

Registered Charity Number: 1155101

LORD CREWE'S CHARITY

Financial Statements

For The Year Ended 31 December 2023

LORD CREWE'S CHARITY

Draft V.1.

Financial Statements For The Year Ended 31 December 2023

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LORD CREWE'S CHARITY
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their annual report and audited financial statements of Lord Crewe's Charity (the Charity) for the year ended 31 December 2023. The Trustees confirm that the annual report and financial statements of the Charity have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS102) effective 1 January 2019.

Structure, governance and management

a. CONSTITUTION

Lord Crewe's Charity (Charity No. 1155101) is governed by its constitution as a Charitable Incorporated Organisation.

A linked Charity, Lord Crewe's Library and Archives Trust (Charity No. 1155101-3), owns the libraries and archives collections currently held at Durham Cathedral, Durham University, the North East Religious Learning Resource Centre, and Northumberland Archives. This is governed by its Deed of Trust dated 31 December 2013. On 1 January 2014 the assets of the Reverend John Sharp's Library (Charity number 230347-2) were transferred to the new Charitable Incorporated Organisation for it to continue to act as Corporate Trustee for those assets.

Prior to its incorporation as a CIO (on 1 January 2014, the activities of the Lord Crewe's Charity were carried out by a separate unincorporated charity (charity number 230347). The Charities Commission directed that this charity and the Lord Crewe's Library and Archives Trust (charity number 1155101-3) shall be treated as forming part of the Lord Crewe's Charity (charity number 1155101) for the purposes of Part 4 (registration) and Part 8 (accounting) of the Charities Act 2011.

On 1 January 2014, the activities, assets and liabilities of the old unincorporated charity (charity number 230347) were transferred to this Charitable Incorporated Organisation, under a scheme of arrangement approved by the Charity Commission.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the Charity is the responsibility of the Trustees who are appointed under the terms of the Charitable Incorporated Organisation's constitution.

The constitution provides that there shall be a minimum of five and a maximum of nine Trustees, including one ex-officio, three nominative and up to five co-optative. Of the three nominative Trustees, two are nominated by the Bishop of Durham and one by the Bishop of Newcastle. The ex-officio trustee is the Rector of Lincoln College Oxford. The co-optative trustees are selected having regard to the skills, knowledge and experience needed for the effective administration of the CIO.

c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

Induction of new Trustees is provided by the Clerk and Chair, with technical induction also provided by the Charity's legal advisors and the Receiver. Trustees are familiar with charity law through their service on trustee boards of other charities and through information provided by the Charity Commission. Training, briefing and updating sessions are provided as required. The Clerk circulates relevant information received from the Charity Commission and other sources to the Trustees.

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d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Trustees elect a chair and vice-chair annually at the first meeting of the year. All business is formally presented, discussed and, when needed, voted on, each trustee having one vote and the chair a casting vote if required.

The Trustees have delegated the administration of the Charity to the Clerk and the management of the estates to the Receiver.

Both the Clerk and the Receiver are in frequent contact with the chair or vice-chair, or with the Trustees when appropriate. The board meets and discusses business formally at least four times a year, in addition to an estates visit, alternating between Blanchland and Seahouses. This allows the Trustees to see the estates, meet the farming and other tenants, and to discuss relevant issues with them and the management team.

The Charity is linked to the Lord Crewe's Library and Archives Trust (Charity number 1155101-3) and is unconnected with any other Charity. None of the Trustees of the Charity are on the board of the Apprenticeship Fund. During 2022 resolutions were passed by Lord Crewe's Charity Apprenticeship Fund (charity number 527409) and Lord Crewe's Durham Educational Foundation (charity number 527337) to merge with Lord Crewe's Charity which was completed on 30 March 2023.

e. KEY MANAGEMENT PERSONNEL REMUNERATION

The Trustees consider the Board of Trustees and the Clerk as comprising the key management personnel of the Charity in charge of directing and controlling the Charity and running and operating the Charity on a day to day basis. All Trustees give their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 8 to the accounts.

Trustees are required to disclose all relevant interests and register them with the Clerk and in accordance with the Charity's policy withdraw from decisions where a conflict of interest arises.

The Clerk is contracted to work for the Charity in accordance with terms of business agreed in 2022, and during the year charged £26,351 - (2022: £21,800) for services provided.

LORD CREWE'S CHARITY
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Reference and Administrative Details

Title	Lord Crewe's Charity		
Charity Registration Number	1155101		
Registered Address	Cuthbert House Durham DH1 3RY		
Trustees:		Appointed	Resigned
Nominative	<i>By the Bishop of Durham:</i> The Venerable R G Cooper	24.02.19	
	<i>By the Bishop of Newcastle:</i> The Venerable Dr C A Sourbut-Groves	18.02.22	
Co-optative	Mr John H Blackett-Ord	30.06.06	28.07.23
	Mr John P P Anderson	19.04.03	18.02.23
	Mrs Francesca E Trevelyan	19.01.23	
	Mr William F Watson-Armstrong	21.01.23	
	Mr Simon F Riddell	14.02.23	
	Mr Robert T deP Hunter	04.05.23	
Ex-officio	Professor H R Woudhuysen, The Rector of Lincoln College, Oxford	01.09.12	
The Clerk	Mr M W Orde		
The Receiver	Mr A R Harle		
Bankers	Barclays Bank plc 6 Market Place Durham, DH1 3ND		
Auditors	Azets Audit Services Statutory Auditor Chartered Accountant Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS		
Solicitors	Womble Bond Dickinson (UK) LLP One Trinity Broad Chare Newcastle upon Tyne NE1 2HF		
Investment Managers	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ		

LORD CREWE'S CHARITY
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Objectives and Activities

a. POLICIES AND OBJECTIVES

The principal objects of the Charity, after meeting the costs of managing itself and its properties, and paying a number of annual sums specified in the Trust Deed (totalling £6,370 in 2023), are;

The advancement of Christian religion by:

- (a) augmenting the stipends of necessitous clergy and their dependents in the Dioceses of Durham and Newcastle, particularly for the education of their children, and assisting them in other demonstrable need; and
- (b) the repair or construction of churches, chancels and parsonages in an ecclesiastical parish in which the Charity owns land or to which the Charity has the right of presentation to the benefice; and
- (c) providing financial support to Anglican clergy of various ecclesiastical parishes as determined by the Trustees from time to time for religious education within those parishes.

