

Report of the Trustees and
Audited Financial Statements
for the Year Ended 31 March 2024
for
The S M B Trust

The S M B Trust

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for the Year Ended 31 March 2024

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The S M B Trust

Report of the Trustees **for the Year Ended 31 March 2024**

The trustees present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal objects of the trust are to make gifts and donations for such charitable purposes as the trustees in their discretion think fit.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The charity's aim is to benefit those in need, spiritually, physically or mentally by distributing income throughout the world as outlined in the Grant Making Policy.

Grantmaking

The trustees make regular grants to a large number of "core" charities and have done so for many years, some having been selected by the trust's founder. They consider that this is the most effective way to support charities which meet the aims of the trust and whilst not making any guarantees to charities supported, the treasurer of such organisations can expect funding usually on an annual basis.

In addition, the trustees receive many requests for grants that are considered on an individual basis by the trustees. It is clearly impossible for all but a small minority of the requests to be met even if considered to meet the trust's requirements. Although the trust deed gives wide powers so far as grants are concerned, the trustees generally:

- 1 Only give grants through UK registered charities. If an individual applies and is supported by a charity then a grant may be made through that charity.
- 2 Make a standard grant of between £1,000 and £4,000 although this can, and does, vary.
- 3 Take account of the founder's preferences.
- 4 Give to charities which meet one of the following:

- a) Support the Christian faith;
- b) Provide social care in the UK and abroad;
- c) Provide famine/emergency aid;
- d) Protect the environment and wildlife;
- e) Support education or medical research;
- f) Alleviation of poverty.

ACHIEVEMENT AND PERFORMANCE

The SMB Trust has continued to support a variety of different causes and also to continue to support charities with which it has had links for many years. The "regular" grant list has been reviewed during the year and some additional charities added and the amounts to some existing charities increased. During the year, these grants totalled £374,900 (2023: £372,500). Confirmation of receipt of funds is always from the recipients and often report of the various works undertaken.

In addition the trust used a number of investment properties to support charitable causes by accepting a rate of return, in the form of rent, lower than that available in the market.

At each meeting the performance of the investments are reviewed and queries are raised with the stockbrokers about any under performing stocks. The broker also monitors performance and telephones the trustees if they have concerns.

To maintain the Objectives and Activities of SMB the Trust is dependent on a continuing flow of income from investments held. The trustees have little control as to the level of this income which is dependent on market returns both from the investment portfolio and the occupancy of the properties held.

The S M B Trust

Report of the Trustees **for the Year Ended 31 March 2024**

FINANCIAL REVIEW

Financial position

The trust's investments (other than land and buildings) were valued at 31 March 2024 at £4,946,325 (2023: £4,643,296) with a cost of £2,055,325 (2023: £1,956,616).

Investment properties were valued at £8,441,685 at 31 March 2024 (2023 : £6,134,316 before reclassification of fixed assets of £1,758,588).

The income from the investments and properties owned by the trust funds the work of the charity and there is no additional fund raising.

There are no restrictions on the power of the trustees to invest and the principles of investment, reviewed annually, are:

1. To at least maintain, in real terms, the income available each year for making grants;
2. To obtain long-term capital growth to match or exceed the rate of inflation and not to seek short-term gains but maintain a prudent management style;
3. To hold a portfolio of investments both in equities and fixed interest stocks as well as properties both residential and commercial;
4. To spread the funds over a wide area to reduce the risk of capital loss although the aim of the trustees is to obtain the best available returns to enable grants to be made.
5. To invest in ways consistent with the Christian ethos of the charity. Generally speaking this means that the trustees do not knowingly invest in companies whose activities would have a detrimental effect on social, environmental or moral wellbeing.
6. The proportions invested in equities, fixed interest stocks and properties will vary depending on market conditions and the advice received from the Trust's stockbrokers.

The trustees will consider a reduction in any holding in excess of 8% of the total equity investment unless a reasoned case can be made for exceeding this proportion. The value of the equity portfolio at 31 March 2024 stands at 37% (2023: 37%) of fixed assets.

Reserves policy

The trust has no other source of income other than that generated by its investments. The trustees have decided that in order to ensure that the work of the trust, as laid down in the trust deed, can continue in the future they need to aim for the value of the fund, and hence the amount available for future charitable giving, increasing by at least the rate of inflation each year.

