

CHILDS CHARITABLE TRUST

England & Wales - Charity number 1153327

Details

Other names C.C.T.

Status Registered

Legal form Charitable company

Company number [08635189](#)

Registered 2013-08-09

Register [View on the Charity Commission register](#)

Contact

Address 40 Chapel Road
Pawlett
Bridgwater
Somerset
TA6 4SH

Phone 01323417944

Email info@childstrust.org

Website www.childscharitabletrust.org

Activities

Objects: THE CHARITY'S OBJECTS ("OBJECTS") ARE FOR THE PUBLIC BENEFIT TO ADVANCE THE CHRISTIAN FAITH IN ACCORDANCE WITH THE STATEMENT OF BELIEFS APPEARING IN THE SCHEDULE HERETO IN EASTBOURNE EAST SUSSEX AND IN SUCH OTHER PARTS OF THE UNITED KINGDOM OR THE WORLD AS THE TRUSTEES MAY FROM TIME TO TIME THINK FIT AND TO FULFIL SUCH OTHER PURPOSES WHICH ARE EXCLUSIVELY CHARITABLE ACCORDING TO THE LAW OF ENGLAND AND WALES AND ARE CONNECTED WITH THE CHARITABLE WORK OF THE CHARITY.

Activities: The charity funds mission organisations and trusts which promote the Christian gospel both in the UK and overseas

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Other Finance, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Sponsors Or Undertakes Research
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Accommodation/housing, Religious Activities
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£317,986	£994,103	-	-
2023-12-31	£359,472	£831,763	-	-
2022-12-31	£608,556	£829,861	£9,834,184	1
2021-12-31	£378,907	£773,958	-	-
2020-12-31	£358,353	£678,627	-	-

Trustees

Name	Role	Appointed
Christopher Stephen Large	Chair	2013-07-12
Janice Masih Kalyan		2022-01-14
Melanie Churchyard		2020-10-09
Robert Martin Peake		2021-01-22
STEVE PUTTOCK		2013-07-12

CHILDS CHARITABLE TRUST

England & Wales - Charity number 1153327

Accounts

Charity registration number 1153327 (England and Wales)

Company registration number 08635189

CHILDS CHARITABLE TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



Caladine
Chartered Certified Accountants

CHILDS CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Christopher Large (Chair) Mr Stephen Puttock Mrs Melanie Churchyard Mr Robert Peake Ms Janice Kalyan
CEO	Mrs Melanie Churchyard
Charity number	1153327
Company number	08635189
Principal address	40 Chapel Road Pawlett Bridgwater Somerset TA6 4SH
Registered office	40 Chapel Road Pawlett Bridgwater Somerset TA6 4SH
Auditor	Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF
Bankers	NatWest Bank plc 96 Terminus Road Eastbourne BN21 3AA
Solicitors	Mayo Wynne Baxter 3 Bell Lane Lewes East Sussex BN7 1JU
Investment Manager	Rathbone Investment Management 8 Finsbury Circus London EC2M 7AZ Savills Investment Management 33 Margaret Street London W1G 0JD
Property agents	Bree Prenton Property Consultants 21 The Waterfront Sovereign Harbour Eastbourne, BN23 5UZ

CHILDS CHARITABLE TRUST

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CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees present their report and financial statements for Childs Charitable Trust ("the Trust") for the year ended 31 December 2024.

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 Trust's memorandum and articles of association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

Objectives and activities

The Trust is a Christian grant-making Trust and since 2013, a Company Limited by Guarantee. Since its inception in 1962 the principal object of the Trust remains the furtherance of the Christian gospel and the Trustees are actively involved in supporting and encouraging many Christian charities to achieve this goal.

We continually monitor the economic and social situation both within the UK and overseas and whilst we are unable to predict the impact on the charity's future, we take appropriate advice to ensure the grant-making work of the charity continues.

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the year.

The Trust has established its grant making policy to achieve its objects for the public benefit.

All applicants are informed of the outcome at the end of the process whether their application has been successful or not.

Achievements and performance

Grants Awarded

As required by the Trust's Memorandum and Articles of Association, all activities have as their core purpose the Trust's own main objective "the furtherance of the Christian Gospel."

All applications are sent on the Trust's application form.

Full details of the current process can be found on the Trust's website. All applications received are considered but, unfortunately, not all can be supported.

The total charitable distributions in the year amounted to £831,000 (£691,800 in 2023).

The Trust received 218 applications and awarded grants to 72 different organisations.

The organisations funded are all based in the UK although many work overseas as well as the UK.

Many of the organisations we support are working in sensitive areas of the world and have requested that we do not publicise their details.

Some of the comments that we are able to share are a joy and encouragement to the trustees.

Schools Work:

"Using your generous support, we aimed to further our vision - to help children pray, and through prayer, encounter the God who knows and loves them – in several key strategic areas. These included the training of new volunteers, an overhaul of resource material (replacing old, pre-pandemic resources, as well as creating new ones) and expanding our reach and impact."

CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

"I want to convey how grateful we are for your incredible support. You've helped us impact thousands of lives, but you've also helped us transform the lives of the few who impact the many, praise the Lord!"

Youth Work:

"We have produced a high quality video series for youth discipleship and made it freely available on our media page. The level of production was enabled by the generous gift from Childs Charitable Trust."

"We remain amazed by the goodness of God, the stories we hear from churches & families and the progress we have seen. In the last 12 months we have been able to produce 11 new resources for Churches & Families. The transformation has been more than we could have hoped for. Thank you so much for your continued support to help us produce more resources that are giving confidence to parents and churches and more importantly having a great impact on the faith journey of many thousands of children. "

Bible/Leadership Training:

"Your grant supported the establishment of a new Church Planting class. Over the course of a year, participants underwent three months of classroom instruction followed by nine months of fieldwork. Collectively, this cohort was expected to reach approximately 6,000 families and plant 20 new churches. The outcomes were as follows:

- Families Reached: 5,539*
- Scripture and Literature Distributed: 4,363*
- Individuals Who Received Christ: 604*
- Baptisms: 175*
- Prayer Groups Formed: 50*
- Churches Planted: 20"*

Pastoral care:

"The grant was provided for an Outreach and Discipleship project, delivered by multiple teams working across the country. For over 10 years this project has successfully engaged leading hundreds of local people to faith in Christ."

Humanitarian Needs:

"I just wanted to drop you a note to say a massive thank you for your prayers and support for the work this past year. It has been so appreciated."

"This is a very generous gift for the Earthquake Relief Fund. We are so grateful to you and your Trustees, and I know that it will be a great encouragement"

Monitoring:

In accordance with their monitoring policy, the Trustees monitor the activities and performance of the Trust's beneficiaries to ensure the gifts are used for their charitable purpose. Impact reports are provided to the Trustees for subsequent review and discussion. These reports enable the Trustees to understand more fully the activities and needs of the recipient charities. The charities themselves express their appreciation for such monitoring as it helps them understand the ethos of the Trust and often enables a closer partnership to develop.

Melanie (CEO and Trustee) or another Trustee visits all grant recipients who have received a significant donation from the Trust in the year and reports back to the Trustees.

Missions Day:

Every year the Trustees arrange a "Missions Day" to which various Christian charities are invited to join the Trustees, staff and other invited guests, for the day to give presentations of their work and to spend time in prayer. In 2024 we were joined by 5 Mission organisations. The Trustees have expressed how beneficial they feel these days to be in gaining a deeper insight into the work and needs of the Missions.

CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Financial review

Income

The income of the Trust is mainly received from two asset portfolios, commercial properties and investments.

The Trustees take advice on their properties from an Eastbourne based commercial property agent.

The investment portfolio continues to be managed by Rathbone Investment Management.

Asset cover for funds

The Trust's assets are adequate and available to fulfil its obligations.

Reserves policy

As all reserves are unrestricted and "free" reserves, it is the policy of the Trust that unrestricted funds should be designated to match the market value of fixed assets investments. This ensures that these funds are considered "permanent" in nature as they are necessary to generate income for the Trust to enable it to carry out its activities and continue in the future. At 31 December 2024, such "permanent" reserves total £8,533,254 equal to the Trust's fixed asset investments.

Investment policy:

The investment portfolio managed by Rathbone Investment Management, seeks to achieve a balance between capital growth and income growth through a portfolio investing primarily in equities and fixed interest stocks with medium risk, and to ensure a reasonable income. The Trustees have set certain ethical restrictions on its investments with those being avoided that relate directly to armaments, tobacco, alcohol and media concerns that conflict with the Trust's Christian ethos. The Trustees are satisfied with the current return on capital.

The Trustees meet with the Investment Manager once a year to discuss the requirements for the forthcoming year and to review past performance.

Loans

The charity also holds one investment in the form of a loan to a charity with similar objects. The loan receives interest at a market rate and has a period of 12 years remaining on the term. The loan is secured on the assets of the charity. The loan is provided to further the charitable objects of the charity and specifically in furtherance of the Christian Gospel. The Trustees annually review the activities and finances of the charity loaned to, to ensure that these aims are being met.

Plans for future periods

It is the intention of the Trustees for the Trust to continue its activities in the long term, using its annual income and maintaining its capital base.

Strategy Day

Each year the Trustees hold a Strategy Day to discuss the requirements of the Trust over the next 5/10/15 years and the procedures that might be needed to be put in place to achieve the Trust's vision.

The Trust's Vision and Mission statements are:

Vision – To see a world where every person has the potential to hear and respond to the gospel message.

Mission – To strategically fund Christian organisations which promote the Christian gospel.

The Trustees also discuss the requirements of the Trustee board and their strategy for Trustee recruitment.

A funding strategy is discussed and agreed for the forthcoming year. Details of the agreed strategy is published on the Trust's website.

At the 2024 Strategy Day the Trustees decided that they should continue throughout 2025 to keep aligned with their vision and mission statements. Ensuring organisations applying for funding in 2025 focus primarily on the sharing of the Christian gospel.

CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees are mindful of their overspend and have agreed that for the duration of 2025 the Trustees will only accept requests for funding from those organisations that have been supported by the Trust in the previous 3 years.

The Trustees also discussed their property portfolio. Most of the properties that were in the Trust's portfolio have now been sold. The Trustees continue to consider future opportunities for investment.

Structure, governance and management

Structure:

The Trust's Memorandum and Articles of Association state: The Charity's Objects are for the public benefit to advance the Christian faith in accordance with the Statement of Beliefs ... in Eastbourne, East Sussex and in such other parts of the United Kingdom or the world as the Trustees may from time to time think fit and to fulfil such other purposes which are exclusively charitable according to the law of England and Wales and are connected with the charitable work of the Charity.

Governance:

Whilst the day to day matters and general running of the Trust are delegated to Melanie Churchyard (CEO and Trustee), this is done in reference to the other Trustees who ultimately take responsibility for all decisions.

The Trustees met every three months to review financial and investment matters, consider grant applications and deal with other issues as necessary. Communications by email and telephone in between formal Trustees' meetings enable any urgent matters to be dealt with.

The CEO and Chair of Trustees meet in between meetings to prepare the agenda for meetings and discuss any other relevant matters.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr Christopher Large (Chair)
Mr Stephen Puttock
Mrs Melanie Churchyard
Mr Robert Peake
Ms Janice Kalyan

All Trustees must be active members of their local church, subscribe to the Trust's Statement of Beliefs and share the Christian ethos and aims of the Trust. It is imperative that all Trustees have general charity experience and are able to devote their time and energies to the affairs of the Trust. None of the Trustees are remunerated for their services but are reimbursed for out-of-pocket expenses incurred in the performance of their duties as Trustees.

Management

Mrs Melanie Churchyard, CEO, deals with all of the day-to-day affairs of the Trust. Melanie was employed throughout the year. The Trust has use of an office in Pawlett, Somerset. Melanie keeps all Trustees fully informed of the matters of the Trust.

The remuneration of staff is discussed and decided by the Trustees (excluding Melanie) and is based on relevant skills and responsibilities and in line with the rates prevailing in the charitable sector.

Throughout 2024 the Trust was a member of the Civil Society and the Christian Funders Forum.

CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Risks

The Trustees regularly review and assess the major risks to which the charity is exposed. Advice and guidance is sought from our auditors and other professionals. The main financial risk to the charity is the level of return on investments since this affects the grants it can pay out.

The Trustees are aware that there are likely to continue to be challenges due to the aftereffects of the Coronavirus pandemic and the ongoing war in the Ukraine. The Trustees are continually monitoring the situation and keep in regular communication with their advisors and investment manager.

It is impossible to eliminate all risks, but the Trustees are satisfied that the systems they have in place mitigate exposure to the major risks as far as they are able.
All policies are reviewed in accordance with the agreed review schedule.

The Trustees are kept informed by the auditors and solicitors of the Trust of their obligations as charity Trustees, together with their legal and statutory duties. Whenever possible, Trustees and staff attend relevant training and seminars to help understand further their responsibilities and duties.

Feedback from the grant recipients is essential and it is such reports and testimonies, that help the Trustees evaluate the impact of the support the Trust has provided and to plan for the future. However, as the Trust's main objective and many of the results reported are of a spiritual nature, tangible evidence is often lacking. The Trustees recognise that it can be difficult to quantify final results and impact; however, they seek to encourage the grant recipients to be as detailed as possible in their reporting.

Disclosure of information to auditor

This report has been prepared in accordance with the small company regime as outlined in Section 419(2) of the Companies Act 2006. Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

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


.....
Mr Christopher Large (Chair)

Trustee

Dated:


CHILDS CHARITABLE TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees, who are also the Directors of Childs Charitable Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 Trust will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 Trust will continue in operation.

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CHILDS CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CHILDS CHARITABLE TRUST

Opinion

We have audited the financial statements of Childs Charitable Trust (the 'Trust') for the year ended 31 December 2024 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

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 Trust 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 the provisions available for small entities, in the circumstances set out in note 33 to the financial statements, 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 Trust'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 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, except to the extent otherwise explicitly stated in our report, 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 a 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

CHILDS CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CHILDS CHARITABLE TRUST

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Trust for the purpose of company law, 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 Trust'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 liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

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 from our commercial knowledge and experience of the charity sector;
- 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 company, including the Companies Act 2006, Charities Act 2011 and employment 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.

CHILDS CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CHILDS CHARITABLE TRUST

We assessed the susceptibility of the trust'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.

Audit response to risks identified

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
- 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;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators

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: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



Mr Colin James Dadswell FCCA (Senior Statutory Auditor)

for and on behalf of Caladine Limited, Statutory Auditor

Chartered Certified Accountants

Chantry House

22 Upperton Road

Eastbourne

East Sussex

BN21 1BF

Date: 02/09/2025

CHILDS CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

Current financial year		Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £	Total 2023 £
	Notes				
Income and endowments from:					
Other trading activities	3	75,500	-	75,500	64,095
Investments	4	242,486	-	242,486	289,975
Other income	5	-	-	-	5,402
Total income		<u>317,986</u>	<u>-</u>	<u>317,986</u>	<u>359,472</u>
Expenditure on:					
Raising funds	6	57,440	-	57,440	55,408
Charitable activities	7	922,703	-	922,703	773,738
Other expenditure	13	13,960	-	13,960	-
Total expenditure		<u>994,103</u>	<u>-</u>	<u>994,103</u>	<u>829,146</u>
Net gains/(losses) on investments	14	-	291,177	291,177	(40,409)
Net income/(expenditure)		(676,117)	291,177	(384,940)	(510,083)
Transfers between funds	26	(685,319)	685,319	-	-
Net movement in funds	10	<u>(1,361,436)</u>	<u>976,496</u>	<u>(384,940)</u>	<u>(510,083)</u>
Reconciliation of funds:					
Fund balances at 1 January 2024		<u>1,767,343</u>	<u>7,556,758</u>	<u>9,324,101</u>	<u>9,834,184</u>
Fund balances at 31 December 2024		<u>405,907</u>	<u>8,533,254</u>	<u>8,939,161</u>	<u>9,324,101</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

CHILDS CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

Prior financial year	Notes	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £
Income and endowments from:				
Other trading activities	3	64,095	-	64,095
Investments	4	289,975	-	289,975
Other income	5	5,402	-	5,402
Total income		<u>359,472</u>	<u>-</u>	<u>359,472</u>
Expenditure on:				
Raising funds	6	55,408	-	55,408
Charitable activities	7	773,738	-	773,738
Total expenditure		<u>829,146</u>	<u>-</u>	<u>829,146</u>
Net gains/(losses) on investments	14	-	(40,409)	(40,409)
Net income		(469,674)	(40,409)	(510,083)
Transfers between funds	26	1,777,452	(1,777,452)	-
Net movement in funds	10	1,307,778	(1,817,861)	(510,083)
Reconciliation of funds:				
Fund balances at 1 January 2023		459,565	9,374,619	9,834,184
Fund balances at 31 December 2023		<u>1,767,343</u>	<u>7,556,758</u>	<u>9,324,101</u>

CHILDS CHARITABLE TRUST

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Investment property	17		1,033,500		1,033,500
Investments	18		7,402,562		6,420,556
Mixed motive investments	19		97,192		102,702
			<u>8,533,254</u>		<u>7,556,758</u>
Current assets					
Trade and other receivables	20	28,551		56,780	
Cash at bank and in hand		432,750		1,744,620	
		<u>461,301</u>		<u>1,801,400</u>	
Current liabilities	22	(55,394)		(34,057)	
Net current assets			<u>405,907</u>		<u>1,767,343</u>
Total assets less current liabilities			<u>8,939,161</u>		<u>9,324,101</u>
The funds of the Trust					
Unrestricted funds - general			405,907		1,767,343
Unrestricted funds - designated	26		8,533,254		7,556,758
			<u>8,939,161</u>		<u>9,324,101</u>

The financial statements were approved by the Trustees on 18/8/2025


 Mr Christopher Large (Chair)
 Trustee

Company registration number 08635189 (England and Wales)

CHILDS CHARITABLE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash absorbed by operations	32		(863,527)		(701,740)
Investing activities					
Proceeds from disposal of investment property		-		1,640,269	
Purchase of other investments		(2,257,153)		(799,896)	
Proceeds from disposal of other investments		1,566,324		931,835	
Investment income received		242,486		289,975	
Net cash (used in)/generated from investing activities			(448,343)		2,062,183
Net (decrease)/increase in cash and cash equivalents			(1,311,870)		1,360,443
Cash and cash equivalents at beginning of year			1,744,620		384,177
Cash and cash equivalents at end of year			432,750		1,744,620

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Company information

Childs Charitable Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is 40 Chapel Road, Pawlett, Bridgwater, Somerset, TA6 4SH.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the Trust's Memorandum and Articles of Association, the Companies Act 2006 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 Trust is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Trust 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.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Trust 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. The Charity's income consists of voluntary income and that from investments, including property.

Cash donations are recognised on receipt. Other donations are recognised once the Trust 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.

Rental income from investment properties is deferred where it has been received in advance and is relevant to a subsequent period.

Investment income in income from listed investments and loan interest receivable and is recognised in the accounts when receivable.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies (Continued)

1.5 Expenditure

Liabilities are recognised as soon as a legal or constructive obligation arises committing the Trust to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Costs of activities in furtherance of the Trust's objects are grants made by the Trust to support Christian charitable projects, and the support costs relating to this activity.

Costs of raising funds comprise those costs relating to the management and maintenance of the investment properties, as well as the investment manager's fees for managing the investments and securities.

Support costs comprise administration costs in relation to grant making, together with governance costs. Governance costs include the costs of auditing the statutory accounts, the cost of Trustees' meetings and the cost of any legal advice to Trustees' on governance or constitutional matters. The support costs have been allocated wholly to the grant making activities, with the exception of the support wages. These wages have been allocated 10% to the costs of raising funds and 90% to the grant making activities, on a time basis.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Fixtures, fittings and equipment	3 years straight line (All assets fully depreciated)
----------------------------------	--

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Tangible fixed assets are capitalised if they can be used for more than one year and cost at least £500.

Neither land nor the investment properties are depreciated.

1.7 Investment property

Investment properties are those held to earn rentals and/or for capital appreciation. The investment properties are measured using the fair value model and stated at its fair value (open market value) at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year.

1.8 Non-current investments

Listed investments are measured using the fair value model and stated at its fair value (open market value) at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year.