The relief of poverty by providing financial and other forms of charitable relief for the general benefit of the inhabitants of the Dioceses of Durham and Newcastle, giving preference to people and groups resident in parishes where the Charity owns land or has the right of presentation to the benefice.

The advancement of education by:

- (d) providing financial subsidies to university students at Lincoln College at the University of Oxford, or for any other charitable purposes connected with Lincoln College; and
- (e) providing other financial subsidies to educational institutions, whether in the ecclesiastical parish in which the Charity owns land or has the right of presentation to the benefice or otherwise, specifically including the City of Durham.

For other charitable purposes which the Trustees shall from time to time determine for the benefit of residents of the ecclesiastical parishes in which the Charity owns land or to which the Charity has the right of presentation to the benefice.

The relief of sickness (including physical, mental, emotional and spiritual) by providing such assistance (financial and otherwise) to such beneficiaries resident in the Dioceses of Durham and Newcastle as the Trustees shall from time to time decide.

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

The Charity also furthers its charitable purposes for the public benefit by contributing to the running costs of the Sharp Libraries of modern theology for the benefit of clergy, readers and University students in Durham and Newcastle, but also open to all with a genuine interest and by conserving and interpreting the Bamburgh Library of rare books, music and its archives. This is achieved through the associated charity The Lord Crewe's Libraries and Archives Trust, Registered Charity no. 1155101-3.

LORD CREWE'S CHARITY
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

b. STRATEGIES FOR ACHIEVING OBJECTIVES

The principal beneficiaries of grant aid are the stipendiary clergy of the two Dioceses and their dependants. The Trustees are conscious of the financial pressures facing many of them. Financial assistance with the costs incurred whilst educating their dependents (from the primary stage through to higher education), Chair's grants to address individual cases of hardship, and resettlement grants assisting with costs of moving from clergy housing on retirement are three examples of practical means of easing these difficulties.

Whereas the maintenance and proper management and development of its estates and properties remains a key priority, any surplus arising in the estate revenue account and the income arising out of its financial investments enables the Trustees to further the Charity's aims by the making of grants.

c. ACTIVITIES FOR ACHIEVING OBJECTIVES

In 2023 the Trustees agreed a further three year programme for clergy support through the Dioceses (2024 - 2026) and for four further academic years for Lincoln College (2023/4 & 2026/7).

Significant activities during the year which form the bulk of what is reported in the Statement of Financial Activities were:

- The on-going management of the Charity's estates and properties, including routine repairs to maintain capital values and income levels, significant refurbishments or improvements usually resulting in increased income, and from time to time major projects significantly uplifting capital values and income as a result of substantial investment in a property.
- The making of grants, particularly to clergy and their families in the dioceses of Durham and Newcastle, and also to other eligible beneficiaries.

The Charity owns the contents of the Sharp Libraries in Durham and Newcastle and makes them available to all clergy, ordinands and readers in the two dioceses, as well as to University students. The Charity also owns the Bamburgh Library (printed books collection from 17th Century onwards), held by the Durham University Library Special Collections, and the Bamburgh Music Library held by Durham Cathedral Library.

The Charity continues to review its systems, partly in the light of recommendations from successive audits, and also to achieve greater administrative efficiency.

Achievements and performance

a. REVIEW OF ACTIVITIES

In 2023 the Charity supported individual members of the clergy in the Dioceses of Durham and Newcastle by making:

- 80 educational grants totalling £111,117 to members of the clergy in support of the education of their children. (These grants related to two educational years – second and final instalments of grants for 2022-23 and instalments for grants for the first term of 2023-24).
- 23 grants totalling £25,250 to members of the clergy to assist with specific instances of hardship and 14 grants totalling £42,000 to assist clergy moving out of church housing on retirement. During 2022, in response to the rise in energy costs, fuel support grants totalling £237,000 were awarded to clergy living in diocesan housing.

In 2023 the Charity provided £150,000 to Lincoln College for charitable purposes comprising support for Undergraduates and Postgraduates and support for Junior Research Fellow in Music and for improving access to the College.

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The Charity also made a grant totalling £140,000 to the Diocese of Newcastle for a package of approved projects to support clergy through services including pastoral care and counselling, mentoring, continuing ministerial development, and support for engagement in parishes in areas of high deprivation.

A grant of £210,000 was made to Durham Diocese for the Bridge Project, assisting congregations to work with their parish community and together seek its wellbeing, and for pastoral care and counselling to support clergy wellbeing.

Grants to other organisations included £6,000 to the Seahouses Youth Project, £15,000 to Seahouses Hostel, £15,000 to Blanchland Abbey for the restoration of two windows, £1,000 to the Blanchland and Hunstanton Show and £200 towards Blanchland's Coronation celebrations.

The Trustees awarded a range of grants totalling £211,175 to reflect the fact that 2021 was the tercentenary year of the Charity including £100,000 to Newcastle Diocese for a youth and children's project and 295 fuel support grants were awarded to individual clergy totalling £111,375.

Rathbones continue as Investment Managers working with the Trustees' independent investment adviser, who assists on setting targets and reporting, and who reviews the investment policy.

Savills continue as the Charity's Estate Managers, with Mr Harle as Receiver.

There were no significant positive or negative factors affecting the achievement of objectives in 2023 compared to 2022 or affecting future plans for 2024 and beyond. The financial base of the Charity through its endowment and the management of the estates by Savills and the investment portfolio by Rathbones ensure that the Charity continues on a sound financial footing.

Financial review

a. FINANCIAL REVIEW

The two primary sources of income for the Charity are from the estates and from the investment portfolio.

In 2023 the net income from these sources was:

Funding Source	Total	% of total income
Estates (net income)	£835,867	72.6%
Investment Portfolio (net income)	£286,189	24.9%
Other	£28,494	2.5%
Total	£1,150,550	100.00%

b. RESERVES POLICY

The Trustees consider the assets to be sufficient to fulfil the Charity's obligations in respect of keeping its property properly repaired, paying its creditors and maintaining adequate funds to provide financial assistance to necessitous clergy and other potential beneficiaries. In order that they can enable the Charity to carry out its purpose effectively, the Trustees' current policy is to maintain sufficient unrestricted reserves to meet at least six months' worth of outgoings, £500,000 from the Charity's funds, assuming payments continue at the average of the last three years.

