

Registered Charity No. 1173336
Registered Company No. 10654855 (England & Wales)

Fairy Water Trust
Trustees' report and financial statements
Year ended 31 March 2024

Fairy Water Trust

Contents

	Page
Trustees' and charity information	1
Trustees' report	2
Independent auditor's report	5
Statement of financial activities	9
Balance sheet	10
Notes to the financial statements	11

Fairy Water Trust

Trustees' and charity information

Trustees	Mark Tellwright Anna Cockell Tiger Tellwright Cockell Finbar Tellwright Cockell Eric Young
Registered address	71 Queen Victoria Street London EC4V 4BE
Charity number	1173336
Company number	10654855
Independent auditors	Saffery LLP 71 Queen Victoria Street London EC4V 4BE
Bankers	Handelsbanken plc 125 Kensington High Street London W8 5SF
Investment managers	S&T Wealth Management 5 St James's Place London SW1A 1NP

Fairy Water Trust

Trustees' report

Year ended 31 March 2024

The trustees (known as directors under company law) present their annual report and financial statements for the charity for the year ended 31 March 2024.

Legal status and constitution

Fairy Water Trust is a company limited by guarantee. It was incorporated on 6 March 2017 and is governed by its Memorandum and Articles of Association, dated 6 March 2017 and subsequently amended on 26 March 2021.

Structure, governance and management

The trustees that served during the year are shown on page 1.

Trustees are recruited and appointed in accordance with the charity's governing document and with relevant legislation.

Objectives and activities

The charity's objects are:

1. For the public benefit to advance such other exclusively charitable objects and purposes as the Directors may in their discretion think fit.

In planning the activities of the charity the trustees have given due regard to the Charity Commission's guidance on public benefit.

Achievements and performance

Regular grant making continued during the year, with a total of £40,000 being given throughout the year.

The Trustees intend to increase this to £50,000 in the coming financial year as well as supporting fundraising endeavours by friends and family.

The Living Upland project continues from strength to strength. Its objective is to promote responsible management of upland areas. In the last year it has completed the Naturally Nature Project in conjunction with various wildlife trusts, including Durham and Tees Valley.

It is also involved in promoting the first Biodiversity net Gain scheme in the Upper Pennines, working with Durham County Council ecology department.

Other projects include bird and mammal studies.

Financial review

The statement of financial activities on page 9 sets out the results of the charity for the year.

The charity received total income and endowments of £347,532 (2023: £269,469) during the year. Total expenditure was £162,392 (2023: £138,562), including £40,000 on grants to institutions (2023: £46,250).

Fairy Water Trust

Trustees' report (continued) **Year ended 31 March 2024**

At the year end the charity had total funds of £4,491,915 (2023: £2,546,043), including unrestricted funds of £268,582 (2023: £129,211), restricted funds of £126,583 (2023: £72,632) and expendable endowment of £4,096,750 (2023: £2,344,200).

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Reserves policy

At 31 March 2024, the reserves of the charity comprised the unrestricted fund, a restricted fund and the expendable endowment fund. The expendable endowment fund was established with a significant donation from the Founder in April 2018.

At the year end the charity had free reserves of £267,171 (2023: £127,033). The trustees are satisfied with the level of free reserves held.

At present the trustees do not consider it necessary to maintain substantial reserves in the unrestricted fund.

Investment policy

S&T continue to manage the share portfolio and provide regular updates to the Trustees.

A balanced approach between income and capital growth has been adopted. The Charity wishes to attempt to maintain the capital value of the Investment Funds at least in line with current inflation rates. The Trustees have been closely monitoring investments throughout the year.

The property at Royston continues to be managed by Savills and the Trustees have received a revised valuation during the course of this year. The market appears to remain strong in this location.

Risk management

The trustees have examined the major strategic, business, and operational risks which the charity faces and confirm that systems have been, or will be, established to enable the necessary steps to be taken to lessen these risks. The Trustees continued to take advice on major strategic, business, and operational risks to lessen these risks.

Due to the continued uncertainty in the investment and financial markets, investment activity was minimal.