The Trust also has mixed motive investments in the form of loans to charities with similar objects and these have been dealt with as financial instruments and in accordance with the treatment suggested in the FRS102 SORP (see financial instruments below). The loans receive interest at a market rate (between 5 and 5.5%), are for periods of up to 25 years and are secured on the assets of the charities. They are provided to further the charitable objects of the charity and specifically in furtherance of the Christian Gospel. The Trustees regularly review the activities of the charities loaned to, to ensure that these aims are being met.

1.9 Cash and cash equivalents

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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies (Continued)

1.10 Financial instruments

The Trust has mixed motive investments in the form of loans to charities with similar objects. As these are financial instruments, the Trust has applied the treatment suggested in the FRS102 SORP and has initially recognised and measured the loans at the amount paid. The carrying amount will then be adjusted in subsequent years to reflect repayments and any accrued interest as well as adjusting if necessary for any impairment.

Other than these mixed motive investments, the Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Basic financial assets include trade and other receivables and cash and bank balances. Basic financial liabilities include trade and other payables where trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of operations from suppliers.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Grant Making Policy

The Trust supports by the provision of financial grants some of those Christian organisations whose own activities mirror further the Trust's own aims and objectives. Numerous and varied applications are received by the Trust every month. In addition the Trustees are also aware of other Christian organisations and encourage them to submit applications to the Trust. All applications are prayerfully considered by the Trustees but, due to the Trust's own limited means, not all applications can be supported.

Grants for which there is a legal obligation, or a valid expectation of receipt by the beneficiary at the year end, and for which conditions attaching to their payment have been fulfilled, are accounted for in the year.

2 Critical accounting estimates and judgements

In the application of the Trust'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.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

3 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Rental income	75,500	64,095

4 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from listed investments	228,767	243,441
Leasehold extension fees	-	19,525
Interest receivable	13,719	27,009
	<u>242,486</u>	<u>289,975</u>

5 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Employment allowance received	-	5,402

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

6 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
<u>Investment property expenses</u>		
Property overheads and management	13,427	15,901
Support costs	7,507	6,619
	<u>20,934</u>	<u>22,520</u>
Investment management fees	36,506	32,888
Total costs	<u>57,440</u>	<u>55,408</u>
Property overheads and management		
Rates	-	821
Light and heat	-	(122)
Repairs and maintenance	2,873	4,827
Legal and professional	7,850	7,206
Insurance	2,702	3,169
	<u>13,425</u>	<u>15,901</u>

7 Expenditure on charitable activities

	Charitable activities 2024 £	Charitable activities 2023 £
Direct costs		
Missions day	3,153	4,032
Grant funding of activities (see note 8)	831,000	691,800
Share of support and governance costs (see note 9)		
Support	67,523	57,791
Governance	21,027	20,115
	<u>922,703</u>	<u>773,738</u>
Analysis by fund		
Unrestricted funds - general	<u>922,703</u>	<u>773,738</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

8 Grants payable

	Charitable activities 2024 £	Charitable activities 2023 £
Grants to institutions:		
Association El Alfarero	25,000	25,000
International Needs	10,000	40,000
Wycliffe Bible Translators	25,000	25,000
Innovista International	70,000	30,000
Sat-7 UK	30,000	20,000
Youthscape	40,000	10,000
Faith in Kids	60,000	20,000
Other grants between £15,000 and £20,000	75,000	170,000
Other grants between £10,000 and £14,999	362,000	206,100
Other grants between £5,000 and £9,999	110,000	135,200
Other grants between £3,000 £4,999	12,500	3,000
Other grants not exceeding £2,999	11,500	7,500
	<u>831,000</u>	<u>691,800</u>

Grants to institutions represent payments made in the year to 72 organisations (2023: 69 organisations).

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

9 Support costs allocated to activities	2024	2023
	£	£
Staff costs	67,566	59,570
Computer expenses	2,347	1,604
Repairs and renewals	192	360
Telecommunications	703	1,177
Printing and postage	140	299
Travel expenses	92	176
Sundry expenses	3,990	1,224
Governance costs	21,027	20,115
	<u>96,057</u>	<u>84,525</u>
<u>Analysed between:</u>		
Fundraising	7,507	6,619
Charitable activities	88,550	77,906
	<u>96,057</u>	<u>84,525</u>
	2024	2023
Governance costs comprise:	£	£
Staff costs	7,507	6,619
Audit fees	6,480	6,120
Accountancy	3,000	2,880
Trustee meeting costs	1,571	832
Travel expenses	2,469	3,664
	<u>21,027</u>	<u>20,115</u>
	2024	2023
10 Net movement in funds	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable to the charity's auditor:		
- for the audit of the charity's financial statements	6,480	6,120
- for other financial services	3,000	2,880
Loss on disposal of investment property	-	49,731
	<u>9,480</u>	<u>58,731</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

11 Trustees

Trustee Melanie Churchyard received a salary of £64,378 (2023: £56,771) and employer pension contributions of £3,066 (2023: £2,839) during the year, the authority for the employment of Trustees is contained within the Memorandum and Articles of Association. Melanie Churchyard also received long serving anniversary gifts of monetary value £486.

None of the other Trustees (or any persons connected with them) received any remuneration or benefits from the Trust during the year. Trustees had total expenditure of £4,040 (2023: £4,496) reimbursed or met by the charity for meeting, travel and other expenditure.

12 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Administration	1	1
	<u> </u>	<u> </u>
Employment costs	2024	2023
	£	£
Wages and salaries	64,378	56,771
Social security costs	7,629	6,579
Other pension costs	3,066	2,839
	<u> </u>	<u> </u>
	75,073	66,189
	<u> </u>	<u> </u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024	2023
	Number	Number
£60,000 to £69,999	1	-
	<u> </u>	<u> </u>

13 Other expenditure

	Unrestricted	Unrestricted
	funds	funds
	2024	2023
	£	£
Employment allowance repayable	13,960	-
	<u> </u>	<u> </u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

14 Gains and losses on investments

	Unrestricted funds designated 2024	Unrestricted funds designated 2023
	£	£
Gains/(losses) arising on:		
Revaluation of investments	267,696	30,543
Sale of investments	23,481	(21,221)
Sale of investment properties	-	(49,731)
	<u>291,177</u>	<u>(40,409)</u>

15 Taxation

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

16 Property, plant and equipment

	Fixtures, fittings and equipment
	£
Cost	
At 1 January 2024	4,361
At 31 December 2024	4,361
Depreciation and impairment	
At 1 January 2024	4,361
At 31 December 2024	4,361
Carrying amount	
At 31 December 2024	-

17 Investment property

	2024
	£
Fair value	
At 1 January 2024 and 31 December 2024	<u>1,033,500</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

17 Investment property (Continued)

The remaining residential investment property, 17 Maple Road, Eastbourne, BN23 6NY, is held within Investment properties at fair value £925,000. The last professional valuation was in March 2023 carried out by Mr Anton G K Bree FRICS of Bree Prenton Property Consultants, Eastbourne. The Trustees are of the opinion the market value has not materially changed at 31 December 2024.

In addition to the freehold property held, there are 3 parcels of bare land and a block of garages linked to one of the freehold interests with a total disclosed value £103,500. These were transferred to the Charity when it was incorporated in 2015 with the acting solicitor placing nominal valuations on them. The Trustees believe there has been no material change to these valuations as at the balance sheet date.

The historical cost of the properties as at 31 December 2024 were £742,000 (2023: £742,000).

18 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2024	6,420,556
Additions	2,257,153
Valuation changes	267,696
Disposals	(1,542,843)
	<hr/>
At 31 December 2024	7,402,562
	<hr/>
Carrying amount	
At 31 December 2024	7,402,562
	<hr/> <hr/>
At 31 December 2023	6,420,556
	<hr/> <hr/>

19 Mixed motive investments

	£
At 1 January 2024	102,705
Interest	5,010
Repayments	(10,523)
	<hr/>
At 31 December 2024	97,192
	<hr/> <hr/>

Mixed motive investments represent loans made to other charities with similar objects to the charitable company. As these are financial instruments, the charity has applied the treatment suggested in the FRS102 SORP and has initially recognised and measured the loans at the amount paid. The carrying amount will then be adjusted in subsequent years to reflect repayments and any accrued interest as well as adjusting them for any impairment.

In order to secure the loans, the charity has a charge over property owned by the loan holders.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

20 Trade and other receivables

	2024	2023
Amounts falling due within one year:	£	£
Trade receivables	25,204	54,163
Prepayments and accrued income	3,347	2,617
	<u>28,551</u>	<u>56,780</u>

21 Contingent asset

Childs Charitable Trust has a registered charge of £70,000 over a parcel of land located to the west side of Southdown Road, Seaford, East Sussex. The land is registered in the name of Simmons Contractors Limited (Reg. No. 1695245), a company which went into liquidation in 1989 and has been removed from the Companies House Register.

Recoverability of this debt is uncertain. The charity has taken legal advice and Counsel's opinion on this matter to establish the legal position. It is understood that in the future, ownership of the land plus the property located on the land will revert to the crown but that the land original loan sum of £70,000 which is secured by the charge over the land will be repayable to the charity.

Due to the circumstances surrounding this loan which is subject to uncertain future events, the Charity's interest in this land has not been recognised in these accounts.

22 Current liabilities

	Notes	2024	2023
		£	£
Other taxation and social security		409	378
Deferred income	23	-	5,000
Other payables		36,772	12,000
Accruals		18,213	16,679
		<u>55,394</u>	<u>34,057</u>

23 Deferred income

	2024	2023
	£	£
Other deferred income	-	5,000
	<u>-</u>	<u>5,000</u>

Deferred income is included in the financial statements as follows:

	2024	2023
	£	£
Deferred income is included within:		
Current liabilities	-	5,000
	<u>-</u>	<u>5,000</u>

Movements in the year:

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

23 Deferred income (Continued)

Deferred income at 1 January 2024	5,000	-
Released from previous periods	(5,000)	-
Resources deferred in the year	-	5,000
	<u> </u>	<u> </u>
Deferred income at 31 December 2024	<u> </u>	<u>5,000</u>

Deferred income represents rent income invoiced in advance.

24 Retirement benefit schemes

	2024	2023
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	3,066	2,839
	<u> </u>	<u> </u>

The Trust operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Trust in an independently administered fund.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

25 Financial commitments, guarantees and contingent liabilities

The Trust has made commitments to fund the following organisations for up to a further three years. These have not been charged in the accounts since they are subject to the grant recipients satisfactorily meeting their reporting requirements for future funding to be released. These grants will be paid from current reserves and future income.

	2025 £	2026 £	2027 £	Total £
Faith in Kids	10,000	-	-	10,000
Asociacion El Elfarero	25,000	-	-	25,000
YMCA Norfolk	5,000	-	-	5,000
St Michael & All Angels	10,000	10,000	-	20,000
Trinity Church London	10,000	10,000	-	20,000
Festive	-	15,000	15,000	30,000
	<u>60,000</u>	<u>35,000</u>	<u>15,000</u>	<u>110,000</u>
Previous year:		2024	2025	Total
		£	£	£
Speak Life		20,000	-	20,000
Love Barton		10,000	-	10,000
All Souls Eastbourne		10,000	-	10,000
Amano Christian School		10,000	-	10,000
Emmanuel press		10,000	-	10,000
Faith in Kids		10,000	10,000	20,000
Asociacion El Elfarero		25,000	25,000	50,000
		<u>95,000</u>	<u>35,000</u>	<u>130,000</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

26 Unrestricted funds - designated

These are unrestricted funds which are material to the Trust's activities.

	At 1 January 2024	Transfers	Gains and losses	At 31 December 2024
	£	£	£	£
Fixed Asset Investment Fund	7,556,758	685,319	291,177	8,533,254
	<u>7,556,758</u>	<u>685,319</u>	<u>291,177</u>	<u>8,533,254</u>
Previous year:	At 1 January 2023	Transfers	Gains and losses	At 31 December 2023
	£	£	£	£
Fixed Asset Investment Fund	9,374,619	(1,777,452)	(40,409)	7,556,758
	<u>9,374,619</u>	<u>(1,777,452)</u>	<u>(40,409)</u>	<u>7,556,758</u>

The fixed asset investment fund represented invested funds of a permanent nature to generate income for the charity to enable it to carry out its activities, and the fixed assets held to run the charity's operations.

27 Analysis of net assets between funds

	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £
At 31 December 2024:			
Investment properties	-	1,033,500	1,033,500
Investments	-	7,402,562	7,402,562
Mixed motive investments	-	97,192	97,192
Current assets/(liabilities)	405,907	-	405,907
	<u>405,907</u>	<u>8,533,254</u>	<u>8,939,161</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

27 Analysis of net assets between funds (Continued)

	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £
At 31 December 2023:			
Investment properties	-	1,033,500	1,033,500
Investments	-	6,420,556	6,420,556
Mixed motive investments	-	102,702	102,702
Current assets/(liabilities)	1,767,343	-	1,767,343
	<u>1,767,343</u>	<u>7,556,758</u>	<u>9,324,101</u>

28 Operating lease commitments

Lessor

The operating leases represent leases to third parties in investment properties. The leases are negotiated on average over terms of 10 years and rentals are fixed on average for 5 years. All leases include a provision for five-yearly upward rent reviews, if not earlier, according to prevailing market conditions. There are options in place for either party to extend the lease terms.

At the reporting end date the Trust had contracted with tenants for the following minimum lease payments:

	2024 £	2023 £
Within one year	82,000	25,000
Between two and five years	280,167	-
	<u>362,167</u>	<u>25,000</u>

29 Events after the reporting date

After the year end, the charity purchased the property Woodpeckers, Ashford Road, Maidstone, ME14 4AG, with completion occurring on 4 April 2025. The cost of the property was £550,000 and a further £150,000 has been budgeted towards renovations prior to being leased.

30 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

31 Analysis of changes in net funds

The Trust had no material debt during the year.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

32 Cash generated from operations	2024	2023
	£	£
Deficit for the year	(384,940)	(510,083)
Adjustments for:		
Investment income recognised in statement of financial activities	(242,486)	(289,975)
(Gain)/loss on disposal of investment property	-	49,731
(Gain)/loss on disposal of investments	(23,481)	21,221
Fair value gains and losses on investments	(267,696)	(30,543)
Movements in working capital:		
Decrease in mixed motive investments	5,513	5,245
Decrease in trade and other receivables	28,226	91,324
Increase/(decrease) in trade and other payables	26,337	(43,660)
(Decrease)/increase in deferred income	(5,000)	5,000
Cash absorbed by operations	(863,527)	(701,740)

33 Non-audit services provided by auditor

In common with many businesses of our size and nature we use our auditor to assist with the preparation of the financial statements.

CHILDS CHARITABLE TRUST

England & Wales - Charity number 1153327

Accounts

Charity registration number 1153327

Company registration number 08635189 (England and Wales)

CHILDS CHARITABLE TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



Caladine

Chartered Certified Accountants

CHILDS CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Christopher Large (Chair) Mr Stephen Puttock Mrs Melanie Churchyard Mr Robert Peake Ms Janice Kalyan
CEO	Mrs Melanie Churchyard
Charity number	1153327
Company number	08635189
Principal address	40 Chapel Road Pawlett Bridgwater Somerset TA6 4SH
Registered office	40 Chapel Road Pawlett Bridgwater Somerset TA6 4SH
Auditor	Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF
Bankers	NatWest Bank plc 96 Terminus Road Eastbourne BN21 3AA
Solicitors	Mayo Wynne Baxter 3 Bell Lane Lewes East Sussex BN7 1JU
Investment Manager	Rathbone Investment Management 8 Finsbury Circus London EC2M 7AZ Savills Investment Management 33 Margaret Street London W1G 0JD
Property agents	Bree Prenton Property Consultants 21 The Waterfront Sovereign Harbour Eastbourne, BN23 5UZ

CHILDS CHARITABLE TRUST

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CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their report and financial statements for Childs Charitable Trust ("the Trust") for the year ended 31 December 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 Trust's memorandum and articles of association, the Companies Act 2006 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)".

Objectives and activities

The Trust is a Christian grant-making Trust and since 2013, a Company Limited by Guarantee. Since its inception in 1962 the principal object of the Trust remains the furtherance of the Christian gospel and the Trustees are actively involved in supporting and encouraging many Christian charities to achieve this goal.

We continually monitor the economic and social situation both within the UK and overseas and whilst we are unable to predict the impact on the charity's future, we take appropriate advice to ensure the grant-making work of the charity continues.

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the year.

The Trust has established its grant making policy to achieve its objects for the public benefit.

All applicants are informed of the outcome at the end of the process whether their application has been successful or not.

Achievements and performance

Grants Awarded

As required by the Trust's Memorandum and Articles of Association, all activities have as their core purpose the Trust's own main objective "the furtherance of the Christian Gospel."

All applications are sent on the Trust's application form.

At the start of 2023 the Trustees implemented some significant changes to the application process. Full details of the current process can be found on the Trust's website. All applications receive are considered but, unfortunately, not all can be supported.

The total charitable distributions in the year amounted to £689,800 (£703,500 in 2022).

The Trust received 153 applications and awarded grants to 69 different organisations.

The organisations funded are all based in the UK although many work overseas as well as the UK.

Many of the organisations we support are working in sensitive areas of the world and have requested that we do not publicise their details.

Some of the comments that we are able to share are a joy and encouragement to the trustees.

Schools Work:

"We are thrilled with all that you've enabled us to do, and I hope you enjoy seeing the fruits of your support. Personally, I love that we can show you the very tangible results of your donation. I want to say how thrilled we are to have your backing and we are so excited for all that we will achieve together with this gift."

CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

"It's incredible what you make possible here, and the fact our programme now reaches over 850 top class primary school children every single week, is so much down to you guys and your generosity. In this present era where less than 5% of the UK population goes to Church/Sunday School to actually hear and learn about Jesus, the Gospel message, The Old Testament, The New Testament and the Heroes of the Bible like generations of the past, we feel blessed - even though it's tough on many fronts doing what we do - to have the opportunity and platform to go to today's young people on such a large-scale level that just wouldn't be possible without the Childs Charitable Trust! Thank you!!"

Youth Work:

"It's really difficult to put into words how much that grant meant to us as it was our first. Whilst it was incredibly helpful in a practical way it also gave us as trustees a really "affirmation" boost, that we were doing what God had called us to do."

"We want to extend our sincere gratitude to you for the amazing support you have provided this year! So far, we have been able to reach 2440 young people with 197 interactive and engaging lessons, in 8 different schools. Jesus' second command to "love your neighbour as yourself" empowers and equips these children to have more positive relationships with others, as well as improving their own self esteem. We deeply appreciate your support, and hope you feel a real sense of achievement when you read about the differences made because of your kindness."

Bible/Leadership Training:

"With your support we have made significant strides in our goal to make the Bible accessible in 12 areas of high persecution and sensitivity."

"Thank you so much for your faithful support of this project which changes the lives of so many. The young people are deeply grateful for what they receive and never take it for granted."

Pastoral care/Humanitarian Needs:

"Your grant has had the most tremendous impact on our evangelism and work in deprived communities. We are very grateful for your kindness and generosity – thank you so much! We have been able to work alongside our sister charity and achieve much more than we had anticipated."

"We are very grateful for all the grants received to date and rejoice at all the ways we have been able to share the Good News of the Gospel with people around the world with your help. Thank you."

"I would like to extend our deepest gratitude for the generous support we received from Childs Trust. The funding has been instrumental in empowering female survivors of gender-based violence through our trauma-informed Baking & Wellbeing and Skills Training programme".

Monitoring:

In accordance with their monitoring policy, the Trustees monitor the activities and performance of the Trust's beneficiaries to ensure the gifts are used for their charitable purpose. Impact reports are provided to the Trustees for subsequent review and discussion. These reports enable the Trustees to understand more fully the activities and needs of the recipient charities. The charities themselves express their appreciation for such monitoring as it helps them understand the ethos of the Trust and often enables a closer partnership to develop.

Melanie (CEO and Trustee) or another Trustee visits all grant recipients who have received a significant donation from the Trust in the year and reports back to the Trustees.

Missions Day:

Every year the Trustees arrange a "Missions Day" to which various Christian charities are invited to join the Trustees, staff and other invited guests, for the day to give presentations of their work and to spend time in prayer. In 2023 we were joined by 5 Mission organisations. The Trustees have expressed how beneficial they feel these days to be in gaining a deeper insight into the work and needs of the Missions.

CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Financial review

Income

The income of the Trust is mainly received from two asset portfolios, commercial properties and investments.

The Trustees take advice on their properties from an Eastbourne based commercial property agent.

The investment portfolio continues to be managed by Rathbone Investment Management.

Asset cover for funds

The Trust's assets are adequate and available to fulfil its obligations.

Reserves policy

As all reserves are unrestricted and "free" reserves, it is the policy of the Trust that unrestricted funds should be designated to match the market value of fixed assets investments. This ensures that these funds are considered "permanent" in nature as they are necessary to generate income for the Trust to enable it to carry out its activities and continue in the future. At 31 December 2023, such "permanent" reserves total £7,556,758 equal to the Trust's fixed asset investments.

Investment policy:

The investment portfolio managed by Rathbone Investment Management, seeks to achieve a balance between capital growth and income growth through a portfolio investing primarily in equities and fixed interest stocks with medium risk, and to ensure a reasonable income. The Trustees have set certain ethical restrictions on its investments with those being avoided that relate directly to armaments, tobacco, alcohol and media concerns that conflict with the Trust's Christian ethos. The Trustees are satisfied with the current return on capital.

The Trustees meet with the Investment Manager once per year to discuss the requirements for the forthcoming year and to review past performance.

Loans

The charity also holds one investment in the form of a loan to a charity with similar objects. The loan receives interest at a market rate and has a period of 13 years remaining on the term. The loan is secured on the assets of the charity. The loan is provided to further the charitable objects of the charity and specifically in furtherance of the Christian Gospel. The Trustees annually review the activities and finances of the charity loaned to, to ensure that these aims are being met.

Plans for future periods

It is the intention of the Trustees for the Trust to continue its activities in the long term, using its annual income and maintaining its capital base.

Strategy Day

Each year the Trustees hold a Strategy Day to discuss the requirements of the Trust over the next 5/10/15 years and the procedures that might be needed to be put in place to achieve the Trust's vision.

The Trust's Vision and Mission statements are:

Vision – To see a world where every person has the potential to hear and respond to the gospel message.

Mission – To strategically fund Christian organisations which promote the Christian gospel.

The Trustees also discuss the requirements of the Trustee board and their strategy for Trustee recruitment.

A funding strategy is discussed and agreed for the forthcoming year. Details of the agreed strategy is published on the Trust's website.

At the 2023 Strategy Day the Trustees decided that they should continue throughout 2024 to keep aligned with their vision and mission statements. Ensuring organisations applying for funding in 2024 focus primarily on the sharing of the Christian gospel.

CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees also discussed their property portfolio. Most of the properties that were in the Trust's portfolio have now been sold. The Trustees continue to consider future opportunities for investment.

Structure, governance and management

Structure

The Trust's Memorandum and Articles of Association state: The Charity's Objects are for the public benefit to advance the Christian faith in accordance with the Statement of Beliefs ... in Eastbourne, East Sussex and in such other parts of the United Kingdom or the world as the Trustees may from time to time think fit and to fulfil such other purposes which are exclusively charitable according to the law of England and Wales and are connected with the charitable work of the Charity.

Governance

Whilst the day to day matters and general running of the Trust are delegated to Melanie Churchyard (CEO and Trustee), this is done in reference to the other Trustees who ultimately take responsibility for all decisions.

The Trustees met every three months to review financial and investment matters, consider grant applications and deal with other issues as necessary. Communications by email and telephone in between formal Trustees' meetings enable any urgent matters to be dealt with.

The CEO and Chair of Trustees meet in between meetings to prepare the agenda for meetings and discuss any other relevant matters.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr Christopher Large (Chair)
Mr Stephen Puttock
Mrs Melanie Churchyard
Mr Robert Peake
Ms Janice Kalyan

All Trustees must be active members of their local church, subscribe to the Trust's Statement of Beliefs and share the Christian ethos and aims of the Trust. It is imperative that all Trustees have general charity experience and are able to devote their time and energies to the affairs of the Trust. None of the Trustees are remunerated for their services but are reimbursed for out-of-pocket expenses incurred in the performance of their duties as Trustees.

Management

Mrs Melanie Churchyard, CEO, deals with all the day to day affairs of the Trust. Melanie was employed throughout the year. The Trust has use of an office in Pawlett, Somerset. Melanie keeps all Trustees fully informed of the matters of the Trust.

The remuneration of staff is discussed and decided by the Trustees (excluding Melanie) and is based on relevant skills and responsibilities and in line with the rates prevailing in the charitable sector.

Throughout 2023 the Trust was a member of the Civil Society.

Risks

The Trustees regularly review and assess the major risks to which the charity is exposed. Advice and guidance is sought from our auditors and other professionals. The main financial risk to the charity is the level of return on investments since this affects the grants it can pay out.

The Trustees are aware that there are likely to continue to be significant challenges due to the after effects of the Coronavirus pandemic and the ongoing war in the Ukraine. The Trustees are continually monitoring the situation and keep in regular communication with their advisors and investment manager.

CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

It is impossible to eliminate all risks, but the Trustees are satisfied that the systems they have in place mitigate exposure to the major risks as far as they are able.

All policies are reviewed in accordance with the agreed review schedule.


The Trustees are kept informed by the auditors and solicitors of the Trust of their obligations as charity Trustees together with their legal and statutory duties. Whenever possible, Trustees and staff attend relevant training and seminars to help understand further their responsibilities and duties.

Feedback from the grant recipients is essential and it is such reports and testimonies, that help the Trustees evaluate the impact of the support the Trust has provided and to plan for the future. However, as the Trust's main objective and many of the results reported are of a spiritual nature, tangible evidence is often lacking. The Trustees recognise that it can be difficult to quantify final results and impact; however, they seek to encourage the grant recipients to be as detailed as possible in their reporting.

Disclosure of information to auditor

This report has been prepared in accordance with the small company regime as outlined in Section 419(2) of the Companies Act 2006. Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

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


.....
Mr Christopher Large (Chair)
Trustee
Dated: 23/8/24 .

CHILDS CHARITABLE TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees, who are also the Directors of Childs Charitable Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 Trust will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CHILDS CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CHILDS CHARITABLE TRUST

Opinion

We have audited the financial statements of Childs Charitable Trust (the 'Trust') for the year ended 31 December 2023 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

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 Trust 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 the provisions available for small entities, in the circumstances set out in note 32 to the financial statements, 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 Trust'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 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, except to the extent otherwise explicitly stated in our report, 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 a 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

CHILDS CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CHILDS CHARITABLE TRUST

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Trust for the purpose of company law, 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 Trust'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 liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

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 from our commercial knowledge and experience of the charity sector;
- 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 company, including the Companies Act 2006, Charities Act 2011 and employment 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.

CHILDS CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CHILDS CHARITABLE TRUST

We assessed the susceptibility of the trust'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.

Audit response to risks identified

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
- 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;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators

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: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



Mr Colin James Dadswell FCCA (Senior Statutory Auditor)
for and on behalf of Caladine Limited

27/08/2024

Chartered Certified Accountants
Statutory Auditor

Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

CHILDS CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Current financial year		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £	Total 2022 £
	Notes				
Income and endowments from:					
Donations and legacies	3	-	-	-	15,000
Other trading activities	4	64,095	-	64,095	200,313
Investments	5	289,975	-	289,975	388,810
Other income	6	5,402	-	5,402	4,433
Total income		<u>359,472</u>	<u>-</u>	<u>359,472</u>	<u>608,556</u>
Expenditure on:					
Raising funds	7	58,025	-	58,025	49,308
Charitable activities	8	773,738	-	773,738	780,553
Total expenditure		<u>831,763</u>	<u>-</u>	<u>831,763</u>	<u>829,861</u>
Net gains/(losses) on investments	14	-	(40,409)	(40,409)	(417,067)
Net expenditure		<u>(472,291)</u>	<u>(40,409)</u>	<u>(512,700)</u>	<u>(638,372)</u>
Transfers between funds	27	1,777,452	(1,777,452)	-	-
Net movement in funds	11	<u>1,305,161</u>	<u>(1,817,861)</u>	<u>(512,700)</u>	<u>(638,372)</u>
Reconciliation of funds:					
Fund balances at 1 January 2023		459,565	9,374,619	9,834,184	10,472,556
Fund balances at 31 December 2023		<u>1,764,726</u>	<u>7,556,758</u>	<u>9,321,484</u>	<u>9,834,184</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

CHILDS CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Prior financial year		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes				
Income and endowments from:					
Donations and legacies	3	-	-	15,000	15,000
Other trading activities	4	200,313	-	-	200,313
Investments	5	388,810	-	-	388,810
Other income	6	4,433	-	-	4,433
Total income		<u>593,556</u>	<u>-</u>	<u>15,000</u>	<u>608,556</u>
Expenditure on:					
Raising funds	7	49,308	-	-	49,308
Charitable activities	8	765,553	-	15,000	780,553
Total expenditure		<u>814,861</u>	<u>-</u>	<u>15,000</u>	<u>829,861</u>
Net gains/(losses) on investments	14	-	(417,067)	-	(417,067)
Net income		<u>(221,305)</u>	<u>(417,067)</u>	<u>-</u>	<u>(638,372)</u>
Transfers between funds	27	16,484	(16,484)	-	-
Net movement in funds	11	<u>(204,821)</u>	<u>(433,551)</u>	<u>-</u>	<u>(638,372)</u>
Reconciliation of funds:					
Fund balances at 1 January 2022		664,386	9,808,170	-	10,472,556
Fund balances at 31 December 2022		<u>459,565</u>	<u>9,374,619</u>	<u>-</u>	<u>9,834,184</u>

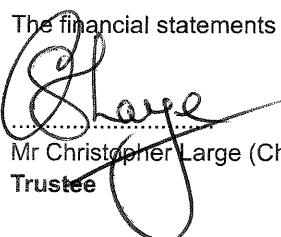
CHILDS CHARITABLE TRUST

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Investment property	17		1,033,500		2,723,500
Investments	18		6,420,556		6,543,173
Mixed motive investments	19		102,702		107,946
			<u>7,556,758</u>		<u>9,374,619</u>
Current assets					
Trade and other receivables	20	54,163		148,105	
Cash at bank and in hand		1,744,620		384,177	
		<u>1,798,783</u>		<u>532,282</u>	
Current liabilities	22	(34,057)		(72,717)	
Net current assets			<u>1,764,726</u>		<u>459,565</u>
Net assets			<u><u>9,321,484</u></u>		<u><u>9,834,184</u></u>
The funds of the Trust					
Unrestricted funds - general			1,764,726		459,565
Unrestricted funds - designated	27		7,556,758		9,374,619
			<u><u>9,321,484</u></u>		<u><u>9,834,184</u></u>

The financial statements were approved by the Trustees on 23/8/24.


Mr Christopher Large (Chair)
Trustee

Company registration number 08635189 (England and Wales)

CHILDS CHARITABLE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023		2022	
		£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	31		(701,740)		(793,945)
Investing activities					
Proceeds from disposal of investment property		1,640,269		-	
Purchase of other investments		(799,896)		(1,635,975)	
Proceeds from disposal of other investments		931,835		1,647,470	
Investment income received		289,975		388,810	
Net cash generated from investing activities			2,062,183		400,305
Net increase/(decrease) in cash and cash equivalents					
			1,360,443		(393,640)
Cash and cash equivalents at beginning of year			384,177		777,817
Cash and cash equivalents at end of year			<u>1,744,620</u>		<u>384,177</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Company information

Childs Charitable Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is 40 Chapel Road, Pawlett, Bridgwater, Somerset, TA6 4SH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Trust's Memorandum and Articles of Association, the Companies Act 2006 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 Trust is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Trust 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.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Trust 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. The Charity's income consists of voluntary income and that from investments, including property.

Cash donations are recognised on receipt. Other donations are recognised once the Trust 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.

Rental income from investment properties is deferred where it has been received in advance and is relevant to a subsequent period.

Investment income in income from listed investments and loan interest receivable and is recognised in the accounts when receivable.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

1.5 Expenditure

Liabilities are recognised as soon as a legal or constructive obligation arises committing the Trust to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Costs of activities in furtherance of the Trust's objects are grants made by the Trust to support Christian charitable projects, and the support costs relating to this activity.

Costs of raising funds comprise those costs relating to the management and maintenance of the investment properties, as well as the investment manager's fees for managing the investments and securities.

Support costs comprise administration costs in relation to grant making, together with governance costs. Governance costs include the costs of auditing the statutory accounts, the cost of Trustees' meetings and the cost of any legal advice to Trustees' on governance or constitutional matters. The support costs have been allocated wholly to the grant making activities, with the exception of the support wages. These wages have been allocated 10% to the costs of raising funds and 90% to the grant making activities, on a time basis.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Fixtures, fittings and equipment	3 years straight line (All assets fully depreciated)
----------------------------------	--

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Tangible fixed assets are capitalised if they can be used for more than one year and cost at least £500.

Neither land nor the investment properties are depreciated.

1.7 Investment property

Investment properties are those held to earn rentals and/or for capital appreciation. The investment properties are measured using the fair value model and stated at its fair value (open market value) at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year.

1.8 Non-current investments

Listed investments are measured using the fair value model and stated at its fair value (open market value) at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year.

The Trust also has mixed motive investments in the form of loans to charities with similar objects and these have been dealt with as financial instruments and in accordance with the treatment suggested in the FRS102 SORP (see financial instruments below). The loans receive interest at a market rate (between 5 and 5.5%), are for periods of up to 25 years and are secured on the assets of the charities. They are provided to further the charitable objects of the charity and specifically in furtherance of the Christian Gospel. The Trustees regularly review the activities of the charities loaned to, to ensure that these aims are being met.

1.9 Cash and cash equivalents

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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

1.10 Financial instruments

The Trust has mixed motive investments in the form of loans to charities with similar objects. As these are financial instruments, the Trust has applied the treatment suggested in the FRS102 SORP and has initially recognised and measured the loans at the amount paid. The carrying amount will then be adjusted in subsequent years to reflect repayments and any accrued interest as well as adjusting if necessary for any impairment.

Other than these mixed motive investments, the Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Basic financial assets include trade and other receivables and cash and bank balances. Basic financial liabilities include trade and other payables where trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of operations from suppliers.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Grant Making Policy

The Trust supports by the provision of financial grants some of those Christian organisations whose own activities mirror further the Trust's own aims and objectives. Numerous and varied applications are received by the Trust every month. In addition the Trustees are also aware of other Christian organisations and encourage them to submit applications to the Trust. All applications are prayerfully considered by the Trustees but, due to the Trust's own limited means, not all applications can be supported.

Grants for which there is a legal obligation, or a valid expectation of receipt by the beneficiary at the year end, and for which conditions attaching to their payment have been fulfilled, are accounted for in the year.

2 Critical accounting estimates and judgements

In the application of the Trust'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.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

3 Income from donations and legacies

	Restricted funds 2023 £	Restricted funds 2022 £
Grants receivable	-	15,000

4 Income from other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Rental income	64,095	200,313

5 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from listed investments	243,441	226,691
Leasehold extension fees	19,525	44,509
Dilapidation costs recuperated	-	110,000
Interest receivable	27,009	7,610
	<u>289,975</u>	<u>388,810</u>

6 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Employment allowance received	5,402	4,433

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

7 Raising funds

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
<u>Investment property expenses</u>		
Property overheads and management	18,518	9,382
Share of Support costs (see note 10)	6,619	5,836
	<hr/>	<hr/>
<u>Investment property expenses</u>	25,137	15,218
Investment management fees	32,888	34,090
	<hr/>	<hr/>
	58,025	49,308
	<hr/> <hr/>	<hr/> <hr/>
<u>Property overheads and management</u>		
Rates	821	1,743
Light and heat	(122)	418
Repairs and maintenance	4,827	1,957
Legal and professional	7,206	1,544
Insurance	5,786	3,720
	<hr/>	<hr/>
	18,518	9,382
	<hr/> <hr/>	<hr/> <hr/>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

8 Expenditure on charitable activities

	Charitable activities	Charitable activities
	2023	2022
	£	£
Direct costs		
Missions day	4,032	5,124
Grant funding of activities (see note 9)	691,800	703,500
Share of support and governance costs (see note 10)		
Support	57,791	54,807
Governance	20,115	17,122
	<u>773,738</u>	<u>780,553</u>
Analysis by fund		
Unrestricted funds - general	773,738	765,553
Restricted funds	-	15,000
	<u>773,738</u>	<u>780,553</u>

9 Grants payable

	2023	2022
	£	£
Grants to institutions:		
Asociacion El Elfarero	25,000	-
Speak Life	20,000	45,000
Essential Christian	15,000	30,000
International Needs	40,000	30,000
Latvian Bible Centre	-	25,000
London City Mission	10,000	25,000
Wycliffe Bible Translators	25,000	25,000
Innovista International	30,000	20,000
Other grants between £15,000 and £20,000	175,000	123,000
Other grants between £10,000 and £14,999	206,100	204,000
Other grants between £5,000 and £9,999	135,200	159,000
Other grants between £3,000 £4,999	3,000	9,000
Other grants not exceeding £2,999	7,500	8,500
	<u>691,800</u>	<u>703,500</u>

Grants to institutions represent payments made in the year to 69 organisations (2022: 71 organisations).

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

10 Support costs allocated to activities

	2023	2022
	£	£
Staff costs	59,570	52,528
Computer expenses	1,604	1,407
Rent and rates	-	725
Repairs and renewals	360	1,564
Telecommunications	1,177	1,157
Printing and postage	299	560
Travel expenses	176	1,114
Sundry expenses	1,224	1,588
Governance costs	20,115	17,122
	<u>84,525</u>	<u>77,765</u>
<u>Analysed between:</u>		
Fundraising	6,619	5,836
Charitable activities	77,906	71,929
	<u>84,525</u>	<u>77,765</u>

	2023	2022
	£	£
Governance costs comprise:		
Staff costs	6,619	5,836
Audit fees	6,840	5,964
Accountancy	2,160	2,820
Trustee meeting costs	832	1,424
Travel expenses	3,664	1,078
	<u>20,115</u>	<u>17,122</u>

11 Net movement in funds

	2023	2022
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	6,840	5,964
Loss on disposal of investment property	49,731	-
	<u>56,571</u>	<u>5,964</u>

12 Trustees

Trustee Melanie Churchyard received a salary of £56,771 (2022: £50,010) and employer pension contributions of £2,839 (2022: £2,501) during the year, the authority for the employment of Trustees is contained within the Memorandum and Articles of Association.

None of the other Trustees (or any persons connected with them) received any remuneration or benefits from the Trust during the year. Trustees had total expenditure of £4,496 (2022: £2,502) reimbursed or met by the charity for meeting, travel and other expenditure.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

13 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Administration	1	1
	<u>1</u>	<u>1</u>
Employment costs	2023	2022
	£	£
Wages and salaries	56,771	50,010
Social security costs	6,579	5,853
Other pension costs	2,839	2,501
	<u>66,189</u>	<u>58,364</u>
	<u>66,189</u>	<u>58,364</u>

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

14 Gains and losses on investments

	Unrestricted funds designated 2023 £	Unrestricted funds designated 2022 £
Gains/(losses) arising on:		
Revaluation of investments	30,543	(571,951)
Sale of investments	(21,221)	(85,116)
Revaluation of investment properties	-	240,000
Sale of investment properties	(49,731)	-
	<u>(40,409)</u>	<u>(417,067)</u>
	<u>(40,409)</u>	<u>(417,067)</u>

15 Taxation

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

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

16 Property, plant and equipment

	Fixtures, fittings and equipment £
Cost	
At 1 January 2023	4,361
At 31 December 2023	4,361
Depreciation and impairment	
At 1 January 2023	4,361
At 31 December 2023	4,361
Carrying amount	
At 31 December 2023	-

17 Investment property

	2023 £
Fair value	
At 1 January 2023	2,723,500
Disposals	(1,690,000)
At 31 December 2023	1,033,500

The property 1 St Annes Road, Eastbourne, BN21 3UN held within Investment properties at £1,420,000 was sold on 31 March 2023 for £1,420,000.

