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**WRIGHT'S CLOCK LAND**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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WRIGHT'S CLOCK LAND

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**WRIGHT'S CLOCK LAND**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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|                                  |                                                                                                                                                      |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Trustees</b>                  | Mr D M Gant, Steward<br>Rev A Goodman<br>Mrs R R Kindred<br>Mrs P J Seddon<br>Mr D F Sheppard<br>Dr A G Tristram<br>Mr H A J White<br>Dr A Whitehead |
| <b>Charity registered number</b> | 1191655                                                                                                                                              |
| <b>Principal office</b>          | 7A Cow Lane<br>Fulbourn<br>Cambridge<br>CB21 5HB                                                                                                     |
| <b>Independent auditors</b>      | Peters Elworthy & Moore<br>Chartered Accountants<br>Salisbury House<br>Station Road<br>Cambridge<br>CB1 2LA                                          |
| <b>Bankers</b>                   | Lloyds Bank Plc<br>3 Sidney Street<br>Cambridge<br>CB2 3HQ                                                                                           |
| <b>Solicitors</b>                | Tees Law<br>Titan House<br>Castle Park<br>Cambridge<br>CB3 0AY                                                                                       |
| <b>Investment manager</b>        | McInroy & Wood<br>Easter Alderston<br>Haddington<br>EH41 3SF                                                                                         |
| <b>Investment manager</b>        | CCLA Investment Manager<br>Senator House<br>85 Queen Victoria St<br>London<br>EC4V 4ET                                                               |
| <b>Land Agents</b>               | Cheffins<br>1-2 Clifton Road<br>Cambridge<br>CB1 7EA                                                                                                 |

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**WRIGHT'S CLOCK LAND**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
(CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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|                            |                                                             |
|----------------------------|-------------------------------------------------------------|
| <b>Charity Law Adviser</b> | Keystone Law<br>48 Chancery Lane<br>London<br>WC2A 1JF      |
| <b>Investment advisers</b> | Yoke and Company<br>6 Normanhurst Road<br>London<br>SW2 3TA |

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## WRIGHT'S CLOCK LAND

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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The Trustees present their annual report together with the audited financial statements of Wright's Clock Land CIO for the year 1 January 2022 to 31 December 2022. The Trustees confirm that the Annual Report and financial statements comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

#### INTRODUCTION

In this report the expressions "we", "us", "our" refer to the Trustees.

All dates in this report are in 2022, unless shown otherwise.

All meetings were held face to face. Some decisions were made via email exchanges, the result of all such decisions were confirmed at the subsequent meeting. Minutes were taken and approved at all meetings.

#### TRUSTEES

The 8 Trustees of the CIO are the same as in 2021 (see page 1 for trustee details).

#### Appointment and recruitment of trustees

When a Trusteeship becomes vacant the following criteria apply when considering possible new candidates for Trustee:

- At least two of the charity trustees (other than the ex officio Rector) must be on the electoral roll of St Vigor and All Saints Church, Fulbourn.
- The gender balance must remain 4 male and 4 female.
- There should be a good age balance (the current average age is over 60, so we would appoint someone younger next time).

Then, fulfilling those 3 criteria, each Trustee considers possible candidates. Those Trustees who wish to, then put a candidate forward for consideration.

At a full meeting these candidates are discussed, and votes then taken to choose one (or more than one if more than one vacancy).

#### STATEMENT ON PUBLIC BENEFIT

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

#### OBJECTIVES AND ACTIVITIES

##### Policies and objectives

The CIO's Charitable Objects, registered with the Charity Commission on 14 April 2020 are:

1. The maintenance, cleaning, repair, alteration, renewal and improvement of the Clock and Bells and their associated equipment and the Tower containing them of the Parish Church of St Vigor with All Saints at Fulbourn Cambridgeshire and subject thereto
2. The maintenance, cleaning, repair, alteration, renewal and improvement of any other parts of the entirety of the buildings, fabric, fittings, furnishings facilities and equipment and the churchyard, graves, monuments and boundary walls of the said Parish Church

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## WRIGHT'S CLOCK LAND

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

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3. The advancement for the public benefit in the parish of St Vigor with All Saints Fulbourn of any or all of those purposes which are recognised as Charitable (according to the law of England and Wales) as the Trustees shall from time to time think fit by making grants both to organisations (including the Parochial Church Council of St Vigor with All Saints) and to individuals in the parish of St Vigor with All Saints Fulbourn.

#### **Activities**

##### ***Appointments***

Our accountants, solicitors, charity law adviser, land agents, bankers are the same as in 2021. Accountants: Peters, Elworthy and Moore (PEM); Solicitors: Tees Law; Charity Law adviser: Robert Meakin; Land agents: Cheffins; and Bankers: Lloyds

Cheffins gave an indicative value of our land ( "the back land"), as £200k. This was not a formal valuation (not RICS standard).

##### ***Investment***

Our investments continue to be approximately evenly split between the CCLA Ethical Investment Fund (c£9m) and McInroy & Wood in a segregated portfolio (c£9m) There was always some £400k in the Lloyds Online Banking for Business Account, available for grant making,.

##### ***Tenancy***

The 2 year Farming Business Tenancy (FBT) agreed with Ben Parker on 27 October 2021, at a peppercorn rent, continues until 2023.

#### **Closure of " Old Charity" – Wrights Clock Land 204069.**

As agreed by us in 2020, after instruction to do so, the Charity Commission reported that they had now closed this.

#### **Conflict of interest**

The Trustees agreed that the time to declare any conflict of interest was immediately at the start of the relevant agenda item – or even during any discussion, if an individual's conflict of interest became apparent. Financial conflict of interest is straightforward. The very nature of our charity, its connection with the Parish Church, meant Conflict of Loyalty was more problematic. Trustees agreed to discuss this further in 2023, perhaps considering some separation of the Charity from the church.

#### **REPORT ON GRANT MAKING**

During 2022, the Trustees agreed to a great variety of applications, some being "one-offs" and others recurring for 3 years. Not all of these resulted in actual payments in 2022.

The applications accepted were, in no particular order:

Institutions:

Fulbourn Primary School – classroom air purifiers and CO2 monitors. Staffing for Wednesday afternoon reopening and after school club.

Domino Pre-School – interactive screen.

Fulbourn Arts - costs of Winter Festival 2021.

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## WRIGHT'S CLOCK LAND

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

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Centre 33 – funding for 6 Young Carers living in Fulbourn Parish.

Head to Toe – Music Therapy at Fulbourn hospital, staffing and equipment. Part funding for café patio.

Fulbourn Scouts – demolition of old asbestos laden scout hut.

Fulbourn Forum - further financing of a documentary film on the current worrying state of our springs and streams; and planning enquiry fees.

St Vigors PCC - new heating system, solar panels on both transept roofs, a choir administrator and organist, music support for choirs, N transept roof works, payroll admin fees.

Save Fulbourn Fields – planning enquiry fees.

The Fulbourn Foundation of Elizabeth March – bursary for a PhD student

Bishops Charity – special case of need.

Fulbourn Cricket Club – new mower and cylinders.

Fulbourn Bowls Club - ground maintenance equipment.

Individuals:

Darwin Christmas bags (via Jane Cannon) - Christmas gifts for patients at Darwin Centre, Fulbourn Hospital.

#### FINANCIAL REVIEW

Investment income from listed investments increased to £383,007 during the year (2021: £334,371) The Charity made 32 grants in the year totalling £531,683 (2021: ten grants totalling £940,390). Further details are included in Note 5.

Management fees of £48,408 (2021: £37,246) were incurred for professional management of investment funds.

£400 was paid for clock winding – back payment for work done in 2021 (2021: £Nil). Support costs amounted to £12,225 (2021: £10,442).

The loss on investments amounted to £2,044,358 (2021: gain of £2,485,582).

At the year-end, the Charity had unrestricted funds totalling £17,805,413 (2021: £20,059,480).

The Charity does not carry out fundraising activities.

#### RISK REGISTER

A draft Risk Register was prepared in 2022 (and formally agreed, unchanged, in early 2023). It followed the templates provided by the Charity Commission, in structure, format and type of risks in the register.

#### INVESTMENT POLICY

##### Investment Policy Statement for Wright's Clock Land CIO

This Investment Policy has been formed to enable the trustees to appoint professional managers to provide services to the trustees for the management of its investments. The Investment Policy will be reviewed by the trustees periodically (not less than every three years) and incumbent managers will be made aware of any

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## WRIGHT'S CLOCK LAND

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

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changes which would affect their approach to investment.

The initial £18.5 million has been designated 70% (£13 million at the outset) as capital funds and 30% (£5.5 million at the outset) as an expendable income fund. The capital funds will be held in perpetuity and only the annual returns generated from them will be spent on charitable purposes. The capital funds have a very long-term investment horizon. The expendable income funds can be spent on charitable purposes and the trustees will maintain a plan for their future deployment which will determine the period(s) over which these sums are required and the requirement for future liquidity. If it is not required for designated projects, the excess expendable income will be invested in line with the capital funds and will contribute to the annual expendable income.

#### **Investment objective & investment approach**

The objective is to preserve the spending power (real value) of the capital funds over the long term, and to replace the annual withdrawal of spendable funds.

The trustees have adopted a total return approach to investment. The trustees will operate a spend rule to determine the long-term sustainable rate of consumption from annual total return.

The initial spend rule will be 3.25% (the spend rate) of the market value of the endowment, calculated as the average over 36 quarterly valuation points. The value created under this spend rule will be allocated to the income account from the unapplied total return.

The trustees will appoint professional investment managers who will have discretion to make and implement day-to-day investment decisions for that part of the investment funds for which they are responsible. The overall strategic approach will be agreed with the trustees at the outset of their appointment and will be reviewed with the trustees annually.

#### **Permissible investments**

The trustees will accept investment in any asset type or investment product that falls within the scope of permissible investments identified by the Charity Commission in its Guidance: Charities and investment matters: a guide for trustees

#### **Attitude to investment risk and appetite for risk**

The trustees accept that to achieve the long-term investment returns which they seek, it is necessary to accept certain market risks, particularly volatility, as investment cycles change. As a general principle, the trustees believe that liquid, traded assets are the most appropriate for the capital funds.

#### **Ethical considerations**

The trustees consider that investing in assets where the social, environmental and governance policies and practices of a company or the entity behind an investment (such as a sovereign state) are taken into consideration is both appropriate to the charity's ethos and should not impair the overall investment outcomes.

The trustees require the discretionary investment managers appointed to operate an Environmental, Social and Governance (ESG) approach to investment selection and portfolio construction. The trustees recognise that there are various approaches to ESG investment and will take this into account in appointing and monitoring each discretionary manager.

#### **Performance reporting and review of investment managers**

The trustees require a quarterly valuation and report from investment managers on the strategic and tactical rationale for the asset mix and any changes made since the last report. Not less than annually, the trustees expect to meet the individual or team directly responsible for investment decision making.

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**WRIGHT'S CLOCK LAND**

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

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**Revised need for Independent Review of Investments**

At the end of 2022 Trustees agreed they now require 1 brief such report per year. Guy Davies of Yoke agreed to provide such an annual report until further notice.

Approved by order of the members of the board of Trustees and signed on their behalf by:



**Mr D M Gant  
Trustee**

Date: 17 October 2023

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**WRIGHT'S CLOCK LAND**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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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 its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures 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 business.

The Trustees are responsible for keeping adequate 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.

Approved by order of the members of the board of Trustees and signed on its behalf by:



**Mr D M Gant**  
**Trustee**

Date: 17 October 2023

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**WRIGHT'S CLOCK LAND**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WRIGHT'S CLOCK LAND**

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**OPINION**

We have audited the financial statements of Wright's Clock Land (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet 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).

The financial statements have been prepared in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 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.

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**WRIGHT'S CLOCK LAND**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WRIGHT'S CLOCK LAND (CONTINUED)**

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**OTHER INFORMATION**

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**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 the financial statements which 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.

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## WRIGHT'S CLOCK LAND

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WRIGHT'S CLOCK LAND (CONTINUED)

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#### 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 auditors' 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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge of charity law and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011 and those with an indirect impact;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of the trustees and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of noncompliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and noncompliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we;

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- evaluated the assumptions and judgements used by the trustees within significant accounting estimates and assessed whether these indicated evidence of management bias.

In response to the risk of irregularities and noncompliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring as to actual and potential litigation and claims; and
- reviewing any correspondence with relevant regulators such as the Charity Commission.