Although the trustees endeavour to support a number of charities on a regular, normally annual, basis this has not been agreed with any charity and is therefore not a guaranteed commitment. It is also noted that the trust is not an employer with the long-term financial responsibilities that involves, nor does it have commitments for the payment of rent or other overheads.

The trustees do not, therefore, consider it necessary to consider any funds as "reserve funds". They are, however, very aware of the need to retain sufficient investments in order that the trust may continue to serve the purpose for which it was set up.

FUTURE PLANS

The trustees intend to continue to seek to maximise income from investments in order to at least maintain, if not increase, the level of grants to charities. They are prepared to consider opportunities to assist charities by providing loans, accommodation and investment capital at below market rates. The trustees continue to monitor the situation both with regard to their grant making and investment decisions but have decided to take no action at present.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The trust is constituted under a trust deed dated 20 November 1962.

The S M B Trust

Report of the Trustees **for the Year Ended 31 March 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Potential new trustees are generally people known to one or more of the existing trustees who have an area of expertise to offer the trust and who have sympathy with its aims and objectives. If all the trustees are in unanimous agreement, the potential trustee is approached and, if interested, invited to attend a meeting, as an observer in the first instance. After appointment, new trustees learn more about the trust's work and, when appropriate, are given an area of responsibility in the running of the trust.

The trustees normally meet four times a year, but retain the flexibility to meet more often as occasion demands. All decisions are recorded in the minutes. From time to time the trustees are in informal contact by email regarding, for example, investment or property maintenance matters, and any decisions are confirmed and recorded at the next formal meeting. At each meeting the trustees review the performance of the investment portfolio from valuations supplied by the broker. Telephone advice is obtained where appropriate and any changes agreed. At each meeting the trustees confirm regular grants and approve new grants if funds are available.

No remuneration is paid to any of the trustees. Expenses incurred on behalf of the trust are reimbursed.

Risk management

The trustees have reviewed the risks to which they consider the trust to be susceptible. The trustees take professional advice on the maintenance and letting of the investment properties where required. The amount expended on property and administration is small in relation to total income. The trustees therefore feel that the risk of not being able to meet the charity's obligations is negligible.

The investment portfolio is regularly reviewed and advice taken from the trust's broker when required. Buildings insurance is updated annually to reflect current values and advice taken from the insurance broker when required.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

263814

Principal address

15 Wilman Road
Tunbridge Wells
Kent
TN4 9AJ

Trustees

A J Wheeler - Chair
B M O'Driscoll
I A Wilson

Auditors

Peter Hodgson & Co. Ltd. (Statutory Auditor)
Chartered Accountants
Shadwell House
65 Lower Green Road
Tunbridge Wells
Kent
TN4 8TW

The S M B Trust

Report of the Trustees
for the Year Ended 31 March 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Pothecary Witham Weld
34 Eccleston Square
Pimlico
London
SW1V 1PX

Buss Murton
31 High Street
Cranbrook
Kent
TN17 3EE

Thomson Snell & Passmore
Heathervale House
2-4 Vale Avenue
Tunbridge Wells
Kent
TN1 1DJ

Advisors

Property Agents

Lubbock Property Management
The Old Vicarage
107 Upper Tulse Hill
London
SW2 2RD

Bracketts
27-29 High Street
Tunbridge Wells
Kent
TN1 1UU

Investment Advisors

Fiske Plc
100 Wood Street
London EC2V 7AN

Bankers

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4TA

TRUSTEES' RESPONSIBILITY STATEMENT

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The S M B Trust

Report of the Trustees
for the Year Ended 31 March 2024

TRUSTEES' RESPONSIBILITY STATEMENT - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 the incoming resources and application of resources, including the income and expenditure, of the charity for that period. 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 Charity 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;
- 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 to 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 board of trustees on and signed on its behalf by:

.....
A J Wheeler - Trustee

Report of the Independent Auditors to the Trustees of
The S M B Trust

Opinion

We have audited the financial statements of The S M B Trust (the 'charity') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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 Report of the Trustees 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.

Report of the Independent Auditors to the Trustees of
The S M B Trust

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.

Report of the Independent Auditors to the Trustees of
The S M B Trust

Our responsibilities for the audit of the financial statements

We have been appointed as auditors 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The objectives of our audit in respect of fraud are to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both the trustees and those charged with governance of the charity.