The property at 68 Hazelwood Avenue, Eastbourne, BN22 OSQ held within Investment properties at £270,000 was sold on 7 July 2023 for £260,000.

The remaining residential investment property, 17 Maple Road, Eastbourne, BN23 6NY, is held within Investment properties at fair value £925,000. The last professional valuation was in March 2023 carried out by Mr Anton G K Bree FRICS of Bree Prenton Property Consultants, Eastbourne. The Trustees are of the opinion the market value has not materially changed at 31 December 2023.

In addition to the freehold property held, there are 3 parcels of bare land and a block of garages linked to one of the freehold interests with a total disclosed value £103,500. These were transferred to the Charity when it was incorporated in 2015 with the acting solicitor placing nominal valuations on them. The Trustees believe there has been no material change to these valuations as at the balance sheet date.

The historical cost of the properties as at 31 December 2023 were £742,000 (2022: £1,677,000).

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

18 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2023	6,543,173
Additions	799,896
Valuation changes	30,543
Disposals	(953,056)
	<hr/>
At 31 December 2023	6,420,556
	<hr/>
Carrying amount	
At 31 December 2023	6,420,556
	<hr/> <hr/>
At 31 December 2022	6,543,173
	<hr/> <hr/>

19 Mixed motive investments

	£
At 1 January 2023	107,947
Interest	5,278
Repayments	(10,523)
	<hr/>
At 31 December 2023	102,702
	<hr/> <hr/>

Mixed motive investments represent loans made to other charities with similar objects to the charitable company. As these are financial instruments, the charity has applied the treatment suggested in the FRS102 SORP and has initially recognised and measured the loans at the amount paid. The carrying amount will then be adjusted in subsequent years to reflect repayments and any accrued interest as well as adjusting them for any impairment.

In order to secure the loans, the charity has a charge over property owned by the loan holders.

20 Trade and other receivables

	2023 £	2022 £
Amounts falling due within one year:		
Trade receivables	54,163	38,105
Other receivables	-	110,000
	<hr/>	<hr/>
	54,163	148,105
	<hr/> <hr/>	<hr/> <hr/>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

21 Contingent asset

Childs Charitable Trust has a registered charge of £70,000 over a parcel of land located to the west side of Southdown Road, Seaford, East Sussex. The land is registered in the name of Simmons Contractors Limited (Reg. No. 1695245), a company which went into liquidation in 1989 and has been removed from the Companies House Register.

Recoverability of this debt is uncertain. The charity has taken legal advice and Counsel's opinion on this matter to establish the legal position. It is understood that in the future, ownership of the land plus the property located on the land will revert to the crown but that the land original loan sum of £70,000 which is secured by the charge over the land will be repayable to the charity.

Due to the circumstances surrounding this loan which is subject to uncertain future events, the Charity's interest in this land has not been recognised in these accounts.

22 Current liabilities

	Notes	2023 £	2022 £
Other taxation and social security		378	1,307
Deferred income	23	5,000	-
Other payables		12,000	55,000
Accruals and deferred income		16,679	16,410
		<u>34,057</u>	<u>72,717</u>

23 Deferred income

	2023 £	2022 £
Other deferred income	<u>5,000</u>	<u>-</u>

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Deferred income is included within:		
Current liabilities	<u>5,000</u>	<u>-</u>
Movements in the year:		
Deferred income at 1 January 2023	-	-
Resources deferred in the year	<u>5,000</u>	<u>-</u>
Deferred income at 31 December 2023	<u>5,000</u>	<u>-</u>

Deferred income represents rent income invoiced in advance.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

24 Retirement benefit schemes

	2023	2022
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	2,839	2,501
	<u>2,839</u>	<u>2,501</u>

The Trust operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Trust in an independently administered fund.

25 Financial commitments, guarantees and contingent liabilities

The Trust has made commitments to fund the following organisations for up to a further two years. These have not been charged in the accounts since they are subject to the grant recipients satisfactorily meeting their reporting requirements for future funding to be released. These grants will be paid from current reserves and future income.

	2024	2025	Total
	£	£	£
Speak Life	20,000	-	20,000
Love Barton	10,000	-	10,000
All Souls Eastbourne	10,000	-	10,000
Amano Christian School	10,000	-	10,000
Emmanuel press	10,000	-	10,000
Faith in Kids	10,000	10,000	20,000
Asociacion El Elfarero	25,000	25,000	50,000
	<u>95,000</u>	<u>35,000</u>	<u>130,000</u>
Previous year:	2023	2024	Total
	£	£	£
Speak Life	20,000	20,000	40,000
Love Barton	10,000	10,000	20,000
All Souls Eastbourne	10,000	10,000	20,000
Amano Christian School	10,000	10,000	20,000
Transform Europe Network	5,500	-	5,500
	<u>55,500</u>	<u>50,000</u>	<u>105,500</u>

26 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

26 Restricted funds (Continued)

Previous year:	At 1 January 2022	Incoming resources	Resources expended	At 31 December 2022
	£	£	£	£
Latvian Biblical Centre	-	15,000	(15,000)	-

The fund represented monies donated to the Trust from The Stuart Hine Trust CIO with the condition of passing on the monies to the Latvian Biblical Centre. This fund is now closed.

27 Unrestricted funds - designated

These are unrestricted funds which are material to the Trust's activities.

	At 1 January 2023	Transfers	Gains and losses	At 31 December 2023
	£	£	£	£
Fixed Asset Investment Fund	9,374,619	(1,777,452)	(40,409)	7,556,758

Previous year:	At 1 January 2022	Transfers	Gains and losses	At 31 December 2022
	£	£	£	£
Fixed Asset Investment Fund	9,808,170	(16,484)	(417,067)	9,374,619

The fixed asset investment fund represented invested funds of a permanent nature to generate income for the charity to enable it to carry out its activities, and the fixed assets held to run the charity's operations.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

28 Operating lease commitments

Lessee

At the reporting end date the Trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Within one year	-	480
	<u> </u>	<u> </u>

Lessor

The operating leases represent leases to third parties in investment properties. The leases are negotiated on average over terms of 10 years and rentals are fixed on average for 5 years. All leases include a provision for five-yearly upward rent reviews, if not earlier, according to prevailing market conditions. There are options in place for either party to extend the lease terms.

At the reporting end date the Trust had contracted with tenants for the following minimum lease payments:

	2023	2022
	£	£
Within one year	25,000	60,000
Between two and five years	-	25,000
	<u> </u>	<u> </u>
	<u>25,000</u>	<u>85,000</u>

29 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

30 Analysis of changes in net funds

The Trust had no material debt during the year.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

31 Cash generated from operations	2023	2022
	£	£
Deficit for the year	(512,700)	(638,372)
Adjustments for:		
Investment income recognised in statement of financial activities	(289,975)	(388,810)
Loss on disposal of investment property	49,731	-
Loss on disposal of investments	21,221	85,116
Fair value gains and losses on investment properties	-	(240,000)
Fair value gains and losses on investments	(30,543)	571,951
Movements in working capital:		
Decrease in mixed motive investments	5,245	4,990
Decrease/(increase) in trade and other receivables	93,941	(144,266)
(Decrease) in trade and other payables	(43,660)	(44,554)
Increase in deferred income	5,000	-
Cash absorbed by operations	<u>(701,740)</u>	<u>(793,945)</u>
32 Non-audit services provided by auditor		

In common with many businesses of our size and nature we use our auditor to assist with the preparation of the financial statements.

CHILDS CHARITABLE TRUST

England & Wales - Charity number 1153327

Accounts

Charity registration number 1153327

Company registration number 08635189 (England and Wales)

CHILDS CHARITABLE TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



Caladine
Chartered Certified Accountants

CHILDS CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Christopher Large (Chair) Mr Stephen Puttock Mrs Melanie Churchyard Mr Robert Peake Ms Janice Kalyan (Appointed 14 January 2022)
CEO	Mrs Melanie Churchyard
Charity number	1153327
Company number	08635189
Principal address	40 Chapel Road Pawlett Bridgwater Somerset TA6 4SH
Registered office	40 Chapel Road Pawlett Bridgwater Somerset TA6 4SH
Auditor	Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF
Bankers	NatWest Bank plc 96 Terminus Road Eastbourne BN21 3AA
Solicitors	Mayo Wynne Baxter 3 Bell Lane Lewes East Sussex BN7 1JU
Investment Manager	Rathbone Investment Management 8 Finsbury Circus London EC2M 7AZ Savills Investment Management 33 Margaret Street London W1G 0JD
Property agents	Bree Prenton Property Consultants 21 The Waterfront Sovereign Harbour Eastbourne, BN23 5UZ

CHILDS CHARITABLE TRUST

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CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their report and financial statements for Childs Charitable Trust ("the Trust") for the year ended 31 December 2022.

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 Trust's memorandum and articles of association, the Companies Act 2006 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)".

Objectives and activities

The Trust is a Christian grant-making Trust. Since its inception in 1962 the principal object remains the furtherance of the Christian gospel and the Trustees are actively involved in supporting and encouraging many Christian charities to achieve this goal.

There have been considerable ongoing economic consequences both within the UK and overseas whilst we are unable to predict the impact on the charity's future, we are continually monitoring the situation and taking appropriate advice to ensure the grant-making work of the charity continues.

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the year.

The Trust has established its grant making policy to achieve its objects for the public benefit.

All applicants are informed of the outcome at the end of the process whether their application has been successful or not.

Achievements and performance

Grants Awarded

As required by the Trust's Memorandum and Articles of Association, all activities have as their core purpose the Trust's own main objective "the furtherance of the Christian Gospel."

All applications are sent on the Trust's application form.

At the Strategy day the trustees made significant changes to the application process for 2023. Full details can be found on the website.

All applications for support are fully considered but, unfortunately, not all can be supported.

The total charitable distributions in the year amounted to £703,500 (£652,500 in 2021) This included special humanitarian grants of £100,000 to Missions working in the Ukraine and £23,000 to Missions working in Pakistan.

The Trust received 362 applications and awarded grants to 73 different organisations.

These organisations are all based in the UK but operate worldwide.

Some of the comments that we are able to share are a joy and encouragement to the trustees.

Schools Work:

"What a successful year we've had. Thank you so much for the amazing part the Childs Charitable Trust has played in this success, and for supporting us these last few years as we've pushed forward to reach more young people with the Christian Gospel!"

CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

"Our bands go into schools, one town or city at a time, to share the gospel with young people through assemblies and lessons, and address current issues young people are facing. Your funding went towards our bursaries that helped to provide those in the most deprived areas or with a small Christian presence, access to the tour in their locality."

Bible/Leadership Training:

"Thank you so much for the generous support of the Childs Charitable Trust, helping church and ministry leaders in Moldova."

"This training programme is vital in enabling the most marginalised people to access ministry training to reach their communities with the gospel. It has had a significant impact through the Christian ministries it has inspired unleashing evangelical outcomes that will cascade long into the future."

Pastoral care/Humanitarian Needs:

"With the funding received we were able to dig a new borehole. This now provides access to clean, safe water for 600 people. Bibles in Luganda and English for adults and children have been distributed to community members. The team had the joy of sharing the Christian gospel through devotions and prayer with the villagers".

"We are very grateful to God for His continued provision for our work in Egypt to support vulnerable families and win souls to Christ".

Monitoring:

In accordance with their monitoring policy, the Trustees monitor the activities and performance of the Trust's beneficiaries to ensure the gifts are used for their charitable purpose. Impact reports are provided to the Trustees for subsequent review and discussion. These reports enable the Trustees to understand more fully the activities and needs of the recipient charities. The charities themselves express their appreciation for such monitoring as it helps them understand the ethos of the Trust and often enables a closer partnership to develop.

Melanie (or another Trustee) visits all grant recipients who have received a significant donation from the Trust in the year and reports back to the Trustees.

Missions Day

Every year the Trustees arrange a "Missions Day" to which various Christian charities are invited to join the Trustees, staff and other invited guests, for the day to give presentations of their work and to spend time in prayer. In 2022 we were joined by 5 Mission organisations. The Trustees have expressed how beneficial they feel these days to be in gaining a deeper insight into the work and needs of the Missions.

Financial review

Income

The income of the Trust is mainly received from two asset portfolios, commercial properties and investments.

The Trustees take advice on their properties from an Eastbourne based commercial property agent.

The investment portfolio continues to be managed by Rathbone Investment Management.

Asset cover for funds

The Trust's assets are adequate and available to fulfil its obligations.

Reserves policy

As all reserves are unrestricted and "free" reserves, it is the policy of the Trust that unrestricted funds should be designated to match the market value of fixed assets investments. This ensures that these funds are considered "permanent" in nature as they are necessary to generate income for the Trust to enable it to carry out its activities and continue in the future. At 31 December 2022, such "permanent" reserves total £9,374,619 equal to the Trust's fixed asset investments.

CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Investment policy:

The investment portfolio managed by Rathbone Investment Management, seeks to achieve a balance between capital growth and income growth through a portfolio investing primarily in equities and fixed interest stocks with medium risk, and to ensure a reasonable income. The Trustees have set certain ethical restrictions on its investments with those being avoided that relate directly to armaments, tobacco, alcohol and media concerns that conflict with the Trust's Christian ethos. The Trustees are satisfied with the current return on capital.

The Trustees meet with the Investment Manager once per year to discuss the requirements for the forthcoming year and to review past performance.

Loans

The charity also holds one investment in the form of a loan to a charity with similar objects. The loan receives interest at a market rate and has a period of 14 years remaining on the term. The loan is secured on the assets of the charity. The loan is provided to further the charitable objects of the charity and specifically in furtherance of the Christian Gospel. The Trustees annually review the activities and finances of the charity loaned to, to ensure that these aims are being met.

Plans for future periods

It is the intention of the Trustees for the Trust to continue its activities in the long term, using its annual income and maintaining its capital base.

Strategy Day

Each year the Trustees hold a Strategy Day to discuss the requirements of the Trust over the next 5/10/15 years and the procedures that might be needed to be put in place to achieve the Trust's vision.

The Trust's Vision and Mission statements are:

Vision – To see a world where every person has the potential to hear and respond to the gospel message.

Mission – To strategically fund Christian organisations which promote the Christian gospel.

The Trustees also discuss the requirements of the Trustee board and their strategy for Trustee recruitment.

A funding strategy is discussed and agreed for the forthcoming year. Details of the agreed strategy is published on the Trust's website.

At the 2022 Strategy Day the Trustees decided that they should continue throughout 2023 to keep aligned with their vision and mission statements ensuring organisations applying for funding in 2023 focus primarily on the sharing of the Christian gospel.

The Trustees also discussed their property portfolio. Most of the properties that were in the Trust's portfolio have now been sold. The Trustees continue to consider future opportunities for investment.

Structure, governance and management

Structure

The Trust's Memorandum and Articles of Association state: The Charity's Objects are for the public benefit to advance the Christian faith in accordance with the Statement of Beliefs ... in Eastbourne, East Sussex and in such other parts of the United Kingdom or the world as the Trustees may from time to time think fit and to fulfil such other purposes which are exclusively charitable according to the law of England and Wales and are connected with the charitable work of the Charity.

Governance

Whilst the day to day matters and general running of the Trust are delegated to Melanie Churchyard (CEO and Trustee), this is done in reference to the other Trustees who ultimately take responsibility for all decisions.

CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees met every three months to review financial and investment matters, consider grant applications and deal with other issues as necessary. Communications by email and telephone in between formal Trustees' meetings enable any urgent matters to be dealt with.

The CEO and Chair of Trustees meet in between meetings to prepare the agenda for meetings and discuss any other relevant matters.

Miss Janice Kalyan was appointed as a Trustee on 14th January 2022.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr Christopher Large (Chair)

Mr Stephen Puttock

Mrs Melanie Churchyard

Mr Robert Peake

Ms Janice Kalyan

(Appointed 14 January 2022)

All Trustees must be active members of their local church, subscribe to the Trust's Statement of Beliefs and share the Christian ethos and aims of the Trust. It is imperative that all Trustees have general charity experience and are able to devote their time and energies to the affairs of the Trust. None of the Trustees are remunerated for their services but are reimbursed for out-of-pocket expenses incurred in the performance of their duties as Trustees.

Management

Mrs Melanie Churchyard, CEO, deals with all the day to day affairs of the Trust. Melanie was employed throughout the year. The Trust has use of an office in Pawlett, Somerset. Melanie keeps all Trustees fully informed of the matters of the Trust.

The remuneration of staff is discussed and decided by the Trustees (excluding Melanie) and is based on relevant skills and responsibilities and in line with the rates prevailing in the charitable sector.

Throughout 2022 the Trust was a member of the Civil Society.

Risks

The Trustees regularly review and assess the major risks to which the charity is exposed. Advice and guidance is sought from our auditors and other professionals. The main financial risk to the charity is the level of return on investments since this affects the grants it can pay out.

The Trustees are aware that there are likely to continue to be significant challenges due to the after effects of the Coronavirus pandemic and the ongoing war in the Ukraine. The Trustees are continually monitoring the situation and keep in regular communication with their advisors and investment manager.

It is impossible to eliminate all risks, but the Trustees are satisfied that the systems they have in place mitigate exposure to the major risks as far as they are able.

All policies are reviewed in accordance with the agreed review schedule.

The Trustees are kept informed by the auditors and solicitors of the Trust of their obligations as charity Trustees together with their legal and statutory duties. Whenever possible, Trustees and staff attend relevant training and seminars to help understand further their responsibilities and duties.

Feedback from the grant recipients is essential and it is such reports and testimonies, that help the Trustees evaluate the impact of the support the Trust has provided and to plan for the future. However, as the Trust's main objective and many of the results reported are of a spiritual nature, tangible evidence is often lacking. The Trustees recognise that it can be difficult to quantify final results and impact; however, they seek to encourage the grant recipients to be as detailed as possible in their reporting.

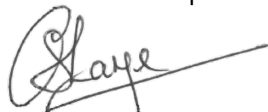
CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Disclosure of information to auditor

This report has been prepared in accordance with the small company regime as outlined in Section 419(2) of the Companies Act 2006. Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

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



Mr Christopher Large (Chair)

Trustee

Dated: 1 August 2023

CHILDS CHARITABLE TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees, who are also the Directors of Childs Charitable Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 Trust will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CHILDS CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CHILDS CHARITABLE TRUST

Opinion

We have audited the financial statements of Childs Charitable Trust (the 'Trust') for the year ended 31 December 2022 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

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 Trust 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 the provisions available for small entities, in the circumstances set out in note 33 to the financial statements, 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 Trust'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 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, except to the extent otherwise explicitly stated in our report, 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 a 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

CHILDS CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CHILDS CHARITABLE TRUST

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Trust for the purpose of company law, 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 Trust'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 liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

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 from our commercial knowledge and experience of the charity sector;
- 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 company, including the Companies Act 2006, Charities Act 2011 and employment 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.

CHILDS CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CHILDS CHARITABLE TRUST

We assessed the susceptibility of the trust'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.