The Trustees continue to monitor this with the objective of increasing the grant making programme.

Related parties

The charity has a 100% owned subsidiary, Fairy Water Trading Limited, which was incorporated on 21 November 2017. Since incorporation the subsidiary has been dormant.

On 20 November 2020, a 100% owned subsidiary, Living Uplands Limited, was incorporated and is currently dormant.

Fairy Water Trust

Trustees' report (continued) Year ended 31 March 2024

Future plans

The Trustees have agreed that over the next three years, they will provide substantial ongoing support to several charities to make a real difference. These charities will include Seaview Sailing Trust and Ronald McDonald House and CALM.

Statement of trustees' responsibilities

The trustees (who are also directors of Fairy Water Trust for the purposes 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

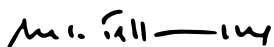
The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of the information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the board of trustees on 29th January 2025 and signed on its behalf by:


.....

Mark Tellwright
Trustee

Independent auditor's report to the members
Year ended 31 March 2024

Opinion

We have audited the financial statements of Fairy Water Trust for the year ended 31 March 2024 which comprise statement of financial activities, balance sheet 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 charitable company's state of affairs as at 31 March 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 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 charitable company 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 charitable company'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. 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

Fairy Water Trust

Independent auditor's report to the members (continued) **Year ended 31 March 2024**

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 the audit:

- the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where 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 to take advantage of the small companies exemption in preparing the Trustees' Annual Report and the Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on 4, the trustees (who are also directors of the charitable company for the purposes 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 charitable company'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 to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Independent auditor's report to the members (continued)
Year ended 31 March 2024

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material

Fairy Water Trust

Independent auditor's report to the members (continued) Year ended 31 March 2024

misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

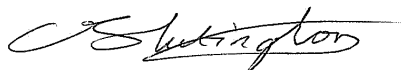
A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters

The financial statements of the charitable company for the year ended 31 March 2023 were unaudited as the charitable company took advantage of relevant exemptions from audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Cara Turtington (Senior Statutory Auditor)
for and on behalf of Saffery LLP

Statutory Auditors 71 Queen Victoria Street
 London
 EC4V 4BE

Date: 30 January 2025

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Fairy Water Trust

Statement of financial activities (incorporating the income and expenditure account)
Year ended 31 March 2024

		Unrestricted funds £	Restricted funds £	Expendable endowment funds £	Total funds 2024 £	Total 2023 £
	Note					
Income and endowments from						
Donation income	2	-	99,776	-	99,776	49,905
Investment income		20,135	-	-	20,135	14,564
Rental income		205,000	-	-	205,000	205,000
Other income		22,621	-	-	22,621	-
Total income and endowments		247,756	99,776	-	347,532	269,469
Expenditure:						
Raising funds		45,132	-	8,182	53,314	40,423
Expenditure on charitable activities		63,253	45,825	-	109,078	98,139
Total expenditure	3	108,385	45,825	-	162,392	138,562
Gain/(loss) on investments	5	-	-	26,581	26,581	(36,665)
Gain on investment property	6	-	-	1,734,151	1,734,151	-
Net income		139,371	53,951	1,752,550	1,945,872	94,242
Transfer between funds		-	-	-	-	-
Net movement on funds		139,371	53,951	1,752,550	1,945,872	94,242
Total funds brought forward		129,211	72,632	2,344,200	2,546,043	2,451,801
Total funds carried forward		268,582	126,583	4,096,750	4,491,915	2,546,043

The notes on pages 11 to 20 form part of these financial statements.

The statement of financial activities contains all recognised gains and losses for the financial period.

The results for the period all relate to continuing activities.

