

LICHFIELD MUNICIPAL CHARITIES
Registered Charity Number: 254299

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

Dains Audit Ltd
Chartered Accountants
2 Chamberlain Square
Paradise Circus
Birmingham
B3 3AX

**LICHFIELD MUNICIPAL CHARITIES
INDEX TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

	PAGE
Annual Report	1-3
Independent Examiners Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Accounts	7-9

**LICHFIELD MUNICIPAL CHARITIES
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025**

Reference and administrative information

Trustees:

The Charity trustees who served during the year and their appointing bodies are:

C P Earnshaw	Chairman	Co-optative
K R Lomas	Vice chairman	Co-optative
H Ashton		Lichfield City Council
C Ball		Lichfield City Council
J H Fox		Lichfield City Council
W M Henwood		Co-optative
E Newbould		Co-optative
C Pinder-Smith	appointed 14 May 2025	Ex-officio
E L Rawling	appointed 4 March 2025	Co-optative
T J Roach		Co-optative
J Russell		Co-optative
S Schafer	expired 14 May 2025	Ex-officio
N G Sedgwick		Co-optative
C R Stokes		Co-optative
D J Sullivan	appointed 4 March 2025	Co-optative

Principal Address: S R James
The Clerk Lichfield Municipal Charities
Bank House Farm
Woodhouses
Yoxall
Staffs
DE13 8NR

Website: www.lichfieldmunicipal.org.uk

Registered Charity No: 254299

Principal Bankers: CAF Bank Ltd
25 Kings Hills Avenue
Kings Hill
West Malling
ME19 4JQ

Independent Examiner: M Gurney FCCA, DChA
of Dains Audit Ltd
Chartered Accountants
2 Chamberlain Square
Paradise Circus
Birmingham
B3 3AX

Investment Advisers: RBC Brewin Dolphin
6th floor, The Chatwin Building
81, Colmore Row
Birmingham
B3 2BA

**LICHFIELD MUNICIPAL CHARITIES
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)**

Report of the Trustees for the year ended 31 December 2025

The trustees present their report along with the financial statements of the Charity for the year ended 31 December 2025. The financial statements have been prepared in accordance with the accounting policies set out on page 7 and comply with the Charity Commission Scheme, the Charities Act 2011 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 effective 1 January 2019.

Structure, Governance and Management

History, Objectives and Activities for the Public Benefit

Lichfield Municipal Charities was established in 1654 and is now regulated by a Charity Commission Scheme which was sealed on 24 September 1982. The Charity is an unincorporated association. The Charity does not actively fundraise and seeks to continue its philanthropic work through the careful stewardship of its existing resources.

Following the remodelling project, which was completed during 2022, Lichfield Municipal Charities now comprises twelve Almshouses known as William Lunn Homes, which are situated in Lichfield. All are suitable for couples. The Almshouses are available for occupation by poor inhabitants of the City of Lichfield.

After paying the costs of maintaining the property and expenses incidental to the administration of the Charity, any surplus is available for the relief of need, either generally or individually of persons resident in the area of the former City of Lichfield as constituted on 31 March 1974.

Management and Governance

Following an amendment during 2013, the Scheme provides for the appointment of 14 trustees, 1 ex-officio, 3 nominative and 10 co-optative. The ex-officio trustee is the Mayor of the City of Lichfield. The three nominative trustees are appointed by Lichfield City Council. Nominative trustees serve for a period of four years. Co-optative trustees serve for a period of five years. New co-optative trustees are identified from people within the local community who have the necessary skills and interest and are appointed by the remaining trustees.

The induction process for any newly appointed trustee comprises an initial meeting with the board of trustees at which an information pack is provided. This includes a copy of the governing document, a copy of the most recent annual report and accounts, copy minutes of previous trustees' meetings and a copy of the Charity Commission Guidance 'The Essential Trustee' and 'Charities and Public Benefit'.

The trustees normally meet four times a year to consider the Charity's affairs and as and when appropriate the broad strategy and area of activity for the Charity, including consideration of grant making, investments, reserves and risk management policies and performance.