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They also maintain an Extraordinary Repair Fund (ERIF) against unforeseen expenditure required by the estates. In the past this had been maintained at an artificially high level to guard against major unforeseen expenditure. Since 2013 ERIF has been maintained at a level of £250,000, equivalent (and additional) to the amount budgeted each year for planned maintenance.

The Trustees also maintain a minimum balance of £50,000 in the Charity's current account, to meet any immediate or urgent calls on grant funding.

The total funds of the Charity are £54,404,219 of which £49,933,256 are restricted. The unrestricted free reserves of the Charity at 31 December 2023 were £4,470,963 of which £5,953,317 are invested in stocks and shares, leaving (£1,482,354) within current liabilities. This represents approximately 559% of the minimum target reserves. The unrestricted funds include the designated Extraordinary Repair Fund of £250,000.

Bearing in mind recent difficulties and volatilities surrounding the economy and in particular uncertainty about the funding of agriculture, the Trustees' policy is to maintain sufficient reserves to ensure the continuation of the Charity's activities whilst alternative means of income can be obtained.

Trustees are actively progressing the application of that part of the reserves which arises from unallocated income, to include estates expenditure to safeguard future income and additional spending on the Charity's charitable objectives within the scope of the Charity's constitution.

c. GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

d. MATERIAL INVESTMENTS POLICY

Asset allocation

As at 31 December 2023, the allocation of assets, at valuation, was as follows:

	As at 31 Dec 2023 £	% of total	As at 31 Dec 2022 £	% of total
Investment Property	£43,857,738	82.38%	£42,157,719	80.75%
Other Investments	£9,378,778	17.62%	£10,052,180	19.25%
Total	£53,236,516	100.00%	£52,209,899	100.00%

Fund allocation considerations

The assets of the Charity are held for several different accounts as follows:

- Personal Estate Account and Endowed Assets, comprising land, properties and other investments, are not available for distribution and are regarded as long-term investments.
- The Libraries and Archives Trust's investments and other net assets are included in the Charity's balance sheet.
- Extraordinary Repair Fund, maintained to provide for extraordinary repairs, improvements or rebuilding of properties. This fund is regarded as a medium to long-term investment, in the expectation that it may be partly utilised whenever a major expenditure requirement arises.
- Other funds, which should be maintained in a sum sufficient to meet the annual expenses and disbursements of the Charity, are regarded as short term.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

e. INVESTMENT POLICY AND PERFORMANCE

General Investment Policy

The Charity was endowed by its benefactor with lands and property, a significant proportion of which it still owns. These land and buildings and the equity investments referred to below, are regarded as providing the balanced spread of investments necessary to provide for the income and growth needs of the Charity.

The Trustees seek exposure to good quality, carefully selected equities and other stock consistent with the short-term income requirements, via a well-diversified portfolio in order to manage risk, which also provides a growing stream of dividend income which at least matches and preferably exceeds the rate of inflation and which is reflected in increasing capital value over time.

The Charity's investment policy was last reviewed in 2023. In November 2014 the Trustees appointed an independent investment manager to review investment policy, help set targets and comment on investment performance, and develop reporting with Rathbones. The Trustees continue to believe that a long term view is appropriate for the Charity.

Ethical Investment Policy

Ethical considerations form an integral part of the investment management process and Rathbones have sought and received instructions from the Charity. The investment managers seek to invest in companies that will successfully develop their business financially in the interests of their shareholders, but which also demonstrate responsible employment practices and are conscientious concerning issues of corporate governance, environmental performance and human rights and are sensitive to the communities in which they operate. Companies are monitored according to the Church of England ethical investment policy and through a developing dialogue with them.

Investment Performance

An income target for each year to 31 December is agreed with the investment managers at the start of the year. The bespoke portfolio is managed by Rathbones. The portfolio returned 3.52% compared to the primary benchmark agreed within the investment policy of 3.2%.

The agreed income target for the year to 31 December 2023 was £310,000. Actual investment income received from the portfolio was £329,921. The risk profile of the investments is categorised by the investment managers as "medium". During the year, investment asset gains of £56,684 were made (an average return of 0.6% on investment assets held) against a long-term benchmark for assets under this risk profile of 1.3%. The Trustees consider this overall performance to be acceptable in the context of prevailing market conditions.

As at 31 December 2023 the total investment asset split was as follows:

Asset Class	Asset Value £	Asset % of Total Assets
Fixed Income	£1,209,862	12.9%
UK Equities	£3,160,648	33.7%
Overseas Equities	£3,470,148	37.0%
Alternatives	£984,772	10.5%
Cash	£553,348	5.9%
Total	£9,378,778	100.0%

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f. RISK MANAGEMENT

The Trustees regularly assess the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The Charity benefits from the strength and stability of its financial position, due to its endowment and its mix of residential, commercial and agricultural estates and its investment portfolio. While income may be subject to economic conditions beyond the control of the Trustees, this is mitigated by the standard of professional estates and investment management advice engaged on the Charity's behalf. The Trustees are able to take a long term view of investment and financial performance.

Because of this financial strength the Trustees are able to maintain the reserves policy outlined under Financial Review above. The Charity maintains reserves sufficient to meet at least six months' outgoings, which should be sufficient to deal with any unforeseen situations and allow time for any remedial action necessary to be undertaken.

The Charity's Risk Management Strategy provides:

- A quarterly review of the principal risks and uncertainties faced by the Charity and its associated charities.
- Policies, systems and procedures to mitigate risks identified in the review.
- Thus managing any potential impact on the Charity and its beneficiaries should these or other risks materialise.

Fundraising

The charity is required to report how it deals with fundraising from the public. As an endowed charity the Charity does not raise funds from the public by any method.

Plans for the future

a. FUTURE DEVELOPMENTS

The Trustees undertake an annual review of spending plans at the beginning of each year.

2021 marked the three hundredth anniversary of the death of Lord Crewe and therefore the Tercentenary of the Charity. The Charity is concluding a series of grants and other activities in its celebration; the funded projects are in the course of being completed.

In autumn 2023, the Trustees decided that it would be appropriate to launch a review of their Investment Managers in 2024. This process was concluded, after the year end, with Sarasin & Partners being appointed to take over management of the portfolio.

