

Report of	:	Accountant and Financial Adviser
To	:	Trustees' Meeting
Date	:	11 March 2024
Subject	:	Accounts for the year 2023

The attached statements summarise the Accounts for the year ended 31 December 2023.

Accounts for the year ended 31 December 2023

The 2023 Accounts comprise of a Statement of Financial Activities, Consolidated Balance Sheet and explanatory Notes (including Cash Flow statement). The Accounts have been prepared in accordance with the SORP requirements for Charities and the Financial Reporting Standard (FRS102).

The 2023 Statement of Accounts will be audited and the Annual Returns, together with the Annual Report, will be submitted to the Charity Commission.

The main features of note are:

General

Dividends and interest amounted to £131,000. This is an increase of nearly £5,000 over the income in 2022 and an increase of £6,000 over the budget figure for 2023.

The amount available for transfer to the Education and Relief in Need Funds was £86,000 (compared with £82,000 in 2022).

Education Fund

Annual grants totalling £70,000 were agreed for voluntary schools (the same as in 2022).

Grants to other organisations amounted to £16,700 (compared with £22,600 in 2022).

Grants to individuals were only £600 (compared with around £2,600 in 2022).

A revenue surplus of over £64,000 is carried forward on the Education Fund (compared with nearly £62,000 in the previous year).

Relief in Need

The Relief in Need Charity continues to pay for pensions (£8,900 in 2023), food coupons (£2,200), distribution of immediate aid by Churches (£2,200), and grants to individuals and to organisations (£5,400). These payments totalled £18,700 in 2023 (compared with £18,500 in 2022).

Market Value

The market value of listed investments at 31 December 2023 was £3.0 million. It was actually £29,000 above the valuation at 31 December 2022 but reflected the investment of £30,000 new monies in February 2023.

Budget for 2024

The budget forecast for 2024 is attached, together with a comparison of the budget and outturn for 2023.

D K Gann
Accountant and Financial Adviser.

**PADDINGTON CHARITABLE ESTATES
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

Details	Note	Charitable Estates (Endowment)	Education Fund	Relief in Need (Part Endowment)
		£	£	£
INCOME	1			
Dividends and Interest		98,528	22,911	9,649
TOTAL INCOME		98,528	22,911	9,649
EXPENDITURE	2			
Management & Administration	3	12,261	2,920	1,190
Food coupons		-	-	2,220
Pensions	4	-	-	8,925
Annual Grants to Schools	5	-	70,000	-
Grants to Organisations	6	-	16,700	3,500
Grants to Individuals	7	-	600	1,849
Grants for immediate aid		-	-	2,200
TOTAL EXPENDITURE		12,261	90,220	19,884
NET INCOME (EXPENDITURE)		86,267	(67,309)	(10,235)
Transfers between Funds	8	(86,267)	69,014	17,253
Net purchases and sales of Investments		(24,598)	1,100	750
Balance brought forward at 01.01.23.		38,728	61,597	15,774
Balance carried forward at 31.12.23.		14,130	64,402	23,542

PADDINGTON CHARITABLE ESTATES
CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2023

		2023	2022
		£	£
FIXED ASSETS			
Investments at market value:			
Listed Investments	9	3,039,381	3,010,239
CURRENT ASSETS			
Sundry Debtors		490	0
Short-term Deposits:			
Cazenove		208	0
COIF		27,251	26,107
Black Rock Charities UK Bond Fund		12,114	11,917
M & G Charibond		1,517	1,469
Cash at Bank - Royal Bank of Scotland		85,737	90,382
Cash at Bank - Barclays		23,723	23,734
Cash in Hand		84	59
		151,124	153,668
Less Current Liabilities - Creditors		13,105	1,869
NET CURRENT ASSETS		138,019	151,799
TOTAL ASSETS less Current Liabilities		3,177,400	3,162,038
FUNDS	10		
Charitable Estates		2,295,812	2,290,886
Education Fund		629,731	626,754
Relief in Need		251,857	244,398
		3,177,400	3,162,038

APPROVED BY THE TRUSTEES ON 11 MARCH 2024

PADDINGTON CHARITABLE ESTATES

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

General

These Accounts relate to the Paddington Charitable Estate (Charity No. 212102), the Paddington Charitable Estates Educational Fund (Charity No. 312347), and the Paddington Relief in Need Charity (Charity No. 810132). These three Charities are distinct in terms of their beneficiaries but are managed by one board of Trustees. The Paddington Charitable Estate is an endowment Charity providing income for the Educational Fund and Relief in Need Charities.

The Paddington Charitable Estates Educational Fund incorporates the former Miss Hawkins Woodfield Foundation.

Accounting Policies

The Accounts comply with the Statement of Recommended Practice (SORP) on Accounting and Reporting applicable to Charities, issued by the Charity Commission, and providing guidance on how to apply the Financial Reporting Standard (FRS 102).

