,318

THE HARROP GREEN CHARITABLE TRUST

BALANCE SHEET

AS AT 5 APRIL 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Investments	8		1,460,169		1,586,800
Current assets					
Debtors	10	20,871		20,871	
Cash at bank and in hand		29,815		73,907	
		<u>50,686</u>		<u>94,778</u>	
Creditors: amounts falling due within one year	11	(3,660)		(33,260)	
Net current assets			<u>47,026</u>		<u>61,518</u>
Total assets less current liabilities			<u>1,507,195</u>		<u>1,648,318</u>
Capital funds					
Endowment funds	12		1,460,169		1,586,800
Income funds					
Unrestricted funds			<u>47,026</u>		<u>61,518</u>
			<u>1,507,195</u>		<u>1,648,318</u>

The accounts were approved by the Trustees on 26 January 2024

Mrs A R Harrop
Trustee

THE HARROP GREEN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2023

1 Accounting policies

Company information

The Harrop Green Charitable Trust was established by a charitable trust deed dated 8 January 2013. The principal place of business is c/o DWF LLP, 1 Scott Place, 2 Hardman Street, Manchester.

1.1 Accounting convention

The financial statements have been prepared in accordance with 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 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements 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 certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The trust constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

At the time of approving the financial statements, 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 financial statements.

1.3 Charitable funds

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

Endowment funds represent the amount settled by Mr C N Green, together with investment gains and losses less any capital expended by the trustees.

1.4 Incoming resources

All income is recognised in the statement of financial activities when the conditions for receipt have been met and there is a reasonable assurance of receipt. The following accounting policies are applied to income:

Donations

Donations are accounted for when receivable.

Investment income

Investment income is accounted for when receivable. Dividends from shares are recognised when the security is quoted ex-dividend. Any tax recoverable relating to investment income, or gift aid tax on donations, is accounted for in the same period as the related income.

THE HARROP GREEN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

1 Accounting policies (Continued)

1.5 Resources expended

Expenditure is recognised on an accruals basis.

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

Grants and donations payable are accounted for when the trustees have accepted a legal or moral obligation to make the payment.

1.6 Cash and cash equivalents

Cash and cash equivalents include deposits held at call with banks.

1.7 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 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.

Other financial assets

Other financial assets, including investments in equity instruments (for example, shares) are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in net income/(expenditure), except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

2 Income from investments

	2023	2022
	£	£
Income from listed investments	50,028	47,604

THE HARROP GREEN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

3 Expenditure on charitable activities

	2023 £	2022 £
Grants and donations made	61,500	44,488
Bank charges and sundry expenses	80	79
Legal fees	1,440	4,320
Independent examination fee	1,500	1,380
	<u>64,520</u>	<u>50,267</u>

Included in the above figures are governance costs of £2,940 (2022 £5,700), comprising legal fees and independent examination fees.

Recipients of our grants and donations this year included a charity which support homeless people, a charity supporting children in poverty and a charity which supports the educational needs of the local community.

4 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

5 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Total	<u>-</u>	<u>-</u>

There were no employees whose annual remuneration was more than £60,000.

6 Net gains/(losses) on investments

	2023 £	2022 £
Loss on revaluation of investments	<u>(126,631)</u>	<u>(527,631)</u>

7 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

THE HARROP GREEN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

8 Fixed asset investments

	Listed investments £
Cost or valuation	
At 6 April 2022	1,586,800
Valuation changes	(126,631)
	<hr/>
At 5 April 2023	1,460,169
	<hr/>
Carrying amount	
At 05 April 2023	1,460,169
	<hr/>
At 05 April 2022	1,586,800
	<hr/>

The listed investments are shares in PZ Cussons plc.

9 Financial instruments	2023 £	2022 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	94,778	76,721
Investment at valuation	1,460,169	1,586,800
	<hr/>	<hr/>
Carrying amount of financial liabilities		
Accruals	3,660	33,260
	<hr/>	<hr/>
10 Debtors		
Amounts falling due within one year:	2023 £	2022 £
Prepayments and accrued income	20,871	20,871
	<hr/>	<hr/>
11 Creditors: amounts falling due within one year		
	2023 £	2022 £
Accruals and deferred income	3,660	33,260
	<hr/>	<hr/>

THE HARROP GREEN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

12 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Balance at 6 April 2022 £	Revaluation gains £	Balance at 5 April 2023 £
Permanent endowments			
Shares in PZ Cussons Plc	1,586,800	(126,631)	1,460,169
	<u>1,586,800</u>	<u>(126,631)</u>	<u>1,460,169</u>

All income generated from the permanent endowment fund is included in unrestricted income for distribution.

The permanent endowment fund has decreased in value over the period due to the decrease in the valuation of the investments held.

13 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

Current year:	At 6 April 2022 £	Incoming resources £	Resources expended £	At 5 April 2023 £
General funds	61,518	50,028	(64,520)	47,026
	<u>61,518</u>	<u>50,028</u>	<u>(64,520)</u>	<u>47,026</u>
Previous year:	At 6 April 2021 £	Incoming resources £	Resources expended £	At 5 April 2022 £
General funds	64,181	47,604	(50,267)	61,518
	<u>64,181</u>	<u>47,604</u>	<u>(50,267)</u>	<u>61,518</u>

14 Analysis of net assets between funds

	Unrestricted funds 2023 £	Endowment funds 2023 £	Total 2023 £
Current year:			
Fund balances at 5 April 2023 are represented by:			
Investments	-	1,460,169	1,460,169
Net current assets	47,026	-	47,026
	<u>47,026</u>	<u>1,460,169</u>	<u>1,507,195</u>

THE HARROP GREEN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

14 Analysis of net assets between funds

(Continued)

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
Previous year:			
Fund balances at 5 April 2022 are represented by:			
Investments	-	1,586,800	1,586,800
Net current assets	61,518	-	61,518
	<u>61,518</u>	<u>1,586,800</u>	<u>1,648,318</u>

15 Related party transactions

There were no related party transactions to disclose for this or the previous year.