LORD CREWE'S CHARITY
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees 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).

The law applicable to charities in England & Wales 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 Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

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

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

AUDITOR

Azets Audit Services have indicated their willingness to stand for reappointment at the forthcoming Annual General Meeting.

This report was approved by the Trustees and signed on their behalf by:



The Venerable Robert Cooper (Chair of the Trustees)

Date: 26 April 2024

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF LORD CREWE'S CHARITY

OPINION

We have audited the financial statements of Lord Crewe's Charity (the 'Charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2023 and of its incoming 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 Accounting and Reporting by Charities preparing their accounts in accordance with the Charities Act 2011.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements were 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 Trustees are responsible for the other information. The other information comprises the information included in the Trustee Report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

LORD CREWE'S CHARITY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF LORD CREWE'S CHARITY

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: compliance with the Charities Act as well as compliance regulations relating to the ownership and letting of property, including Health and Safety.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

LORD CREWE'S CHARITY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF LORD CREWE'S CHARITY

USE OF THE REPORT

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Simon Brown BA ACA DChA (Senior Statutory Auditor)

For and on behalf of

Azets Audit Services

Statutory Auditor

Chartered Accountant

Bulman House

Regent Centre

Gosforth

Newcastle upon Tyne

NE3 3LS

Date:

Azets Audit Services is a trading name of Azets Audit Services Limited.

Azets Audit Services Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

LORD CREWE'S CHARITY

Statement of Financial Activities for the year ended 31 December 2023

	Notes	<i>Note 1</i> Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2023 Total Funds £	2022 Total Funds £
Income and endowments from:						
Investments	3	1,841,943	-	-	1,841,943	1,662,322
Other	4	28,494	-	-	28,494	8,982
Total income and endowments		1,870,437	-	-	1,870,437	1,671,304
Expenditure on:						
<i>Raising funds:</i>						
Investment management costs	5	696,685	319	22,883	719,887	590,838
<i>Charitable activities:</i>						
Payments under the Will and to Lincoln College Oxford	7	160,961	-	-	160,961	146,814
Educational support of clergy dependants	7	125,774	-	-	125,774	136,407
Diocese support	7	351,413	-	-	351,413	318,528
Clergy support	7	73,784	-	-	73,784	38,107
Maintenance of Library	7	-	43,458	-	43,458	37,249
Miscellaneous charitable giving	7	302,259	-	-	302,259	1,675,592
Total cost of charitable activities		1,014,191	43,458	-	1,057,649	2,352,697
Total Expenditure		1,710,876	43,777	22,883	1,777,536	2,943,535
Net gains/(losses) on investments	10a&b	32,809	328	2,334,945	2,368,082	480,510
Net income/(expenditure)		192,370	(43,449)	2,312,062	2,460,983	(791,721)
Transfer between funds	11	(64,616)	43,458	21,158	-	-
Net movement in funds		127,754	9	2,333,220	2,460,983	(791,721)
Reconciliation of funds:						
Total fund brought forward	14 - 16	4,343,209	56,342	47,543,685	51,943,236	52,734,957
Total funds carried forward	14 - 16	4,470,963	56,351	49,876,905	54,404,219	51,943,236

LORD CREWE'S CHARITY

Balance Sheet as at 31 December 2023

	Notes	Note 1 Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2023 Total Funds £	2022 Total Funds £
Fixed Assets						
Investment Property	10a	-	-	43,857,738	43,857,738	42,157,719
Other Investments	10b	5,953,317	56,351	3,369,110	9,378,778	10,052,180
Total Fixed Assets		<u>5,953,317</u>	<u>56,351</u>	<u>47,226,848</u>	<u>53,236,516</u>	<u>52,209,899</u>
Current Assets						
Debtors	12	58,008	-	-	58,008	98,341
Cash at bank and in hand		(996,023)	-	2,650,057	1,654,034	631,116
Total Current Assets		<u>(938,015)</u>	<u>-</u>	<u>2,650,057</u>	<u>1,712,042</u>	<u>729,457</u>
Current Liabilities						
Creditors - amounts falling due within one year	13	(544,339)	-	-	(544,339)	(996,120)
Net Current Assets		<u>(1,482,354)</u>	<u>-</u>	<u>2,650,057</u>	<u>1,167,703</u>	<u>(266,663)</u>
Total Assets less Current Liabilities		<u>4,470,963</u>	<u>56,351</u>	<u>49,876,905</u>	<u>54,404,219</u>	<u>51,943,236</u>
Total Net Assets		<u>4,470,963</u>	<u>56,351</u>	<u>49,876,905</u>	<u>54,404,219</u>	<u>51,943,236</u>
The funds of the charity:						
Endowment fund	14	-	-	49,876,905	49,876,905	47,543,685
Income funds:						
Restricted funds	15	-	56,351	-	56,351	56,342
Designated funds	16	250,000	-	-	250,000	250,000
Unrestricted general funds		4,220,963	-	-	4,220,963	4,093,209
Total Charity Funds		<u>4,470,963</u>	<u>56,351</u>	<u>49,876,905</u>	<u>54,404,219</u>	<u>51,943,236</u>

Note 1: Non-designated and Designated Funds have been combined in the SOFA and Balance Sheet as "Unrestricted Funds". An analysis of Designated Funds is given in Note 16.

Approved by the Board of Trustees on 26 April 2024 and signed on their behalf by:



The Venerable Robert Cooper, Chair of the Trustees.

The notes on pages 18 to 31 form part of these financial statements.

LORD CREWE'S CHARITY

Statement of Cash Flows for the year ended 31 December 2023

	Note	2023 Total Funds £	2022 Total Funds £
Net cash used in operating activities	18	<u>(2,118,965)</u>	<u>(2,217,749)</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		1,855,504	1,656,502
Proceeds from sale of investments		1,307,537	17,000
Purchase of investments		<u>(21,158)</u>	<u>(315,790)</u>
Net cash provided by investing activities		3,141,883	1,357,712
Change in cash and cash equivalents in the year		1,022,918	(860,037)
Cash and cash equivalents brought forward		<u>631,116</u>	<u>1,491,153</u>
Cash and cash equivalents carried forward		<u>1,654,034</u>	<u>631,116</u>

Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank	<u>1,654,034</u>	<u>631,116</u>

Analysis of changes in net debt

	1 January 2022 £	Cash Flows £	31 December 2023 £
Cash and cash equivalents	<u>631,116</u>	<u>1,022,918</u>	<u>1,654,034</u>

LORD CREWE'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting Policies

a. Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at fair value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 1 January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), and the Charities Act 2011.