Audit response to risks identified

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
- 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;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators

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: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



Mr Colin James Dadswell ACCA (Senior Statutory Auditor)
for and on behalf of Caladine Limited

1 August 2023

Chartered Certified Accountants
Statutory Auditor

Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

CHILDS CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Current financial year

	Notes	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Income from:						
Donations and legacies	3	-	-	15,000	15,000	6,000
Investment property	4	200,313	-	-	200,313	173,510
Investments	5	388,810	-	-	388,810	195,280
Other income	6	4,433	-	-	4,433	4,117
Total income		593,556	-	15,000	608,556	378,907
Expenditure on:						
Raising funds	7	49,308	-	-	49,308	49,268
Charitable activities	8	765,553	-	15,000	780,553	724,690
Total expenditure		814,861	-	15,000	829,861	773,958
Net gains/(losses) on investments	13	-	(417,067)	-	(417,067)	813,073
Net (outgoing)/incoming resources before transfers		(221,305)	(417,067)	-	(638,372)	418,022
Gross transfers between funds	25	16,484	(16,484)	-	-	-
Net movement in funds		(204,821)	(433,551)	-	(638,372)	418,022
Fund balances at 1 January 2022		664,386	9,808,170	-	10,472,556	10,054,534
Fund balances at 31 December 2022		459,565	9,374,619	-	9,834,184	10,472,556

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CHILDS CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Prior financial year

	Notes	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £
Income from:				
Donations and legacies	3	6,000	-	6,000
Investment property	4	173,510	-	173,510
Investments	5	195,280	-	195,280
Other income	6	4,117	-	4,117
Total income		378,907	-	378,907
Expenditure on:				
Raising funds	7	49,268	-	49,268
Charitable activities	8	724,690	-	724,690
Total expenditure		773,958	-	773,958
Net gains/(losses) on investments	13	-	813,073	813,073
Net (outgoing)/incoming resources before transfers		(395,051)	813,073	418,022
Gross transfers between funds	25	(200,318)	200,318	-
Net movement in funds		(595,369)	1,013,391	418,022
Fund balances at 1 January 2021		1,259,755	8,794,779	10,054,534
Fund balances at 31 December 2021		664,386	9,808,170	10,472,556

CHILDS CHARITABLE TRUST

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Investment property	16	2,723,500		2,483,500	
Investments	17	6,543,173		7,211,735	
Mixed motive investments	18	107,946		112,935	
			<u>9,374,619</u>		<u>9,808,170</u>
Current assets					
Trade and other receivables	19	148,105		3,840	
Cash at bank and in hand		384,177		777,817	
			<u>532,282</u>		<u>781,657</u>
Current liabilities	21	(72,717)		(72,271)	
Net current assets			<u>459,565</u>		<u>709,386</u>
Total assets less current liabilities			<u>9,834,184</u>		<u>10,517,556</u>
Non-current liabilities	22		-		(45,000)
Net assets			<u><u>9,834,184</u></u>		<u><u>10,472,556</u></u>
Income funds					
Unrestricted funds - designated	26	9,374,619		9,808,170	
Unrestricted funds - general		459,565		664,386	
			<u><u>9,834,184</u></u>		<u><u>10,472,556</u></u>

The financial statements were approved by the Trustees on 1 August 2023



Mr Christopher Large (Chair)
Trustee

Company registration number 08635189

CHILDS CHARITABLE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash absorbed by operations	31		(793,945)		(478,668)
Investing activities					
Purchase of investments		(1,635,975)		(483,972)	
Proceeds from disposal of investments		1,647,470		278,909	
Investment income received		388,810		195,280	
Net cash generated from/(used in) investing activities			400,305		(9,783)
Net decrease in cash and cash equivalents			(393,640)		(488,451)
Cash and cash equivalents at beginning of year			777,817		1,266,268
Cash and cash equivalents at end of year			384,177		777,817

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Childs Charitable Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is 40 Chapel Road, Pawlett, Bridgwater, Somerset, TA6 4SH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Trust's Memorandum and Articles of Association, the Companies Act 2006 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 Trust is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Trust 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.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Trust 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. The Charity's income consists of voluntary income and that from investments, including property.

Cash donations are recognised on receipt. Other donations are recognised once the Trust 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.

Rental income from investment properties is deferred where it has been received in advance and is relevant to a subsequent period.

Investment income in income from listed investments and loan interest receivable and is recognised in the accounts when receivable.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

1.5 Expenditure

Liabilities are recognised as soon as a legal or constructive obligation arises committing the Trust to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Costs of activities in furtherance of the Trust's objects are grants made by the Trust to support Christian charitable projects, and the support costs relating to this activity.

Costs of raising funds comprise those costs relating to the management and maintenance of the investment properties, as well as the investment manager's fees for managing the investments and securities.

Support costs comprise administration costs in relation to grant making, together with governance costs. Governance costs include the costs of auditing the statutory accounts, the cost of Trustees' meetings and the cost of any legal advice to Trustees' on governance or constitutional matters. The support costs have been allocated wholly to the grant making activities, with the exception of the support wages. These wages have been allocated 10% to the costs of raising funds and 90% to the grant making activities, on a time basis.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Fixtures, fittings and equipment	3 years straight line (All assets fully depreciated)
----------------------------------	--

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Tangible fixed assets are capitalised if they can be used for more than one year and cost at least £500.

Neither land nor the investment properties are depreciated.

1.7 Investment property

Investment properties are those held to earn rentals and/or for capital appreciation. The investment properties are measured using the fair value model and stated at its fair value (open market value) at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year.

1.8 Non-current investments

Listed investments are measured using the fair value model and stated at its fair value (open market value) at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year.

The Trust also has mixed motive investments in the form of loans to charities with similar objects and these have been dealt with as financial instruments and in accordance with the treatment suggested in the FRS102 SORP (see financial instruments below). The loans receive interest at a market rate (between 5 and 5.5%), are for periods of up to 25 years and are secured on the assets of the charities. They are provided to further the charitable objects of the charity and specifically in furtherance of the Christian Gospel. The Trustees regularly review the activities of the charities loaned to, to ensure that these aims are being met.

1.9 Cash and cash equivalents

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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

1.10 Financial instruments

The Trust has mixed motive investments in the form of loans to charities with similar objects. As these are financial instruments, the Trust has applied the treatment suggested in the FRS102 SORP and has initially recognised and measured the loans at the amount paid. The carrying amount will then be adjusted in subsequent years to reflect repayments and any accrued interest as well as adjusting if necessary for any impairment.

Other than these mixed motive investments, the Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Basic financial assets include trade and other receivables and cash and bank balances. Basic financial liabilities include trade and other payables where trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of operations from suppliers.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Grant Making Policy

The Trust supports by the provision of financial grants some of those Christian organisations whose own activities mirror further the Trust's own aims and objectives. Numerous and varied applications are received by the Trust every month. In addition the Trustees are also aware of other Christian organisations and encourage them to submit applications to the Trust. All applications are prayerfully considered by the Trustees but, due to the Trust's own limited means, not all applications can be supported.

Grants for which there is a legal obligation, or a valid expectation of receipt by the beneficiary at the year end, and for which conditions attaching to their payment have been fulfilled, are accounted for in the year.

2 Critical accounting estimates and judgements

In the application of the Trust'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.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

3 Donations and legacies

	Restricted funds	Unrestricted funds general
	2022	2021
	£	£
Donations and gifts	-	6,000
Grants receivable	15,000	-
	<u>15,000</u>	<u>6,000</u>

4 Investment property

	Unrestricted funds general	Unrestricted funds general
	2022	2021
	£	£
Rental income	200,313	173,510
	<u>200,313</u>	<u>173,510</u>

5 Investments

	Unrestricted funds general	Unrestricted funds general
	2022	2021
	£	£
Income from listed investments	226,691	187,662
Leasehold extension fees	44,509	-
Dilapidation costs recuperated	110,000	-
Interest receivable	7,610	7,618
	<u>388,810</u>	<u>195,280</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

6 Other income

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Employment allowance received	4,433	4,117

7 Raising funds

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
<u>Investment property expenses</u>		
Property overheads and management	9,382	7,861
Share of Support costs (see note 10)	5,836	5,819
	<u>15,218</u>	<u>13,680</u>
<u>Investment property expenses</u>	15,218	13,680
Investment management fees	34,090	35,588
	<u>49,308</u>	<u>49,268</u>
<u>Property overheads and management</u>		
Rates	1,743	76
Light and heat	418	227
Repairs and maintenance	1,957	2,144
Legal and professional	1,544	1,957
Insurance	3,721	3,457
	<u>9,382</u>	<u>7,861</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

8 Charitable activities

	2022	2021
	£	£
Missions day	5,124	-
Grant funding of activities (see note 9)	703,500	652,500
Share of support costs (see note 10)	54,807	55,638
Share of governance costs (see note 10)	17,122	16,552
	<u>780,553</u>	<u>724,690</u>
Analysis by fund		
Unrestricted funds - general	765,553	724,690
Restricted funds	15,000	-
	<u>780,553</u>	<u>724,690</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

9 Grants payable

	2022	2021
	£	£
Grants to institutions:		
Off The Fence	10,000	165,000
Speak Life	45,000	-
Bible Reading Fellowship	-	45,000
Essential Christian	30,000	40,000
International Needs	30,000	15,000
Latvian Bible Centre	25,000	-
London City Mission	25,000	-
Wycliffe Bible Translators	25,000	15,000
Emmanuel Press	-	35,000
MAF UK	10,000	20,000
ACET	20,000	10,000
Innovista International	20,000	15,000
Tearfund	20,000	-
Middle East Media	18,000	5,000
Azalea	15,000	-
Breadline	15,000	5,000
Kids Alive International	15,000	-
Befriending	-	15,000
Lifewords	10,000	15,000
Other grants between £15,000 and £20,000	20,000	-
Other grants between £10,000 and £14,999	174,000	90,000
Other grants between £5,000 and £9,999	159,000	111,500
Other grants between £3,000 £4,999	9,000	34,000
Other grants not exceeding £2,999	8,500	17,000
	<u>703,500</u>	<u>652,500</u>

Grants to institutions represent payments made in the year to 73 organisations (2021: 63 organisations).

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Support costs

	Support costs £	Governance costs £	Total Support costs 2022 £	Governance costs £	Total 2021 £
Staff costs	52,528	5,836	58,364	52,375	58,194
Computer expenses	1,407	-	1,407	1,065	1,065
Rent and rates	725	-	725	3,906	3,906
Repairs and renewals	1,564	-	1,564	767	767
Telephone	1,157	-	1,157	1,058	1,058
Printing and postage	560	-	560	932	932
Travel costs	1,114	1,078	2,192	127	127
Sundries	1,588	-	1,588	1,227	1,227
Audit fees	-	5,964	5,964	-	5,580
Accountancy	-	2,820	2,820	-	2,100
Legal and professional	-	-	-	-	1,392
Trustee meeting costs	-	1,424	1,424	-	1,661
	<u>60,643</u>	<u>17,122</u>	<u>77,765</u>	<u>61,457</u>	<u>78,009</u>
<u>Analysed between</u>					
Raising funds	5,836	-	5,836	5,819	5,819
Charitable activities	54,807	17,122	71,929	55,638	72,190
	<u>60,643</u>	<u>17,122</u>	<u>77,765</u>	<u>61,457</u>	<u>78,009</u>

Governance costs includes payments to the auditors of £5,964 (2021: £5,580) for audit fees and £2,820 (2021: £2,100) for accountancy and bookkeeping support.

11 Trustees

Trustee Melanie Churchyard received a salary of £50,010 (2021: £50,010) and employer pension contributions of £2,501 (2021: £2,501) during the year, the authority for the employment of Trustees is contained within the Memorandum and Articles of Association.

None of the other Trustees (or any persons connected with them) received any remuneration or benefits from the Trust during the year. Trustees had total expenditure of £3,302 (2021: £1,661) reimbursed or met by the charity for meeting, travel and other expenditure.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

12 Employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
Administration	1	1
	<u> </u>	<u> </u>

Employment costs

	2022	2021
	£	£
Wages and salaries	50,010	50,010
Social security costs	5,853	5,683
Other pension costs	2,501	2,501
	<u> </u>	<u> </u>
	<u>58,364</u>	<u>58,194</u>

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

13 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	designated	designated
	2022	2021
	£	£
Revaluation of investments	(571,951)	721,023
Gain/(loss) on sale of investments	(85,116)	17,050
Revaluation of investment properties	240,000	75,000
	<u> </u>	<u> </u>
	<u>(417,067)</u>	<u>813,073</u>

14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

15 Property, plant and equipment

	Fixtures, fittings and equipment £
Cost	
At 1 January 2022	4,361
At 31 December 2022	4,361
Depreciation and impairment	
At 1 January 2022	4,361
At 31 December 2022	4,361
Carrying amount	
At 31 December 2022	-
At 31 December 2021	-

16 Investment property

	2022 £
Fair value	
At 1 January 2022	2,483,500
Net gains or losses through fair value adjustments	240,000
At 31 December 2022	2,723,500

One of the freehold properties in East Sussex was revalued on an open market basis in January 2023 and the remaining two properties were revalued in March 2023. All the valuations were carried out by Mr Anton G K Bree FRICS of Bree Prenton Property Consultants, Eastbourne.

In addition to the freehold properties held in East Sussex, the year end valuation above includes 3 parcels of bare land and a block of garages linked to one of the freehold interests with a total disclosed value £103,500. These were transferred to the Charity when it was incorporated in 2015 with the acting solicitor placing nominal valuations on them. The Trustees believe there has been no material change to these valuations as at the balance sheet date.

The historical cost of the properties as at 31 December 2022 were £1,677,000 (2021: £1,677,000).

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

17 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2022	7,211,735
Additions	1,635,975
Valuation changes	(571,951)
Disposals	(1,732,586)
	<hr/>
At 31 December 2022	6,543,173
	<hr/>
Carrying amount	
At 31 December 2022	6,543,173
	<hr/> <hr/>

18 Mixed motive investments

	£
At 1 January 2022	112,936
Interest	5,533
Repayments	(10,523)
	<hr/>
At 31 December 2022	107,946
	<hr/> <hr/>

Mixed motive investments represent loans made to other charities with similar objects to the charitable company. As these are financial instruments, the charity has applied the treatment suggested in the FRS102 SORP and has initially recognised and measured the loans at the amount paid. The carrying amount will then be adjusted in subsequent years to reflect repayments and any accrued interest as well as adjusting them for any impairment.

In order to secure the loans, the charity has a charge over property owned by the loan holders.

19 Trade and other receivables

	2022 £	2021 £
Amounts falling due within one year:		
Trade receivables	38,105	119
Other receivables	110,000	-
Prepayments and accrued income	-	3,721
	<hr/>	<hr/>
	148,105	3,840
	<hr/> <hr/>	<hr/> <hr/>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

20 Contingent asset

Childs Charitable Trust has a registered charge of £70,000 over a parcel of land located to the west side of Southdown Road, Seaford, East Sussex. The land is registered in the name of Simmons Contractors Limited (Reg. No. 1695245), a company which went into liquidation in 1989 and has been removed from the Companies House Register.

Recoverability of this debt is uncertain. The charity has taken legal advice and Counsel's opinion on this matter to establish the legal position. It is understood that in the future, ownership of the land plus the property located on the land will revert to the crown but that the land original loan sum of £70,000 which is secured by the charge over the land will be repayable to the charity.

Due to the circumstances surrounding this loan which is subject to uncertain future events, the Charity's interest in this land has not been recognised in these accounts.

21 Current liabilities

	2022 £	2021 £
Other taxation and social security	1,307	333
Other payables	55,000	55,000
Accruals and deferred income	16,410	16,938
	<u>72,717</u>	<u>72,271</u>

22 Non-current liabilities

	2022 £	2021 £
Other payables	-	45,000
	<u>-</u>	<u>45,000</u>

23 Financial commitments, guarantees and contingent liabilities

The Trust has made commitments to fund the following organisations for up to a further two years. These have not been charged in the accounts since they are subject to the grant recipients satisfactorily meeting their reporting requirements for future funding to be released. These grants will be paid from current reserves and future income.

	2023 £	2024 £	Total £
Speak Life	20,000	20,000	40,000
Love Barton	10,000	10,000	20,000
All Souls Eastbourne	10,000	10,000	20,000
Amano Christian School	10,000	10,000	20,000
Transform Europe Network	5,500	-	5,500
	<u>55,500</u>	<u>50,000</u>	<u>105,500</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

24 Retirement benefit schemes

Defined contribution schemes

The Trust operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Trust in an independently administered fund.

The charge to the SOFA in respect of defined contribution schemes was £2,501 (2021 - £2,501).

25 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		
	Incoming resources	Resources expended	Balance at 31 December 2022
	£	£	£
Latvian Biblical Centre	15,000	(15,000)	-

The fund represents monies donated to the Trust from The Stuart Hine Trust CIO with the condition of passing on the monies to the Latvian Biblical Centre.

26 Unrestricted funds - designated

These are unrestricted funds which are material to the Trust's activities made up as follows:

	Balance at 1 January 2021	Transfers	Revaluations, gains and losses	Balance at 1 January 2022	Transfers	Revaluations, gains and losses	Balance at 31 December 2022
	£	£	£	£	£	£	£
Fixed Asset Investment Fund	8,794,779	200,318	813,073	9,808,170	(16,484)	(417,067)	9,374,619

The fixed asset investment fund represented invested funds of a permanent nature to generate income for the charity to enable it to carry out its activities, and the fixed assets held to run the charity's operations.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

27 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances are represented by:				
Investment properties	-	2,723,500	-	2,723,500
Investments	-	6,543,173	-	6,543,173
Mixed motive investments	-	107,946	-	107,946
Current assets/(liabilities)	459,565	-	-	459,565
	<u>459,565</u>	<u>9,374,619</u>	<u>-</u>	<u>9,834,184</u>

Analysis as at year ended 31 December 2021

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances are represented by:				
Investment properties	-	2,483,500	-	2,483,500
Investments	-	7,211,735	-	7,211,735
Mixed motive investments	-	112,935	-	112,935
Current assets/(liabilities)	709,386	-	-	709,386
Long term liabilities	(45,000)	-	-	(45,000)
	<u>664,386</u>	<u>9,808,170</u>	<u>-</u>	<u>10,472,556</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

28 Operating lease commitments

Lessee

At the reporting end date the Trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	480	480
Between two and five years	-	480
	<u>480</u>	<u>960</u>

Lessor

The operating leases represent leases to third parties in investment properties. The leases are negotiated on average over terms of 10 years and rentals are fixed on average for 5 years. All leases include a provision for five-yearly upward rent reviews, if not earlier, according to prevailing market conditions. There are options in place for either party to extend the lease terms.

At the reporting end date the Trust had contracted with tenants for the following minimum lease payments:

	2022	2021
	£	£
Within one year	60,000	148,500
Between two and five years	25,000	262,000
	<u>85,000</u>	<u>410,500</u>

29 Events after the reporting date

The property 1 St Annes Road, Eastbourne, BN21 3UN held within Investment properties at £1,420,000 was sold on 31 March 2023 for £1,420,000.

The property at 68 Hazelwood Avenue, Eastbourne, BN22 OSQ held within Investment properties at £270,000 was sold on 7 July 2023 for £260,000.

30 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022	2021
	£	£
Aggregate compensation	<u>58,363</u>	<u>58,193</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

30 Related party transactions (Continued)

Reverend Sowersby is the father of the CEO and Trustee, Mrs Melanie Churchyard, who runs the day to day administration of the Trust. He rents a property from the Trust and rent received from him during the year was £250 (2021: £600).

Trustee Robert Peake is employed by the registered charity Wycliffe UK (a.k.a Wycliffe Bible Translators). During the year, Wycliffe UK received a grant of £25,000 (2021: £15,000) from Childs Charitable Trust. Robert Peake does not take part in the decision making progress regarding this grant.

Childs Charitable Trust received a grant of £15,000 (2021: £nil), from the Stuart Hine Trust, a charity of which Melanie Churchyard is a trustee. The grant was conditional on the money being passed on to the Latvian Bible Centre.

31 Cash generated from operations	2022	2021
	£	£
(Deficit)/surplus for the year	(638,372)	418,022
Adjustments for:		
Investment income recognised in statement of financial activities	(388,810)	(195,280)
Loss/(gain) on disposal of investments	85,116	(17,050)
Fair value gains and losses on investment properties	(240,000)	(75,000)
Fair value gains and losses on investments	571,951	(721,023)
Movements in working capital:		
Decrease in mixed motive investments	4,990	4,746
(Increase)/decrease in trade and other receivables	(144,266)	28,833
(Decrease)/increase in trade and other payables	(44,554)	78,084
Cash absorbed by operations	(793,945)	(478,668)

32 Analysis of changes in net funds

The Trust had no debt during the year.

33 Non-audit services provided by auditor

In common with many businesses of our size and nature we use our auditor to assist with the preparation of the financial statements.

CHILDS CHARITABLE TRUST

England & Wales - Charity number 1153327

Accounts

Charity registration number 1153327

Company registration number 08635189 (England and Wales)

CHILDS CHARITABLE TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



Caladine

Chartered Certified Accountants

CHILDS CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Christopher Large (Chair) Mr Stephen Puttock Mrs Melanie Churchyard Mr Robert Peake (Appointed 16 January 2021) Ms Janice Kalyan (Appointed 14 January 2022)
CEO	Mrs Melanie Churchyard
Charity number	1153327
Company number	08635189
Principal address	40 Chapel Road Pawlett Bridgwater Somerset TA6 4SH
Registered office	40 Chapel Road Pawlett Bridgwater Somerset TA6 4SH
Auditor	Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF
Bankers	NatWest Bank plc 96 Terminus Road Eastbourne BN21 3AA
Solicitors	Lawson Lewis Blakers 11 Hyde Gardens Eastbourne East Sussex BN21 4PP
Investment Manager	Rathbone Investment Management 8 Finsbury Circus London EC2M 7AZ Savills Investment Management 33 Margaret Street London W1G 0JD
Property agents	Ross & Co. Property Management Ltd Pacific House Sovereign Harbour Innovation Park Eastbourne, BN23 6FA

CHILDS CHARITABLE TRUST

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CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their report and financial statements for Childs Charitable Trust ("the Trust") for the year ended 31 December 2021.