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**WRIGHT'S CLOCK LAND**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WRIGHT'S CLOCK LAND (CONTINUED)**

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There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of noncompliance. Auditing standards also limit the audit procedures required to identify noncompliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

**USE OF OUR 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.

*Peters Elworthy and Moore*

**Peters Elworthy & Moore**

Chartered Accountants  
Statutory Auditors  
Salisbury House  
Station Road  
Cambridge  
CB1 2LA

Date: 17 October 2023

Peters Elworthy & Moore are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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**WRIGHT'S CLOCK LAND**


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**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2022**


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|                                                                     | Note | Unrestricted<br>funds<br>2022<br>£ | Total<br>funds<br>2022<br>£ | Total<br>funds<br>2021<br>£ |
|---------------------------------------------------------------------|------|------------------------------------|-----------------------------|-----------------------------|
| <b>INCOME FROM:</b>                                                 |      |                                    |                             |                             |
| Investments                                                         | 3    | 383,007                            | 383,007                     | 334,371                     |
| <b>TOTAL INCOME</b>                                                 |      | <b>383,007</b>                     | <b>383,007</b>              | 334,371                     |
| <b>EXPENDITURE ON:</b>                                              |      |                                    |                             |                             |
| Raising funds                                                       | 4    | 48,408                             | 48,408                      | 37,246                      |
| Charitable activities                                               |      | 544,308                            | 544,308                     | 950,832                     |
| <b>TOTAL EXPENDITURE</b>                                            |      | <b>592,716</b>                     | <b>592,716</b>              | 988,078                     |
| <b>NET EXPENDITURE BEFORE NET (LOSSES)/GAINS<br/>ON INVESTMENTS</b> |      | <b>(209,709)</b>                   | <b>(209,709)</b>            | (653,707)                   |
| Net (losses)/gains on investments                                   | 10   | (2,044,358)                        | (2,044,358)                 | 2,485,582                   |
| <b>NET MOVEMENT IN FUNDS</b>                                        |      | <b>(2,254,067)</b>                 | <b>(2,254,067)</b>          | 1,831,875                   |
| <b>RECONCILIATION OF FUNDS:</b>                                     |      |                                    |                             |                             |
| Total funds brought forward                                         |      | 20,059,480                         | 20,059,480                  | 18,227,605                  |
| Net movement in funds                                               |      | (2,254,067)                        | (2,254,067)                 | 1,831,875                   |
| <b>TOTAL FUNDS CARRIED FORWARD</b>                                  |      | <b>17,805,413</b>                  | <b>17,805,413</b>           | 20,059,480                  |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 15 to 24 form part of these financial statements.

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**WRIGHT'S CLOCK LAND**


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**BALANCE SHEET  
AS AT 31 DECEMBER 2022**


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|                                                         | Note | 2022<br>£      | 2022<br>£                | 2021<br>£      | 2021<br>£                |
|---------------------------------------------------------|------|----------------|--------------------------|----------------|--------------------------|
| <b>FIXED ASSETS</b>                                     |      |                |                          |                |                          |
| Investments                                             | 10   |                | 17,765,601               |                | 19,957,079               |
| Investment property                                     | 9    |                | 200,000                  |                | 200,000                  |
|                                                         |      |                | <u>17,965,601</u>        |                | <u>20,157,079</u>        |
| <b>CURRENT ASSETS</b>                                   |      |                |                          |                |                          |
| Debtors                                                 | 11   | 142,580        |                          | 73,922         |                          |
| Cash at bank and in hand                                |      | 510,550        |                          | 528,133        |                          |
|                                                         |      | <u>653,130</u> |                          | <u>602,055</u> |                          |
| Creditors: amounts falling due within one year          | 12   | (522,932)      |                          | (359,760)      |                          |
| <b>NET CURRENT ASSETS</b>                               |      |                | <u>130,198</u>           |                | <u>242,295</u>           |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>            |      |                | <u>18,095,799</u>        |                | <u>20,399,374</u>        |
| Creditors: amounts falling due after more than one year | 13   |                | (290,386)                |                | (339,894)                |
| <b>TOTAL NET ASSETS</b>                                 |      |                | <u><u>17,805,413</u></u> |                | <u><u>20,059,480</u></u> |
| <b>CHARITY FUNDS</b>                                    |      |                |                          |                |                          |
| Unrestricted funds                                      | 14   |                | 17,805,413               |                | 20,059,480               |
| <b>TOTAL FUNDS</b>                                      |      |                | <u><u>17,805,413</u></u> |                | <u><u>20,059,480</u></u> |

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



**Mr D M Gant**  
**Trustee**

Date: 17 October 2023

The notes on pages 15 to 24 form part of these financial statements.

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**WRIGHT'S CLOCK LAND**

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

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**1. GENERAL INFORMATION**

The Charity is a charitable incorporated organisation incorporated in England and Wales. Its registered office and principal place of business is 7A Cow Lane, Fulbourn, Cambridge, CB21 5HB.

**2. ACCOUNTING POLICIES****2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Wright's Clock Land meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**2.2 GOING CONCERN**

The Trustees have prepared budgets and forecasts to assess the appropriateness of the going concern basis. Based on their review, the Trustees believe that the going concern basis of accounting is appropriate.

**2.3 INCOME**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by the investment advisor of the dividend yield of the investment portfolio.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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**WRIGHT'S CLOCK LAND**

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

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**2. ACCOUNTING POLICIES (CONTINUED)****2.4 EXPENDITURE**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes investment management costs.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

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.

All expenditure is inclusive of irrecoverable VAT.

**2.5 INTEREST RECEIVABLE**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.6 FOREIGN CURRENCIES**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the statement of financial activities.

The Charity's functional and presentational currency is GBP.

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**WRIGHT'S CLOCK LAND**

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

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**2. ACCOUNTING POLICIES (CONTINUED)****2.7 INVESTMENTS**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the statement of financial activities.

Investment property is carried at fair value determined annually by the Trustees based on professional advice received. Fair values are derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the statement of financial activities.

**2.8 DEBTORS**

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

**2.9 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.10 LIABILITIES AND PROVISIONS**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

**2.11 FINANCIAL INSTRUMENTS**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.12 FUND ACCOUNTING**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

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**WRIGHT'S CLOCK LAND**

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

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**3. INVESTMENT INCOME**

|                                               | <b>Unrestricted<br/>funds<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2022<br/>£</b> | Total<br>funds<br>2021<br>£ |
|-----------------------------------------------|----------------------------------------------|---------------------------------------|-----------------------------|
| Listed investments - dividends                | 382,785                                      | <b>382,785</b>                        | 331,781                     |
| Investment income - interest on cash deposits | 222                                          | <b>222</b>                            | 2,590                       |
|                                               | <u>383,007</u>                               | <u><b>383,007</b></u>                 | <u>334,371</u>              |
| TOTAL 2021                                    | <u>334,371</u>                               | <u>334,371</u>                        |                             |

**4. INVESTMENT MANAGEMENT COSTS**

|                            | <b>Unrestricted<br/>funds<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2022<br/>£</b> | Total<br>funds<br>2021<br>£ |
|----------------------------|----------------------------------------------|---------------------------------------|-----------------------------|
| Investment management fees | 48,408                                       | <b>48,408</b>                         | 37,246                      |
| TOTAL 2021                 | <u>37,246</u>                                | <u>37,246</u>                         |                             |

**5. ANALYSIS OF GRANTS**

|                | <b>Grants to<br/>Institutions<br/>2022<br/>£</b> | <b>Grants to<br/>Individuals<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2022<br/>£</b> | Total<br>funds<br>2021<br>£ |
|----------------|--------------------------------------------------|-------------------------------------------------|---------------------------------------|-----------------------------|
| Grants payable | 528,683                                          | 3,000                                           | <b>531,683</b>                        | 940,390                     |
| TOTAL 2021     | <u>940,390</u>                                   | <u>-</u>                                        | <u>940,390</u>                        |                             |

The Charity has made the following grants to institutions during the year:

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**WRIGHT'S CLOCK LAND**


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


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**5. ANALYSIS OF GRANTS (CONTINUED)**

|                                                        | <b>2022</b>    | 2021     |
|--------------------------------------------------------|----------------|----------|
|                                                        | <b>£</b>       | <b>£</b> |
| <b>NAME OF INSTITUTION</b>                             |                |          |
| Domino Pre-School                                      | <b>5,767</b>   | 39,335   |
| Fulbourn Action 4 Youth                                | -              | 90,000   |
| Fulbourn Arts                                          | <b>7,500</b>   | 5,220    |
| Fulbourn Cricket Club                                  | <b>13,275</b>  | 25,862   |
| Fulbourn Forum                                         | <b>6,500</b>   | 5,000    |
| Fulbourn Foundation of Elizabeth March, The            | <b>5,000</b>   | 50,000   |
| Fulbourn Primary School                                | <b>312,404</b> | 551,589  |
| Fulbourn Tennis Club                                   | -              | 7,000    |
| Fulbourn Windmill Society                              | -              | 10,000   |
| St Vigor's Church, Fulbourn (Parochial Church Council) | <b>74,254</b>  | 156,384  |
| Bishops Charity                                        | <b>2,000</b>   | -        |
| Centre 33                                              | <b>13,500</b>  | -        |
| Fulbourn Bowls Club                                    | <b>2,219</b>   | -        |
| Fulbourn Scouts                                        | <b>12,000</b>  | -        |
| Head to Toe                                            | <b>59,264</b>  | -        |
| Save Fulbourn Fields                                   | <b>15,000</b>  | -        |
|                                                        | <b>528,683</b> | 940,390  |

The Charity made one (2021: none) grant to individuals.

**6. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

|                                                                      | <b>Activities<br/>undertaken<br/>directly<br/>2022<br/>£</b> | <b>Grant<br/>funding of<br/>activities<br/>2022<br/>£</b> | <b>Support<br/>costs<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2021<br/>£</b> |
|----------------------------------------------------------------------|--------------------------------------------------------------|-----------------------------------------------------------|-----------------------------------------|---------------------------------------|---------------------------------------|
| Clock and Bells maintenance                                          | 400                                                          | -                                                         | -                                       | <b>400</b>                            | -                                     |
| Public benefit in the parish of St<br>Vigor with All Saints Fulbourn | -                                                            | 531,683                                                   | 12,225                                  | <b>543,908</b>                        | 950,832                               |
|                                                                      | <b>-</b>                                                     | <b>940,390</b>                                            | <b>10,442</b>                           | <b>950,832</b>                        |                                       |
| <b>TOTAL 2021</b>                                                    | <b>-</b>                                                     | <b>940,390</b>                                            | <b>10,442</b>                           | <b>950,832</b>                        |                                       |

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**WRIGHT'S CLOCK LAND**

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

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**6. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF DIRECT COSTS**

|               | <b>Clock and<br/>Bells<br/>maintenanc<br/>e<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2021<br/>£</b> |
|---------------|----------------------------------------------------------------|---------------------------------------|---------------------------------------|
| Clock winding | 400                                                            | <b>400</b>                            | -                                     |

**ANALYSIS OF SUPPORT COSTS**

|                            | <b>Public<br/>benefit in<br/>the parish<br/>of St Vigor<br/>with All<br/>Saints<br/>Fulbourn<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2021<br/>£</b> |
|----------------------------|-----------------------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| Legal & professional fees  | 600                                                                                                             | <b>600</b>                            | 1,556                                 |
| Trustees' meetings         | 171                                                                                                             | <b>171</b>                            | 66                                    |
| Audit and accountancy fees | 11,454                                                                                                          | <b>11,454</b>                         | 8,820                                 |
|                            | <u>12,225</u>                                                                                                   | <u><b>12,225</b></u>                  | <u>10,442</u>                         |
| TOTAL 2021                 | <u>10,442</u>                                                                                                   | <u>10,442</u>                         |                                       |

All the support costs relate to governance (2021: all).

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**WRIGHT'S CLOCK LAND**


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


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**7. AUDITORS' REMUNERATION**

|                                                                                                           | <b>2022</b><br>£ | 2021<br>£ |
|-----------------------------------------------------------------------------------------------------------|------------------|-----------|
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts                      | <b>7,200</b>     | 6,630     |
| Fees payable to the Charity's auditor in respect of:<br>Preparation of the statutory financial statements | <b>4,254</b>     | 2,190     |

**8. TRUSTEES' REMUNERATION AND EXPENSES**

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

**9. INVESTMENT PROPERTY**

|                     | <b>Freehold<br/>investment<br/>property<br/>£</b> |
|---------------------|---------------------------------------------------|
| <b>VALUATION</b>    |                                                   |
| At 1 January 2022   | <b>200,000</b>                                    |
| At 31 December 2022 | <b>200,000</b>                                    |

The CIO holds 3.18 hectares / 7.86 acres of arable land that was donated to the original charity on its inception in 1525. The historic cost is £NIL. The land is situated in the Cambridge Green Belt and is currently farmed under a Farm Business Tenancy at a peppercorn rent. This land is subject to an option to purchase agreement as a result of a previous sale of the adjoining land in 2020. The freehold value of the land is constrained by the above and therefore any market value would be speculative in the short to medium term. Based on professional advice received in the prior year from Cheffins its fair value is considered to remain at £200,000 (2021 - £200,000).

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**WRIGHT'S CLOCK LAND**

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

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**10. FIXED ASSET INVESTMENTS**

|                                                         | Listed<br>investments<br>£ | Investment<br>cash<br>£ | Total<br>£        |
|---------------------------------------------------------|----------------------------|-------------------------|-------------------|
| <b>VALUATION</b>                                        |                            |                         |                   |
| At 1 January 2022                                       | 19,836,762                 | 120,317                 | 19,957,079        |
| Additions                                               | 3,009,322                  | -                       | 3,009,322         |
| Disposals (proceeds £3,119,350; realised loss £129,659) | (3,249,009)                | -                       | (3,249,009)       |
| Revaluations                                            | (1,914,699)                | -                       | (1,914,699)       |
| Cash movement                                           | -                          | (37,092)                | (37,092)          |
| AT 31 DECEMBER 2022                                     | <u>17,682,376</u>          | <u>83,225</u>           | <u>17,765,601</u> |

**11. DEBTORS**

|                            | 2022<br>£      | 2021<br>£     |
|----------------------------|----------------|---------------|
| <b>DUE WITHIN ONE YEAR</b> |                |               |
| Accrued income             | <u>142,580</u> | <u>73,922</u> |

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                | 2022<br>£      | 2021<br>£      |
|----------------|----------------|----------------|
| Accruals       | 10,620         | 8,820          |
| Grants accrued | 512,312        | 350,940        |
|                | <u>522,932</u> | <u>359,760</u> |

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**WRIGHT'S CLOCK LAND**

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

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**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

|                | <b>2022</b>    | 2021    |
|----------------|----------------|---------|
|                | <b>£</b>       | £       |
| Grants accrued | <b>290,386</b> | 339,894 |

All grants are payable within five years.