Our approach was as follows:

- we obtained an understanding of the legal and regulatory requirements applicable to the charity.
- we obtained an understanding of how the charity complies with these requirements through discussion with management and those charged with governance.
- we assessed the risk of material misstatement in the financial statements through discussions with management and those charged with governance.
- we enquired of the trustees and those charged with governance of any known instances of non compliance with legal and regulatory requirements.
- based on this understanding, we designed specific and appropriate audit procedures to identify instances of non compliance to include discussions and obtaining additional corroborative evidence.

As part of the audit in accordance with ISAs (UK) we exercised professional judgement and scepticism throughout the audit. In addition, we also:

- identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures consistent with those risks and obtained sufficient and relevant audit evidence to support and provide a basis for our opinion. The risk of misstatement from fraud is invariably higher than one resulting from error as fraud may involve collusion or intentional omissions and misrepresentations to override the systems of internal control.
- obtained an understanding of the internal controls relevant to the audit and designed audit procedures and tests that were appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal controls.
- evaluated the appropriateness of the accounting policies used and the reasonableness of any accounting estimates and disclosures used and made by the trustees.
- assessed the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether any material uncertainty existed that may have cast doubt on the charity's ability to continue as a going concern.
- evaluated the overall presentation, structure and content of the financial statements including disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieved a fair presentation of the results for the period and the financial standing of the company at the period end.

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. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Trustees of
The S M B Trust

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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Peter Hodgson & Co. Ltd. (Statutory Auditor)
Chartered Accountants
Shadwell House
65 Lower Green Road
Tunbridge Wells
Kent
TN4 8TW

Date:

The S M B Trust

Statement of Financial Activities
for the Year Ended 31 March 2024

	Notes	Unrestricted fund £	Restricted fund £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	2	-	-	-	84,950
Investment income	3	660,021	-	660,021	514,337
Total		<u>660,021</u>	<u>-</u>	<u>660,021</u>	<u>599,287</u>
EXPENDITURE ON					
Raising funds	4	142,368	-	142,368	100,099
Charitable activities	5				
Administration costs		378,427	-	378,427	383,800
Other		<u>7,200</u>	<u>-</u>	<u>7,200</u>	<u>-</u>
Total		<u>527,995</u>	<u>-</u>	<u>527,995</u>	<u>483,899</u>
Net gains/(losses) on investments		<u>727,772</u>	<u>-</u>	<u>727,772</u>	<u>(13,790)</u>
NET INCOME		859,798	-	859,798	101,598
RECONCILIATION OF FUNDS					
Total funds brought forward		12,875,811	-	12,875,811	12,774,213
TOTAL FUNDS CARRIED FORWARD		<u><u>13,735,609</u></u>	<u><u>-</u></u>	<u><u>13,735,609</u></u>	<u><u>12,875,811</u></u>

The notes form part of these financial statements

The S M B Trust

Statement of Financial Position
31 March 2024

	Notes	Unrestricted fund £	Restricted fund £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	10	-	-	-	1,758,588
Investments					
Investments	11	4,946,325	-	4,946,325	4,643,296
Investment property	12	8,441,685	-	8,441,685	6,134,316
		13,388,010	-	13,388,010	12,536,200
CURRENT ASSETS					
Debtors	13	66,903	-	66,903	50,682
Cash at bank		311,766	-	311,766	311,210
		378,669	-	378,669	361,892
CREDITORS					
Amounts falling due within one year	14	(31,070)	-	(31,070)	(22,281)
NET CURRENT ASSETS		347,599	-	347,599	339,611
TOTAL ASSETS LESS CURRENT LIABILITIES		13,735,609	-	13,735,609	12,875,811
NET ASSETS		13,735,609	-	13,735,609	12,875,811
FUNDS	15				
Unrestricted funds				13,735,609	12,875,811
TOTAL FUNDS				13,735,609	12,875,811