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 Trust's memorandum and articles of association, the Companies Act 2006 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)".

Objectives and activities

The Trust is a Christian grant-making Trust. Since its inception in 1962 the principal object remains the furtherance of the Christian gospel and the Trustees are actively involved in supporting and encouraging many Christian charities to achieve this goal.

There have been considerable ongoing economic consequences both within the UK and overseas as a result of the Coronavirus pandemic and the war in the Ukraine. Whilst we are unable to predict the impact on the charity's future, we are continually monitoring the situation and taking appropriate advice to ensure the grant-making work of the charity continues.

Public Benefit:

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the year.

The Trust has established its grant making policy to achieve its objects for the public benefit.

All applicants are informed of the outcome at the end of the process whether their application has been successful or not.

Achievements and performance

Grants Awarded:

As required by the Trust's Memorandum and Articles of Association, all activities have as their core purpose the Trust's own main objective "the furtherance of the Christian Gospel."

All applications are sent on the Trust's application form. This is available for completion online or to download from the Trust's website.

All applications for support are fully considered but, unfortunately, not all can be supported.

The total charitable distributions in the year amounted to £652,500 (£513,030 in 2020)

The Trust received 287 applications and awarded grants to 63 different organisations.

These organisations are all based in the UK but operate worldwide.

Monitoring:

In accordance with their monitoring policy, the Trustees monitor the activities and performance of the Trust's beneficiaries to ensure the gifts are used for their charitable purpose. Impact reports are provided to the Trustees for subsequent review and discussion. These reports enable the Trustees to understand more fully the activities and needs of the recipient charities. The charities themselves express their appreciation for such monitoring as it helps them understand the ethos of the Trust and often enables a closer partnership to develop.

Missions Day:

Every year the Trustees arrange a "Missions Day" to which various Christian charities are invited to join the Trustees, staff and other invited guests, for the day. It was not possible to hold the event in 2020 or 2021 due to Coronavirus restrictions. It is hoped to re-instate this event in 2022.

CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Financial review

Income:

The income of the Trust is mainly received from two asset portfolios, commercial properties and investments.

The Trustees take advice on their properties from an Eastbourne based commercial property agent.

The investment portfolio continues to be managed by Rathbone Investment Management.

Asset cover for funds:

The Trust's assets are adequate and available to fulfil its obligations.

Reserves policy:

As all reserves are unrestricted and "free" reserves, it is the policy of the Trust that unrestricted funds should be designated to match the market value of fixed asset investments. This ensures that these funds are considered "permanent" in nature as they are necessary to generate income for the Trust to enable it to carry out its activities and continue in the future. At 31 December 2021, such "permanent" reserves total £9,808,170 equal to the Trust's fixed asset investments.

Investment policy:

The investment portfolio managed by Rathbone Investment Management, seeks to achieve a balance between capital growth and income generation through a portfolio investing primarily in equities and fixed interest stocks with medium risk, and to ensure a reasonable income. The Trustees have set certain ethical restrictions on its investments with those being avoided that relate directly to armaments, tobacco, alcohol and media concerns that conflict with the Trust's Christian ethos. The Trustees are satisfied with the current return on capital.

The Trustees meet with the Investment Manager once per year to discuss the requirements for the forthcoming year and to review past performance.

Loans:

The charity also holds one investment in the form of a loan to a charity with similar objects. The loan receives interest at a market rate and has a period of 15 years remaining on the term. The loan is secured on the assets of the charity. The loan is provided to further the charitable objects of the charity and specifically in furtherance of the Christian Gospel. The Trustees annually review the activities and finances of the charity loaned to, to ensure that these aims are being met.

Plans for future periods

It is the intention of the Trustees for the Trust to continue its activities in the long term, using its annual income and maintaining its capital base.

Strategy Day:

Each year the Trustees hold a Strategy Day to discuss the requirements of the Trust over the next 5/10/15 years and the procedures that might be needed to be put in place to achieve the Trust's vision.

The Trust's Vision and Mission statements are:

Vision – To see a world where every person has the potential to hear and respond to the gospel message.

Mission – To strategically fund Christian organisations which promote the Christian gospel.

The Trustees also discuss the requirements of the Trustee board and their strategy for Trustee recruitment.

A funding strategy is discussed and agreed for the forthcoming year. Details of the agreed strategy is published on the Trust's website.

At the 2021 Strategy Day the Trustees decided that they should continue throughout 2022 to keep aligned with their vision and mission statements. Ensuring organisations applying for funding in 2022 focus primarily on the sharing of the Christian gospel.

CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees also discussed their property portfolio

At the 2020 Strategy meeting the Trustees agreed to a relocation of the Trust office to Somerset to accommodate Melanie moving. This move took place in June 2021 and the Trust now operates out of an office based at Melanie's home in Pawlett, Somerset.

Structure, governance and management

Structure:

The Trust's Memorandum and Articles of Association state: The Charity's Objects are for the public benefit to advance the Christian faith in accordance with the Statement of Beliefs ... in Eastbourne, East Sussex and in such other parts of the United Kingdom or the world as the Trustees may from time to time think fit and to fulfil such other purposes which are exclusively charitable according to the law of England and Wales and are connected with the charitable work of the Charity.

Governance:

Whilst the day to day matters and general running of the Trust are delegated to the Trust's employee, this is done in reference to the Trustees who ultimately take responsibility for all decisions.

The Trustees met every three months to review financial and investment matters, consider grant applications and deal with other issues as necessary. Communications by email and telephone in between formal Trustees' meetings enable any urgent matters to be dealt with.

The CEO and Chair of Trustees meet in between meetings to prepare the agenda for meetings and discuss any other relevant matters.

Mr Robin Peake was appointed as a Trustee and this was formalised at the January 2021 Trustees' meeting.

Miss Janice Kalyan was appointed as a Trustee on 14th January 2022.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr Christopher Large (Chair)

Mr Stephen Puttock

Mrs Melanie Churchyard

Mr Robert Peake

(Appointed 16 January 2021)

Ms Janice Kalyan

(Appointed 14 January 2022)

All Trustees must be active members of their local church, subscribe to the Trust's Statement of Beliefs and share the Christian ethos and aims of the Trust. It is imperative that all Trustees have general charity experience and are able to devote their time and energies to the affairs of the Trust. None of the Trustees are remunerated for their services but are reimbursed for out-of-pocket expenses incurred in the performance of their duties as Trustees.

Management:

Mrs Melanie Churchyard, CEO, deals with all the day to day affairs of the Trust. Melanie was employed throughout the year. The Trust has use of an office in Pawlett, Somerset. Melanie keeps all Trustees fully informed of the matters of the Trust.

The remuneration of staff is discussed and decided by the Trustees (excluding Melanie) and is based on relevant skills and responsibilities and in line with the rates prevailing in the charitable sector.

Throughout 2021 the Trust was a member of the Civil Society.

CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Risks:

The Trustees regularly review and assess the major risks to which the charity is exposed. Advice and guidance is sought from our auditors and other professionals. The main financial risk to the charity is the level of return on investments since this affects the grants it can pay out.

The Trustees are aware that there are likely to continue to be significant challenges due to the Coronavirus pandemic and the current war in the Ukraine. The Trustees are continually monitoring the situation and keep in regular communication with their advisors and investment manager.

It is impossible to eliminate all risks, but the Trustees are satisfied that the systems they have in place mitigate exposure to the major risks as far as they are able.

All policies are reviewed in accordance with the agreed review schedule.

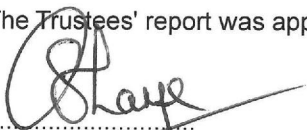
The Trustees are kept informed by the auditors and solicitors of the Trust of their obligations as charity Trustees together with their legal and statutory duties. Whenever possible, Trustees and staff attend relevant training and seminars to help understand further their responsibilities and duties.

Feedback from the grant recipients is essential and it is such reports and testimonies, that help the Trustees evaluate the impact of the support the Trust has provided and to plan for the future. However, as the Trust's main objective and many of the results reported are of a spiritual nature, tangible evidence is often lacking. The Trustees recognise that it can be difficult to quantify final results and impact; however, they seek to encourage the grant recipients to be as detailed as possible in their reporting.

Disclosure of information to auditor

This report has been prepared in accordance with the small company regime as outlined in Section 419(2) of the Companies Act 2006. Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

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



.....
Mr Christopher Large (Chair)

Trustee

Dated:

8/9/22

CHILDS CHARITABLE TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees, who are also the Directors of Childs Charitable Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 Trust will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CHILDS CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF CHILDS CHARITABLE TRUST

Opinion

We have audited the financial statements of Childs Charitable Trust (the 'Trust') for the year ended 31 December 2021 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 31 December 2021 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 Companies Act 2006.

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 Trust 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 Trust'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 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, except to the extent otherwise explicitly stated in our report, 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 a 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

CHILDS CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF CHILDS CHARITABLE TRUST

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Trust for the purpose of company law, 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 Trust'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 liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

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 from our commercial knowledge and experience of the charity sector;
- 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 company, including the Companies Act 2006, Charities Act 2011 and employment 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.

CHILDS CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF CHILDS CHARITABLE TRUST

We assessed the susceptibility of the trust'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.

Audit response to risks identified

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
- 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;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators

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: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Colin James Dadswell ACCA (Senior Statutory Auditor)
for and on behalf of Caladine Limited

16/09/2022

Chartered Certified Accountants
Statutory Auditor

Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

CHILDS CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

Current financial year

	Notes	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £	Total 2020 £
Income from:					
Donations and legacies	3	6,000	-	6,000	500
Investment property	4	173,510	-	173,510	146,517
Investments	5	195,280	-	195,280	169,401
Other income	6	4,117	-	4,117	41,935
Total income		378,907	-	378,907	358,353
Expenditure on:					
Raising funds	7	49,268	-	49,268	59,118
Charitable activities	8	724,690	-	724,690	619,509
Total expenditure		773,958	-	773,958	678,627
Net gains/(losses) on investments	13	-	813,073	813,073	65,051
Net outgoing resources before transfers		(395,051)	813,073	418,022	(255,223)
Gross transfers between funds		(200,318)	200,318	-	-
Net movement in funds		(595,369)	1,013,391	418,022	(255,223)
Fund balances at 1 January 2021		1,259,755	8,794,779	10,054,534	10,309,757
Fund balances at 31 December 2021		664,386	9,808,170	10,472,556	10,054,534

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CHILDS CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

Prior financial year

	Notes	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Total 2020 £
Income from:				
Donations and legacies	3	500	-	500
Investment property	4	146,517	-	146,517
Investments	5	169,401	-	169,401
Other income	6	3,883	38,052	41,935
Total income		320,301	38,052	358,353
Expenditure on:				
Raising funds	7	59,118	-	59,118
Charitable activities	8	619,509	-	619,509
Total expenditure		678,627	-	678,627
Net gains/(losses) on investments	13	-	65,051	65,051
Net outgoing resources before transfers		(358,326)	103,103	(255,223)
Gross transfers between funds		1,254,196	(1,254,196)	-
Net movement in funds		895,870	(1,151,093)	(255,223)
Fund balances at 1 January 2020		363,885	9,945,872	10,309,757
Fund balances at 31 December 2020		1,259,755	8,794,779	10,054,534


CHILDS CHARITABLE TRUST

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investment properties	15	2,483,500		2,408,500	
Investments	16	7,211,735		6,268,599	
Mixed motive investments	17	112,935		117,680	
		<u>9,808,170</u>		<u>8,794,779</u>	
Current assets					
Trade and other receivables	18	3,840		32,674	
Cash at bank and in hand		777,817		1,266,268	
		<u>781,657</u>		<u>1,298,942</u>	
Current liabilities	20	(72,271)		(39,187)	
Net current assets			709,386		1,259,755
Total assets less current liabilities			<u>10,517,556</u>		<u>10,054,534</u>
Non-current liabilities	21	(45,000)			-
Net assets			<u>10,472,556</u>		<u>10,054,534</u>
Income funds					
Unrestricted funds - designated	23	9,808,170		8,794,779	
Unrestricted funds - general		664,386		1,259,755	
		<u>10,472,556</u>		<u>10,054,534</u>	

The financial statements were approved by the Trustees on 8/9/22


Mr Christopher Large (Chair)
Trustee

Company registration number 08635189

CHILDS CHARITABLE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash absorbed by operations	27		(478,668)		(536,688)
Investing activities					
Proceeds on disposal of property, plant and equipment		-		217,756	
Proceeds on disposal of investment property		-		1,883,991	
Purchase of other investments		(483,972)		(1,377,472)	
Proceeds on disposal of other investments		278,909		525,405	
Investment income received		195,280		169,401	
Net cash (used in)/generated from investing activities			(9,783)		1,419,081
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(488,451)		882,393
Cash and cash equivalents at beginning of year			1,266,268		383,875
Cash and cash equivalents at end of year			777,817		1,266,268

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

Childs Charitable Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is 40 Chapel Road, Pawlett, Bridgwater, Somerset, TA6 4SH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Trust's Memorandum and Articles of Association, the Companies Act 2006 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 Trust is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Trust 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.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Trust 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. The Charity's income consists of voluntary income and that from investments, including property.

Cash donations are recognised on receipt. Other donations are recognised once the Trust 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.

Rental income from investment properties is deferred where it has been received in advance and is relevant to a subsequent period.

Investment income in income from listed investments and loan interest receivable and is recognised in the accounts when receivable.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

1.5 Expenditure

Liabilities are recognised as soon as a legal or constructive obligation arises committing the Trust to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Costs of activities in furtherance of the Trust's objects are grants made by the Trust to support Christian charitable projects, and the support costs relating to this activity.

Costs of raising funds comprise those costs relating to the management and maintenance of the investment properties, as well as the investment manager's fees for managing the investments and securities.

Support costs comprise administration costs in relation to grant making, together with governance costs. Governance costs include the costs of auditing the statutory accounts, the cost of Trustees' meetings and the cost of any legal advice to Trustees' on governance or constitutional matters. The support costs have been allocated wholly to the grant making activities, with the exception of the support wages. These wages have been allocated 10% to the costs of raising funds and 90% to the grant making activities, on a time basis.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Fixtures, fittings and equipment	3 years straight line (All assets fully depreciated)
----------------------------------	--

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Tangible fixed assets are capitalised if they can be used for more than one year and cost at least £500.

Neither land nor the investment properties are depreciated.

1.7 Investment properties

Investment properties are those held to earn rentals and/or for capital appreciation. The investment properties are measured using the fair value model and stated at its fair value (open market value) at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year.

1.8 Non-current investments

Listed investments are measured using the fair value model and stated at its fair value (open market value) at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year.

The Trust also has mixed motive investments in the form of loans to charities with similar objects and these have been dealt with as financial instruments and in accordance with the treatment suggested in the FRS102 SORP (see financial instruments below). The loans receive interest at a market rate (between 5 and 5.5%), are for periods of up to 25 years and are secured on the assets of the charities. They are provided to further the charitable objects of the charity and specifically in furtherance of the Christian Gospel. The Trustees regularly review the activities of the charities loaned to, to ensure that these aims are being met.

1.9 Cash and cash equivalents

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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

1.10 Financial instruments

The Trust has mixed motive investments in the form of loans to charities with similar objects. As these are financial instruments, the Trust has applied the treatment suggested in the FRS102 SORP and has initially recognised and measured the loans at the amount paid. The carrying amount will then be adjusted in subsequent years to reflect repayments and any accrued interest as well as adjusting if necessary for any impairment.

Other than these mixed motive investments, the Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Basic financial assets include trade and other receivables and cash and bank balances. Basic financial liabilities include trade and other payables where trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of operations from suppliers.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Grant Making Policy

The Trust supports by the provision of financial grants some of those Christian organisations whose own activities mirror further the Trust's own aims and objectives. Numerous and varied applications are received by the Trust every month. In addition the Trustees are also aware of other Christian organisations and encourage them to submit applications to the Trust. All applications are prayerfully considered by the Trustees but, due to the Trust's own limited means, not all applications can be supported.

Grants for which there is a legal obligation, or a valid expectation of receipt by the beneficiary at the year end, and for which conditions attaching to their payment have been fulfilled, are accounted for in the year.

2 Critical accounting estimates and judgements

In the application of the Trust'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.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Donations and legacies

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Donations and gifts	6,000	500

4 Investment property

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Rental income	173,510	146,517

5 Investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Income from listed investments	187,662	129,245
Interest receivable	7,618	40,156
	<u>195,280</u>	<u>169,401</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

6 Other income

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Total 2020 £
Net gain on disposal of tangible fixed assets	-	-	38,052	38,052
Employment allowance received	4,117	3,883	-	3,883
	<u>4,117</u>	<u>3,883</u>	<u>38,052</u>	<u>41,935</u>

7 Raising funds

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
<u>Investment property expenses</u>		
Property overheads and management	7,861	23,076
Share of Support costs (see note 10)	5,819	5,380
	<u>13,680</u>	<u>28,456</u>
<u>Investment property expenses</u>		
Investment management fees	35,588	30,662
	<u>49,268</u>	<u>59,118</u>
<u>Property overheads and management</u>		
Rates	2,290	11,278
Light and heat	592	376
Repairs and maintenance	4,358	2,674
Legal and professional	8,543	14,943
Insurance	6,521	5,026
Sundries	773	140
	<u>7,861</u>	<u>23,076</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Charitable activities

	2021 £	2020 £
Grant funding of activities (see note 9)	652,500	513,030
Share of support costs (see note 10)	55,638	62,112
Share of governance costs (see note 10)	16,552	44,367
	<u>724,690</u>	<u>619,509</u>

9 Grants payable

	2021 £	2020 £
Grants to institutions:		
Off The Fence	165,000	82,000
Bible Reading Fellowship	45,000	
Essential Christian	40,000	-
Emmanuel Press	35,000	
MAF UK	20,000	-
Befriending	15,000	-
Innovista	15,000	-
International Needs	15,000	-
Lifeworks	15,000	-
Wycliffe Bible Translators	15,000	-
SASRA	10,000	15,000
Misc. gifts between £10,000 and £14,999	90,000	132,500
Misc. gifts between £5,000 and £9,999	121,500	182,030
Misc. gifts between £3,000 £4,999	34,000	43,500
Grants not exceeding £2,999	17,000	58,000
	<u>652,500</u>	<u>513,030</u>

Grants to institutions represent payments made in the year to 63 organisations (2020: 85 organisations).

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

10 Support costs

	Support costs £	Governance costs £	Total Support costs 2021 £	Governance costs £	Total 2020 £
Staff costs	52,375	5,819	58,194	48,423	53,804
Computer expenses	1,065	-	1,065	1,201	1,201
Rent and rates	3,906	-	3,906	13,213	13,213
Repairs and renewals	767	-	767	818	818
Telephone	1,058	-	1,058	704	704
Printing and postage	932	-	932	896	896
Travel costs	127	-	127	229	229
Sundries	1,227	-	1,227	2,008	2,008
Audit fees	-	5,580	5,580	-	5,682
Accountancy	-	2,100	2,100	-	6,106
Legal and professional	-	1,392	1,392	-	25,998
Trustee meeting costs	-	1,661	1,661	-	1,200
	<u>61,457</u>	<u>16,552</u>	<u>78,009</u>	<u>67,492</u>	<u>111,859</u>
<u>Analysed between</u>					
Raising funds	5,819	-	5,819	5,380	5,380
Charitable activities	55,638	16,552	72,190	62,112	106,479
	<u>61,457</u>	<u>16,552</u>	<u>78,009</u>	<u>67,492</u>	<u>111,859</u>

Governance costs includes payments to the auditors of £5,580 (2020: £5,682) for audit fees and £2,100 (2020: £2,098) for accounts.