**Grant commitment movement**

|                                         | <b>2022</b>      | 2021      |
|-----------------------------------------|------------------|-----------|
|                                         | <b>£</b>         | £         |
| Grant commitment brought forward        | <b>690,834</b>   | 4,000     |
| Grants committed                        | <b>533,050</b>   | 940,390   |
| Grants paid                             | <b>(419,819)</b> | (253,556) |
| Grants written back                     | <b>(1,367)</b>   | -         |
| <b>Grant commitment carried forward</b> | <b>802,698</b>   | 690,834   |

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**WRIGHT'S CLOCK LAND**


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


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**14. STATEMENT OF FUNDS****STATEMENT OF FUNDS - CURRENT YEAR**

|                           | Balance at 1<br>January<br>2022<br>£ | Income<br>£    | Expenditure<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2022<br>£ |
|---------------------------|--------------------------------------|----------------|------------------|-------------------------|-------------------------------------------|
| <b>UNRESTRICTED FUNDS</b> |                                      |                |                  |                         |                                           |
| Unrestricted funds        | <b>20,059,480</b>                    | <b>383,007</b> | <b>(592,716)</b> | <b>(2,044,358)</b>      | <b>17,805,413</b>                         |

**STATEMENT OF FUNDS - PRIOR YEAR**

|                           | Balance at<br>1 January<br>2021<br>£ | Income<br>£    | Expenditure<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2021<br>£ |
|---------------------------|--------------------------------------|----------------|------------------|-------------------------|-------------------------------------------|
| <b>UNRESTRICTED FUNDS</b> |                                      |                |                  |                         |                                           |
| Unrestricted funds        | <b>18,227,605</b>                    | <b>334,371</b> | <b>(988,078)</b> | <b>2,485,582</b>        | <b>20,059,480</b>                         |

**15. RELATED PARTY TRANSACTIONS**

During the year the charity paid grants to St Vigor's Church, Fulbourn amounting to £74,254. At 31 December 2022 the charity has further grant commitments of £69,444 of which £51,027 is shown within one year and £18,417 as due after more than one year.

The following trustees are also trustees of St Vigor's Church, Fulbourn; Mr D M Gant, Rev A Goodman, and Dr A Whitehead. Mr D F Sheppard was formerly a trustee of St Vigor's Church, Fulbourn and resigned in the year. As noted in the Trustees' Report a minimum of two trustees of the charity must be on the electoral role of St Vigor's Church, Fulbourn.

The charity also paid grants to Elizabeth March Charity and the Geoffrey Bishop Charity amounting to £5,000 and £2,000 respectively. Rev A Goodman, trustee, is also a trustee of these charities.

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**WRIGHT'S CLOCK LAND**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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WRIGHT'S CLOCK LAND

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**WRIGHT'S CLOCK LAND**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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|                                  |                                                                                                                                                      |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Trustees</b>                  | Mr D M Gant, Steward<br>Rev A Goodman<br>Mrs R R Kindred<br>Mrs P J Seddon<br>Mr D F Sheppard<br>Dr A G Tristram<br>Mr H A J White<br>Dr A Whitehead |
| <b>Charity registered number</b> | 1191655                                                                                                                                              |
| <b>Principal office</b>          | 7A Cow Lane<br>Fulbourn<br>Cambridge<br>CB21 5HB                                                                                                     |
| <b>Independent auditors</b>      | Peters Elworthy & Moore<br>Chartered Accountants<br>Salisbury House<br>Station Road<br>Cambridge<br>CB1 2LA                                          |
| <b>Bankers</b>                   | Lloyds Bank Plc<br>3 Sidney Street<br>Cambridge<br>CB2 3HQ                                                                                           |
| <b>Solicitors</b>                | Tees Law<br>Titan House<br>Castle Park<br>Cambridge<br>CB3 0AY                                                                                       |
| <b>Investment manager</b>        | McInroy & Wood<br>Easter Alderston<br>Haddington<br>EH41 3SF                                                                                         |
| <b>Investment manager</b>        | CCLA Investment Manager<br>Senator House<br>85 Queen Victoria St<br>London<br>EC4V 4ET                                                               |
| <b>Land Agents</b>               | Cheffins<br>1-2 Clifton Road<br>Cambridge<br>CB1 7EA                                                                                                 |

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**WRIGHT'S CLOCK LAND**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
(CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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|                            |                                                             |
|----------------------------|-------------------------------------------------------------|
| <b>Charity Law Adviser</b> | Keystone Law<br>48 Chancery Lane<br>London<br>WC2A 1JF      |
| <b>Investment advisers</b> | Yoke and Company<br>6 Normanhurst Road<br>London<br>SW2 3TA |

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## WRIGHT'S CLOCK LAND

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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The Trustees present their annual report together with the audited financial statements of Wright's Clock Land CIO for the year 1 January 2022 to 31 December 2022. The Trustees confirm that the Annual Report and financial statements comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

#### INTRODUCTION

In this report the expressions "we", "us", "our" refer to the Trustees.

All dates in this report are in 2022, unless shown otherwise.

All meetings were held face to face. Some decisions were made via email exchanges, the result of all such decisions were confirmed at the subsequent meeting. Minutes were taken and approved at all meetings.

#### TRUSTEES

The 8 Trustees of the CIO are the same as in 2021 (see page 1 for trustee details).

#### Appointment and recruitment of trustees

When a Trusteeship becomes vacant the following criteria apply when considering possible new candidates for Trustee:

- At least two of the charity trustees (other than the ex officio Rector) must be on the electoral roll of St Vigor and All Saints Church, Fulbourn.
- The gender balance must remain 4 male and 4 female.
- There should be a good age balance (the current average age is over 60, so we would appoint someone younger next time).

Then, fulfilling those 3 criteria, each Trustee considers possible candidates. Those Trustees who wish to, then put a candidate forward for consideration.

At a full meeting these candidates are discussed, and votes then taken to choose one (or more than one if more than one vacancy).

#### STATEMENT ON PUBLIC BENEFIT

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

#### OBJECTIVES AND ACTIVITIES

##### Policies and objectives

The CIO's Charitable Objects, registered with the Charity Commission on 14 April 2020 are:

1. The maintenance, cleaning, repair, alteration, renewal and improvement of the Clock and Bells and their associated equipment and the Tower containing them of the Parish Church of St Vigor with All Saints at Fulbourn Cambridgeshire and subject thereto
2. The maintenance, cleaning, repair, alteration, renewal and improvement of any other parts of the entirety of the buildings, fabric, fittings, furnishings facilities and equipment and the churchyard, graves, monuments and boundary walls of the said Parish Church

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## WRIGHT'S CLOCK LAND

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

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3. The advancement for the public benefit in the parish of St Vigor with All Saints Fulbourn of any or all of those purposes which are recognised as Charitable (according to the law of England and Wales) as the Trustees shall from time to time think fit by making grants both to organisations (including the Parochial Church Council of St Vigor with All Saints) and to individuals in the parish of St Vigor with All Saints Fulbourn.

#### **Activities**

##### ***Appointments***

Our accountants, solicitors, charity law adviser, land agents, bankers are the same as in 2021. Accountants: Peters, Elworthy and Moore (PEM); Solicitors: Tees Law; Charity Law adviser: Robert Meakin; Land agents: Cheffins; and Bankers: Lloyds

Cheffins gave an indicative value of our land ( "the back land"), as £200k. This was not a formal valuation (not RICS standard).

##### ***Investment***

Our investments continue to be approximately evenly split between the CCLA Ethical Investment Fund (c£9m) and McInroy & Wood in a segregated portfolio (c£9m) There was always some £400k in the Lloyds Online Banking for Business Account, available for grant making,.

##### ***Tenancy***

The 2 year Farming Business Tenancy (FBT) agreed with Ben Parker on 27 October 2021, at a peppercorn rent, continues until 2023.

#### **Closure of " Old Charity" – Wrights Clock Land 204069.**

As agreed by us in 2020, after instruction to do so, the Charity Commission reported that they had now closed this.

#### **Conflict of interest**

The Trustees agreed that the time to declare any conflict of interest was immediately at the start of the relevant agenda item – or even during any discussion, if an individual's conflict of interest became apparent. Financial conflict of interest is straightforward. The very nature of our charity, its connection with the Parish Church, meant Conflict of Loyalty was more problematic. Trustees agreed to discuss this further in 2023, perhaps considering some separation of the Charity from the church.

#### **REPORT ON GRANT MAKING**

During 2022, the Trustees agreed to a great variety of applications, some being "one-offs" and others recurring for 3 years. Not all of these resulted in actual payments in 2022.

The applications accepted were, in no particular order:

Institutions:

Fulbourn Primary School – classroom air purifiers and CO2 monitors. Staffing for Wednesday afternoon reopening and after school club.

Domino Pre-School – interactive screen.

Fulbourn Arts - costs of Winter Festival 2021.

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## WRIGHT'S CLOCK LAND

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

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Centre 33 – funding for 6 Young Carers living in Fulbourn Parish.

Head to Toe – Music Therapy at Fulbourn hospital, staffing and equipment. Part funding for café patio.

Fulbourn Scouts – demolition of old asbestos laden scout hut.

Fulbourn Forum - further financing of a documentary film on the current worrying state of our springs and streams; and planning enquiry fees.

St Vigors PCC - new heating system, solar panels on both transept roofs, a choir administrator and organist, music support for choirs, N transept roof works, payroll admin fees.

Save Fulbourn Fields – planning enquiry fees.

The Fulbourn Foundation of Elizabeth March – bursary for a PhD student

Bishops Charity – special case of need.

Fulbourn Cricket Club – new mower and cylinders.

Fulbourn Bowls Club - ground maintenance equipment.

Individuals:

Darwin Christmas bags (via Jane Cannon) - Christmas gifts for patients at Darwin Centre, Fulbourn Hospital.

#### FINANCIAL REVIEW

Investment income from listed investments increased to £383,007 during the year (2021: £334,371) The Charity made 32 grants in the year totalling £531,683 (2021: ten grants totalling £940,390). Further details are included in Note 5.

Management fees of £48,408 (2021: £37,246) were incurred for professional management of investment funds.

£400 was paid for clock winding – back payment for work done in 2021 (2021: £Nil). Support costs amounted to £12,225 (2021: £10,442).

The loss on investments amounted to £2,044,358 (2021: gain of £2,485,582).

At the year-end, the Charity had unrestricted funds totalling £17,805,413 (2021: £20,059,480).

The Charity does not carry out fundraising activities.

#### RISK REGISTER

A draft Risk Register was prepared in 2022 (and formally agreed, unchanged, in early 2023). It followed the templates provided by the Charity Commission, in structure, format and type of risks in the register.

#### INVESTMENT POLICY

##### Investment Policy Statement for Wright's Clock Land CIO

This Investment Policy has been formed to enable the trustees to appoint professional managers to provide services to the trustees for the management of its investments. The Investment Policy will be reviewed by the trustees periodically (not less than every three years) and incumbent managers will be made aware of any

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## WRIGHT'S CLOCK LAND

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

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changes which would affect their approach to investment.

The initial £18.5 million has been designated 70% (£13 million at the outset) as capital funds and 30% (£5.5 million at the outset) as an expendable income fund. The capital funds will be held in perpetuity and only the annual returns generated from them will be spent on charitable purposes. The capital funds have a very long-term investment horizon. The expendable income funds can be spent on charitable purposes and the trustees will maintain a plan for their future deployment which will determine the period(s) over which these sums are required and the requirement for future liquidity. If it is not required for designated projects, the excess expendable income will be invested in line with the capital funds and will contribute to the annual expendable income.

#### **Investment objective & investment approach**

The objective is to preserve the spending power (real value) of the capital funds over the long term, and to replace the annual withdrawal of spendable funds.

The trustees have adopted a total return approach to investment. The trustees will operate a spend rule to determine the long-term sustainable rate of consumption from annual total return.

The initial spend rule will be 3.25% (the spend rate) of the market value of the endowment, calculated as the average over 36 quarterly valuation points. The value created under this spend rule will be allocated to the income account from the unapplied total return.

The trustees will appoint professional investment managers who will have discretion to make and implement day-to-day investment decisions for that part of the investment funds for which they are responsible. The overall strategic approach will be agreed with the trustees at the outset of their appointment and will be reviewed with the trustees annually.

#### **Permissible investments**

The trustees will accept investment in any asset type or investment product that falls within the scope of permissible investments identified by the Charity Commission in its Guidance: Charities and investment matters: a guide for trustees

#### **Attitude to investment risk and appetite for risk**

The trustees accept that to achieve the long-term investment returns which they seek, it is necessary to accept certain market risks, particularly volatility, as investment cycles change. As a general principle, the trustees believe that liquid, traded assets are the most appropriate for the capital funds.

#### **Ethical considerations**

The trustees consider that investing in assets where the social, environmental and governance policies and practices of a company or the entity behind an investment (such as a sovereign state) are taken into consideration is both appropriate to the charity's ethos and should not impair the overall investment outcomes.

The trustees require the discretionary investment managers appointed to operate an Environmental, Social and Governance (ESG) approach to investment selection and portfolio construction. The trustees recognise that there are various approaches to ESG investment and will take this into account in appointing and monitoring each discretionary manager.

#### **Performance reporting and review of investment managers**

The trustees require a quarterly valuation and report from investment managers on the strategic and tactical rationale for the asset mix and any changes made since the last report. Not less than annually, the trustees expect to meet the individual or team directly responsible for investment decision making.

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**WRIGHT'S CLOCK LAND**

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

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**Revised need for Independent Review of Investments**

At the end of 2022 Trustees agreed they now require 1 brief such report per year. Guy Davies of Yoke agreed to provide such an annual report until further notice.