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

.....
A J Wheeler - Trustee

.....
B M O'Driscoll - Trustee

The notes form part of these financial statements

The S M B Trust

Statement of Cash Flows
for the Year Ended 31 March 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	459,541	117,642
Net cash provided by operating activities		<u>459,541</u>	<u>117,642</u>
Cash flows from investing activities			
Purchase of listed investments		(352,377)	-
Purchase of investment property		(666,008)	(290,000)
Sale of listed investments		359,393	67,000
Sale of investment property		200,007	-
Other cashflow adjustments		-	(56,705)
Net cash used in investing activities		<u>(458,985)</u>	<u>(279,705)</u>
Change in cash and cash equivalents in the reporting period		<u>556</u>	<u>(162,063)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>311,210</u>	<u>473,273</u>
Cash and cash equivalents at the end of the reporting period		<u><u>311,766</u></u>	<u><u>311,210</u></u>

The notes form part of these financial statements

The S M B Trust

Notes to the Statement of Cash Flows
for the Year Ended 31 March 2024

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income for the reporting period (as per the Statement of Financial Activities)	859,798	101,598
Adjustments for:		
(Gain)/losses on investments	(392,825)	13,790
Increase in debtors	(16,221)	(12,768)
Increase in creditors	8,789	15,022
Net cash provided by operations	<u>459,541</u>	<u>117,642</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.23 £	Cash flow £	At 31.3.24 £
Net cash			
Cash at bank	311,210	556	311,766
	<u>311,210</u>	<u>556</u>	<u>311,766</u>
Total	<u>311,210</u>	<u>556</u>	<u>311,766</u>

The notes form part of these financial statements

The S M B Trust

Notes to the Financial Statements for the Year Ended 31 March 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The accounts have been prepared in accordance with the charity's deed, the Charities Act 2011 and the Statement of Recommended Practice - 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). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value.

The principal accounting policies adopted are set out below.

Changes in accounting policies

There have been no changes in the accounting policies adopted by the charity during the year.

Incoming resources

Income is recognised when the charity is legally entitled to it, the amounts can be measured reliably, and it is probable that income will be received.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably. This is usually upon notification the interest paid by the bank. 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. Rent receivable is accounted for when receivable.

Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

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. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property - No depreciation on freehold property

Freehold land and buildings are shown at trustees' market valuation as the trustees believe this is required to give a true and fair valuation.

The S M B Trust

Notes to the Financial Statements - continued for the Year Ended 31 March 2024

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

No depreciation is charged on freehold buildings because the trustees consider the useful lives of the buildings will be in excess of fifty years and they will have high residual values. The buildings are regularly maintained. Provision will be made should any annual impairment review indicate that a permanent diminution in value has occurred.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

The S M B Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

1. ACCOUNTING POLICIES - continued

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2. CHARITABLE ACTIVITIES

	2024	2023
	£	£
Charitable rental income	-	84,950
	<u> </u>	<u> </u>

3. INVESTMENT INCOME

	2024	2023
	£	£
Rents received	473,118	322,262
Income from listed investments	172,239	188,872
Deposit account interest	14,664	3,203
	<u> </u>	<u> </u>
	<u>660,021</u>	<u>514,337</u>

4. RAISING FUNDS

Costs of generating investment income

	2024	2023
	£	£
Property repairs	82,601	52,401
Management & commission	36,684	27,168
Insurances	20,786	15,347
Rates & water	1,593	4,374
Sundry property costs	704	809
	<u> </u>	<u> </u>
	<u>142,368</u>	<u>100,099</u>

5. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 6)	Support costs (see note 7)	Totals
	£	£	£
Administration costs	374,900	3,527	378,427
	<u> </u>	<u> </u>	<u> </u>

The S M B Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

6. GRANTS PAYABLE

	2024 £	2023 £
Administration costs	<u>374,900</u>	<u>372,500</u>

7. SUPPORT COSTS

	Finance £	Other £	Governance costs £	Totals £
Other resources expended	-	-	7,200	7,200
Administration costs	<u>231</u>	<u>63</u>	<u>3,233</u>	<u>3,527</u>
	<u>231</u>	<u>63</u>	<u>10,433</u>	<u>10,727</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

Expenses reimbursed to trustees in the year amounted to £134 (£2023 : £599).