The charity has formed a Property Sub Committee comprising six trustees, elected annually, and delegated to it, within certain financial parameters, authority to commission and oversee refurbishment, replacement and renovation works at William Lunn Homes.

The day to day administration of the Charity is delegated to the Clerk.

Risk Review

The trustees have examined the major internal and external risks which the Charity faces and confirm that systems have been established to minimise these risks.

Grant making policy and procedures

The Charity is well known in the City and invites applications from individuals and organisations. Each application is considered on its own merits.

Grant application forms are available from the Clerk whose address is shown on page 1 or from the website, www.lichfieldmunicipal.org.uk

**LICHFIELD MUNICIPAL CHARITIES
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)**

Achievements and Performance

During the year exterior groundworks and landscaping have taken place to improve the residents' gardens and paths. The work has been funded partly from accrued income and partly from a bequest, for which the charity was grateful, from the late Robert Owen.

Other charitable expenditure during the year totalled £19,849. A detailed breakdown of this figure is given in note 4 to the accounts.

Financial Review

Investment Policy and Performance

The Charity derives its income from its portfolio of investments and a small holding of land. The investment portfolio is managed by external fund managers on a discretionary basis to achieve a balanced return from income and capital growth by accepting a moderate level of risk. The investment portfolio generated a total return of 11.08% net of fees over the course of the year.

This compares with a return of 14.31% for the RBC Brewin Dolphin Category 6 index and 9.31% for the ARC Steady Growth index over the same period.

The trustees monitor the performance of the fund on a quarterly basis.

Reserves Policy

Charity funds at 31 December 2025 totalled £3,102,540 and comprised permanent endowment £2,180,511, extraordinary repairs fund £141,028 and unrestricted reserves £781,001.

The trustees aim to maintain such reserves as are necessary for the future repair, improvement and refurbishment of the Almshouses and to finance working capital requirements.

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning and setting their grant making policy for the year and have complied with their duties under the Charities Act 2011.

Trustees' Responsibilities in Relation to the Financial Statements

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 Charity's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping accounting records which 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. 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 the Trustees on 24 March 2026 and signed on their behalf by: C P Earnshaw

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LICHFIELD MUNICIPAL CHARITIES

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2025 which are set out on pages 5-9.

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 accounting 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.

M Gurney FCCA, DChA
of Dains Audit Ltd
2 Chamberlain Square
Paradise Circus
Birmingham
B3 3AX

Date: March 24, 2026

**LICHFIELD MUNICIPAL CHARITIES
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2025**

	Note	Income Fund £	Extraordinary Repairs Fund £	Endowment Fund £	Total 2025 £	Total 2024 £
Income and endowments from:						
Charitable activities						
Maintenance contributions receivable		73,260			73,260	62,246
Investments						
Income from listed investments	2	49,088	8,905		57,993	58,750
Deposit interest and similar income		1,481			1,481	679
Rental income		365			365	365
Donations						
Other donation		35			35	
Total		124,229	8,905		133,134	122,040
Expenditure on:						
Almshouse running costs	3	245,391			245,391	47,933
Other charitable expenditure	4	19,849			19,849	11,796
Investment management charges	5	2,397	1,214	7,844	11,455	11,287
Insurance etc re land at Darnford		384			384	346
Clerk's salary		17,411			17,411	16,750
Independent examiner's fees		3,094			3,094	2,940
Sundry expenses		1,878			1,878	1,803
Depreciation - Solar panels		4,003			4,003	4,003
Total		294,407	1,214	7,844	303,465	96,858
Gains/(losses) on investments	10	28,066	20,574	113,822	162,462	107,372
Net income/(expenditure)		(142,112)	28,265	105,978	(7,869)	132,554
Net movement in funds		(142,112)	28,265	105,978	(7,869)	132,554
Reconciliation of funds:						
Total funds brought forward		923,113	112,763	2,074,533	3,110,409	2,977,855
Total funds carried forward		781,001	141,028	2,180,511	3,102,540	3,110,409