Lord Crewe's Charity (Charity No. 1155101) is governed by its new constitution as a Charitable Incorporated Organisation.

A linked charity, Lord Crewe's Library and Archives Trust (Charity No. 1155101-3), owns the libraries and archives collections currently held at Durham Cathedral, Durham University, the North East Religious Learning Resource Centre, and the Northumberland Records Office. This is governed by its Deed of Trust dated 31 December 2013.

Prior to its incorporation as a CIO (on 1 January 2014), the activities of the Lord Crewe's Charity were carried out by a separate unincorporated charity (charity number 230347). The Charities Commission directed that this charity and the Lord Crewe's Library and Archives Trust (charity number 1155101-3) shall be treated as forming part of the Lord Crewe's Charity (charity number 1155101) for the purposes of Part 4 (registration) and Part 8 (accounting) of the Charities Act 2011.

The Charity constitutes a public benefit entity as defined by FRS102.

b. Going concern

The Charity has cash resources and has no requirement for external funding. The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The Trustees consider it appropriate that the annual financial statements are prepared on a going concern basis.

c. Personal estate account and endowed assets

The endowed assets of the Charity comprising land and properties are included in the Balance Sheet at open market value. Acquisitions and disposals of land and property are accounted for in the Balance Sheet on the legal completion of transactions. Amounts realised from the disposal of assets of the endowment are credited to the Personal Estate. Amounts expended to enhance the capital value of investment properties are added to the Personal Estate. The accumulated amounts of the Personal Estate Account are invested by the Trustees and form part of these accounts.

d. Financial Instruments

The Charity 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.

Quoted investments are included in the Balance Sheet at their fair value (market value) using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

e. Debtors and current assets

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

LORD CREWE'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

f. Creditors and provisions for liabilities and charges

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

g. Income recognition

All incoming resources are recognised in the year they are earned, once the Charity has entitlement to the resources, it is probable that the resources will be received and the monetary value of the incoming resources can be measured with sufficient reliability. All incoming resources receivable from Endowment assets are recognised as unrestricted income in the accounts.

h. Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Grants have been made in accordance with the provisions of the Will of Lord Crewe and the various schemes approved by the Charity Commission. Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

i. Allocation of overhead and support costs

Overhead, support and governance costs relating to charitable activities have been apportioned to each activity based on the number of individual grant awards.

j. Governance costs

Governance costs comprise all costs involving the accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

k. Expenditure on investment properties

Expenditure to repair or maintain investment properties is expensed to the Statement of Financial Activities in the year in which it is incurred. Expenditure on properties of a capital nature over £1,000 is capitalised. Such additions to investment properties are not depreciated, in line with accounting standards.

l. Extraordinary repair fund

The Extraordinary Repair Fund is a designated Fund and is maintained for the purpose of providing for extraordinary repairs, improvements or rebuilding of properties of the Charity.

m. Lord Crewe's Libraries and Archives Trust (previously called Dr. Sharp's Trust)

The books and property of the Libraries and Archives Trust are not regarded as fixed assets and do not appear in the Balance Sheet of the Trust. The investments and other net assets of the Trust are included in the Balance Sheet and the Personal Estate Account and Revenue Account of the Trust are treated as Restricted Funds.

The Libraries and Archives Trust is a separate charity (1155101-3) that is linked to the Lord Crewe's Charity and is treated as forming part of this Charitable Incorporated Organisation under part 8 (accounting) of the Charities Act 2011.

LORD CREWE'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

n. Heritage assets

Heritage assets are tangible assets with historical, artistic or scientific importance that are held to advance preservation or conservation objectives.

The Trustees consider that some books and property of the Libraries and Archives Trust, the Bamburgh library and the Lord Crewe records held at the Northumberland Archives in Woodhorn fall under the definition of Heritage assets. These assets have not been capitalised as valuations for them cannot be obtained at a cost which is commensurate with the benefits to users of the financial statements.

o. Pension Scheme

The Charity provides an employer pension scheme. The scheme is a defined contribution scheme. Contributions to defined contributions plans are recognised as an expense in the period in which the related service is provided.

2. Charity status and charitable objects

The Lord Crewe's Charity is a Charitable Incorporated Organisation registered in the UK under the 1960 Charities Act and is accorded exemption from liability to taxation on its income under S521 to 536 Income Tax Act 2007. The Libraries and Archives Trust is a linked charity. The Lord Crewe's Charity exists to apply the income arising from land and assets of the Charity in accordance with its new constitution registered on 20 December 2013.

3. Investment Income

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
Total income from properties	1,499,068	-	-	1,499,068	1,337,354
Income from Listed Investments and deposits					
Dividends and interest on listed investments	342,875	-	-	342,875	324,968
Total income from listed investments and deposits	342,875	-	-	342,875	324,968
Total Investment Income	1,841,943	-	-	1,841,943	1,662,322
2022	1,662,322	-	-	1,662,322	

4. Other Income

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
Other Income	28,494	-	-	28,494	8,982
	28,494	-	-	28,494	8,982
2022	8,982	-	-	8,982	

Included in Other Income is £23,000 cash received from Lord Crewe's Apprenticeship Fund (charity number 527409) and Lord Crewe's Durham Educational Foundation (charity number 527337) upon their closure and merger with the Charity.