The Accounts comprise of:

- A Statement of Financial Activities for the year that shows all investment income to the Charities and all expenditure incurred, being mainly grants to organisations and individuals;
- A Consolidated Balance Sheet that shows the assets, liabilities and funds of the Charities; and
- These Notes which expand upon the accounting statements referred to above and include a Cashflow Statement and an explanation of the basis for transfers between funds.

Further information on the general financial position is contained within the Annual Report which should be read in conjunction with the Accounts.

Listed investments are shown in the Balance Sheet at market value, and the Notes to the Accounts show the original cost (or book value) of these investments.

Sums due to or from the Charities are recorded at the time they become due or payable.

Notes to the Statement of Financial Activities

1. Income

The comparison of income for all funds with the previous financial year is as follows:

	Total Funds	
	2023	2022
	£	£
Dividends and Interest		
Multi-Asset Funds	117,200	115,700
Property	17,979	17,058
Bonds and Deposits	3,146	1,041
	138,325	133,799
Less Management Fees	7,237	7,653
Total Dividends and Interest	131,088	126,146

2. Expenditure

The comparison of expenditure for all funds with the previous financial year is as follows:

	Total Funds	
	2023	2022
	£	£
Management and Administration	16,371	16,325
Food coupons	2,220	3,260
Pensions	8,925	9,640
Grants to Schools	70,000	70,000
Grants to Organisations	20,200	24,622
Grants to Individuals	2,449	4,100
Grants for Immediate Aid	2,200	2,100

Total Expenditure	122,365	130,047
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None of the Trustees have been paid any remuneration or received any other benefits from an employment within the Charities or a related entity, and no trustee expenses have been incurred.

3. Management and Administration

The management and administration expenditure is mainly comprised of fees payable to Westminster City Council for the day-to-day administration of the Charities and ongoing support to Trustees (£11,300), accounting and financial advice provided to Trustees (£4,350), the audit of annual accounts (£670) and miscellaneous expenses (£51). The expenditure is allocated to funds on the basis of investment income.

4. Pensions

A pension is paid to up to 75 elderly Paddington residents in need. Nominations to the scheme are made by Age UK. The annual amount was £200 plus a Christmas bonus of £50.

5. Annual Grants to Schools

Grants are made to the voluntary aided or special arrangement Church of England Schools in Paddington towards the purchase of sites, building works, or alterations and repairs. Grants of £70,000 for 2023 were apportioned to eight schools on the basis of the number of Paddington pupils on each school roll.

6. Grants to Organisations

Grants are made to organisations operating within Paddington. These include activities and outings for youth and children. A grant was also made to Age UK for Christmas lunches.

7. Grants to Individuals

Grants are made at the discretion of Trustees to assist individuals in furthering their education or in meeting welfare needs for the purchase of furniture and household equipment.

8. Transfers between Funds

The net annual income of the Paddington Charitable Estate is transferred to the Education Fund (four-fifths) and the Relief in Need Charity (one-fifth) in accordance with the Scheme approved by the Charity Commission.

Notes to the Balance Sheet

9. Listed Investments

The listed investments are shown at market value and categorised as follows:

	2023	2022
	£	£
Multi-Asset Funds	2,701,220	2,641,240
Property	338,161	368,999
Total Market Value	3,039,381	3,010,239

The historic cost of these investments was £2,911,376 (2022 : £2,888,149).

The Permanent Endowments included above are as follows:

	2023 £	2022 £
Charitable Estates	2,281,682	2,252,158
Relief in Need	85,385	85,559
	2,367,067	2,337,717

10. Funds

The analysis of fund balances is as follows:

	Charitable Estates £	Education Fund £	Relief in Need £	Total Funds £
Balances at 01.01.23.	2,290,886	626,754	244,398	3,162,038
Increase in investment values	29,524	(73)	(309)	29,142
Reduction in current balance	(24,598)	2,805	7,768	(14,025)
Increase in bond values	-	245	-	245

Balances at 31.12.23.	2,295,812	629,731	251,857	3,177,400
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Consolidated Cash-flow Statement for the year ended 31 December 2023

			£	£
Net cash flow from operating activities:				
Net Expenditure per Statement of Financial Activities				8,723
Increase in Creditors				11,236
Increase in Debtors				(490)
Investing activities:				
Net purchases and sales of investments				(22,748)
Increase in value of deposits				245
Increase in cash and cash equivalents (as shown below)				(3,034)
	<u>2023</u>	<u>2022</u>	<u>Change</u>	
	£	£	£	
Short term deposits	41,090	39,493	1,597	
Cash at Bank	109,460	114,116	(4,656)	
Cash in Hand	84	59	25	
	150,634	153,668	(3,034)	
Cash and cash equivalents at December 2022				153,668
Cash and cash equivalents at December 2023				150,634