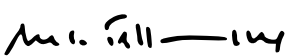
Fairy Water Trust

Balance sheet As at 31 March 2024

		2024 £	2023 £
	Note		
Fixed assets			
Intangible assets	4	1,408	2,175
Investments	5	491,776	456,929
Investment property	6	4,000,000	2,265,849
		<u>4,493,184</u>	<u>2,724,953</u>
Current assets			
Debtors	7	61,500	-
Cash at bank		363,227	242,277
		<u>424,727</u>	<u>242,277</u>
Current liabilities			
Creditors: amounts falling due within one year	8	(79,330)	(74,521)
		<u>345,397</u>	<u>167,756</u>
Net current assets			
Creditors: due in more than one year	9	(346,666)	(346,666)
		<u>4,491,915</u>	<u>2,546,043</u>
Net assets			
Charity funds			
Expendable endowment fund		4,096,750	2,344,200
Restricted fund		126,583	72,632
Unrestricted funds		268,582	129,211
Total funds	10	<u>4,491,915</u>	<u>2,546,043</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the trustees on 29th January 2025 and signed on their behalf by:


.....

Mark Tellwright

Trustee

Company registration number 10654855

The notes on pages 11 to 20 form part of these financial statements.

1. Accounting policies

1.1 Company information

Fairy Water Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is 71 Queen Victoria Street, London, EC4V 4BE.

1.2 Accounting convention

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The charity constitutes a public benefit entity as defined under FRS 102.

The trustees have considered the ability of the charity to continue as a going concern. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

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

1.3 Members

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is £1 per member of the charity. At 31 March 2024, the total of such guarantees was £5 (2023: £5).

1.4 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donation income is recognised in the year in which the charity is entitled to receipt and the amount can be measured with reasonable certainty.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All costs can be directly attributed to an expense category.

1.6 Taxation

Fairy Water Trust is a registered charity and as such is not liable to corporation tax on its income derived wholly from charitable activities.

1.7 Intangible assets

Expenditure on intangible assets are capitalised at cost. Amortisation is provided to write off the cost less the residual value over the expected useful life as follows:

Website	Over 5 years on a straight-line basis
---------	---------------------------------------

1.8 Investments

Investments in subsidiaries are shown at cost on the charity balance sheet.

Other financial investments are stated at fair value (mid market value) at the balance sheet date. Realised and unrealised gains and losses on investments are included in the statement of financial activities.

1.9 Investment properties

Investment properties are initially recognised at cost. Subsequently they are recognised at fair value.

1.10 Funds

Unrestricted funds are donations and other income receivable or generated for the objects of the charity without specified purpose.

Restricted funds are amounts which are specified by the donor to be used solely for particular projects undertaken by the charity.

The expendable endowment represents donations from the Founder. The trustees have the power to convert endowment funds into income and it is therefore classified as an expendable endowment.

1.11 Financial instruments

The charity only has financial instruments 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. The charity does not currently have any bank loans.

Notes to the financial statements (continued)
Year ended 31 March 2024

1.12 Judgements and estimates

In the application of the 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.

The most significant estimate is considered to be the fair value of the investment property.

2. Donation income

Current year	Unrestricted funds	Restricted funds	Expendable endowment funds	Total	Total and restricted funds
	2024	2024	2024	2024	2023
	£	£	£	£	£
Donations	-	92,276	-	92,276	41,155
Gift aid income	-	7,500	-	7,500	8,750
	-	99,776	-	99,776	49,905

Comparative year	Unrestricted funds	Restricted funds	Expendable endowment funds	Total funds
	2023	2023	2023	2023
	£	£	£	£
Donations	-	41,155	-	41,155
Gift aid income	-	8,750	-	8,750
	-	49,905	-	49,905

Fairy Water Trust

Notes to the financial statements (continued) Year ended 31 March 2024

3. Expenditure

	2024	2023
	£	£
Expenditure on raising funds		
Investment management fees	8,182	5,770
Property Costs	19,593	5,092
Loan Interest	25,539	29,561
	<u>53,314</u>	<u>40,423</u>
Expenditure on charitable activities		
<i>Grants</i>		
Marine, wildlife and sailing	10,000	10,000
Children's Charities	10,000	15,000
Mental health charities	10,000	-
Refugee Charities	-	5,000
Sports Charities	-	2,500
Medical & Research Charities	2,500	8,750
Community Schools	2,500	-
Other Charities	5,000	5,000
<i>Direct costs</i>		
Project costs	45,825	39,496
<i>Support costs</i>		
Bank charges	139	3,191
Subscription costs	53	-
Legal and professional fees	7,423	252
Amortisation	767	767
Governance: audit and accountancy	14,871	8,182
	<u>23,253</u>	<u>12,392</u>
Total expenditure	<u>162,392</u>	<u>138,562</u>

The charity had no direct employees in the year (2023: none).