**LICHFIELD MUNICIPAL CHARITIES
BALANCE SHEET
31 DECEMBER 2025**

	Note	Income Fund £	Extraordinary Repairs Fund £	Endowment Fund £	Total 2025 £	Total 2024 £
Fixed Assets						
Freehold Land and Buildings	7	284,565		680,000	964,565	964,565
Solar Panels	8	29,339			29,339	33,342
Investment Property	9			7,500	7,500	7,500
Listed Investments	10	433,085	144,704	1,501,820	2,079,609	2,060,087
		<u>746,989</u>	<u>144,704</u>	<u>2,189,320</u>	<u>3,081,013</u>	<u>3,065,494</u>
Current Assets						
Debtors	11	6,899	965		7,864	7,917
Balances at Bank:						
Deposit		34,046			34,046	44,771
Current		12,233	(4,376)	(6,758)	1,099	2,628
Total current assets		<u>53,178</u>	<u>(3,411)</u>	<u>(6,758)</u>	<u>43,009</u>	<u>55,316</u>
Liabilities						
	12					
Creditors: Amounts due within 1 year		19,166	265	2,051	21,482	10,401
Net Current Assets		<u>34,012</u>	<u>(3,676)</u>	<u>(8,809)</u>	<u>21,527</u>	<u>44,915</u>
Net Assets		<u>781,001</u>	<u>141,028</u>	<u>2,180,511</u>	<u>3,102,540</u>	<u>3,110,409</u>
The funds of the charity:						
Permanent endowment				2,180,511	2,180,511	2,074,533
Extraordinary repairs fund			141,028		141,028	112,763
Unrestricted income funds		781,001			781,001	923,113
		<u>781,001</u>	<u>141,028</u>	<u>2,180,511</u>	<u>3,102,540</u>	<u>3,110,409</u>

These financial statements were approved by the Board of Trustees on 24 March 2026 and signed on their behalf by:

C P Earnshaw

K R Lomas

**LICHFIELD MUNICIPAL CHARITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

1 Accounting Policies

a Basis of Accounting

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 (FRS102) effective 01/01/2019, the Financial Reporting Standard applicable in the UK and Ireland (FRS102) and the Charities Act 2011.

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

The financial statements comply with FRS 102.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated.

b Freehold Land and Buildings

Freehold Land and Buildings are included at their reinstatement value for insurance purposes as at July 2004 with remodelling and refurbishment costs incurred since that date included at cost.

c Investment Property

Investment property has been valued by the trustees at open market value subject to existing use.

d Listed Investments

Listed investments are stated at market value.

e Funds

The income fund comprises those funds which the trustees are free to use in accordance with the charitable objects.

The permanent endowment represents those assets which must be held permanently by the charity. Income arising on the endowment fund can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of that fund. Investment management charges relating to the fund are charged against that fund.

The extraordinary repairs fund is a designated reserve which represents amounts set aside to carry out major repairs on the freehold buildings.

2 Income from Listed Investments

In 2024 income from listed investments totalled £58,750 of which £53,792 represented unrestricted income funds and £4,958 represented the extraordinary repairs fund.

3 Almshouse Running Costs

	2025	2024
	£	£
Insurance	1,759	1,704
Garden Maintenance	5,231	5,342
Exterior groundworks and landscaping	201,754	-
Water, Council Tax and Electric	3,102	4,822
Lifeline and Smoke Alarm System	229	373
Repairs and Renewals	27,369	34,201
Advertising	-	400
Maintenance of solar panels	2,138	-
Sundry Expenses	3,809	1,091
	<u>245,391</u>	<u>47,933</u>

**LICHFIELD MUNICIPAL CHARITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

4 Other Charitable Expenditure	2025	2024
	£	£
St Giles Hospice	5,000	2,500
Curborough Community Association CIO	500	-
English Language School (written back in 2025)	(1,260)	1,260
Grants to 27 individuals (2024 - 15)	15,609	8,036
	<u>19,849</u>	<u>11,796</u>

5 Investment management charges

In 2024 the expenditure on investment management charges totalled £11,287 of which £7,618 was from the endowment fund, £616 from the extraordinary repair fund and £3,053 from unrestricted income funds.