11 Trustees

Trustee Melanie Churchyard received a salary of £50,010 (2020: £46,305) and employer pension contributions of £2,501 (2020: £2,315) during the year, the authority for the employment of Trustees is contained within the Memorandum and Articles of Association.

None of the other Trustees (or any persons connected with them) received any remuneration or benefits from the Trust during the year. Trustees had total expenditure of £1,661 (2020: £1,200) met by the charity for meeting, travel and other expenditure.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

12 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Administration	1	1
	<u>1</u>	<u>1</u>
Employment costs	2021	2020
	£	£
Wages and salaries	50,010	46,305
Social security costs	5,683	5,184
Other pension costs	2,501	2,315
	<u>58,194</u>	<u>53,804</u>

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

13 Net gains/(losses) on investments

	Unrestricted funds designated 2021 £	Unrestricted funds designated 2020 £
Revaluation of investments	721,023	30,749
Gain/(loss) on sale of investments	17,050	(58,439)
Revaluation of investment properties	75,000	25,000
Gain/(loss) on sale of investment properties	-	67,741
	<u>813,073</u>	<u>65,051</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

14 Property, plant and equipment	Fixtures, fittings and equipment £
Cost	
At 1 January 2021	4,361
At 31 December 2021	<u>4,361</u>
Depreciation and impairment	
At 1 January 2021	4,361
At 31 December 2021	<u>4,361</u>
Carrying amount	
At 31 December 2021	-
At 31 December 2020	<u>-</u>

15 Investment property	2021 £
Fair value	
At 1 January 2021	2,408,500
Net gains or losses through fair value adjustments	75,000
At 31 December 2021	<u>2,483,500</u>

The remaining freehold properties in East Sussex were valued on an open market basis in January 2021 by Mr Anton G K Bree FRICS of Ross & Co Chartered Surveyors, Eastbourne.

In addition to the freehold properties held in East Sussex which were valued in January 2021, the year end valuation above includes 3 parcels of bare land and a block of garages linked to one of the freehold interests with a total disclosed value £103,500. These were transferred to the Charity when it was incorporated in 2015 with the acting solicitor placing nominal valuations on them. The Trustees believe there has been no material change to these valuations as at the balance sheet date.

The historical cost of the properties as at 31 December 2021 were £1,677,000 (2020: £1,677,000).

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

16 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2021	6,268,599
Additions	483,972
Valuation changes	721,023
Disposals	(261,859)
At 31 December 2021	<u>7,211,735</u>
Carrying amount	
At 31 December 2021	<u><u>7,211,735</u></u>

17 Mixed motive investments

	£
At 1 January 2021	117,681
Interest	5,777
Repayments	(10,523)
At 31 December 2021	<u><u>112,935</u></u>

Mixed motive investments represent loans made to other charities with similar objects to the charitable company. As these are financial instruments, the charity has applied the treatment suggested in the FRS102 SORP and has initially recognised and measured the loans at the amount paid. The carrying amount will then be adjusted in subsequent years to reflect repayments and any accrued interest as well as adjusting them for any impairment.

In order to secure the loans, the charity has a charge over property owned by the loan holders.

18 Trade and other receivables

	2021	2020
Amounts falling due within one year:	£	£
Trade receivables	119	29,216
Prepayments and accrued income	3,721	3,458
	<u>3,840</u>	<u>32,674</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Contingent asset

Childs Charitable Trust has a registered charge of £70,000 over a parcel of land located to the west side of Southdown Road, Seaford, East Sussex. The land is registered in the name of Simmons Contractors Limited (Reg. No. 1695245), a company which went into liquidation in 1989 and has been removed from the Companies House Register.

Recoverability of this debt is uncertain. The charity has taken legal advice and Counsel's opinion on this matter to establish the legal position. It is understood that in the future, ownership of the land plus the property located on the land will revert to the crown but that the land original loan sum of £70,000 which is secured by the charge over the land will be repayable to the charity.

Due to the circumstances surrounding this loan which is subject to uncertain future events, the Charity's interest in this land has not been recognised in these accounts.

20 Current liabilities

	2021	2020
	£	£
Other taxation and social security	333	309
Payments received on account	-	22,125
Other payables	55,000	-
Accruals and deferred income	16,938	16,753
	<u>72,271</u>	<u>39,187</u>

21 Non-current liabilities

	2021	2020
	£	£
Other payables	45,000	-
	<u>45,000</u>	<u>-</u>

22 Retirement benefit schemes

Defined contribution schemes

The Trust operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Trust in an independently administered fund.

The charge to the SOFA in respect of defined contribution schemes was £2,501 (2020 - £2,315).

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

23 Unrestricted funds - designated

These are unrestricted funds which are material to the Trust's activities made up as follows:

	Balance at 1 January 2020	Transfers	Revaluations, gains and losses	Balance at 1 January 2021	Transfers	Revaluations, gains and losses	Balance at 31 December 2021
	£	£	£	£	£	£	£
Fixed Asset Investment Fund	9,945,872	(1,254,196)	103,103	8,794,779	200,318	813,073	9,808,170
	<u>9,945,872</u>	<u>(1,254,196)</u>	<u>103,103</u>	<u>8,794,779</u>	<u>200,318</u>	<u>813,073</u>	<u>9,808,170</u>

The fixed asset investment fund represented invested funds of a permanent nature to generate income for the charity to enable it to carry out its activities, and the fixed assets held to run the charity's operations.

24 Analysis of net assets between funds

	Unrestricted funds 2021 £	Designated funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Designated funds 2020 £	Total 2020 £
Fund balances are represented by:						
Investment properties	-	2,483,500	2,483,500	-	2,408,500	2,408,500
Investments	-	7,211,735	7,211,735	-	6,268,599	6,268,599
Mixed motive investments	-	112,935	112,935	-	117,680	117,680
Current assets/(liabilities)	709,386	-	709,386	1,259,755	-	1,259,755
Long term liabilities	(45,000)	-	(45,000)	-	-	-
	<u>664,386</u>	<u>9,808,170</u>	<u>10,472,556</u>	<u>1,259,755</u>	<u>8,794,779</u>	<u>10,054,534</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

25 Operating lease commitments

Lessee

At the reporting end date the Trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	480	2,884
Between two and five years	480	960
	<u>960</u>	<u>3,844</u>

Lessor

The operating leases represent leases to third parties in investment properties. The leases are negotiated on average over terms of 10 years and rentals are fixed on average for 5 years. All leases include a provision for five-yearly upward rent reviews, if not earlier, according to prevailing market conditions. There are options in place for either party to extend the lease terms.

At the reporting end date the Trust had contracted with tenants for the following minimum lease payments:

	2021 £	2020 £
Within one year	148,500	148,500
Between two and five years	262,000	410,500
	<u>410,500</u>	<u>559,000</u>

26 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	<u>54,076</u>	<u>49,920</u>

Reverend Sowersby is the father of the CEO and Trustee, Mrs Melanie Churchyard, who runs the day to day administration of the Trust. He rents a property from the Trust and rent received from him during the year was £600 (2020: £600).

Trustee Robert Peake is employed by the registered charity Wycliffe UK (a.k.a Wycliffe Bible Translators). During the year, Wycliffe UK received a grant of £15,000 (2020: nil) from Childs Charitable Trust.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

27	Cash generated from operations	2021	2020
		£	£
	Surplus/(deficit) for the year	418,022	(255,223)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(195,280)	(169,401)
	Gain on disposal of property, plant and equipment	-	(38,052)
	Gain on disposal of investment property	-	(67,741)
	(Gain)/loss on disposal of investments	(17,050)	58,439
	Fair value gains and losses on investment properties	(75,000)	(25,000)
	Fair value gains and losses on investments	(721,023)	(30,749)
	Movements in working capital:		
	Decrease/(increase) in mixed motive investments	4,746	4,516
	Decrease/(increase) in trade and other receivables	28,833	(27,655)
	Increase in trade and other payables	78,084	14,178
	Cash absorbed by operations	(478,668)	(536,688)
		<hr/>	<hr/>
28	Analysis of changes in net funds		
	The Trust had no debt during the year.		

CHILDS CHARITABLE TRUST

England & Wales - Charity number 1153327

Accounts

Charity Registration No. 1153327

Company Registration No. 08635189 (England and Wales)

CHILDS CHARITABLE TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



Caladine

Chartered Certified Accountants

CHILDS CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Christopher Large (Chair) Mr Stephen Puttock Mrs Melanie Churchyard Mr Robert Peake	(Appointed 9 October 2020) (Appointed 16 January 2021)
CEO	Mrs Melanie Churchyard	
Charity number	1153327	
Company number	08635189	
Principal address	40 Chapel Road Pawlett Bridgwater Somerset TA6 4SH	
Registered office	40 Chapel Road Pawlett Bridgwater Somerset TA6 4SH	
Auditor	Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF	
Bankers	NatWest Bank plc 96 Terminus Road Eastbourne BN21 3AA	
Solicitors	Lawson Lewis Blakers 11 Hyde Gardens Eastbourne East Sussex BN21 4PP	
Investment Manager	Rathbone Investment Management 8 Finsbury Circus London EC2M 7AZ Savills Investment Management 33 Margaret Street London W1G 0JD	
Property agents	Ross & Co. Property Management Ltd Pacific House Sovereign Harbour Innovation Park Eastbourne, BN23 6FA	

CHILDS CHARITABLE TRUST

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CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and financial statements for Childs Charitable Trust ("the Trust") for the year ended 31 December 2020.

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 Trust's memorandum and articles of association, the Companies Act 2006 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)".

Objectives and activities

The Trust is a Christian grant-making Trust. Since its inception in 1962 the principal object remains the furtherance of the Christian gospel and the Trustees are actively involved in supporting and encouraging many Christian charities to achieve this goal.

At the date of this report, there have been considerable economic consequences both within the UK and overseas as a result of the Coronavirus pandemic. Whilst we are unable to predict the impact on the charity's future, we are continually monitoring the situation and taking appropriate advice to ensure the grant-making work of the charity continues and are pleased to have been able to offer additional emergency support to a number of charities during the year.

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the year.

The Trust has established its grant making policy to achieve its objects for the public benefit.

During 2020 the funding allocation was apportioned between normal grant applications and emergency funding requests.

All applicants are informed of the outcome at the end of the process whether their application has been successful or not.

Achievements and performance

Grants Awarded

As required by the Trust's Memorandum and Articles of Association, all activities have as their core purpose the Trust's own main objective "the furtherance of the Christian Gospel."

All applications are sent on the Trust's application forms. These are available online or to download from the Trust's website.

All applications for support are considered but, unfortunately, not all charitable causes can be supported.

The total charitable distributions in the year amounted to £513,030 (£316,875 in 2019)

The Trust received 393 normal applications and 209 emergency requests for funding and awarded grants to 85 different organisations (52 of the grants awarded were normal Grant Applications and 33 were Emergency Funding requests).

These organisations are all based in the UK but operate worldwide.

Missions Day

Every year the Trustees arrange a "Missions Day" to which various Christian charities are invited to join the Trustees, staff and other invited guests, for the day. However, along with many other events this year, this was cancelled due to Coronavirus restrictions. It is hoped to re-instate this event later in 2021.

CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Monitoring

In accordance with their monitoring policy, the Trustees monitor the activities and performance of the Trust's beneficiaries to ensure the gifts are used for their charitable purpose. Impact reports are provided to the Trustees for subsequent review and discussion. These reports enable the Trustees to understand more fully the activities and needs of the recipient charities. The charities themselves express their appreciation for such monitoring as it helps them understand the ethos of the Trust and often enables a closer partnership to develop. All monitoring in 2020 has been done via email, telephone or zoom meetings.

Financial review

The income of the Trust is mainly received from two asset portfolios, commercial properties and investments. The Trustees take advice on their properties from an Eastbourne based commercial property agent. During the year the Trust sold two of its commercial properties. The investment portfolio continues to be managed by Rathbone Investment Management.

During the year, the Trust received total income (including gains on the sale of tangible fixed assets) of £358,353 (2019: £433,128). After the charitable distributions made and administrative costs, there was a deficit on unrestricted funds of £320,274 (2019: deficit of £75,512); after net gains on sales of investments and investment properties of £65,051 (2019: gains of £390,414) the overall deficit for the year was £255,223 (2019: surplus £314,902).

Asset cover for funds

The Trust's assets are adequate and available to fulfil its obligations.

Reserves policy

The Trustees reviewed the reserves policy during the year.

As all reserves are unrestricted and "free" reserves, it is the policy of the Trust that unrestricted funds should be designated to match the market value of fixed assets investments. This ensures that these funds are considered "permanent" in nature as they are necessary to generate income for the Trust to enable it to carry out its activities and continue in the future. At 31 December 2020, such "permanent" reserves total £8,794,779 equal to the Trust's fixed asset investments (2019: £9,945,872).

The Trustees propose to maintain the balance of the charity's free reserves at a level which is at least equivalent to six month's operational expenditure. The requirement for 2020 is £150,000. Free reserves are currently in excess of this figure at £1,259,755 (2019: £363,885).

Investment policy

The investment portfolio managed by Rathbone Investment Management, seeks to achieve a balance between capital growth and income growth through a portfolio investing primarily in equities and fixed interest stocks with medium risk, and to ensure a reasonable income. The Trustees have set certain ethical restrictions on its investments with those being avoided that relate directly to armaments, tobacco, alcohol and media concerns that conflict with the Trust's Christian ethos. The Trustees are satisfied with the current return on capital.

The Trustees aim to meet with the Investment Manager once per year to discuss the requirements for the forthcoming year and to review past performance, however, a meeting in person was not possible this year and therefore the Trustees met with the Investment Manager via zoom.

During the year the Trustees made further investments with the Rathbone Investment Management from the proceeds of the property sales during the year.

Loans

The charity also holds one investment in the form of a loan to a charity with similar objects. The loan receives interest at a market rate and has a period of 16 years remaining on the term. The loan is secured on the assets of the charity. The loan is provided to further the charitable objects of the charity and specifically in furtherance of the Christian Gospel. The Trustees annually review the activities and finances of the charity loaned to, to ensure that these aims are being met.

CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

PLANS FOR FUTURE PERIODS

It is the intention of the Trustees for the Trust to continue its activities in the long term, using its annual income and maintaining its capital base.

Strategy Day

Each year the Trustees hold a Strategy Day to discuss the requirements of the Trust over the next 5/10/15 years and the procedures that might be needed to be put in place to achieve the Trust's vision.

The Trust's Vision and Mission statements are:

Vision – To see a world where every person has the potential to hear and respond to the gospel message.

Mission – To strategically fund Christian organisations which promote the Christian gospel.

The Trustees also discuss the requirements of the Trustee board and their strategy for Trustee recruitment.

A funding strategy is discussed and agreed for the forthcoming year. Details of the agreed strategy is published on the Trust's website.

At the 2020 Strategy Day the Trustees decided that they should continue throughout 2021 to keep aligned with their vision and mission statements. Ensuring organisations applying for funding in 2021 focus primarily on the sharing of the Christian gospel.

The Trustees also discussed their property portfolio. In an effort to streamline the day to day working of the Trust the Trustees sold two properties during 2020.

Structure, governance and management

Structure

The Trust is a company limited by guarantee. The Trust's Memorandum and Articles of Association state: The Charity's Objects are for the public benefit to advance the Christian faith in accordance with the Statement of Beliefs in Eastbourne, East Sussex and in such other parts of the United Kingdom or the world as the Trustees may from time to time think fit and to fulfil such other purposes which are exclusively charitable according to the law of England and Wales and are connected with the charitable work of the Charity.

During the year the Trust relocated its office to a rented office space in Eastbourne.

The flysheet to the accounts gives details of the Trust's principal address and other relevant information, including charity and company registration numbers.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr Christopher Large (Chair)

Mr Stephen Puttock

Mr Andrew Griffiths

(Resigned 9 October 2020)

Mr Eduardo Harris

(Resigned 23 October 2020)

Mrs Melanie Churchyard

(Appointed 9 October 2020)

Mr Robert Peake

(Appointed 16 January 2021)

All Trustees must be active members of their local church, subscribe to the Trust's Statement of Beliefs and share the Christian ethos and aims of the Trust. It is imperative that all Trustees have general charity experience and are able to devote their time and energies to the affairs of the Trust. None of the Trustees are remunerated for their services but are reimbursed for out-of-pocket expenses incurred in the performance of their duties as Trustees.

CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Governance

Whilst the day to day matters and general running of the Trust are delegated to the Trust's employee, this is done in reference to the Trustees who ultimately take responsibility for all decisions.

The Trustees met every three months to review financial and investment matters, consider grant applications and deal with other issues as necessary. Communications by email and telephone in between formal Trustees' meetings enable any urgent matters to be dealt with.

Due to Coronavirus restrictions the April and June Trustee meetings were held via zoom.

The CEO and Chair of Trustees meet in between meetings to prepare the agenda for meetings and discuss any other relevant matters. Due to coronavirus restrictions this year this has mainly been via telephone and zoom meetings.

During the year the Trust said farewell to two Trustees – Mr Andrew Griffiths and Mr John Harris. The remaining Trustees wish to acknowledge the significant contributions that both men made to the work of the Trust for many years.

In October 2020 the Trustees appointed Mrs Melanie Churchyard to the board of Trustees.

Mr Robin Peake was also appointed as a Trustee and this was formalised at the January 2021 Trustees' meeting.

Management

Mrs Melanie Churchyard, CEO, deals with all the day to day affairs of the Trust. Melanie was employed throughout the year. The Trust has an office in Eastbourne, however, due to Coronavirus restrictions and in line with government guidance Melanie worked from home for most of 2020. Melanie keeps all Trustees fully informed of the matters of the Trust.

The remuneration of staff is discussed and decided by the Trustees (excluding Melanie) and is based on relevant skills and responsibilities and in line with the rates prevailing in the charitable sector.

Throughout 2020 the Trust was a member of the Civil Society.

Risks

The Trustees has assessed the major risks to which the Trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. The Trustees regularly review and assess the major risks to which the charity is exposed. Advice and guidance is sought from our auditors and other professionals. The main financial risk to the charity is the level of return on investments since this affects the grants it can pay out.

The Trustees are aware that there are likely to continue to be significant challenges due to the Coronavirus pandemic. The Trustees are continually monitoring the situation and keep in regular communication with their advisors and investment manager.

It is impossible to eliminate all risks, but the Trustees are satisfied that the systems they have in place mitigate exposure to the major risks as far as they are able.

All policies are reviewed in accordance with the agreed review schedule.

The Trustees are kept informed by the auditors and solicitors of the Trust of their obligations as charity Trustees together with their legal and statutory duties. Whenever possible, Trustees and staff attend relevant training and seminars to help understand further their responsibilities and duties.

CHILDS CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Feedback from the grant recipients is essential and it is such reports and testimonies, that help the Trustees evaluate the impact of the support the Trust has provided and to plan for the future. However, as the Trust's main objective and many of the results reported are of a spiritual nature, tangible evidence is often lacking. The Trustees recognise that it can be difficult to quantify final results and impact; however, they seek to encourage the grant recipients to be as detailed as possible in their reporting.

Statement of Trustees' responsibilities

The Trustees, who are also the Directors of Childs Charitable Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 Trust will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

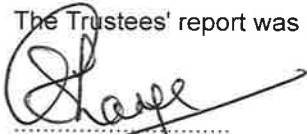
Auditor

Caladine Limited were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

Disclosure of information to auditor

This report has been prepared in accordance with the small company regime as outlined in Section 419(2) of the Companies Act 2006. Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

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



Mr Christopher Large (Chair)

Trustee

Dated: 12/7/21

CHILDS CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF CHILDS CHARITABLE TRUST

Opinion

We have audited the financial statements of Childs Charitable Trust (the 'Trust') for the year ended 31 December 2020 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 December 2020 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 Companies Act 2006.

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 Trust 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 Trust'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 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, except to the extent otherwise explicitly stated in our report, 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 a 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

CHILDS CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF CHILDS CHARITABLE TRUST

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Trust for the purpose of company law, 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 Trust'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 liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 from our commercial knowledge and experience of the charity sector;
- 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 company, including the Companies Act 2006, Charities Act 2011 and employment 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.

