

CHRIST'S HOSPITAL ENDOWMENT AT POTTERHANWORTH

(Charity number 527669)

ANNUAL REPORT FOR THE YEAR ENDED 31st DECEMBER 2023

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The Christ's Hospital Endowment at Potterhanworth is constituted by a Charitable Scheme sealed on 4th March 1982, which updated a scheme made by the Board of Education on 8th September 1914, as varied by a scheme made by that Board on 30th January 1925.

The charity is a registered charity, number 527669, with the net income of the charity to be applied in "promoting the education, including social and physical training, of persons under the age of 25 years who are or who have a parent or parents resident in the Parish of Potterhanworth".

Trustees are appointed in accordance with the Charitable Scheme.

The trustees (known as the governors) of the charity during 2023 were:-

M Andrews	Chairman
RE Wilford	Vice Chairman
A Battle	Treasurer
CH Butler	
I Carrington	
M Simpson	
D Collins	

No remuneration was paid to any of the trustees.

The Clerk to the governors is: -

Mrs M Machin
Meadow View
Barff Road
Potterhanworth
Lincoln
LN4 2DU

Bankers:

National Westminster Bank Plc
225 High Street
Lincoln
LN2 1AZ

COIF Charities Deposit Fund
CCLA Fund Managers Ltd
1 Angel Lane
London EC4R 3AB

Solicitors:

Messrs Sills & Betteridge
46 Silver Street
Lincoln
LN2 1ED

Property Advisers:

Mess Jas. Martin & Co.
8 Bank Street
Lincoln
LN2 1DS

Independent Examiner:

Robert Anderson FCA
Streets LLP
Tower House, Lucy Tower Street
Lincoln, LN1 1XW

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Responsibilities of the Trustees

Charity law requires the Trustees to prepare a receipts and payments account and statement of assets and liabilities for each financial year. The statements should give a true and fair view of the state of affairs of the charity and of its financial activities for that period. They should properly present the charity's receipts and payments for the year, together with its assets and liabilities at the end of the period, adequately distinguishing any material special trust or other restricted fund of the charity. In preparing those financial statements the Trustees are required to:-

- a) Select suitable accounting policies and then apply them consistently.
- b) Make judgements and estimates that are reasonable and prudent.
- c) State whether the policies adopted are in accordance with the appropriate SORP on accounting by charities and the accounting regulations and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements.

The Trustees are responsible for keeping proper 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 applicable Accounting Standards and Statements of Recommended Practice and the regulations made under 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 or other irregularities.

Trustees

All of the governors (trustees) are local with a strong connection to the parish.

Reserves

The Endowment was founded by Dr Richard Smith who died in 1602. The Governors, recognising the long term nature of the charity aim to maintain the value of the reserves. This is so that future generations as well as the present one may benefit from the endowment.

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Chairman's Annual Report

The past twelve months have been challenging for all and especially charities as a result of world instability and regional wars. The energy and investment markets have been volatile and this follows the slow recovery after the Covid pandemic.

We have faced an exponential increase in electricity costs and are mindful that we cannot pass these onto our hirers in full. This led us to re-visit the options for solar PV panels, which in the past proved too expensive. In the summer a 12kW dual aspect array was fitted to the hall roof and is already proving a good investment in terms of energy savings. Looking ahead we are considering adding battery storage for use in the evenings.

In addition to our rental income we rely on an investment portfolio and this too has suffered from market downturns. Therefore we are investigating, with the help of local subject matter experts, where to direct our efforts to meet our Investment Strategy – Medium Risk (to allow growth but without too great an exposure to risk), Balanced Objective (Income and Growth). This Investment Income covers grants paid in the winter of each year.

One positive growth area has been the increase in hall rentals including the swelling numbers in the Cub and Scout groups. A big thank you to Megan our Clerk and Sandra our hall cleaner and caretaker for managing the day-to-day use.

After seven years of sterling service in the role of Treasurer Trustee, Annabel Battle has decided to step down, a huge thank you for her diligent work in keeping the 'books' in order and much more.

We welcome Emma Boardman who will be taking on the role in the New Year.

One area that has resulted in a great deal of historical research by Ralph (Vice Chair) and Annabel; was to clarify with the Charity Commission what we hold as permanently endowed assets. Permanent endowment is property that the charity must retain. It can only be sold or added too with authority from the Charity Commission. This comprises land adjoining the Memorial Hall, Barff Road, Potterhanworth, Lincoln, LN4 2DU. The assets include the Hall, Pre School, New Classroom and Field and includes 625 M&G Shares. This is held on behalf of Christ's Hospital by the Official Custodian – The Charity Commission.