Approved by order of the members of the board of Trustees and signed on their behalf by:



**Mr D M Gant  
Trustee**

Date: 17 October 2023

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**WRIGHT'S CLOCK LAND**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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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 its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures 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 business.

The Trustees are responsible for keeping adequate 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.

Approved by order of the members of the board of Trustees and signed on its behalf by:



**Mr D M Gant**  
**Trustee**

Date: 17 October 2023

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**WRIGHT'S CLOCK LAND**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WRIGHT'S CLOCK LAND**

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**OPINION**

We have audited the financial statements of Wright's Clock Land (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet 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).

The financial statements have been prepared in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 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.

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**WRIGHT'S CLOCK LAND**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WRIGHT'S CLOCK LAND (CONTINUED)**

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**OTHER INFORMATION**

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**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 the financial statements which 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.

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## WRIGHT'S CLOCK LAND

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WRIGHT'S CLOCK LAND (CONTINUED)

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#### 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 auditors' 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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge of charity law and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011 and those with an indirect impact;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of the trustees and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of noncompliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and noncompliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we;

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- evaluated the assumptions and judgements used by the trustees within significant accounting estimates and assessed whether these indicated evidence of management bias.

In response to the risk of irregularities and noncompliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring as to actual and potential litigation and claims; and
- reviewing any correspondence with relevant regulators such as the Charity Commission.

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**WRIGHT'S CLOCK LAND**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WRIGHT'S CLOCK LAND (CONTINUED)**

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There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of noncompliance. Auditing standards also limit the audit procedures required to identify noncompliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

**USE OF OUR 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.

*Peters Elworthy and Moore*

**Peters Elworthy & Moore**

Chartered Accountants  
Statutory Auditors  
Salisbury House  
Station Road  
Cambridge  
CB1 2LA

Date: 17 October 2023

Peters Elworthy & Moore are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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**WRIGHT'S CLOCK LAND**


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**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2022**


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|                                                                     | Note | Unrestricted<br>funds<br>2022<br>£ | Total<br>funds<br>2022<br>£ | Total<br>funds<br>2021<br>£ |
|---------------------------------------------------------------------|------|------------------------------------|-----------------------------|-----------------------------|
| <b>INCOME FROM:</b>                                                 |      |                                    |                             |                             |
| Investments                                                         | 3    | 383,007                            | 383,007                     | 334,371                     |
| <b>TOTAL INCOME</b>                                                 |      | <b>383,007</b>                     | <b>383,007</b>              | 334,371                     |
| <b>EXPENDITURE ON:</b>                                              |      |                                    |                             |                             |
| Raising funds                                                       | 4    | 48,408                             | 48,408                      | 37,246                      |
| Charitable activities                                               |      | 544,308                            | 544,308                     | 950,832                     |
| <b>TOTAL EXPENDITURE</b>                                            |      | <b>592,716</b>                     | <b>592,716</b>              | 988,078                     |
| <b>NET EXPENDITURE BEFORE NET (LOSSES)/GAINS<br/>ON INVESTMENTS</b> |      | <b>(209,709)</b>                   | <b>(209,709)</b>            | (653,707)                   |
| Net (losses)/gains on investments                                   | 10   | (2,044,358)                        | (2,044,358)                 | 2,485,582                   |
| <b>NET MOVEMENT IN FUNDS</b>                                        |      | <b>(2,254,067)</b>                 | <b>(2,254,067)</b>          | 1,831,875                   |
| <b>RECONCILIATION OF FUNDS:</b>                                     |      |                                    |                             |                             |
| Total funds brought forward                                         |      | 20,059,480                         | 20,059,480                  | 18,227,605                  |
| Net movement in funds                                               |      | (2,254,067)                        | (2,254,067)                 | 1,831,875                   |
| <b>TOTAL FUNDS CARRIED FORWARD</b>                                  |      | <b>17,805,413</b>                  | <b>17,805,413</b>           | 20,059,480                  |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 15 to 24 form part of these financial statements.

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**WRIGHT'S CLOCK LAND**


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**BALANCE SHEET  
AS AT 31 DECEMBER 2022**


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|                                                         | Note | 2022<br>£      | 2022<br>£                | 2021<br>£      | 2021<br>£                |
|---------------------------------------------------------|------|----------------|--------------------------|----------------|--------------------------|
| <b>FIXED ASSETS</b>                                     |      |                |                          |                |                          |
| Investments                                             | 10   |                | 17,765,601               |                | 19,957,079               |
| Investment property                                     | 9    |                | 200,000                  |                | 200,000                  |
|                                                         |      |                | <u>17,965,601</u>        |                | <u>20,157,079</u>        |
| <b>CURRENT ASSETS</b>                                   |      |                |                          |                |                          |
| Debtors                                                 | 11   | 142,580        |                          | 73,922         |                          |
| Cash at bank and in hand                                |      | 510,550        |                          | 528,133        |                          |
|                                                         |      | <u>653,130</u> |                          | <u>602,055</u> |                          |
| Creditors: amounts falling due within one year          | 12   | (522,932)      |                          | (359,760)      |                          |
| <b>NET CURRENT ASSETS</b>                               |      |                | <u>130,198</u>           |                | <u>242,295</u>           |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>            |      |                | <u>18,095,799</u>        |                | <u>20,399,374</u>        |
| Creditors: amounts falling due after more than one year | 13   |                | (290,386)                |                | (339,894)                |
| <b>TOTAL NET ASSETS</b>                                 |      |                | <u><u>17,805,413</u></u> |                | <u><u>20,059,480</u></u> |
| <b>CHARITY FUNDS</b>                                    |      |                |                          |                |                          |
| Unrestricted funds                                      | 14   |                | 17,805,413               |                | 20,059,480               |
| <b>TOTAL FUNDS</b>                                      |      |                | <u><u>17,805,413</u></u> |                | <u><u>20,059,480</u></u> |

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



**Mr D M Gant**  
**Trustee**

Date: 17 October 2023

The notes on pages 15 to 24 form part of these financial statements.

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**WRIGHT'S CLOCK LAND**

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

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**1. GENERAL INFORMATION**

The Charity is a charitable incorporated organisation incorporated in England and Wales. Its registered office and principal place of business is 7A Cow Lane, Fulbourn, Cambridge, CB21 5HB.

**2. ACCOUNTING POLICIES****2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Wright's Clock Land meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**2.2 GOING CONCERN**

The Trustees have prepared budgets and forecasts to assess the appropriateness of the going concern basis. Based on their review, the Trustees believe that the going concern basis of accounting is appropriate.

**2.3 INCOME**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by the investment advisor of the dividend yield of the investment portfolio.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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**WRIGHT'S CLOCK LAND**

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

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**2. ACCOUNTING POLICIES (CONTINUED)****2.4 EXPENDITURE**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes investment management costs.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

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.

All expenditure is inclusive of irrecoverable VAT.

**2.5 INTEREST RECEIVABLE**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.6 FOREIGN CURRENCIES**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the statement of financial activities.

The Charity's functional and presentational currency is GBP.

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**WRIGHT'S CLOCK LAND**

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

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**2. ACCOUNTING POLICIES (CONTINUED)****2.7 INVESTMENTS**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the statement of financial activities.

Investment property is carried at fair value determined annually by the Trustees based on professional advice received. Fair values are derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the statement of financial activities.

**2.8 DEBTORS**

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

**2.9 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.10 LIABILITIES AND PROVISIONS**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

**2.11 FINANCIAL INSTRUMENTS**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.12 FUND ACCOUNTING**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

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**WRIGHT'S CLOCK LAND**

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

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**3. INVESTMENT INCOME**

|                                               | <b>Unrestricted<br/>funds<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2022<br/>£</b> | Total<br>funds<br>2021<br>£ |
|-----------------------------------------------|----------------------------------------------|---------------------------------------|-----------------------------|
| Listed investments - dividends                | 382,785                                      | <b>382,785</b>                        | 331,781                     |
| Investment income - interest on cash deposits | 222                                          | <b>222</b>                            | 2,590                       |
|                                               | <u>383,007</u>                               | <u><b>383,007</b></u>                 | <u>334,371</u>              |
| TOTAL 2021                                    | <u>334,371</u>                               | <u>334,371</u>                        |                             |

**4. INVESTMENT MANAGEMENT COSTS**

|                            | <b>Unrestricted<br/>funds<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2022<br/>£</b> | Total<br>funds<br>2021<br>£ |
|----------------------------|----------------------------------------------|---------------------------------------|-----------------------------|
| Investment management fees | 48,408                                       | <b>48,408</b>                         | 37,246                      |
|                            | <u>37,246</u>                                | <u>37,246</u>                         |                             |
| TOTAL 2021                 | <u>37,246</u>                                | <u>37,246</u>                         |                             |

**5. ANALYSIS OF GRANTS**

|                | <b>Grants to<br/>Institutions<br/>2022<br/>£</b> | <b>Grants to<br/>Individuals<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2022<br/>£</b> | Total<br>funds<br>2021<br>£ |
|----------------|--------------------------------------------------|-------------------------------------------------|---------------------------------------|-----------------------------|
| Grants payable | 528,683                                          | 3,000                                           | <b>531,683</b>                        | 940,390                     |
|                | <u>940,390</u>                                   | <u>-</u>                                        | <u>940,390</u>                        |                             |
| TOTAL 2021     | <u>940,390</u>                                   | <u>-</u>                                        | <u>940,390</u>                        |                             |

The Charity has made the following grants to institutions during the year:

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**WRIGHT'S CLOCK LAND**


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


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**5. ANALYSIS OF GRANTS (CONTINUED)**

|                                                        | <b>2022</b>    | 2021     |
|--------------------------------------------------------|----------------|----------|
|                                                        | <b>£</b>       | <b>£</b> |
| <b>NAME OF INSTITUTION</b>                             |                |          |
| Domino Pre-School                                      | <b>5,767</b>   | 39,335   |
| Fulbourn Action 4 Youth                                | -              | 90,000   |
| Fulbourn Arts                                          | <b>7,500</b>   | 5,220    |
| Fulbourn Cricket Club                                  | <b>13,275</b>  | 25,862   |
| Fulbourn Forum                                         | <b>6,500</b>   | 5,000    |
| Fulbourn Foundation of Elizabeth March, The            | <b>5,000</b>   | 50,000   |
| Fulbourn Primary School                                | <b>312,404</b> | 551,589  |
| Fulbourn Tennis Club                                   | -              | 7,000    |
| Fulbourn Windmill Society                              | -              | 10,000   |
| St Vigor's Church, Fulbourn (Parochial Church Council) | <b>74,254</b>  | 156,384  |
| Bishops Charity                                        | <b>2,000</b>   | -        |
| Centre 33                                              | <b>13,500</b>  | -        |
| Fulbourn Bowls Club                                    | <b>2,219</b>   | -        |
| Fulbourn Scouts                                        | <b>12,000</b>  | -        |
| Head to Toe                                            | <b>59,264</b>  | -        |
| Save Fulbourn Fields                                   | <b>15,000</b>  | -        |
|                                                        | <b>528,683</b> | 940,390  |

The Charity made one (2021: none) grant to individuals.

**6. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

|                                                                      | <b>Activities<br/>undertaken<br/>directly<br/>2022<br/>£</b> | <b>Grant<br/>funding of<br/>activities<br/>2022<br/>£</b> | <b>Support<br/>costs<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2021<br/>£</b> |
|----------------------------------------------------------------------|--------------------------------------------------------------|-----------------------------------------------------------|-----------------------------------------|---------------------------------------|---------------------------------------|
| Clock and Bells maintenance                                          | 400                                                          | -                                                         | -                                       | <b>400</b>                            | -                                     |
| Public benefit in the parish of St<br>Vigor with All Saints Fulbourn | -                                                            | 531,683                                                   | 12,225                                  | <b>543,908</b>                        | 950,832                               |
|                                                                      | <b>-</b>                                                     | <b>940,390</b>                                            | <b>10,442</b>                           | <b>950,832</b>                        |                                       |
| <b>TOTAL 2021</b>                                                    | <b>-</b>                                                     | <b>940,390</b>                                            | <b>10,442</b>                           | <b>950,832</b>                        |                                       |

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**WRIGHT'S CLOCK LAND**

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

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**6. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF DIRECT COSTS**

|               | <b>Clock and<br/>Bells<br/>maintenanc<br/>e<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2021<br/>£</b> |
|---------------|----------------------------------------------------------------|---------------------------------------|---------------------------------------|
| Clock winding | 400                                                            | <b>400</b>                            | -                                     |
|               | <u>400</u>                                                     | <u>400</u>                            | <u>-</u>                              |

**ANALYSIS OF SUPPORT COSTS**

|                            | <b>Public<br/>benefit in<br/>the parish<br/>of St Vigor<br/>with All<br/>Saints<br/>Fulbourn<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2021<br/>£</b> |
|----------------------------|-----------------------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| Legal & professional fees  | 600                                                                                                             | <b>600</b>                            | 1,556                                 |
| Trustees' meetings         | 171                                                                                                             | <b>171</b>                            | 66                                    |
| Audit and accountancy fees | 11,454                                                                                                          | <b>11,454</b>                         | 8,820                                 |
|                            | <u>12,225</u>                                                                                                   | <u><b>12,225</b></u>                  | <u>10,442</u>                         |
| TOTAL 2021                 | <u>10,442</u>                                                                                                   | <u>10,442</u>                         |                                       |

All the support costs relate to governance (2021: all).