6 Trustees Remuneration and Expenses and Related Party Transactions

No remuneration directly or indirectly out of the funds of the Charity was paid or payable for the year to any trustee or to any person or persons known to be connected with any of them. An Annual Dinner was held for trustees at a cost of £795 (2024-£659). No expenses were paid to any trustee during the year.(2024- nil)

7 Freehold Land and Buildings

	2025	2024
	£	£
12 Bungalows known as William Lunn's Homes At 1 January 2025 and 31 December 2025	<u>964,565</u>	<u>964,565</u>

8 Solar Panels

	2025	2024
	£	£
At cost 1 January 2025	40,036	26,911
Additions: Battery storage	-	13,125
Cost 31 December 2025	<u>40,036</u>	<u>40,036</u>
Depreciation at 1 January 2025	6,694	2,691
Depreciation charge for the year	4,003	4,003
Depreciation at 31 December 2025	<u>10,697</u>	<u>6,694</u>
Net book value at 31 December 2025	<u>29,339</u>	<u>33,342</u>

The solar panels and associated batteries are being depreciated at 10% on a straight line basis.

9 Investment Property

	2025	2024
	£	£
Land at Darnford-At 1 January 2025 and 31 December 2025	<u>7,500</u>	<u>7,500</u>

LICHFIELD MUNICIPAL CHARITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

10 Listed Investments

	2025	2024
	£	£
Listed UK Investments	2,034,916	2,038,760
Investment Portfolio Cash	44,693	21,327
	<u>2,079,609</u>	<u>2,060,087</u>

	Income Fund	Extraordinary Repairs Fund	Endowment Fund	Total 2025	Total 2024
	£	£	£	£	£
Investments held at 01.01.25	542,685	103,987	1,392,088	2,038,760	1,940,480
Additions at cost	77,256	101,354	153,393	332,003	375,936
Disposals at carrying value	(222,728)	(84,171)	(191,410)	(498,309)	(385,028)
Add net gain/(loss) on revaluation	28,066	20,574	113,822	162,462	107,372
Investments held at 31.12.25	<u>425,279</u>	<u>141,744</u>	<u>1,467,893</u>	<u>2,034,916</u>	<u>2,038,760</u>

All investments are quoted on the London Stock Exchange and are carried at their market value.
Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).
RBC Brewin Dolphin Limited provide a discretionary management service

11 Debtors

	2025	2024
	£	£
Maintenance Contributions Receivable	1,391	337
Other Debtors and Prepayments	1,375	1,315
Investment Income	5,098	6,265
	<u>7,864</u>	<u>7,917</u>

12 Creditors

	2025	2024
	£	£
Creditors and accrued expenses	21,482	9,141
Grants payable	-	1,260
	<u>21,482</u>	<u>10,401</u>
Permanent endowment	2,051	1,952
Extraordinary repairs fund	265	157
Unrestricted income funds	19,166	8,292
	<u>21,482</u>	<u>10,401</u>

**LICHFIELD MUNICIPAL CHARITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

13 Analysis of Net Assets Between Funds

	Accumulated Income Fund	Extraordinary Repairs Fund	Endowment Fund	Total 2024
	£	£	£	£
Fixed Assets	870,519	111,995	2,082,980	3,065,494
Current Assets	60,886	925	(6,495)	55,316
Current Liabilities	(8,292)	(157)	(1,952)	(10,401)
Fund Balance	<u>923,113</u>	<u>112,763</u>	<u>2,074,533</u>	<u>3,110,409</u>

14 Future Commitment

At 31 December 2025, there was a commitment for landscaping totalling £12,198.
This is to be financed from the income fund.