No trustee received any remuneration during the period, nor were any trustee expenses reimbursed. The trustees are considered to be the key management personnel of the charity.

Office space is provided by one of the trustees. The value of this gift in kind is considered to be de minimis and therefore is not brought into these accounts.

Fairy Water Trust

Notes to the financial statements (continued) Year ended 31 March 2024

Accountancy and taxation services includes an auditor's fees (not including VAT) of:

- For the audit services £9,950 (2023: independent examination £2,250)
- For accounts preparation services £2,290 (2023: £2,200)
- For other services £870 (2023: £953)

All grants made during the year were paid to institutions.

The most significant grants in the year were:

- £10,000 Ronald McDonald House Charities
- £10,000 Seaview Sailing Trust
- £10,000 Campaign Against Living Miserably (CALM)

4. Intangible assets

	Website
Cost	£
Brought forward	3,837
Additions at cost	-
Carried forward	<u>3,837</u>
Amortisation	
Brought forward	1,662
Charge for the year	<u>767</u>
Carried forward	<u>2,429</u>
Net book value brought forward	<u>2,175</u>
Net book value carried forward	<u>1,408</u>

5. Investments

	Investments in subsidiaries	Other investments	Total
Valuation	£	£	£
Brought forward	3	456,926	456,929
Additions at cost	-	105,393	105,393
Disposals at proceeds	-	(57,167)	(57,167)
Gain/(loss) on investments	-	26,581	26,581
Increase/(decrease) in cash held by investment manager	-	(39,960)	(39,960)
	<u>3</u>	<u>491,773</u>	<u>491,776</u>

Fairy Water Trust

Notes to the financial statements (continued) Year ended 31 March 2024

Investments in subsidiaries

The charity owns 100% of the share capital in Fairy Water Trading Ltd (company registration number 11074077), a private company limited by shares and registered in England and Wales. The subsidiary has not traded to date and is a dormant company. The registered office of Fairy Water Trading Ltd is 71 Queen Victoria Street, London, EC4V 4BE.

The charity owns 100% of the share capital of Living Uplands Limited (company registration number 13035014), a private company limited by shares and registered in England and Wales. The subsidiary has not traded to date and is a dormant company. The registered office of Living Uplands Limited is 68 Grafton Way, London, W1T 5DS.

Other investments

Breakdown of other investments at market value:

	2024	2023
	£	£
Listed investments	488,329	413,522
Cash	3,444	43,404
	<u>491,773</u>	<u>456,926</u>
Historic cost of investments	<u>448,947</u>	<u>461,052</u>

6. Investment properties

	Investment property
	£
Brought forward	2,265,849
Unrealised gain/(loss)	<u>1,734,151</u>
Carried forward	<u>4,000,000</u>

The investment property purchase was completed in June 2021. The property is in the UK.

The Charity's investment properties are measured at fair value. The fair value of the investment property as at 31 March 2024 has increased to £4,000,000 based on a trustees' valuation at that date.

As a result of the bank loan (see note 8 and note 9), there is a fixed charge over the property by Handelsbanken Plc.