LORD CREWE'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

5. Investment management costs

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£	£
Property costs	424,768	-	-	424,768	346,080
Travel and subsistence related costs	1,003	-	-	1,003	1,524
Subscriptions	4,100	-	-	4,100	2,251
Accountancy - property related	680	-	-	680	922
Professional fees - property related	232,650	-	-	232,650	184,111
Professional fees - other investments	33,484	319	22,883	56,686	55,950
	<u>696,685</u>	<u>319</u>	<u>22,883</u>	<u>719,887</u>	<u>590,838</u>
2022	<u>568,855</u>	<u>302</u>	<u>21,681</u>	<u>590,838</u>	

LORD CREWE'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

6. Allocation of support costs and overheads

The breakdown of support costs and how these were allocated is shown below:

Charitable Activities	Unrestricted activities	Restricted activities	Total activities	2022 Total	Basis of apportionment
	£	£	£	£	
Office	561	-	561	1,578	Cost and usage
Communications	30,562	-	30,562	5,160	Cost and usage
Printing, postage and stationery	1,465	-	1,465	1,955	Cost and usage
Management	26,351	-	26,351	24,230	Cost and usage
Accountancy	6,124	-	6,124	8,294	Staff time
Tercentenary	334	-	334	35,787	Cost and usage
Libraries and archives	-	6,422	6,422	5,783	Specific
Governance costs	16,718	-	16,718	20,989	Cost
	<u>82,115</u>	<u>6,422</u>	<u>88,537</u>	<u>103,776</u>	

The total support cost attributable to charitable activities is apportioned *pro rata* to the number of grants awarded:

	£
Payments under the Will and to Lincoln College Oxford	4,591
Educational support of clergy dependants	14,657
Diocese support	1,413
Clergy support	6,534
Libraries and Archives	7,658
Grants to other institutions	1,413
Tercentenary grants	52,271
Total charitable activities costs	<u>88,537</u>

The £7,658 allocated to the Libraries and Archives activity is classified as restricted expenditure within the accounts.

Analysis of governance costs	Total Funds 2023	Total Funds 2022
	£	£
Trustees' expenses and meetings costs	2,299	2,159
Audit Fee current year	10,500	7,000
Professional and Legal fees	3,919	11,830
	<u>16,718</u>	<u>20,989</u>

LORD CREWE'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

7 Analysis of charitable activities expenditure

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
Payments under the Will and to Lincoln College Oxford:					
grant funded activity	156,370	-	-	156,370	141,370
support costs and overheads	4,591	-	-	4,591	5,444
	<u>160,961</u>	<u>-</u>	<u>-</u>	<u>160,961</u>	<u>146,814</u>
Educational support of clergy dependants:					
grant funded activity	111,117	-	-	111,117	119,656
support costs and overheads	14,657	-	-	14,657	16,751
	<u>125,774</u>	<u>-</u>	<u>-</u>	<u>125,774</u>	<u>136,407</u>
Diocese support					
grant funded activity	350,000	-	-	350,000	317,062
support costs and overheads	1,413	-	-	1,413	1,466
	<u>351,413</u>	<u>-</u>	<u>-</u>	<u>351,413</u>	<u>318,528</u>
Clergy support:					
grant funded activity	67,250	-	-	67,250	33,500
support costs and overheads	6,534	-	-	6,534	4,607
	<u>73,784</u>	<u>-</u>	<u>-</u>	<u>73,784</u>	<u>38,107</u>
Libraries and Archives:					
grant funded activity	-	28,000	-	28,000	24,000
direct costs	-	7,800	-	7,800	6,000
support costs and overheads	-	7,658	-	7,658	7,249
	<u>-</u>	<u>43,458</u>	<u>-</u>	<u>43,458</u>	<u>37,249</u>
Grants to other institutions					
grant funded activity	37,200	-	-	37,200	16,000
support costs and overheads	1,413	-	-	1,413	418
	<u>38,613</u>	<u>-</u>	<u>-</u>	<u>38,613</u>	<u>16,418</u>
Tercentenary Grants					
grant funded activity	211,375	-	-	211,375	1,591,333
support costs and overheads	52,271	-	-	52,271	67,841
	<u>263,646</u>	<u>-</u>	<u>-</u>	<u>263,646</u>	<u>1,659,174</u>
Total costs of charitable activities	<u>1,014,191</u>	<u>43,458</u>	<u>-</u>	<u>1,057,649</u>	<u>2,352,697</u>
2022	<u>2,315,448</u>	<u>37,249</u>	<u>-</u>	<u>2,352,697</u>	

The support costs and overheads of £7,658 allocated to the Libraries and Archives activities includes £6,422 detailed as restricted activities and £1,236 detailed as restricted support costs.

LORD CREWE'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

8. Trustees' remuneration and related party transactions

Trustees received no emoluments in the year (2022: £nil). Travel and accommodation expenses reimbursed to two trustees, in the year totalled £739 (2022 two trustees: £1,359).

The Venerable R Cooper is a Trustee of the Charity. He received an education grant of £2,310 in 2023 (2022: £2,585) and a fuel support grant of £750 (2022: £1,500).

The Rector of Lincoln College, Oxford is a trustee of the Charity. Under the terms of the will, scholarships and bursaries were paid to undergraduates and graduates of Lincoln College totalling £150,000 in 2023 (2022: £135,000) in addition to a grant for Tercentenary projects of £Nil (2022: £600,000). Other Trustees (the three Archdeacons) have an institutional interest in the Dioceses of Durham and of Newcastle. In 2023 annual grants of £140,000 (2022: £120,000) was paid to Newcastle Diocese and £210,000 (2022: £197,062) to Durham Diocese in addition to grants for Tercentenary projects of £100,000 (2022: £400,000) and £Nil (2022: £285,778) respectively. On all occasions Trustees declare any institutional interest and take no part in the voting of such grants.

LORD CREWE'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

9. Comparative for Statement of Financial Activities

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£
Income and endowments from:				
Donations and Legacies	-	-	-	-
Investments	1,662,322	-	-	1,662,322
Other	8,982	-	-	8,982
Total income and endowments	1,671,304	-	-	1,671,304
Expenditure on:				
<i>Raising funds:</i>				
Investment management costs	568,855	302	21,681	590,838
<i>Charitable activities:</i>				
Payments under the Will and to Lincoln College Oxford	146,814	-	-	146,814
Educational support of clergy dependants	136,407	-	-	136,407
Diocese support	318,528	-	-	318,528
Clergy support	38,107	-	-	38,107
Maintenance of Library	-	37,249	-	37,249
Miscellaneous charitable giving	1,675,592	-	-	1,675,592
Total cost of charitable activities	2,315,448	37,249	-	2,352,697
Total Expenditure	2,884,303	37,551	21,681	2,943,535
Net gains on investments	(845,781)	(8,036)	1,334,327	480,510
Net income/(expenditure)	(2,058,780)	(45,587)	1,312,646	(791,721)
Transfer between funds	(353,039)	37,249	315,790	-
Net movement in funds	(2,411,819)	(8,338)	1,628,436	(791,721)
Reconciliation of funds:				
Total fund brought forward	6,755,028	64,680	45,915,249	52,734,957
Total funds carried forward	4,343,209	56,342	47,543,685	51,943,236

