

CARLTON EDUCATIONAL CHARITY
TRUSTEES REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

Registered Charity No: 230768

CARLTON EDUCATIONAL CHARITY

YEAR ENDED 31 DECEMBER 2023

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CARLTON EDUCATIONAL CHARITY

Reference and Administrative Details As at 31 December 2023

Trustees

DTC Hanbury (Chairman)
Mr A Tusting (Treasurer)
ADG Oldrey
JR Tusting
Mrs C Evens
Mrs J Bray
Mrs A Hartigan

Principal Address

c/o Cottage Farm
Strixton
Northamptonshire
NN29 7FG

Charity Number

230768

Independent Examiner

P Fenn ACA FCCA
Mercer & Hole LLP
Chartered Accountants
The Pinnacle
170 Midsummer Boulevard
Milton Keynes
MK9 1BP

Principal Bankers

National Westminster Bank
High Street
Bedford
Bedfordshire

Investment Advisors

Charles Stanley & Co Limited
25 Luke Street
London
EC2A 4AR

CARLTON EDUCATIONAL CHARITY

Report of the Trustees

The trustees present their annual report and the financial statements of the Charity for the year ended 31 December 2023.

The financial statements comply with the Charities Act 2011, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Structure, Governance and Management

The Charity was formed in the 19th Century with the aim of benefiting the education in Bedfordshire of deprived children and young adults aged less than 25. The principal assets of the Charity are the Trustees' cottages, residential school premises and farmland at Carlton, together with investments and cash deposits.

Induction training is provided for all new trustees, where appropriate and all new Trustees receive all necessary information on the Carlton Educational Charity and are encouraged to attend appropriate external training events which will facilitate their undertaking of the role or benefit them as trustees. The Trustees have regard to their need for any specialist skills which Trustees may bring to the Trust.

Review of the Development, Activities and Achievements of the Charity

The premises at Carlton are either let to produce rental income or included in a 50 year lease dated 1st November 2001, which was granted to Emmaus Village Carlton, a charity working on behalf of the homeless. In the latter case no rent is payable but Emmaus UK is responsible under the lease for the costs of improving the property in question to an agreed standard and also to fully maintain it thereafter, for the remaining term of the lease. In the opinion of the Trustees, the costs of improving and maintaining the property broadly equal the rent that would be payable, so on the basis that the position is neutral, no gift in kind to Emmaus Village Carlton needs to be shown.

In the year ended 31 December 2023 the charity issued grants and bursaries of £55,800 compared to £84,500 in 2022. A surplus of £37,570 was created before investment profits, compared to a surplus of £35,643 in 2022. The Trustees intend to award grants and bursaries each year which approximate to the forecast amount of Net Income for that year.

Public Benefit

The Trustees consider that the main activities of the charity detailed in the objects above are for the public benefit and have given due regard to the Charities Commission guidance on public benefit.

Trustees

The trustees who served during the period were:

D T C Hanbury
Mrs C Evens
Mrs A Hartigan
Mr A Tusting

A D G Oldrey
J R Tusting
Mrs J Bray
Mrs I Burns (appointed 4 December 2023)

The power to appoint additional trustees lies with the current trustees.

Trustees' responsibilities

The trustees are responsible for preparing the trustees' annual report and the unaudited financial statements in accordance with applicable law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice).

CARLTON EDUCATIONAL CHARITY

Report of the Trustees (contd.)

The trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing those financial statements giving a true and fair view, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any departures disclosures and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) regulations, 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.

Reserves Policy

The Trustees' reserves policy is to hold a minimum of 12 months running costs to ensure the long-term future of its activities.

The Trustees have created a designated fund to defray any property repair costs that might arise on the termination of the present leases. Included in this fund is a payment received in 2001 from Bedfordshire County Council in respect of dilapidations on the return to the charity of the school building at the end of the lease term. These monies have been designated for these purposes as the grant of the current lease obviated the need for the original receipt to be used to defray property repair costs in 2001. However, the Trustees hold the right to use this reserve to enhance the charity as a whole if they feel it is prudent and beneficial to do so.