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**WRIGHT'S CLOCK LAND**


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


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**7. AUDITORS' REMUNERATION**

|                                                                                                           | <b>2022</b>              | 2021                     |
|-----------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
|                                                                                                           | <b>£</b>                 | £                        |
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts                      | <b>7,200</b>             | 6,630                    |
| Fees payable to the Charity's auditor in respect of:<br>Preparation of the statutory financial statements | <b>4,254</b>             | 2,190                    |
|                                                                                                           | <u><u>          </u></u> | <u><u>          </u></u> |

**8. TRUSTEES' REMUNERATION AND EXPENSES**

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

**9. INVESTMENT PROPERTY**

|                     | <b>Freehold<br/>investment<br/>property<br/>£</b> |
|---------------------|---------------------------------------------------|
| <b>VALUATION</b>    |                                                   |
| At 1 January 2022   | <b>200,000</b>                                    |
| At 31 December 2022 | <u><u><b>200,000</b></u></u>                      |

The CIO holds 3.18 hectares / 7.86 acres of arable land that was donated to the original charity on its inception in 1525. The historic cost is £NIL. The land is situated in the Cambridge Green Belt and is currently farmed under a Farm Business Tenancy at a peppercorn rent. This land is subject to an option to purchase agreement as a result of a previous sale of the adjoining land in 2020. The freehold value of the land is constrained by the above and therefore any market value would be speculative in the short to medium term. Based on professional advice received in the prior year from Cheffins its fair value is considered to remain at £200,000 (2021 - £200,000).

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**WRIGHT'S CLOCK LAND**

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

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**10. FIXED ASSET INVESTMENTS**

|                                                         | Listed<br>investments<br>£ | Investment<br>cash<br>£ | Total<br>£        |
|---------------------------------------------------------|----------------------------|-------------------------|-------------------|
| <b>VALUATION</b>                                        |                            |                         |                   |
| At 1 January 2022                                       | 19,836,762                 | 120,317                 | 19,957,079        |
| Additions                                               | 3,009,322                  | -                       | 3,009,322         |
| Disposals (proceeds £3,119,350; realised loss £129,659) | (3,249,009)                | -                       | (3,249,009)       |
| Revaluations                                            | (1,914,699)                | -                       | (1,914,699)       |
| Cash movement                                           | -                          | (37,092)                | (37,092)          |
| AT 31 DECEMBER 2022                                     | <u>17,682,376</u>          | <u>83,225</u>           | <u>17,765,601</u> |

**11. DEBTORS**

|                            | 2022<br>£      | 2021<br>£     |
|----------------------------|----------------|---------------|
| <b>DUE WITHIN ONE YEAR</b> |                |               |
| Accrued income             | <u>142,580</u> | <u>73,922</u> |

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                | 2022<br>£      | 2021<br>£      |
|----------------|----------------|----------------|
| Accruals       | 10,620         | 8,820          |
| Grants accrued | 512,312        | 350,940        |
|                | <u>522,932</u> | <u>359,760</u> |

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**WRIGHT'S CLOCK LAND**

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

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**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

|                | <b>2022</b>    | 2021    |
|----------------|----------------|---------|
|                | <b>£</b>       | £       |
| Grants accrued | <b>290,386</b> | 339,894 |

All grants are payable within five years.

**Grant commitment movement**

|                                         | <b>2022</b>      | 2021      |
|-----------------------------------------|------------------|-----------|
|                                         | <b>£</b>         | £         |
| Grant commitment brought forward        | <b>690,834</b>   | 4,000     |
| Grants committed                        | <b>533,050</b>   | 940,390   |
| Grants paid                             | <b>(419,819)</b> | (253,556) |
| Grants written back                     | <b>(1,367)</b>   | -         |
| <b>Grant commitment carried forward</b> | <b>802,698</b>   | 690,834   |

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**WRIGHT'S CLOCK LAND**


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


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**14. STATEMENT OF FUNDS****STATEMENT OF FUNDS - CURRENT YEAR**

|                           | Balance at 1<br>January<br>2022<br>£ | Income<br>£    | Expenditure<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2022<br>£ |
|---------------------------|--------------------------------------|----------------|------------------|-------------------------|-------------------------------------------|
| <b>UNRESTRICTED FUNDS</b> |                                      |                |                  |                         |                                           |
| Unrestricted funds        | <b>20,059,480</b>                    | <b>383,007</b> | <b>(592,716)</b> | <b>(2,044,358)</b>      | <b>17,805,413</b>                         |

**STATEMENT OF FUNDS - PRIOR YEAR**

|                           | Balance at<br>1 January<br>2021<br>£ | Income<br>£    | Expenditure<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2021<br>£ |
|---------------------------|--------------------------------------|----------------|------------------|-------------------------|-------------------------------------------|
| <b>UNRESTRICTED FUNDS</b> |                                      |                |                  |                         |                                           |
| Unrestricted funds        | <b>18,227,605</b>                    | <b>334,371</b> | <b>(988,078)</b> | <b>2,485,582</b>        | <b>20,059,480</b>                         |

**15. RELATED PARTY TRANSACTIONS**

During the year the charity paid grants to St Vigor's Church, Fulbourn amounting to £74,254. At 31 December 2022 the charity has further grant commitments of £69,444 of which £51,027 is shown within one year and £18,417 as due after more than one year.

The following trustees are also trustees of St Vigor's Church, Fulbourn; Mr D M Gant, Rev A Goodman, and Dr A Whitehead. Mr D F Sheppard was formerly a trustee of St Vigor's Church, Fulbourn and resigned in the year. As noted in the Trustees' Report a minimum of two trustees of the charity must be on the electoral role of St Vigor's Church, Fulbourn.

The charity also paid grants to Elizabeth March Charity and the Geoffrey Bishop Charity amounting to £5,000 and £2,000 respectively. Rev A Goodman, trustee, is also a trustee of these charities.



# Wright's Clock Land CIO

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Audit letter  
Year ended 31 December 2022

# Dear Board

## Audit Letter for Wright's Clock Land CIO for the year ended 31 December 2022

As auditor we are responsible for performing the audit of the financial statements of Wright's Clock Land CIO for the year ended 31 December 2022 in accordance with International Standards on Auditing (ISAs) (UK and Ireland). These are directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of financial statements that give a true and fair view.

As part of the audit process we have discussed with you a number of the key issues in advance of, and during, our fieldwork. We encourage contact with our clients throughout the year and see this as part of our investment in your business.

The Audit Letter presents an overview of the scope the audit and our observations arising from the audit that are significant and relevant to those charged with governance and those who oversee the financial reporting process, as required by ISA (UK and Ireland) 260. Its contents have been discussed with management. We confirm that we have not identified any significant deficiencies in internal controls identified during the audit.

The contents of this report relate only to those matters that came to our attention during the conduct of our normal audit procedures, which are designed for the purpose of expressing our opinion on the financial statements. Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify control weaknesses, we will report these to you. Consequently, our work cannot be relied upon to disclose all defalcations or other irregularities, or to include all possible improvements in internal control that a more extensive special examination might identify. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

Our focus is to ensure that the audit and preparation of the financial statements are completed in an efficient, effective and timely.

We would like to take this opportunity to record our appreciation for the assistance provided by the finance team and other staff during our audit.

Yours faithfully

Michael Hewett

Michael Hewett

For PEM

16 October 2023

Specific roles and responsibilities are outlined in the terms of engagement agreed in the PEM Engagement Letter dated 6 April 2022, which covers the audit of the 2021 accounts and future years' audits. General terms of engagement may be found on our website [www.pem.co.uk](http://www.pem.co.uk).



# Contents.

- 1 Our approach
- 2 Audit status
- 3 Audit risks and our findings
- 4 Other audit matters
- 5 Internal controls
- 6 Summary of adjustments
- 7 Fees and confirmation of independence

## Appendices

- A Communication of audit matters
- B Emerging issues

## Your team

**Michael Hewett**  
Responsible Individual  
mhewett@pem.co.uk

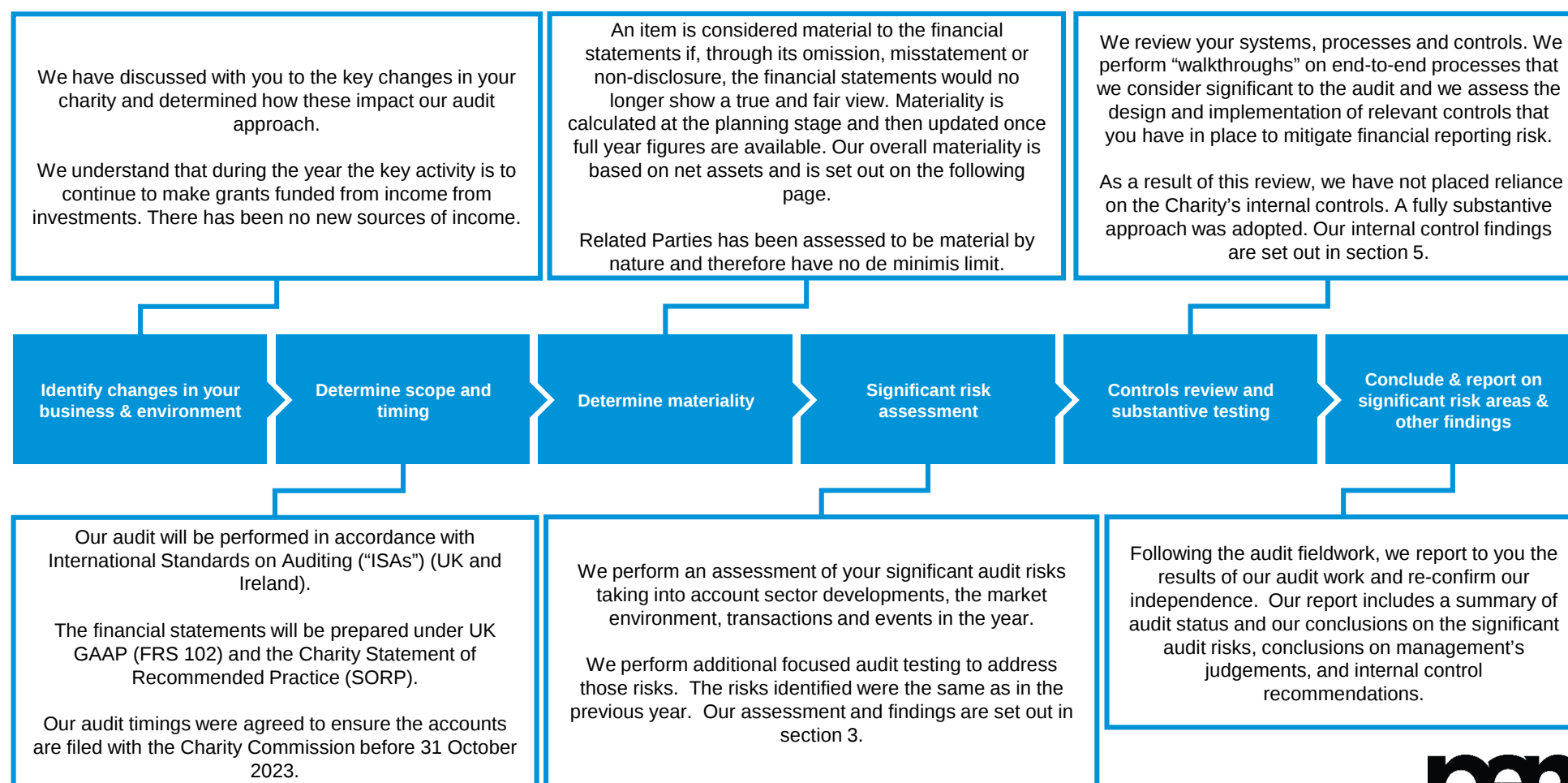
**Lee Gilbert**  
Audit Manager  
lgilbert@pem.co.uk

**Senior**  
Dylan Kimberley  
dkimberley@pem.co.uk



# 1 Our approach

Our audit is designed to give assurance that the financial statements are free, in all material respects, from misstatement and to work with management to ensure that the control environment is strong and effective.



# 1. Our approach (continued)

## Materiality assessment (ISA 320)

Materiality is not defined in ISA 320 '*Materiality in planning and performing an audit*' and is a financial reporting, rather than auditing, concept. However, ISA 320 highlights the following key characteristics:

- Misstatements are considered to be material if they could influence the decisions of users of the financial statements;
- Judgements about materiality are based on surrounding circumstances, including the size and nature of the misstatement; and
- Judgements are based on the users' common needs as a group.

As the basis for the auditor's opinion, ISAs require auditors to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. The concept of materiality is therefore fundamental to the audit. It is applied by auditors at the planning stage, and when performing the audit and evaluating the effect of identified misstatements on the audit and of uncorrected misstatements, if any, on the financial statements.

Our materiality is based on the benchmarks highlighted in the table below. Based on final figures of net assets as at 31 December 2022 our material levels are as follows:

| Entity                                     | Benchmark                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Planning Materiality | Planning Performance Materiality | Clearly trivial threshold |
|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------------------|---------------------------|
| Charity                                    | 3% of net assets                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | £534,200             | £400,700                         | £16,000                   |
| <b>Rationale for the benchmark applied</b> | We consider net assets to be the most relevant benchmark for users of the financial statements given that the ability of the Charity to fulfil its charitable objects is governed by the net assets available.                                                                                                                                                                                                                                                                                |                      |                                  |                           |
| <b>Performance materiality</b>             | We set performance materiality at a lower level to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. We have set our performance materiality at 75% In determining performance materiality, we considered the charity's control environment and the complexity of its activities.                                                                                                           |                      |                                  |                           |
| <b>Clearly trivial threshold</b>           | We have set our error reporting threshold at 3% of materiality. Differences below this threshold will not be reported unless qualitative. We also report on disclosure matters that we identify when assessing the overall presentation of the financial statements.                                                                                                                                                                                                                          |                      |                                  |                           |
| <b>Areas with lower level materiality</b>  | Trustees and Related Parties have been assessed as material by nature and therefore have no de minimis limit. Transactions are to be considered on an individual basis if material to the charity and/or individuals.<br><br>Income, expenditure, debtors and creditors also have a lower level of materiality as misstatements of a lower amount would affect the users of the financial statements. Materiality: £7,700; Performance Materiality: £ 5,800; Clearly Trivial Threshold: £200. |                      |                                  |                           |



## 2 Audit status

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### Audit opinion

Our work is complete and there are no matters of which we are aware that would require modification of our audit opinion. Therefore an unqualified audit opinion will be issued. The original audit report will be signed by Michael Hewett, on behalf of Peters Elworthy & Moore.