LORD CREWE'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

10. Fixed Asset Investments

10a. Unquoted Investments - Investment property

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£	£
Valuation as at 1 January 2023	-	-	42,157,719	42,157,719	39,947,874
Additions	-	-	21,158	21,158	315,790
Proceeds from disposals	-	-	(632,537)	(632,537)	(17,000)
Net increase on disposals and revaluations	-	-	2,311,398	2,311,398	1,911,055
Valuation as at 31 December 2023	-	-	43,857,738	43,857,738	42,157,719
Cost as at 31 December 2023	-	-	3,940,865	3,940,865	3,919,707

An informal valuation of the properties was carried out by Savills as at 31 December 2023 and the property valuations included in the accounts as at this date. Properties were valued at Open Market Value.

10b. Quoted Investments

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£	£
Investments at market value 1 January 2023	5,952,392	56,342	4,043,446	10,052,180	11,536,504
Cash withdrawn	-	-	(675,000)	(675,000)	-
Management fees	(31,884)	(319)	(22,883)	(55,086)	(53,779)
Investment gains/(losses) on disposals and revaluations	32,809	328	23,547	56,684	(1,430,545)
Investments at market value 31 December 2023	5,953,317	56,351	3,369,110	9,378,778	10,052,180
Cost as at 31 December 2023	4,824,258	48,245	3,462,324	8,334,827	8,850,977

Analysis of investments at market value

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£	£
Quoted Investments	5,953,317	56,351	3,369,110	9,378,778	10,052,180
	5,953,317	56,351	3,369,110	9,378,778	10,052,180

Financial instruments measured at fair value equivalent to market value comprise quoted investments. The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report. The main risk to the Charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. Market conditions may limit the investment options available at any one time within the Charity's stated policy on risk and return.

As an organisation which has existed since 1721 and which in addition to its investment portfolio has large holdings of agricultural, commercial and residential property, the Charity is not solely reliant on dividend income from the investment portfolio and in general takes a long term view on investment policy and performance. The Charity manages these investment risks by retaining expert investment managers who manage the portfolio on a discretionary basis, with regular reporting to trustees and information provided electronically and available on line on at least a monthly basis. In addition the Trustees retain an independent investment adviser to assist them in monitoring and assessing the performance of the investment managers.

LORD CREWE'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

11. Fund transfers

Transfers of £43,458 (2022: £37,249) have been made from unrestricted funds to the Libraries and Archives Trust Restricted Fund, representing the maintenance of the Durham and Newcastle Sharp Libraries.

Transfers of £21,158 (2022: £315,790) have been made from unrestricted funds to the Endowment Fund, representing the additions to the property portfolio.

12. Debtors

	Total Funds 2023 £	Total Funds 2022 £
Prepayments	3,420	7,030
Accrued income	46,114	48,595
Amounts due from tenants	8,474	42,716
	<u>58,008</u>	<u>98,341</u>

All debtors relate to Unrestricted Funds.

13. Creditors - Amounts falling due within one year

	Total Funds 2023 £	Total Funds 2022 £
Accruals and sundry creditors	361,084	816,191
Trade creditors	23,363	44,430
Payroll taxes and Value Added Tax	22,976	4,365
Deferred Income	72,035	67,765
Tenants' bonds	64,881	63,369
	<u>544,339</u>	<u>996,120</u>

All creditors relate to Unrestricted Funds.

13a. Deferred Income

	Total Funds 2023 £	Total Funds 2022 £
Deferred Income b/fwd	67,765	55,066
Deferred in the year	72,035	67,765
Released in the year	(67,765)	(55,066)
	<u>72,035</u>	<u>67,765</u>

Deferred income relates to rental income received in advance.

LORD CREWE'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

14. Endowment Fund

	Balance as at 1 January	Amounts Expended	Gains / (Losses) on investments	Transfers	Balance as at 31 December
	2023				2023
	£	£	£	£	£
Personal Estate	47,543,685	(22,883)	2,334,945	21,158	49,876,905
	Balance as at 1 January	Amounts Expended	Gains / (Losses) on investments	Transfers	Balance as at 31 December
	2022				2022
	£	£	£	£	£
Personal Estate	45,915,249	(21,681)	1,334,327	315,790	47,543,685

The Personal Estate comprises the endowed properties set out in the Schedule to the Scheme of 8 August 1974, together with expenditure incurred: 1996 £118,630, 2017 £60,584, 2018 £204,466, 2019 £212,309, 2020 £318,965, 2021 £305,413, 2022 £315,790, 2023 £21,158, which enhanced the capital value of investment properties of the Personal Estate. All profits realised on disposals of property are added to the Personal Estate Account.

15. Restricted Funds

	Balance as at 1 January	Incoming Restricted funds	Outgoing Restricted funds	Gains / (Losses) on investments	Transfers	Balance as at 31 December
	2023					2023
	£	£	£	£	£	£
Libraries & Archives Trust Fund:						
Personal Estate Account	29,128	-	-	-	-	29,128
Revenue Account	27,214	-	(43,777)	328	43,458	27,223
	56,342	-	(43,777)	328	43,458	56,351
	Balance as at 1 January	Incoming Restricted funds	Outgoing Restricted funds	Gains / (Losses) on investments	Transfers	Balance as at 31 December
	2022					2022
	£	£	£	£	£	£
Libraries & Archives Trust Fund:						
Personal Estate Account	29,128	-	-	-	-	29,128
Revenue Account	35,552	-	(37,551)	(8,036)	37,249	27,214
	64,680	-	(37,551)	(8,036)	37,249	56,342

The Scheme of 8 August 1974 provides for the upkeep and provision of accommodation for the library of Dr Sharp. The income arising from the Personal Estate investments is primarily to be applied to this purpose. Surplus revenue is accounted for within the Revenue Account.