The investments representing the designated funds were apportioned into a separate pool and the income, gains, losses and related costs were also apportioned between general and designated funds. In 2020 the trustees reviewed the level of designated funds required in respect of repair costs and decided to set this at a fixed amount of £472,071, removing the need for apportionment. All income and expenditure is therefore treated as general funds as the two elements have been amalgamated.

Risk Factors

The trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate their exposure.

Investment Policy

The Trustees have full investment powers and authority for the charity and investment decisions have been made in accordance with the Trustees wishes during the year. The trustees consider the return on investments for the period to be satisfactory.

CARLTON EDUCATIONAL CHARITY

Report of the Trustees (contd.)

Market value of land and buildings

In view of the possibility that the market value of the buildings, other property & farmland could be materially higher than cost, the Trustees decided to have the property valued to assess this and then consider whether the market value should be reflected in the financial statements. Messrs Berrys were retained by the charity and having assessed the estate, placed a value of £4,525,000 on the property at 31 December 2019. The Trustees subsequently took the decision to include property assets in the financial statements at their open market value. This led to a revaluation reserve of £4,275,000 being created on the revaluation at 31 December 2019, which is shown separately on the balance sheet and held within General Funds. During 2020 one of the properties were sold reducing the value to £4,100,000. There was an addition in year ended 31 December 2022 of £20,000 increasing the valuation to £4,120,000. The Trustees have considered the valuation at the reporting date and in their opinion this is fairly reflected at an amount of £4,120,000 at 31 December 2023.

Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and for at least the next 12 months. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Signed on behalf of the trustees of Carlton Educational Charity

D Hanbury

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D T C Hanbury, Trustee

9th October 2024

CARLTON EDUCATIONAL CHARITY

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE CARLTON EDUCATIONAL CHARITY

I report to the charity trustees on my examination of the accounts of the Charity for the year ended 31 December 2023, which are set out on pages 6 to 13.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

P Fenn

Philip Fenn ACA FCCA
Mercer & Hole LLP
Chartered Accountants
The Pinnacle
170 Midsummer Boulevard
Milton Keynes
MK9 1BP

9th October 2024

CARLTON EDUCATIONAL CHARITY

**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	General Funds	Designated Funds	2023 £ Total Funds	2022 £
Income					
Other trading activities:	2				
Rental income		99,819	-	99,819	115,512
Other income		<u>46,447</u>	-	<u>46,447</u>	<u>58,002</u>
Total Income		<u>146,266</u>	<u>-</u>	<u>146,266</u>	<u>173,514</u>
Expenditure					
Charitable activities:					
Grants and bursaries payable	4	55,800	-	55,800	84,500
Management and administration costs	5	52,896	-	52,896	53,371
Total Expenditure		<u>108,696</u>	<u>-</u>	<u>108,696</u>	<u>137,871</u>
Net income / (expenditure) before other recognised gains / losses		<u>37,570</u>	<u>-</u>	<u>37,570</u>	<u>35,643</u>
(Loss) / Gain on revaluation of investments	7	5,465	-	5,465	(135,039)
(Loss) on disposal of investments	7	<u>1,020</u>	<u>-</u>	<u>1,020</u>	<u>(5,888)</u>
Net movement in funds		44,055	-	44,055	(105,284)
Fund balances brought forward		<u>4,917,922</u>	<u>472,071</u>	<u>5,389,993</u>	<u>5,495,277</u>
Transfer (General-designated)		-	-	-	-
Fund Balances carried forward		<u>4,961,977</u>	<u>472,071</u>	<u>5,434,048</u>	<u>5,389,993</u>

All of the above results are derived from continuing activities.

All gains and losses recognised in the year are included above.