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities	84,950	-	84,950
Investment income	<u>514,337</u>	<u>-</u>	<u>514,337</u>
Total	<u>599,287</u>	<u>-</u>	<u>599,287</u>
EXPENDITURE ON			
Raising funds	100,099	-	100,099
Charitable activities			
Administration costs	<u>383,800</u>	<u>-</u>	<u>383,800</u>
Total	<u>483,899</u>	<u>-</u>	<u>483,899</u>
Net gains/(losses) on investments	<u>(13,790)</u>	<u>-</u>	<u>(13,790)</u>
NET INCOME	101,598	-	101,598
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>12,774,213</u>	<u>-</u>	<u>12,774,213</u>
TOTAL FUNDS CARRIED FORWARD	<u>12,875,811</u>	<u>-</u>	<u>12,875,811</u>

The S M B Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

10. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 April 2023	1,758,588
Transfer to investment properties	(1,758,588)
At 31 March 2024	-
NET BOOK VALUE	
At 31 March 2024	-
At 31 March 2023	1,758,588

Land and buildings with a carrying amount of £1,758,588 were revalued at 31 March 2018 by the trustees. The valuation was based on recent market transactions on arm's length terms for similar properties and appropriate house price indices. In light of the current economic climate, the trustees have considered that no revaluation from the previous year is appropriate.

The title to all the freehold land and buildings is held by the Official Custodian for Charities. The primary advantage of vesting land in this way is that it avoids having to change details of the ownership whenever there is a change of trustees in the charity.

The value of freehold land and buildings was transferred to and reclassified as investment property during the year.

11. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2023	4,643,296
Additions	352,377
Disposals	(364,446)
Change in market value	315,098
At 31 March 2024	4,946,325
NET BOOK VALUE	
At 31 March 2024	4,946,325
At 31 March 2023	4,643,296

There were no investment assets held outside the UK.

Cost or valuation at 31 March 2024 is represented by:

	Listed investments £
Valuation in 2023	4,643,296
Valuation in 2024	303,029
	4,946,325

The S M B Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

11. FIXED ASSET INVESTMENTS - continued

Fixed asset investments revalued

The fixed asset investments comprise listed investments having a cost at 31 March 2024 of £2,055,325 (2023: £1,956,616).

12. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2023	6,134,316
Additions	666,008
Disposals	(200,007)
Revaluation adjustment	82,780
Transfer from fixed assets	1,758,588
At 31 March 2024	8,441,685
NET BOOK VALUE	
At 31 March 2024	8,441,685
At 31 March 2023	6,134,316

Investment property comprises various freehold properties around the UK which are held to generate a return to further the charity's objectives. The fair value of the investment property has been arrived at on the basis of annual revaluations carried out by the trustees. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties and appropriate house price indices. No professional valuation has taken place as the trustees do not feel this to be the best use of charitable funds.

The title to all the freehold land and buildings is held by the Official Custodian for Charities. The primary advantage of vesting land in this way is that it avoids having to change details of the ownership whenever there is a change of trustees in the charity.

Properties previously treated as fixed assets were reclassified as investment properties in the year.

Fair value at 31 March 2024 is represented by:

	£
Valuation in 2023	6,134,316
Valuation in 2024	2,307,369
	8,441,685

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade & other debtors	66,903	50,682

The S M B Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Accruals & deferred income	31,070	22,281

15. MOVEMENT IN FUNDS

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	12,875,811	859,798	13,735,609
TOTAL FUNDS	12,875,811	859,798	13,735,609

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	660,021	(527,995)	727,772	859,798
TOTAL FUNDS	660,021	(527,995)	727,772	859,798

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	12,774,213	101,598	12,875,811
TOTAL FUNDS	12,774,213	101,598	12,875,811

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	599,287	(483,899)	(13,790)	101,598
TOTAL FUNDS	599,287	(483,899)	(13,790)	101,598

The S M B Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

15. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.22 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	12,774,213	961,396	13,735,609
TOTAL FUNDS	<u>12,774,213</u>	<u>961,396</u>	<u>13,735,609</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,259,308	(1,011,894)	713,982	961,396
TOTAL FUNDS	<u>1,259,308</u>	<u>(1,011,894)</u>	<u>713,982</u>	<u>961,396</u>

16. RELATED PARTY DISCLOSURES

There were no disclosable related party transactions during the year (2023: none).