### Letter of representation

We have received a letter of representation from you. The letter provides us with additional evidence in areas where we have relied upon representations from you during the audit. We suggest that you make your own enquiries of staff to verify that you support the representations that have been made. As outlined in section 3 there is one change to our standard letter of representation from previous years, following revisions to auditing standards on fraud (ISA 240).

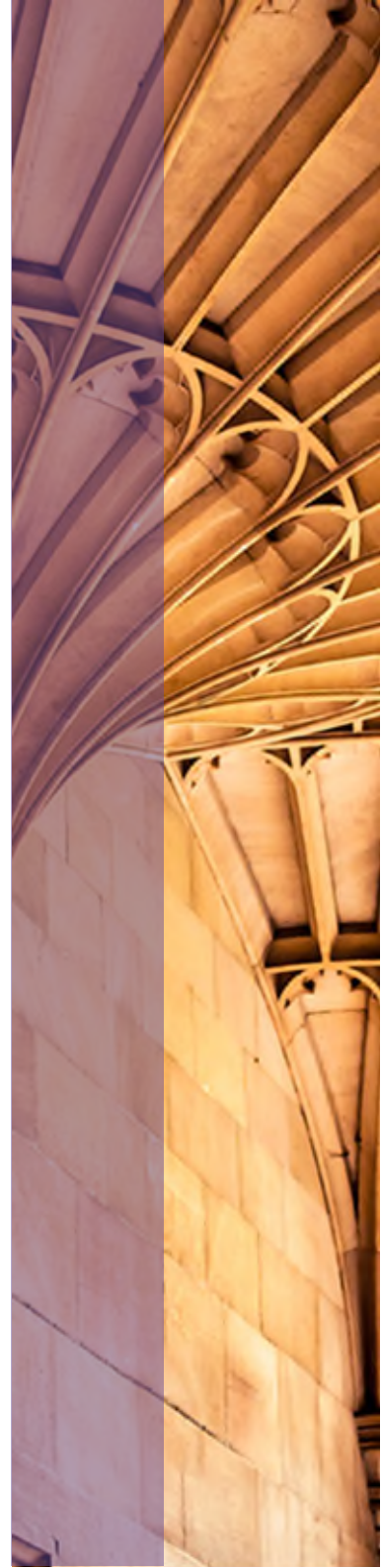
Specific representations have been requested from management in respect of:

- Land valuation – ‘we consider the carrying value of the land, based on prior professional advice, remains at £200,000’.

### Subsequent events (ISA 560)

We must ensure that all the events up to the reporting date that need to be reported in the financial statements have been identified and accounted for appropriately. For events that come to our attention after the reporting date, but before auditor's report is issued, we must ensure that events requiring adjustments have been accounted for.

We have received confirmation from you that there are no subsequent events have occurred.



# 3. Audit risks and our findings

---

In accordance with the ISAs there are two presumed significant risks, which we are required to consider for all organisations: the risk of **management override of controls** and the risk of fraud or error in **revenue recognition**.

We have not identified any further significant audit risks.

These risks, and our approach to them, are outlined below.

## Risk

## Our approach and findings

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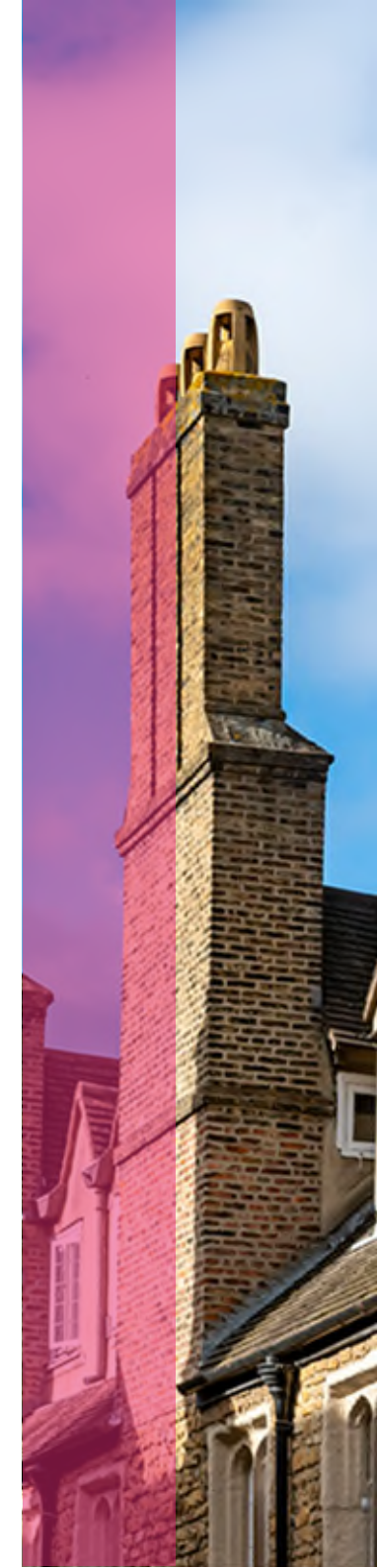
### Management override of controls

Management is typically in a powerful position to perpetrate fraud due to its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

We carried out focussed substantive procedures including:

- review of accounting estimates (see section 3); and
- review of significant transactions that were outside the normal course of business, or were otherwise unusual.

Our testing did not highlight any issues.



# 3. Audit risks and our findings (continued)

## Risk

### Revenue recognition

Under ISA 240, there is a presumed risk of fraud present within revenue recognition.

#### Assertions –

- **completeness** (whether all the revenue to which the Charity is entitled has been included)
- **occurrence** (whether the revenues recorded in the period have really occurred)
- **cut-off** (whether the correct amount has been recognised in the accounting period under consideration).

We have assessed the inherent risk factors of each assertion and how they affect the susceptibility to misstatement. In addition, we have assessed the likelihood and magnitude of misstatement for each assertion.

We have reviewed the controls you have in place but will not be placing reliance on these and not specifically testing the operating effectiveness of controls. We will adopt a substantive approach.

We consider that the significant risks for the Charity with regards to revenue relates to investment income.

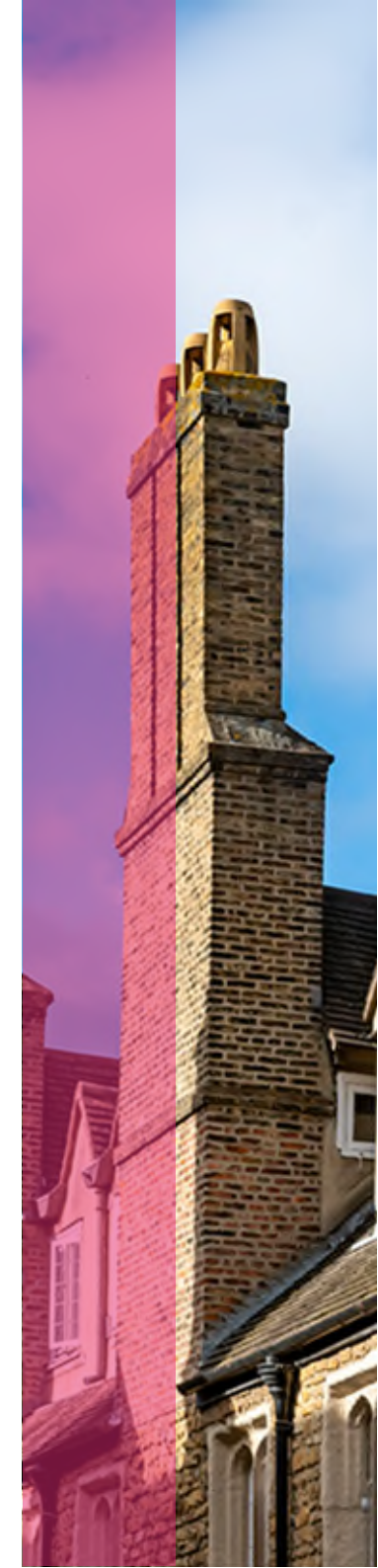
## Our approach and findings

We adopted a substantive testing approach consisting of detailed testing and analytical procedures, to satisfy ourselves that total revenue for the year was in line with expectation and supporting documentation and accordingly assessed the completeness of the reported revenue balances.

As part of our audit procedures we have:

- Reviewed and tested revenue recognition policies to ensure that they are appropriate for the charity's activities and being consistently applied.
- Selected a sample of receipts to test that revenue is only being recognised when all of the criteria are met (entitlement, probable and measurement).
- We performed detailed testing on material revenue streams to assess **completeness and cut off**. We have reconciled the income from investments from broker reports to the financial statements and agreed entitlement to dividends with reference to 3<sup>rd</sup> party platforms such as FT Interactive and Yahoo Finance.
- We performed detailed testing on material debtors related to the above revenue streams to assess **occurrence**. We have agreed balances to 3<sup>rd</sup> party confirmations and also bank receipts.

We are pleased to report that the systems in place over the recording and recognition of revenue appear to be adequate and that no significant errors or omissions were identified during our testing of design and implementation.



# 3. Audit risks and our findings (continued)

In addition the following area, whilst not presenting a significant risk or being unusual in relation to the day to day activities of the business, is a material balance(s) and will be subject to increased auditor scrutiny. Our approach and findings are outlined below:

## Risk

### Grant commitments

The accounting treatment of commitments depends on whether the obligation is such that the entity cannot realistically withdraw from it; the commitment has been communicated to the other party; and the commitment is performance related.

The interpretation states that where the commitment, giving rise to the obligation, is not performance related, a liability arises at the time the commitment is made.

### Assertions –

- **completeness** (whether all the revenue to which the charity is entitled has been included)
- **cut-off** (whether the correct amount has been recognised in the accounting period under consideration).

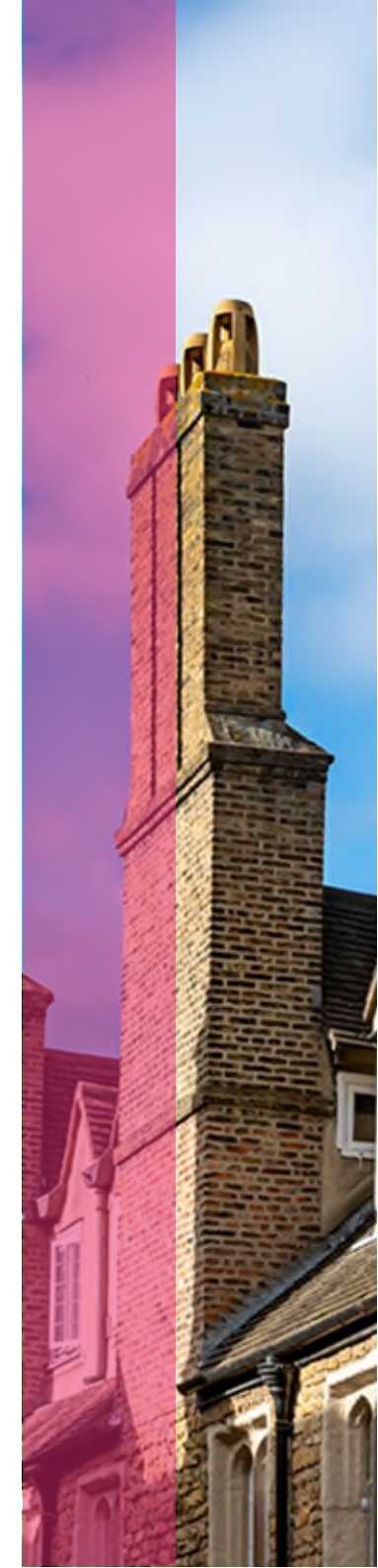
We have assessed the inherent risk factors of each assertion and how they affect the susceptibility to misstatement. In addition, we have assessed the likelihood and magnitude of misstatement for each assertion.

## Our approach and findings

We

- assessed the accounting systems in place and adopted a substantive testing approach with a mixture of detailed testing and analytical procedures to satisfy ourselves of the completeness of the creditor included in the financial statements.
- obtained a list of year-end grant commitments and ensure it reconciles to the financial statements.
- traced a sample of grants from the minutes to the grant commitments list to test completeness.
- tested the classification between current and non-current commitments by vouching a sample of grants to minutes or grant application forms.
- picked a sample of grant commitments recognised as an expense and vouch to supporting documentation (minutes or grant application forms)

As the grants in some cases are for multiple years and are offered without any conditions the total commitment has been recognised in the 2023 accounts as an expense. This is in accordance with the SORP.



# 4. Other audit matters

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## Going concern (ISA 570) – Management's assessment

You are required to prepare the financial statements on a going concern basis and will need to disclose to us any material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis. You are required to look forward for a period of at least twelve months from the date when the financial statements are authorised for issue.