Fairy Water Trust

Notes to the financial statements (continued)
Year ended 31 March 2024

7. Debtors

	2024	2023
	£	£
Trade Debtors	61,500	-
	<u>61,500</u>	<u>-</u>

8. Creditors: amounts falling due within one year

	2024	2023
	£	£
Accruals	17,867	4,700
Deferred Income	51,250	51,250
Bank loan	-	-
Other creditors	3	3
VAT creditor	10,210	18,568
	<u>79,329</u>	<u>74,521</u>

9. Creditors: amounts due in more than one year

	2024	2023
	£	£
Bank loan	346,666	346,666
	<u>346,666</u>	<u>346,666</u>
The bank loan is due for repayment:		
In under one year (see note 8)	-	-
In 1-2 years	346,666	-
In 2-5 years	-	346,666
	<u>346,666</u>	<u>346,666</u>

As a result of the loan, Handelsbanken Plc have a fixed charge over the investment property. Interest rate on the loan is 2.5% over base rate. Interest payments are being made on a quarterly basis. The balance is due for repayment in May 2025.

Fairy Water Trust

Notes to the financial statements (continued)
Year ended 31 March 2024

10. Movement on funds

Current year	At 31 March 2023	Income	Expenditure	Gain on investments	Transfer	At 31 March 2024
Expendable endowment fund	2,344,200	-	(8,182)	1,760,732	-	4,096,750
Restricted fund:						
Living Uplands	72,632	99,776	(45,825)	-	-	126,583
Unrestricted funds	129,211	247,756	(108,385)	-	-	268,582
	<u>2,546,043</u>	<u>347,532</u>	<u>(162,392)</u>	<u>1,760,732</u>	<u>-</u>	<u>4,491,915</u>

Comparative year	At 31 March 2022	Income	Expenditure	Gain on investments	Transfer	At 31 March 2023
Expendable endowment fund	2,386,635	-	(5,770)	(36,665)	-	2,344,200
Restricted fund:						
Living Uplands	62,223	49,905	(39,496)	-	-	72,632
Unrestricted funds	2,943	219,564	(93,296)	-	-	129,211
	<u>2,451,801</u>	<u>269,469</u>	<u>(138,562)</u>	<u>(36,665)</u>	<u>-</u>	<u>2,546,043</u>

Restricted funds

Living Uplands – the charity works in partnership with other organisations to support a conservation and wildlife project, Living Uplands. This fund represents amounts received from third party donors specifically towards this project.

Fairy Water Trust

Notes to the financial statements (continued) Year ended 31 March 2024

11. Analysis of net assets by fund

Current year	Unrestricted funds	Restricted funds	Expendable endowment	Total 2024
	£	£	£	£
Intangible assets	1,408	-	-	1,408
Investments	3	-	4,491,773	4,491,776
Net current assets	267,171	126,583	(48,357)	345,397
Creditors over one year	-	-	(346,666)	(346,666)
Net assets	268,582	126,583	4,095,750	4,491,915
Comparative year	Unrestricted funds	Restricted funds	Expendable endowment	Total 2023
	£	£	£	£
Intangible assets	2,175	-	-	2,175
Investments	3	-	2,722,775	2,722,778
Net current assets	127,033	72,632	(31,909)	167,756
Creditors over one year	-	-	(346,666)	(346,666)
Net assets	129,211	72,632	2,344,200	2,546,043

12. Related party transactions

During the year, donations from the trustees totalled £52,118 (2023: £nil) all of which were restricted to the Living Uplands project.

Notes to the financial statements (continued)
Year ended 31 March 2024

13. Comparative statement of financial activities

	Unrestricted funds £	Restricted funds £	Expendable endowment funds £	Total 2023 £
Income and endowments from				
Donation income	-	49,905	-	49,905
Investment income	14,564	-	-	14,564
Rental income	205,000	-	-	205,000
Total income and endowments	219,564	49,905	-	269,469
Expenditure:				
Raising funds	34,653	-	5,770	40,423
Expenditure on charitable	58,643	39,496	-	98,139
Total expenditure	93,296	39,496	5,770	138,562
Gain/(loss) on investments	-	-	(36,665)	(36,665)
Net (expenditure)/ income	126,268	10,409	(42,435)	94,242
Transfer between funds	-	-	-	-
Net movement on funds	126,268	10,409	(42,435)	94,242
Total funds brought forward	2,943	62,223	2,386,635	2,451,801
Total funds carried forward	129,211	72,632	2,344,200	2,546,043