The notes on pages 8 to 13 form part of these financial statements

CARLTON EDUCATIONAL CHARITY**BALANCE SHEET AS AT 31 DECEMBER 2023**

	Notes	2023 £	2022 £
Fixed Assets			
Tangible Assets	6	4,120,000	4,120,000
Investments	7	1,208,580	1,213,825
Current Assets			
Debtors	8	460	6,781
Cash at bank		<u>132,758</u>	<u>73,987</u>
		5,461,798	5,414,593
Creditors: Amounts falling due within one year	9	<u>(27,750)</u>	<u>(24,600)</u>
Net Assets		<u>5,434,048</u>	<u>5,389,993</u>
Unrestricted funds:			
General fund	10	686,977	642,922
Revaluation Reserve (General Fund)	10	4,275,000	4,275,000
Designated fund	10	472,071	472,071
Total charity funds		<u>5,434,048</u>	<u>5,389,993</u>

The notes at pages 8 to 13 form part of these accounts.

Approved by the trustees on 9th October 2024 and signed on their behalf by:

D Hanbury

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D T C Hanbury, Trustee

9th October 2024

CARLTON EDUCATIONAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1) Accounting Policies

a. Basis of preparation

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)).

Carlton Educational Charity 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 note(s).

The Trustees have taken advantage of the exemption in FRS102 from including a cash flow statement in the financial statements on the grounds that the organisation is small.

b. Income

All grants and voluntary income are accounted for gross when receivable, provided they are capable of financial measurement.

c. Expenditure

All expenditure is accounted for gross when incurred.

d. Fixed Assets

Fixed assets are included at cost or valuation.

The Trustees have not provided for depreciation on buildings on the basis that the open market value of the buildings is in excess of the net book value and since an amount has been designated to defray any property repair costs that might arise on the termination of the present leases. The trustees review this policy on an annual basis.

e. Funds

The Designated Fund is an amount which has been set aside at the discretion of the Trustees for a specific, but not legally binding, purpose to pay for future repairs to the former school buildings. It consists of money received for that purpose, but which was not found necessary to expend due to the subsequent lease of the buildings on a full repairing basis.

f. Investments

Investments are recognised at their open market value as at the balance sheet date. Unrealised and realised gains and losses are shown net in the statement of financial activities.

g. Going Concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and for at least the next 12 months. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

h. Debtors

Debtors are recognised at the settlement amount due after any trade discount offered and prepayments are valued at the amount prepaid.

CARLTON EDUCATIONAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

i. Creditors and provisions

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

j. 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.

2) **Income**

General income includes rents received from the agricultural and residential estates, and interest received on deposit accounts.

3) **Net income/ (expenditure) for the year**

	2023	2022
	£	£
Is stated after charging:		
Independent examiners fees	<u>2,750</u>	<u>2,660</u>

4) **Grants and Bursaries Payable**

	2023	2022
	£	£
Grants to institutions		
Bedfordshire Learning Disabilities Appeal	-	20,000
Country Days	5,000	2,000
Autism Bedfordshire	5,000	5,000
Carlton Primary School	-	5,000
Fun 4 Young People	10,000	10,000
Carlton Squash Club	-	20,000
Sharnbrook School Common Room	5,000	-
	<u>25,000</u>	<u>62,000</u>
Bursaries to individuals	30,800	22,500
Total grants and bursaries payable	<u>55,800</u>	<u>84,500</u>

CARLTON EDUCATIONAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

5) Analysis of expenditure

	2023 £	2022 £
Charitable expenditure		
Grants and bursaries payable	55,800	84,500
Management and administration costs	52,896	53,371
	<u>108,696</u>	<u>137,871</u>

Management and administration costs comprise:

	2023 £	2022 £
Rates	-	177
Light and heat	7,996	3,663
Management fees	25,426	26,519
Repairs	8,760	15,881
Insurance	5,560	4,459
Accountancy	5,154	2,660
Sundry	-	12
	<u>52,896</u>	<u>53,371</u>

6) Tangible Fixed Assets

	Land and Buildings £
Valuation bought forward and carried forward at 31/12/22 and 31/12/23	<u>4,120,000</u>

In view of the materially higher market value of these buildings, other property & farmland over the recorded cost, the Trustees decided to have the property valued to reflect this in the financial statements at the open market value. Messrs Berrys were retained by the charity and having assessed the estate, placed a value of £4,525,000 on it at 31 December 2019.