17. CHARITABLE DONATIONS

The charity made the following donations during the year:

£200 - Project Trust - Honduras
£1,000 - Girls Brigade -
£1,000 - Boys Brigade
£1,000 - PHAB
£1,000 - See Ability (Royal School for the Blind)
£1,000 - Listening Books - Listening Books
£1,000 - Outreach UK
£1,000 - Project Aid Allionagana
£1,000 - Nwimosa International
£1,000 - H.O.P.E
£1,000 - Eurasia Education Foundation
£1,000 - Martha Trust
£1,000 - St James Schools PTA
£1,000 - Intercare
£1,000 - Community Furniture Stores
£1,000 - Hope Housing Training & Support
£1,000 - Innovista International
£1,000 - The Virtual Doctors
£1,000 - St Matthias Church
£1,000 - Awamu
£1,000 - Young Epilepsy
£1,000 - The Friends of St James Mission & School
£1,000 - E.C.M

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

17. CHARITABLE DONATIONS - continued

£1,000 - Mission to Seafarers
£1,000 - Excelsior Trust
£1,000 - Legs For Africa
£1,000 - Canine Cancer Scotland Trust
£1,000 - Prostate Cancer UK
£1,200 - Leonard Cheshire Disability
£1,500 - Compaid
£1,500 - Fisherman's Mission
£1,500 - Action For Children
£1,500 - Mencap
£1,500 - Universities & Colleges Christian Fellowship
£1,500 - Good News for Everyone
£1,500 - Moorlands Bible College
£1,500 - World Wildlife Fund
£1,500 - Treloar Trust
£1,500 - West Kent Debt Advice
£1,500 - Doctors of The World
£1,500 - Temwa UK
£1,500 - Citywise
£1,500 - Mearwood Valley Urban Farm
£1,500 - Barnabus (Manchester)
£1,500 - Cecily's Fund
£1,500 - Bridge 2 Aid
£1,500 - Deki Ltd
£1,500 - Keep in Step International
£1,500 - AIM
£1,500 - National Rheumatoid Arthritis Society
£1,500 - Hover Aid Trust
£1,500 - Farm Africa
£1,500 - Arise Counselling Service
£1,500 - Nibbles Rodent & Rabbit Rescue
£1,500 - Aqua Sports
£1,500 - The Recovery Course
£1,500 - Pipal Tree
£1,500 - Reach the Children
£1,500 - Parish Nursing Ministries
£1,500 - Ospreys Wheelchair Rugby
£1,500 - Azalea
£1,500 - Kids Klub Leeds
£1,500 - Target Ovarian Cancer
£1,500 - Medair (Yemen)
£1,500 - Starfish Malawi
£1,500 - Re-Cycle
£1,500 - The Counselling Centre
£1,500 - St Luke's Gas Street Church
£1,500 - The Motivation Charitable Trust
£1,500 - Criminon UK
£1,500 - Embrace The Middle East
£1,500 - The Country Food Trust
£2,000 - Renew Counselling - Renew Counselling
£2,000 - Field Lane Foundation
£2,000 - Wycliffe UK Ltd - Grants Made
£2,000 - Nourish Community Foodbank
£2,000 - Urban Saints
£2,000 - Fairtrade Foundation
£2,000 - Liverpool City Mission
£2,000 - Arab Vision Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

17. CHARITABLE DONATIONS - continued

£2,000 - Church Army
£2,000 - CFTW (Mosaic)
£2,000 - Restore Counselling
£2,000 - The Translation Trust
£2,000 - Bolnhurst Stables Trust
£2,000 - Sharon Full Gospel Church
£2,000 - Cruse Bereavement Support
£2,000 - Project 67
£2,000 - Street Child (Family Business for Education)
£2,000 - Fight for Sight
£2,000 - Partnership for Children
£2,000 - Empathy International
£2,000 - Great Ormond Street Hospital
£2,000 - Through the Roof
£2,000 - Prisoners' Education Trust
£2,000 - Hope for Justice
£2,000 - International Aid Trust
£2,000 - London Wheelchair Rugby Club
£2,000 - The Epiphany Trust
£2,000 - CPAS
£2,000 - Kids Club Kampala
£2,000 - Raw Workshop
£2,000 - Buddys For Children With Autism
£2,000 - Young & Free - Grants Made
£2,000 - Medic Assist International
£2,000 - Link Education International
£2,000 - Kids Alive International
£2,000 - Child in Need India
£2,000 - Us in a Bus
£2,000 - Wellspring Counselling
£2,000 - Christian Aid Gaza
£2,000 - Tea Leaf Trust
£2,000 - Royal Countryside Fund
£2,000 - Wellfound (MICF)
£2,000 - Scleroderm & Raynaud's UK
£2,000 - A C T Oxford
£2,000 - Chailey Heritage Foundation
£2,000 - Medical Dogs Protection
£2,000 - Carers Worldwide
£2,000 - Sand Dams Worldwide
£2,000 - Ditch the Label
£2,000 - Sayers Croft Trust
£2,000 - Church on The Moor
£2,000 - CALM
£2,000 - 1001 Fountains UK
£2,000 - The Noah Initiative
£2,000 - Stand By Me
£2,000 - Womankind Wolrdwide
£2,000 - Marriage Care
£2,000 - Baby Lifeline
£2,500 - YFC Tunbridge Wells
£2,500 - Cross Teach Trust
£2,500 - Fegans Child & Family Care
£2,500 - Aspens
£2,500 - Operation Mobilisation
£2,500 - Evangelical Alliance
£2,500 - WEC International