CHILDS CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF CHILDS CHARITABLE TRUST

We assessed the susceptibility of the trust'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.

Audit response to risks identified

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
- 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;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators

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: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



Mr Colin James Dadswell ACCA (Senior Statutory Auditor)
for and on behalf of Caladine Limited

14 July 2021

Chartered Certified Accountants
Statutory Auditor

Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

CHILDS CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

Current financial year

	Notes	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Total 2020 £	Total 2019 £
Income from:					
Donations and legacies	3	500	-	500	23,750
Investment property income	4	146,517	-	146,517	228,534
Investments	5	169,401	-	169,401	174,788
Other income	6	3,883	38,052	41,935	6,056
Total income		320,301	38,052	358,353	433,128
Expenditure on:					
Raising funds	7	59,117	-	59,117	85,959
Charitable activities	8	619,510	-	619,510	422,681
Total resources expended		678,627	-	678,627	508,640
Net gains/(losses) on investments	13	-	65,051	65,051	390,414
Net (outgoing)/incoming resources before transfers		(358,326)	103,103	(255,223)	314,902
Gross transfers between funds		1,254,196	(1,254,196)	-	-
Net movement in funds		895,870	(1,151,093)	(255,223)	314,902
Fund balances at 1 January 2020		363,885	9,945,872	10,309,757	9,994,855
Fund balances at 31 December 2020		1,259,755	8,794,779	10,054,534	10,309,757

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CHILDS CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

Prior financial year

	Notes	Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Total 2019 £
Income from:				
Donations and legacies	3	23,750	-	23,750
Investment property income	4	228,534	-	228,534
Investments	5	174,788	-	174,788
Other income	6	6,056	-	6,056
Total income		433,128	-	433,128
Expenditure on:				
Raising funds	7	85,959	-	85,959
Charitable activities	8	422,681	-	422,681
Total resources expended		508,640	-	508,640
Net gains/(losses) on investments	13	-	390,414	390,414
Net (outgoing)/incoming resources before transfers		(75,512)	390,414	314,902
Gross transfers between funds		(125,437)	125,437	-
Net movement in funds		(200,949)	515,851	314,902
Fund balances at 1 January 2019		564,834	9,430,021	9,994,855
Fund balances at 31 December 2019		363,885	9,945,872	10,309,757

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CHILDS CHARITABLE TRUST

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Property, plant and equipment	14		-	179,704	
Investment properties	15		2,408,500	4,199,750	
Investments	16		6,268,599	5,444,222	
Mixed motive investments	17		117,680	122,196	
			<u>8,794,779</u>	<u>9,945,872</u>	
Current assets					
Trade and other receivables	18	32,674		5,019	
Cash at bank and in hand		1,266,268		383,875	
		<u>1,298,942</u>		<u>388,894</u>	
Current liabilities	20	(39,187)		(25,009)	
Net current assets			<u>1,259,755</u>	<u>363,885</u>	
Total assets less current liabilities			<u>10,054,534</u>	<u>10,309,757</u>	
Income funds					
Unrestricted funds - designated	22		8,794,779	9,945,872	
Unrestricted funds - general			1,259,755	363,885	
			<u>10,054,534</u>	<u>10,309,757</u>	

The financial statements were approved by the Trustees on 12/7/21.


Mr Christopher Large (Chair)
Trustee

Company Registration No. 08635189

CHILDS CHARITABLE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash absorbed by operations	26		(536,688)		(102,479)
Investing activities					
Proceeds on disposal of property, plant and equipment		217,756		-	
Proceeds on disposal of investment property		1,883,991		510,385	
Purchase of other investments		(1,377,472)		(1,875,440)	
Proceeds on disposal of other investments		525,405		1,080,291	
Investment income received		169,401		174,788	
Net cash generated from/(used in) investing activities			1,419,081		(109,976)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			882,393		(212,455)
Cash and cash equivalents at beginning of year			383,875		596,330
Cash and cash equivalents at end of year			1,266,268		383,875

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Childs Charitable Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is 40 Chapel Road, Pawlett, Bridgwater, Somerset, TA6 4SH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Trust's Memorandum and Articles of Association, the Companies Act 2006 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 Trust is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the date of this report, there exists uncertainty regarding the potential impact of the Coronavirus and the economic consequences which may result from government policies to contain the spread. Future government policies and lockdowns are unknown. However, the Trustees are confident that the Trust has sufficient reserves to continue operations and continue to use the going concern basis as appropriate in the preparation of these accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Trust 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. The Charity's income consists of voluntary income and that from investments, including property.

Cash donations are recognised on receipt. Other donations are recognised once the Trust 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.

Rental income from investment properties is deferred where it has been received in advance and is relevant to a subsequent period.

Investment income in income from listed investments and loan interest receivable and is recognised in the accounts when receivable.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

1.5 Expenditure

Liabilities are recognised as soon as a legal or constructive obligation arises committing the Trust to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Costs of activities in furtherance of the Trust's objects are grants made by the Trust to support Christian charitable projects, and the support costs relating to this activity.

Costs of raising funds comprise those costs relating to the management and maintenance of the investment properties, as well as the investment manager's fees for managing the investments and securities.

Support costs comprise administration costs in relation to grant making, together with governance costs. Governance costs include the costs of auditing the statutory accounts, the cost of Trustees' meetings and the cost of any legal advice to Trustees' on governance or constitutional matters. The support costs have been allocated wholly to the grant making activities, with the exception of the support wages. These wages have been allocated 10% (2019:25%) to the costs of raising funds and 90% (2019: 75%) to the grant making activities, on a time basis. This change of allocation reflects the fact that there were fewer properties to manage and a subsequent reduction in staff numbers.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Freehold land and buildings	Previously 50 yrs straight line (All property disposed this yr)
Fixtures, fittings and equipment	3 years straight line (All assets fully depreciated)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Tangible fixed assets are capitalised if they can be used for more than one year and cost at least £500.

Neither land nor the investment properties are depreciated.

1.7 Investment properties

Investment properties are those held to earn rentals and/or for capital appreciation. The investment properties are measured using the fair value model and stated at its fair value (open market value) at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

1.8 Non-current investments

Listed investments are measured using the fair value model and stated at its fair value (open market value) at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year.

The Trust also has mixed motive investments in the form of loans to charities with similar objects and these have been dealt with as financial instruments and in accordance with the treatment suggested in the FRS102 SORP (see financial instruments below). The loans receive interest at a market rate (between 5 and 5.5%), are for periods of up to 25 years and are secured on the assets of the charities. They are provided to further the charitable objects of the charity and specifically in furtherance of the Christian Gospel. The Trustees regularly review the activities of the charities loaned to, to ensure that these aims are being met.

1.9 Impairment of non-current assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Cash and cash equivalents

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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

1.11 Financial instruments

The Trust has mixed motive investments in the form of loans to charities with similar objects. As these are financial instruments, the Trust has applied the treatment suggested in the FRS102 SORP and has initially recognised and measured the loans at the amount paid. The carrying amount will then be adjusted in subsequent years to reflect repayments and any accrued interest as well as adjusting if necessary for any impairment.

Other than these mixed motive investments, the Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Basic financial assets include trade and other receivables and cash and bank balances. Basic financial liabilities include trade and other payables where trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of operations from suppliers.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Grant Making Policy

The Trust supports by the provision of financial grants some of those Christian organisations whose own activities mirror further the Trust's own aims and objectives. Numerous and varied applications are received by the Trust every month. In addition the Trustees are also aware of other Christian organisations and encourage them to submit applications to the Trust. All applications are prayerfully considered by the Trustees but, due to the Trust's own limited means, not all applications can be supported.

Grants for which there is a legal obligation, or a valid expectation of receipt by the beneficiary at the year end, and for which conditions attaching to their payment have been fulfilled, are accounted for in the year.

2 Critical accounting estimates and judgements

In the application of the Trust'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.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations and legacies

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Donations and gifts	500	23,750

4 Investment property income

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Rental income	146,517	228,534

5 Investments

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Income from listed investments	129,245	147,662
Interest receivable	40,156	27,126
	<u>169,401</u>	<u>174,788</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

6 Other income

	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Total 2020 £	Unrestricted funds general 2019 £
Net gain on disposal of tangible fixed assets	-	38,052	38,052	-
Other income	-	-	-	3,056
Employment allowance received	3,883	-	3,883	3,000
	<u>3,883</u>	<u>38,052</u>	<u>41,935</u>	<u>6,056</u>

7 Raising funds

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
<u>Investment property expenses</u>		
Property overheads and management	23,075	34,436
Share of Support costs (see note 10)	5,380	19,050
	<u>28,455</u>	<u>53,486</u>
<u>Investment property expenses</u>		
Investment management fees	30,662	32,473
	<u>59,117</u>	<u>85,959</u>
<u>Property overheads and management</u>		
Rates	2,290	11,278
Light and heat	592	376
Repairs and maintenance	4,358	2,674
Legal and professional	8,543	14,943
Insurance	6,521	5,026
Sundries	773	140
	<u>23,075</u>	<u>34,436</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

8 Charitable activities

	2020 £	2019 £
Grant funding of activities (see note 9)	513,030	316,875
Share of support costs (see note 10)	62,212	89,574
Share of governance costs (see note 10)	44,268	16,232
	<u>619,510</u>	<u>422,681</u>

9 Grants payable

	2020 £	2019 £
Grants to institutions:		
Amano School - Zambia	-	12,000
Azalea	10,000	-
Bible Educational Service	-	10,500
British Youth for Christ	10,000	-
CCFON	10,000	3,000
CRY	10,000	-
Evangelical Alliance	10,000	-
Igreja Baptist Church	-	23,750
Imago Dei Prison Ministry	10,000	9,000
Kings Community Church	10,000	-
LAMA Ministries	-	15,000
Life Bridging Works	-	12,000
Lifewords	10,000	16,000
Middle East Media	12,500	-
Off the Fence	82,000	19,500
Orphaid	-	6,000
SAT 7 UK	10,000	-
Soldiers and Airmen's Scripture Reading Association	15,000	2,500
Sporting Marvels	-	5,000
Stand by Me	10,000	-
Youthscape	10,000	-
Misc. gifts between £5,000 and £9,999	153,030	102,775
Misc. gifts between £3,000 and £4,999	76,500	15,000
Misc. gifts not exceeding £2,999	54,000	34,850
Other	-	30,000
	<u>513,030</u>	<u>316,875</u>

Grants to institutions represent payments made in the year to 85 organisations.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

10 Support costs

	Support costs £	Governance costs £	Total 2020 £	Support costs £	Governance costs £	Total 2019 £
Staff costs	48,423	5,381	53,804	66,839	4,540	71,379
Depreciation	-	-	-	2,530	-	2,530
Computer expenses	1,201	-	1,201	1,340	-	1,340
Rent and rates	13,213	-	13,213	29,146	-	29,146
Repairs and renewals	818	-	818	720	-	720
Telephone	704	-	704	598	-	598
Printing and postage	896	-	896	1,869	-	1,869
Travel costs	329	-	329	1,466	-	1,466
Sundries	2,008	-	2,008	4,116	-	4,116
Audit fees	-	5,682	5,682	-	5,220	5,220
Accountancy	-	6,106	6,106	-	3,787	3,787
Legal and professional	-	25,998	25,998	-	-	-
Trustee meeting costs	-	1,101	1,101	-	2,685	2,685
	<u>67,592</u>	<u>44,268</u>	<u>111,860</u>	<u>108,624</u>	<u>16,232</u>	<u>124,856</u>
<u>Analysed between</u>						
Raising funds	5,380	-	5,380	19,050	-	19,050
Charitable activities	62,212	44,268	106,480	89,574	16,232	105,806
	<u>67,592</u>	<u>44,268</u>	<u>111,860</u>	<u>108,624</u>	<u>16,232</u>	<u>124,856</u>

Governance costs includes payments to the auditors of £5,682 (2019- £5,220) for audit fees.

11 Trustees

Trustee Melanie Churchyard received a salary of £46,305 and pension contributions of £2,315 during the year, the authority for the employment of Trustees is contained within the Memorandum and Articles of Association.

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Trust during the year. Trustees were reimbursed a total of £546 (2019: £1,633) for travel and other expenditure.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

12 Employees

The average monthly number of employees during the year was:

	2020	2019
	Number	Number
Administration	1	3
	<u>1</u>	<u>3</u>
Employment costs	2020	2019
	£	£
Wages and salaries	47,055	63,892
Social security costs	4,665	5,185
Other pension costs	2,084	2,302
	<u>53,804</u>	<u>71,379</u>

The full time equivalent number of employees during the year was 1 (2019: 2).

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

13 Net gains/(losses) on investments

	Unrestricted funds designated 2020 £	Unrestricted funds designated 2019 £
Revaluation of investments	30,749	431,934
Gain/(loss) on sale of investments	(58,439)	53,095
Revaluation of investment properties	25,000	(102,500)
Gain/(loss) on sale of investment properties	67,741	7,885
	<u>65,051</u>	<u>390,414</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

14 Property, plant and equipment

	Freehold land and buildings £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 January 2020	189,824	4,361	194,185
Disposals	(189,824)	-	(189,824)
At 31 December 2020	-	4,361	4,361
Depreciation and impairment			
At 1 January 2020	10,120	4,361	14,481
Eliminated in respect of disposals	(10,120)	-	(10,120)
At 31 December 2020	-	4,361	4,361
Carrying amount			
At 31 December 2020	-	-	-
At 31 December 2019	179,704	-	179,704

15 Investment property

	2020 £
Fair value	
At 1 January 2020	4,199,750
Disposals	(1,816,250)
Net gains or losses through fair value adjustments	25,000
At 31 December 2020	2,408,500

The remaining freehold properties in East Sussex were valued on an open market basis in January 2021 by Mr Anton G K Bree FRICS of Ross & Co Chartered Surveyors, Eastbourne.

In addition to the freehold properties held in East Sussex which were valued in January 2021, the year end valuation above includes 3 parcels of bare land and a block of garages linked to one of the freehold interests with a total disclosed value £103,500. These were transferred to the Charity when it was incorporated in 2015 with the acting solicitor placing nominal valuations on them. The Trustees believe there has been no material change to these valuations as at the balance sheet date.

The historical cost of the properties as at 31 December 2020 were £1,677,000 (2019: £3,512,176).

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

16 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2020	5,444,222
Additions	1,377,472
Valuation changes	30,749
Disposals	(583,844)
At 31 December 2020	<u>6,268,599</u>
Carrying amount	
At 31 December 2020	<u><u>6,268,599</u></u>

Fixed Asset investments revalued

Listed investments are measured using the fair value model and stated at its fair value (open market value) at the reporting end date. The historical cost of the investments as at 31 December 2020 was £5,590,047 (2019: £4,849,643).

17 Mixed motive investments

	£
At 1 January 2020	122,196
Interest	6,007
Repayments	(10,523)
At 31 December 2020	<u><u>117,680</u></u>

Mixed motive investments represent loans made to other charities with similar objects to the charitable company. As these are financial instruments, the charity has applied the treatment suggested in the FRS102 SORP and has initially recognised and measured the loans at the amount paid. The carrying amount will then be adjusted in subsequent years to reflect repayments and any accrued interest as well as adjusting them for any impairment.

In order to secure the loans, the charity has a charge over property owned by the loan holders.

18 Trade and other receivables

	2020 £	2019 £
Amounts falling due within one year:		
Trade receivables	29,216	5,019
Prepayments and accrued income	3,458	-
	<u>32,674</u>	<u>5,019</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

19 Contingent asset

Childs Charitable Trust has a registered charge of £70,000 over a parcel of land located to the west side of Southdown Road, Seaford, East Sussex. The land is registered in the name of Simmons Contractors Limited (Reg. No. 1695245), a company which went into liquidation in 1989 and has been removed from the Companies House Register.

Recoverability of this debt is uncertain. The charity has taken legal advice and Counsel's opinion on this matter to establish the legal position. It is understood that in the future, ownership of the land plus the property located on the land will revert to the crown but that the land original loan sum of £70,000 which is secured by the charge over the land will be repayable to the charity.

Due to the circumstances surrounding this loan which is subject to uncertain future events, the Charity's interest in this land has not been recognised in these accounts.

20 Current liabilities

	2020	2019
	£	£
Other taxation and social security	309	58
Payments received on account	22,125	-
Other payables	-	4,747
Accruals and deferred income	16,753	20,204
	<u>39,187</u>	<u>25,009</u>

21 Retirement benefit schemes

Defined contribution schemes

The Trust operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Trust in an independently administered fund.

The charge to the SOFA in respect of defined contribution schemes was £2,084 (2019 - £2,302).

22 Unrestricted funds - designated

These are unrestricted funds which are material to the Trust's activities made up as follows:

	Balance at 1 January 2019	Transfers	Revaluations, gains and losses	Balance at 1 January 2020	Transfers	Revaluations, gains and losses	Balance at 31 December 2020
	£	£	£	£	£	£	£
Fixed Asset Investment Fund	9,430,021	125,437	390,414	9,945,872	(1,254,196)	103,103	8,794,779
	<u>9,430,021</u>	<u>125,437</u>	<u>390,414</u>	<u>9,945,872</u>	<u>(1,254,196)</u>	<u>103,103</u>	<u>8,794,779</u>

The fixed asset investment fund represented invested funds of a permanent nature to generate income for the charity to enable it to carry out its activities, and the fixed assets held to run the charity's operations.

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

23 Analysis of net assets between funds

	Unrestricted funds 2020 £	Designated funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Designated funds 2019 £	Total 2019 £
Fund balances are represented by:						
Property, plant and equipment	-	-	-	-	179,704	179,704
Investment properties	-	2,408,500	2,408,500	-	4,199,750	4,199,750
Investments	-	6,268,599	6,268,599	-	5,444,222	5,444,222
Mixed motive investments	-	117,680	117,680	-	122,196	122,196
Current assets/ (liabilities)	1,259,755	-	1,259,755	363,885	-	363,885
	<u>1,259,755</u>	<u>8,794,779</u>	<u>10,054,534</u>	<u>363,885</u>	<u>9,945,872</u>	<u>10,309,757</u>

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

24 Operating lease commitments

Lessee

At the reporting end date the Trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	2,884	600
Between two and five years	960	1,400
	<u>3,844</u>	<u>2,000</u>

Lessor

The operating leases represent leases to third parties in investment properties. The leases are negotiated on average over terms of 10 years and rentals are fixed on average for 5 years. All leases include a provision for five-yearly upward rent reviews, if not earlier, according to prevailing market conditions. There are options in place for either party to extend the lease terms.

At the reporting end date the Trust had contracted with tenants for the following minimum lease payments:

	2020 £	2019 £
Within one year	148,500	89,575
Between two and five years	410,500	177,000
	<u>559,000</u>	<u>266,575</u>

25 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	49,920	45,397

Mr Eduardo Harris, Trustee, who resigned 23 October 2020, acts as Finance Director for the charity Scripture Gift Mission. He absented himself from the decision making process when grants to the connected charity were discussed. During the year, Scripture Gift Mission received grants from the Trust of £nil (2019: £16,000).

Reverend Sowersby is the Father of the CEO and Trustee, Mrs Melanie Churchyard, who runs the day to day administration of the Trust. He rents a property from the Trust and rent received from him during the year was £600 (2019: £600).

CHILDS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

26	Cash generated from operations	2020	2019
		£	£
	(Deficit)/surplus for the year	(255,223)	314,902
	Adjustments for:		
	Investment income recognised in statement of financial activities	(169,401)	(174,788)
	Gain on disposal of property, plant and equipment	(38,052)	-
	Gain on disposal of investment property	(67,741)	(7,885)
	Loss/(gain) on disposal of investments	58,439	(53,095)
	Fair value gains and losses on investment properties	(25,000)	102,500
	Fair value gains and losses on investments	(30,749)	(431,934)
	Depreciation and impairment of property, plant and equipment	-	2,530
	Movements in working capital:		
	(Increase)/decrease in mixed motive investments	4,516	156,796
	(Increase)/decrease in trade and other receivables	(27,655)	33,410
	Increase/(decrease) in trade and other payables	14,178	(44,915)
	Cash absorbed by operations	(536,688)	(102,479)
		<hr/>	<hr/>
27	Analysis of changes in net funds		
	The Trust had no debt during the year.		