Since the valuation there have been disposals of £425,000 and an addition of £20,000 in year ended 31 December 2022 which has led to an increase in the valuation to £4,120,000.

In the opinion of the Trustees, at the year-end date there is unlikely to have been a material change in the underlying value.

The Trustees have not provided for depreciation on land and buildings as detailed in Note 1d.

CARLTON EDUCATIONAL CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

7) Investments

	2023 £	2022 £
Market value at 31 December	<u>1,208,580</u>	<u>1,213,825</u>

Movement in funds during the year

	2023 £	2022 £
Market value bought forward at 1 January	1,213,825	1,357,663
Management fees deducted from cash account	(12,482)	(13,227)
Dividends and other income received	42,240	53,007
Gain / (Loss) on investment disposal	1,020	(5,888)
Revaluation (Loss) / Gain in the year	5,465	(135,039)
Cash (Payments)/Receipts	(41,488)	(42,691)
Movement in accrued income		-

Market value at 31 December	<u>1,208,580</u>	<u>1,213,825</u>
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Historical cost as at 31 December	<u>1,044,893</u>	<u>1,044,441</u>
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The Trustees' reserves policy is to hold a minimum of 12 months running costs to ensure the long-term future of its activities. It is not their intention to realise these assets for general revenue purposes.

8) Debtors due within one year

	2023 £	2022 £
Other debtors	<u>460</u>	<u>6,781</u>

9) Creditors: Amounts falling due within one year

	2023 £	2022 £
Creditors and Accruals	<u>27,750</u>	<u>24,600</u>

CARLTON EDUCATIONAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

10) Funds

Designated funds are represented by cash and investments held by Charles Stanley & Co Ltd.

The amount designated was reviewed during the year and has been set at a fixed amount of £472,071 that is intended to defray any property repair costs that might arise on the termination of the present leases.

A revaluation reserve of £4,275,000 is held in respect of the revaluation of the property estate to its open market value. This is held as a general fund.

11) Employee and Trustee Remuneration

No staff were employed by the Charity during the year ended 31 December 2023. No Trustees (or any persons connected with them) received any remuneration or payment for expenses during the year ended 31 December 2023.

12) Control

The ultimate controlling party is the trustees.

CARLTON EDUCATIONAL CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

13) Split of funds of comparative year

	Notes	General Funds	Designated Funds	2022 £ Total Funds
Income				
Other trading activities:	2			
Rental income		115,512	-	115,512
Other income		<u>58,002</u>	-	<u>58,002</u>
Total Income		<u>173,514</u>	-	<u>173,514</u>
 Expenditure				
Charitable activities:				
Grants payable	4	84,500	-	84,500
Management and administration costs	5	<u>53,371</u>	-	<u>53,371</u>
Total Expenditure		<u>137,871</u>	-	<u>137,871</u>
 Net income before other recognised gains / losses		<u>35,643</u>	-	<u>35,643</u>
 Gain on revaluation of investments	7	(135,039)	-	(135,039)
(Loss) on disposal of investments	7	<u>(5,888)</u>	-	<u>(5,888)</u>
Net movement in funds		(105,284)	-	(105,284)
Fund balances brought forward		<u>5,023,206</u>	<u>472,071</u>	<u>5,495,277</u>
Transfers (General-designated)		-	-	-
Fund Balances carried forward		<u>4,917,922</u>	<u>472,071</u>	<u>5,389,993</u>