When reporting in uncertain times, such as the post pandemic environment and cost of living crisis, it is particularly important to provide users of the accounts with appropriate insight into the Charity's resilience in the face of the ongoing challenges and to understand the key assumptions and judgements made when assessing the Charity's ability to continue as a going concern.

Your going concern assessment indicates that there are no issues that impact the use of the going concern assumption.

The going concern accounting policy is:

'The trustees have prepared budgets and forecasts to assess the appropriateness of the going concern basis. Based on their review, the Trustees believe that the going concern basis of accounting is appropriate'.

## Our work

We have reviewed your assessment of the appropriateness of the going concern basis and ensured that the appropriate disclosures have been made in the financial statements.

We have:

- reviewed your assessment of the appropriateness of the going concern basis and ensure that the appropriate disclosures are made in the financial statements;
- reviewed your committed expenditure and plans for a period of at least twelve months from the date the accounts are due to be signed; and
- Confirmed the financial position has been discussed and considered at Board level.



# 4. Other audit matters (continued)

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## Revisions to auditing standards on fraud (ISA 240)

We are required to consider fraud and the impact that this has on our audit approach. We have updated our risk assessment throughout the audit process and adapt our approach accordingly.

## Your responsibilities

You are responsible for safeguarding the assets of the charity and taking reasonable steps to ensure that the charity's activities are conducted honestly and for the prevention of fraud and other irregularities. The basic responsibilities of trustees, management and auditors have not been significantly amended in this revision.

It is the Trustees' responsibility to satisfy themselves that they have met their financial duties as Trustees by having robust and effective financial controls in place and protecting the business from financial crime.

## Our revised responsibilities

It is the auditor's responsibility to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement due to fraud. Reasonable assurance is a high, but not absolute, level of assurance and the risk of not detecting a material misstatement resulting from fraud may be higher than the risk of detecting one resulting from error.

As a result of these changes there is increased emphasis for trustees and management to have carried out their own assessment of the risk that the financial statements may be misstated due to fraud; and be clear about the processes and procedures that they have in place to mitigate these risks.

The audit report will continue to explain to what extent the audit was considered capable of detecting irregularities including fraud and how the auditor planned and performed procedures to address the identification and assessment of the risks of material misstatement.

## Our work

We have received your assessment of the risk and effectiveness of the internal controls relating to the processes and procedures that they have in place.

We have not been made aware of any incidents in the period and no other issues have been identified during the course of our audit.

Our standard letter of representation has one change from previous years. Previously, we obtained representations from you that you acknowledge your responsibilities. This year a representation will be requested that Trustees and management believe that they have appropriately fulfilled these responsibilities.



# 4. Other audit matters (continued)

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## Accounting and internal controls (revisions to auditing standards on risk assessment (ISA 315))

### Your assessment

Management should keep their understanding of internal controls up to date to identify which controls are still operating effectively and which might now show areas of weakness, particularly given the new hybrid working environment with staff often working remotely.

This regular re-assessment should consider the heightened risk of fraud as a result of such changes in the operational environment. Plans should be put in place to implement controls to cover any gaps identified.

Strengthening and maintaining the control environment whilst your staff are working remotely could include:

- Maintaining segregation of duties as far as possible so that no one individual has too much authority;
- With increased remote working, making sure that only the right people are accessing the right systems; and
- Increasing cyber awareness is recommended to identify unexpected behaviour.

It is the Trustees' responsibility to satisfy themselves that they have met their financial duties as Trustees by having robust and effective financial controls in place and protecting the business from financial crime. The assessment and evidence of challenge by management and trustees should be clearly documented.

### Our work

We consider management's assessments of controls as part of our assessment of significant audit risk and we consider the design and implementation of relevant controls around significant audit risks as part of our audit work.

We understand from discussion with management that controls are mainly exercised through

- Approval of payments
- Regular review of investment performance
- Board approval of all grant commitments

### Recommendations

We have found the Charity's accounting and internal control systems to be appropriate to the Charity's needs based upon the nature and complexity of your activities and the need for any systems to be cost effective. No significant deficiencies have come to our attention during the course of our work. We therefore believe that the systems can be relied upon to produce financial statements that show a true and fair view.



# 4. Other audit matters (continued)

## Judgements and estimates (ISA 540)

Significant judgements and estimates that are made when preparing the financial statements are the responsibility of the trustees, even if they have been delegated to day to day management. Accounting estimates should be made to ensure that the financial statements show a true and fair view of the charity's activities and position at the year end. Significant judgements and estimates made in the preparation of the financial statements should be disclosed within the notes to the accounts.

One area which involves a large degree of judgement and estimation and which was given increased scrutiny during our audit was the valuation of land held as investment property.

There are no matters that are specifically disclosed in the financial statements beyond the accounting policies. The accounting policy is:

Investment property is carried at fair value determined annually by the Trustees based on professional advice received. Fair values are derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the statement of financial activities

## Financial statements

As part of our audit we have considered and reviewed the Charity's accounting policies and the disclosures in accordance with UK Generally Accepted Accounting Practice and we have not encountered any material departures. In our opinion the accounting policies selected are appropriate to the circumstances of the Charity.

## Laws and regulations (ISA 250)

You are responsible for ensuring that the Charity complies with laws and regulations applicable to its activities and for establishing arrangements designed to prevent any non-compliance with laws and regulations and to detect any that occur. As part of our audit approach we will discuss the procedures in place for identifying the laws and regulations critical to the Charity's existence and the procedures you have in place to prevent non-compliance.

You have not informed us of any incidents in the period and no other issues have been identified during the course of our audit.

## Related parties and conflicts of interests

The Charities SORP has its own definition of "related parties", combining the requirements of charity law, company law and FRS 102. Trustees should be aware of the broader definition of related parties than that applied under company law and ensure conflicts of interests registers and interests declared at Trustee meetings are made in line with the wider definition under the Charities SORP. You are responsible for ensuring related party transactions have been appropriately identified and disclosed in the financial statements. Where there are no transactions the Charity Commission expect this to be confirmed.

Obtaining a detailed understanding of related parties is essential for us to adopt a risk-based approach to the audit of related party relationships and transactions. Our normal audit procedures involve enquiry of management about the identity of related parties, the nature of relationships and the type and purpose of related party transactions. These procedures include confirmation forms from all identified related parties of their related party relationships and transactions.

We have received confirmations from all trustees.

Our work has not identified any related party transactions beyond those disclosed in the accounts.



## 5. Internal controls – review of prior years

| PEM findings                                                                                                                                                                               | Recommendation and your comment                                                                                                                                                                                                                                                                                                            | Update this year                                                                                                                                                                                                               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Risk register</b><br>The Charity does not currently have a risk register.<br><br>The absence of a risk register could undermine the Charity's ability to mitigate and respond to risks. | <b>Recommendation</b><br>We recommend that a risk register be devised. The risk register should prioritise risks by applying an appropriate risk score to each risk<br><br><b>Comment</b><br>Noted                                                                                                                                         | Risk register is now in place and reviewed by the trustees.<br><br>Following further guidance we have prepared and provided some guidance on additional areas for consideration surrounding internal controls and fraud risks. |
| <b>Conflict of interest</b><br>We recommend that a risk register be devised. The risk register should prioritise risks by applying an appropriate risk score to each risk                  | <b>Recommendation</b><br>We recommend that a separate agenda item be included to ensure that all conflicts are disclosed prior to discussions taking place.<br><br>We also recommend that each Trustee completes an annual declaration of interests, which can then be included in a register of interests.<br><br><b>Comment</b><br>Noted | It has been agreed by the trustees to declare interests at the start of the agenda item or during discussion if it becomes apparent. We do again recommend the implementation of the register of interests.                    |

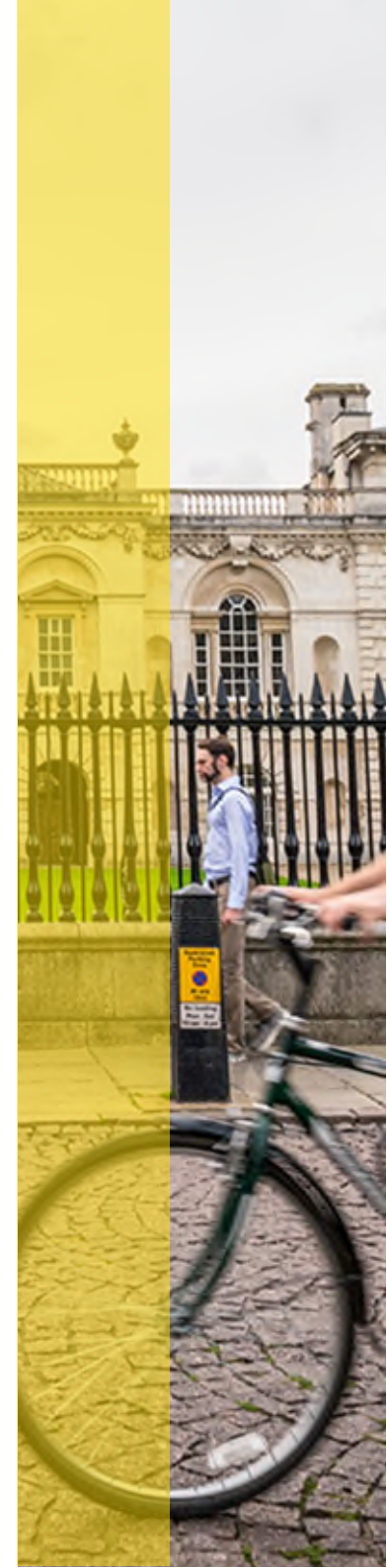


## 6. Summary of adjustments

We are required to inform you of any significant adjustments made to the financial statements presented for audit that have been identified during the course of our audit, following discussions with you and your staff. You should review these adjustments in order to satisfy yourselves that they have been properly made. Confirmation that you have done so should be communicated to us within the letter of representation.

|                                       | £                  |
|---------------------------------------|--------------------|
| Net movement in cash at Lloyds        | 36,946             |
| Net movement in CCLA cash             | 222                |
| McInroy & Wood portfolio movements    | (939,124)          |
| CCLA investment movements             | (1,236,965)        |
| Movement in accrued investment income | (1,482)            |
| Grant commitment movement             | (111,864)          |
| Net movement in accruals              | (1,800)            |
| <b>Total</b>                          | <b>(2,254,067)</b> |

We are also required to inform you of any potential adjustments noted during the course of our work. There are no such adjustments that we need to bring to your attention.



# 7. Fees and confirmation of independence

Our proposed fees for the year ended 31 December 2022 are outlined below. These reflect the additional work required under the new ISAs as well as ongoing inflation:

| Service                                                                            | £     |
|------------------------------------------------------------------------------------|-------|
| Audit of the statutory financial statements                                        | 6,000 |
| Preparation of the statutory financial statements                                  | 2,700 |
| Additional accounting work - grant commitment calculations and investment analysis | 950   |

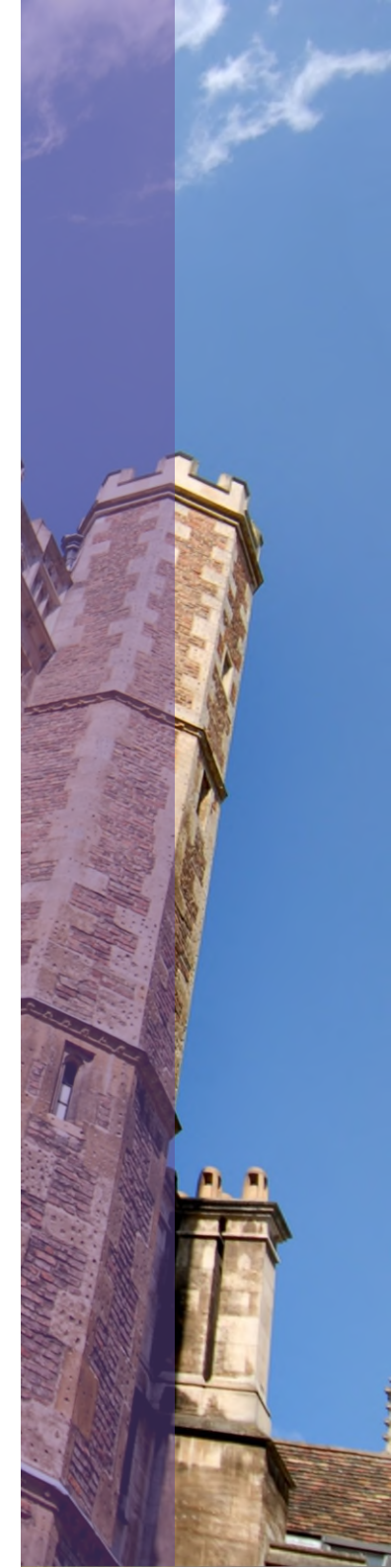
**The above fees are stated exclusive of VAT and disbursements (including bank letter requests via confirmation.com).**

## Our fees are based on the following assumptions:

- The timetable for the preparation of the statutory financial statements is agreed at the planning stage and adhered to;
- Management accounts, trial balance, nominal ledgers and agreed supporting schedules are available on commencement of our work; and
- Key personnel are available during normal business hours while the work is in progress to deal with queries raised unless we are otherwise informed.

## What is included within our fees:

- A reliable and risk-focused audit appropriate for your business;
- Feedback on your systems and processes, and identifying potential risks, opportunities and savings;
- Invitations to events hosted by PEM in your sector, as well as the wider finance community;
- Ad-hoc telephone calls and queries; and
- Technical briefings and updates.