The S M B Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

17. CHARITABLE DONATIONS - continued

£2,500 - Sat-7 Trust
£2,500 - London School of Theology
£2,500 - Spurgeons Bible College
£2,500 - SIM
£2,500 - CARE
£2,500 - Mission Without Borders
£2,500 - Youth for Christ
£2,500 - YMCA National Council
£2,500 - Big Church Festival
£2,500 - Porridge & Pens Ghana
£2,500 - Medical Aid for Palestinians (MAP)
£3,000 - Impact Foundation
£3,000 - Hospice In The Weald
£3,000 - Livability
£3,000 - Medecins Sans Frontieres
£3,000 - Oasis Global (Jim & Jane Currell)
£3,000 - Mercy Ships
£3,000 - Hope Now
£3,000 - International Nepal Fellowship
£3,000 - Salvation Army
£3,000 - Barnabus Fund
£3,000 - British Red Cross
£3,000 - Interserve
£3,000 - Dentaaid
£3,000 - Feba Radio
£3,000 - Marie Curie Cancer Care
£3,000 - Mildmay International
£3,000 - Oasis UK
£3,000 - Open Doors
£3,000 - Sovereign World Trust
£3,000 - Practical Action
£3,500 - Christians Against Poverty
£3,500 - All Nations Christian College
£3,500 - Bible Society
£3,500 - Scripture Union
£3,500 - Crossways Community
£3,500 - Life & Soul
£3,500 - Mission Aviation Fellowship
£3,500 - OMF
£4,000 - Leprosy Mission
£4,000 - London City Mission
£4,000 - BMS World Mission
£4,000 - People International
£4,000 - Pilgrim's Friends Society
£4,000 - Church Mission Society
£4,000 - Hospice of Hope
£5,000 - T.E.A.R. Fund

£374,900 Total

The S M B Trust

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

18. FRC ETHICAL STANDARD

In common with many other organisations of our size and nature we use our auditors to assist with the preparation of the financial statements.

19. APPOINTMENT OF AUDITORS

Peter Hodgson & Co. Ltd is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under Section 1212 of the Companies Act 2006.

The S M B Trust

Detailed Statement of Financial Activities
for the Year Ended 31 March 2024

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Charitable activities		
Charitable rental income	-	84,950
Investment income		
Rents received	473,118	322,262
Income from listed investments	172,239	188,872
Deposit account interest	14,664	3,203
	660,021	514,337
Total incoming resources	660,021	599,287
EXPENDITURE		
Costs of generating investment income		
Property repairs	82,601	52,401
Management & commission	36,684	27,168
Insurances	20,786	15,347
Rates & water	1,593	4,374
Sundry property costs	704	809
	142,368	100,099
Charitable activities		
Grants to institutions	374,900	372,500
Support costs		
Finance		
Bank charges	231	173
Other		
Postage and stationery	63	247
Governance costs		
Trustees' expenses	134	599
Auditors' remuneration	7,200	4,800
Legal & professional fees	3,099	5,481
	10,433	10,880
Total resources expended	527,995	483,899
Net income before gains and losses	132,026	115,388
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	727,772	98,079
Net income	859,798	213,467

This page does not form part of the statutory financial statements