LORD CREWE'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

16. Designated Funds

	Balance as at 1 January	Designations from Revenue	Expenditure movements	Gains / (Losses) on investments	Transfers	Balance as at 31 December
	2023					2023
	£	£	£	£	£	£
Extraordinary Repair Fund	250,000	-	-	-	-	250,000
	250,000	-	-	-	-	250,000

	Balance as at 1 January	Designations from Revenue	Expenditure movements	Gains / (Losses) on investments	Transfers	Balance as at 31 December
	2022					2022
	£	£	£	£	£	£
Extraordinary Repair Fund	250,000	-	-	-	-	250,000
	250,000	-	-	-	-	250,000

The Trustees have been directed by the Charity Commissioners by an Order dated 30 November 1992 that the Extraordinary Repair Fund shall be maintained by transfer to it, out of the Charity's income, of such annual sum sufficient for the purposes of the Fund which is to provide for extraordinary repairs, improvements or rebuilding of property of the Charity. The Extraordinary Repair Fund can be expended on Permanent Endowment property in almost any way. The expenditure could include adding extensions to existing buildings. The fund was reclassified as a designated fund during the year ended 31 December 2005.

17. Summary of Funds

	Note	Funds brought forward 1 January 2023	Incoming resources	Expenditure	Transfers	Gains / (losses)	Funds carried forward 31 December 2023
		£	£	£	£	£	£
Unrestricted funds							
General		4,093,209	1,870,437	(1,710,876)	(64,616)	32,809	4,220,963
Designated	16	250,000	-	-	-	-	250,000
		4,343,209	1,870,437	(1,710,876)	(64,616)	32,809	4,470,963
Restricted funds	15	56,342	-	(43,777)	43,458	328	56,351
Endowment funds	14	47,543,685	-	(22,883)	21,158	2,334,945	49,876,905
Total funds		51,943,236	1,870,437	(1,777,536)	-	2,368,082	54,404,219

LORD CREWE'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

17. Summary of Funds - continued

	Funds brought forward 1 January 2022 £	Incoming resources £	Expenditure £	Transfers £	Gains / (losses) £	Funds carried forward 31 December 2022 £
Unrestricted funds						
General	6,505,028	1,671,304	(2,884,303)	(353,039)	(845,781)	4,093,209
Designated	250,000	-	-	-	-	250,000
	<u>6,755,028</u>	<u>1,671,304</u>	<u>(2,884,303)</u>	<u>(353,039)</u>	<u>(845,781)</u>	<u>4,343,209</u>
 Restricted funds	 64,680	 -	 (37,551)	 37,249	 (8,036)	 56,342
Endowment funds	45,915,249	-	(21,681)	315,790	1,334,327	47,543,685
	<u>52,734,957</u>	<u>1,671,304</u>	<u>(2,943,535)</u>	<u>-</u>	<u>480,510</u>	<u>51,943,236</u>

18. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2023 £	2022 £
Net income	2,460,983	(791,721)
Adjustments for:		
Other investments management charges	55,086	53,779
(Gains) / Losses on investments	(2,368,082)	(480,510)
Dividends, interest and rents from investments	(1,870,437)	(1,671,304)
Decrease/(increase) in debtors	55,266	(10,321)
Increase/(decrease) in creditors	(451,781)	682,328
Net cash used in operating activities	<u>(2,118,965)</u>	<u>(2,217,749)</u>

19. Financial commitments

Financial commitments entered into at the end of the financial year were as follows:	2023 £	2022 £
Contracted for but not provided for in the accounts	<u>79,245</u>	<u>90,599</u>

20. Grant Commitments

Grants awarded for payment in subsequent years, subject to certain conditions that are required to be met, therefore are not included in year end liabilities.	2023 £	2022 £
Education Grants awarded for payment in January and May 2024	107,016	58,670
Fuel Support Grants awarded for payment in 2023	-	115,500
Tercentenary Grants awarded for payment in 2023 and 2024:		
Durham Diocese - Hartlepool Project	49,175	49,175
Durham Diocese - Jarrow Debt Advice Project	42,000	42,000
Newcastle Diocese - Youth & Children's Work Project	100,000	200,000
	<u>298,191</u>	<u>465,345</u>

LORD CREWE'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

21. Contingent Liabilities

Contingent liabilities can exist in connection with tenants' improvements to properties where a change of tenant arises. In these circumstances, depending on the age and nature of the lease, the Trustees, as landlord, may be obliged to purchase the benefit of the outgoing tenant's improvements at an agreed value.

As at 31 December 2023 there were no immediate contingent liabilities of which the Trustees were aware in connection with agricultural leases. No contingent liabilities existed in respect of other leases.

22. Heritage Assets

As disclosed in Note 1 (Accounting policies), the Trustees consider that three categories of assets are Heritage Assets and can be summarised as follows:

Asset category	Details
Sharp Library	Mostly modern books held for theological research.
Bamburgh Library	The library comprises of music books and manuscripts and early printed works.
Archives at Woodhorn, the Northumberland Archives	This comprises maps and estate records dating from 1709 to the late 1900s.

The two Sharp Libraries (Durham and Newcastle) provide access to extensive collections of modern theology books for clergy, ordinands, and other Diocesan academic readers who may not have access to the libraries of University departments or other Higher Education institutions. They are also accessible to Theology students in addition to their academic libraries.

The Bamburgh Library held in the Special Collections Department of Durham University Library at Palace Green is an historic library of similar significance to the neighbouring Bishop Cosin's Library. The Bamburgh Library has its origins in the holdings of the Sharp family. These were partly sold to and partly gifted to the Trustees by Archdeacon Sharp in the late eighteenth century. It operated as a public lending library in Bamburgh Castle, even after the sale of the castle to Lord Armstrong. In 1958 it was moved to Durham. It includes notable collections of early science, history and anti-slavery literature, with volumes from the 17th Century onwards and a number of medieval manuscripts. The collection is of considerable academic and historical interest.

The Bamburgh Music Collection held at Durham Cathedral Library comprises around 40 music manuscripts, including secular and sacred, vocal and instrumental items. These are largely 17th and 18th century and were copied either by or for members of the Sharp family. They also include some music from the collection of the Hon. Edward Finch (1664-1738).

The Trustees consider that obtaining valuations for the books and other heritage assets in its care would involve disproportionate costs compared with the benefits derived by users of the accounts. Consequently no values are attributed to heritage assets in the balance sheet.

Further information relating to the management of and access to the assets is provided within the Activities for Achieving Objectives section of the Trustees' Report.