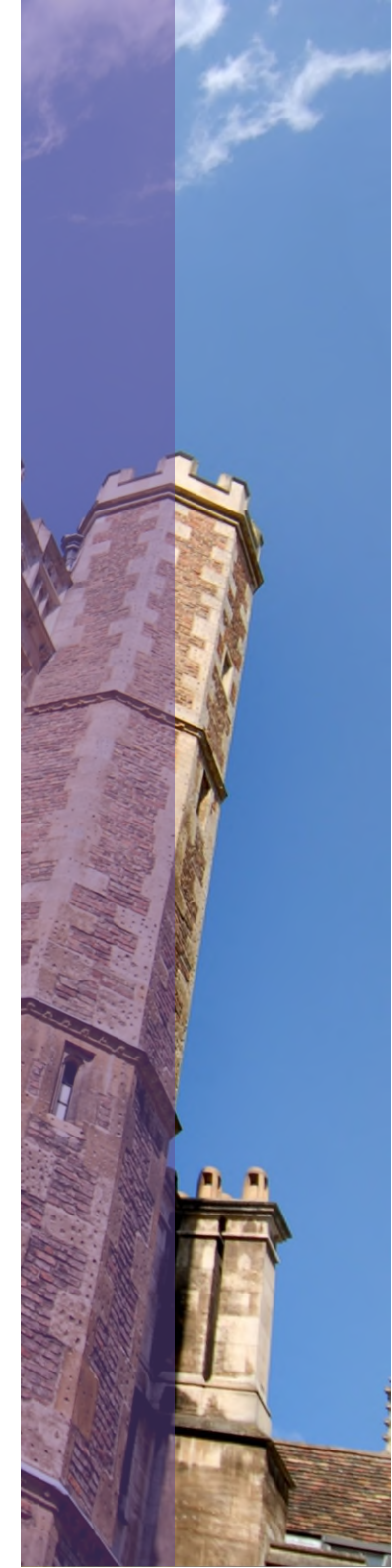
# 7. Fees and confirmation of independence (continued)

Ethical Standard and ISA (UK) 260 require us to give you timely disclosure of all significant facts and matters that may bear upon the integrity, objectivity and independence of the firm or covered persons, relating to independence. We encourage you to contact us to discuss these or any other independence issues with us. We will also discuss with you if we make additional significant judgements surrounding independence matters. We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements. In our professional judgement, PEM is independent within the meaning of regulatory and professional requirements and the objectivity of the Engagement Partner and audit staff is not impaired. **We confirm we are independent and able to express an objective opinion on the financial statements.**

## Fees and non-audit services

For the purposes of our audit we have made enquires of all PEM service line teams providing services to the Charity. The following non-audit services were identified to have been incurred or relate to the period from 31 December 2021.

| Service                                           | Fees (£)     | Threats                 | Safeguards                                                                                                                                                                                                                                                 |
|---------------------------------------------------|--------------|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Preparation of the statutory financial statements | 2,700        | Self review, management | The financial statements and consolidation working papers are reviewed by a partner/senior manager independent from the Audit Engagement Team and informed management with all judgements and decisions on adjustments being taken by informed management. |
| Ad hoc advice and meetings                        | 290          | Self review, management | This is support and guidance from the team and does not directly impact the audit or involve us acting in capacity of management.                                                                                                                          |
| <b>Total</b>                                      | <b>2,990</b> |                         | Total fees from non-audit services are not significant to the Responsible Individual's or PEM's wider client portfolio                                                                                                                                     |





# Appendices

# Appendix A. Communication of audit matters

| International Standard on Auditing (ISA)(UK and Ireland) 260, as well as other ISAs (UK and Ireland), prescribe matters which we are required to communicate with those charged with governance, and which we set out below                                                                  | Audit Letter |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| Respective responsibilities of auditor and management/those charged with governance                                                                                                                                                                                                          | ✓            |
| Overview of the planned scope and timing of the audit, form, timing and expected general content of communications                                                                                                                                                                           | ✓            |
| Views about the qualitative aspects of your accounting and financial reporting practices, significant matters and issues arising during the audit and written representations that have been sought                                                                                          | ✓            |
| Confirmation of objectivity and independence                                                                                                                                                                                                                                                 | ✓            |
| A statement that we have complied with relevant ethical requirements regarding independence, relationships and other matters that might be thought to bear on independence. Details of non-audit work performed by us together with details of safeguards applied to threats to independence | ✓            |
| Material weaknesses in internal control identified during the audit                                                                                                                                                                                                                          | ✓            |
| Identification or suspicion of fraud involving management and/or which results in material misstatement of the financial statements                                                                                                                                                          | ✓            |
| Non-compliance with laws and regulations                                                                                                                                                                                                                                                     | ✓            |
| Expected modifications to the auditor's report, or emphasis of matter                                                                                                                                                                                                                        | ✓            |
| Unadjusted misstatements and material disclosure omissions                                                                                                                                                                                                                                   | ✓            |
| Significant matters arising in connection with related parties                                                                                                                                                                                                                               | ✓            |
| Significant matters in relation to going concern                                                                                                                                                                                                                                             | ✓            |

# Emerging issues

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## Charities Act: June 2023 Update

The Charities Act 2022 amends the Charities Act 2011. The Charities Act 2022: implementation timetable was summarised in the [August 2022 Newsletter](#). And we set out below a summary of those elements which came into force in October 2022 in our [January](#) newsletter. A further tranche of amendments have now been implemented and we set out below a summary of those changes which came into force on 14 June 2023. Further guidance and information can be found on the [Charity Commission](#) website.

## Selling, leasing or otherwise disposing of charity land

The Act will simplify some of the legal requirements around disposing of charity land, through sale, transfer or lease. The changes include:

- Widening the pool of people qualified to provide charities with advice on disposals, including clarification that this can be a trustee if they are suitably qualified;
- Discretion over how a proposed land disposal is advertised;
- Removing the requirement for Charity Commission approval for certain short or fixed term leases to employees;
- Clarifying legal requirements which apply when the disposal is to another charity; and
- Updating the statements and certificates which must be included in disposal or mortgage documentation for charity land.

## Permanent endowment

The key changes are for charities:

- to be able to spend, in certain circumstances, from smaller endowments funds of less than £25,000; and
- to be able to borrow up to 25% of the value of their permanent endowment, without Charity Commission authority, but with plans over how the amount will be repaid.

Those charities taking a total return approach to investment will be able to use permanent endowment to make social investments with a negative or uncertain financial return, providing any losses are offset by other gains.

## Charity names and connected persons

The Act will enable the Charity Commission to delay registration of a charity with an unsuitable name, and also to direct a charity to stop using a working name, if it is offensive or misleading. The Commission will also be able to use these powers, in consultation with the Principal Regulator, for exempt charities.

In addition, the definition of connected person will be updated to remove outdated language. Trustees should remember that connected person include family members, companies controlled by a charity trustee, companies in which a charity trustee has at least 25% interest and business partners of charity trustees. This wide definition means that trustees need to be very conscious of potential relationships when declaring and managing conflicts.



# Emerging issues

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## Charity Commission Accounts

The Charity Commission published information on its new <https://www.gov.uk/guidance/setting-up-my-charity-commission-account> accounts access in November 2022. The first stage of the implementation currently planned from November 2022 to Summer 2023 is to pilot the access to the new accounts with a small number of charities. During phase 1 the key contact for the charity will be invited to set up an admin account. From that account they will ultimately be able to control access for other charity contacts and the trustees.

The Charity Commission recommend that any charities using a shared email address, such as 'info@charityname.org.uk' for both the charity contact and trustees, should change this to individual email addresses used by one person only. This can be done via the Charity Commission [update charity details](#) service, and the Commission believes that this will make setting up your individual accounts in Phase 2 much easier for you (see [What email address should I use?](#)) and will help you keep your information secure.

Ultimately the new accounts will enable a charity to establish administrator accounts, trustee accounts and third-party accounts which allow different levels of access to charity data and Charity Commission services. Where individuals use the same address it is intended that they will have one account with links to the data of all the charities they are connected to; if separate addresses are used for each charity, then a separate account will be required for each separate email address. So when setting up accounts trustees and charities will need to agree whether 'charity addresses' should be used, or whether it is acceptable for trustees and contacts to use personal email addresses.



# Emerging issues

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## Understanding internal controls

CC8 has long been the “go to” guidance on basic internal controls that the Charity Commission expect to be in place. This guidance was updated in April 2023 to reflect the increasing use of the internet for banking, donations and other transactions. It covers alternative banking arrangements and crypto currency to highlight areas where trustees may not be sure that they have addressed risks and questions that a 21st century charity may be addressing. A fuller description is included in our [May](#) newsletter.

The style of the checklist has changed to reflect key areas of control and supervision and should be logical for trustees and management to complete. Although the questionnaire has yes/no responses to its questions we would advise all charities to document why they are satisfied the response is a yes and develop an action plan where there is a no that is relevant to the activities of the charity.

The checklist covers

- General Principles for all charities – questions to establish how well trustees understand the financial controls in place and their duties.
- Operational risks. The key points here are around understanding whether there is sufficient training and knowledge of policies by trustees, staff and volunteers
- Internal financial controls for banking. These cover how bank accounts are opened, reconciled and monitored and include online banking controls around security of electronic devices, management of passwords and PINs.
- Income. This challenges trustees and management to identify whether they have controls to manage the completeness and accuracy of income recognition from all sources, and the ongoing security of that asset.
- Expenditure. Reflects the potentially increased levels of payment being made by individuals rather than through central purchasing and finance systems and are updated for services such as google pay and apple pay. For all methods where control over purchasing is effectively delegated to the individual, charities must be sure that clear policies are in place and appropriate oversight as these delegated processes give increased scope for an individual to commit an unwary charity without authorisation. This section also includes questions around paying wages and salaries, expenses, grants and handling related party transactions. The key here is having clear policies in place around identifying and managing conflicts and subsequent related party payments that can be followed.

Trustees have a legal duty to manage their charity's resources responsibly, including by implementing appropriate financial controls and managing risk. Increasingly Charity auditors, independent examiners and others will hold them to account and ask to see their assessment and understand that judgment. This demands more than a feeling, or a general assurance from those to which financial controls have been delegated. The guidance accompanying the CC8 checklist recommends that charities required to have an external audit, should have an internal audit committee. This assessment of internal controls may be one of its tasks.

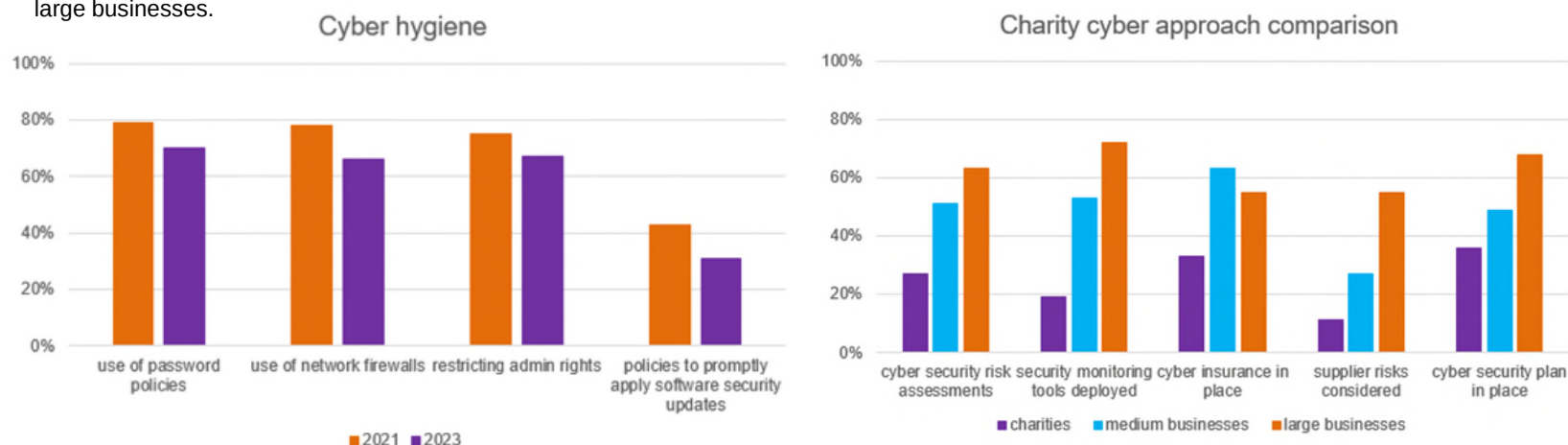


# Emerging issues

## Cyber Security Breaches Survey 2023

The [Cyber Security Breaches Survey](#) is a research study for UK cyber resilience, aligning with the [National Cyber Strategy](#). It has been published annually since 2016 and has separately identified charity trends from general business activity since 2018. Whilst it is primarily used to inform government policy on cyber security, it provides useful insight by sector on the policies, processes and approach to cyber security. It also considers the different cyber attacks and cyber crimes these organisations face, as well as how these organisations are impacted and respond.

Worryingly the survey found that practices around certain cyber hygiene factors have declined over the last few years for all respondents, charities and businesses. The survey also looked at risk assessment and use of monitoring tools and noted that charities (as a whole sector) are being medium and large businesses.



The survey found that formal incident response plans were not widespread among respondents (21% of businesses and 16% of charities had them). Although that rose to 47% of medium-sized businesses, 64% of large businesses and 38% of high-income charities. For charities the damage to reputation and lasting impact could be significantly greater than the loss from an attack (the survey found that the average charity loss was just over £500), and therefore managing the response to a cyber incident, with liaison and communication between IT and general staff is as key to managing the risk as preventative measures.

We would recommend that all trustees annual reconsider the data held and those related risks and responses covering prevention, detection and reaction to cyber incidents. Publications including [cyber security for Boards](#) and [cyber essentials](#) provide useful guidance for charities and businesses of all sizes.