Although my report highlights areas of concern, I am mindful of the positive impact we have in fulfilling our remit to serve the educational and extracurricular needs of our young people. Our close relationships with the school and youth based clubs help Potterhanworth to continue to be a safe and vibrant village to raise our families.



M ANDREWS (Chairman)

On behalf of the Governors

Date: 28 March 2024

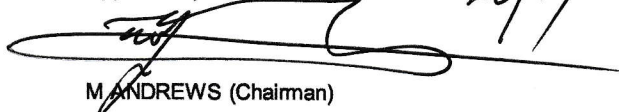
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RECEIPTS AND PAYMENT ACCOUNT FOR THE YEAR ENDED 31st DECEMBER 2023

	<u>2023</u>			<u>2022</u>		
	£	£	£	£	£	£
	Charitable Activity	Buildings	Total	Charitable Activity	Buildings	Total
Receipts						
Investment Income	8,598	-	8,598	8,047	-	8,047
Wayleaves	-	17	17	-	17	17
Hire of the Memorial Hall						
School	-	16,343	16,343	-	15,825	15,825
Others	-	9,665	9,665	-	7,370	7,370
Preschool	-	5,567	5,567	-	2,841	2,841
Extraordinary Income						
Government Grant	-	-	-	-	-	-
Capital Transactions						
Sale of investment	-	-	-	-	8,000	8,000
	<u>8,598</u>	<u>31,592</u>	<u>40,190</u>	<u>8,047</u>	<u>34,053</u>	<u>42,099</u>
Payments						
Grants Given	4,516	-	4,516	5,083	-	5,083
Hall Running costs	-	17,816	17,816	-	14,945	14,945
Administration	3,363	-	3,363	3,021	-	3,021
Capital Transactions						
Building cost	14,870	-	14,870	-	-	-
Investment	-	-	-	20,000	-	20,000
	<u>22,749</u>	<u>17,816</u>	<u>40,566</u>	<u>28,104</u>	<u>14,945</u>	<u>43,049</u>
Movement	<u>(14,152)</u>	<u>13,776</u>	<u>(376)</u>	<u>(20,057)</u>	<u>19,108</u>	<u>(949)</u>
Liquid Funds						
Bank/deposit account balances as at 1st January			15,144			16,093
Net movement in funds (above)			(376)			(949)
Bank/deposit account balances as at 31st December						
National Westminster Bank Plc - Current acc		13,735			9,951	
C.O.I.F. Deposit Fund account		1,033			5,193	
			<u>14,768</u>			<u>15,144</u>

Approved by the trustees / governors on 28/03/ 2024 and signed on their behalf by :-


M. ANDREWS (Chairman)

CHRIST'S HOSPITAL ENDOWMENT AT POTTERHANWORTH

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STATEMENT OF ASSETS AND LIABILITIES AS AT 31st DECEMBER 2023

	<u>2023</u>		<u>2022</u>	
	£	£	£	£
Monetary assets				
National Westminster Bank Plc - Current account		13,735		9,951
C.O.I.F. Deposit Fund account		<u>1,033</u>		<u>5,193</u>
		<u>14,768</u>		<u>15,144</u>
Investment assets - Market value				
30,721 C.O.I.F. Charities Property Fund		31,578		33,676
3,565 M & G Charifund		51,151		52,382
4,879 C.O.I.F. Charities Investment Fund		96,825		88,552
17,531 BlackRock Charities UK Bond		<u>25,946</u>		<u>25,595</u>
		<u>205,500</u>		<u>200,205</u>
Fixed Assets - Solar Panels				
Cost - 2023		14,870		-
Depreciation brought forward	-		-	
Annual charge 5% Straight Line.	248	<u>248</u>	-	<u>-</u>
Net book value		<u>14,622</u>		<u>-</u>

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STATEMENT OF ASSETS AND LIABILITIES AS AT 31st DECEMBER 2023

Permanent Endowment. Land Adjoining Memorial Hall, Barff Road including:

Dr Richard Smith Memorial Hall.

	<u>2023</u>		<u>2022</u>	
	£	£	£	£
Cost - 1993		108,644		108,644
Cost - 2013		17,150		17,150
Cost - 2014		833		833
Cost - 2015		93,930		93,930
		<u>220,557</u>		<u>220,557</u>
Depreciation brought forward	121,757		113,523	
Annual charge	8,233	129,990	8,233	121,757
Net book value		<u>90,567</u>		<u>98,800</u>

Additional Building

Cost - 2016		133,353		133,353
Cost - 2017		4,647		4,647
		<u>138,000</u>		<u>138,000</u>
Depreciation brought forward	24,150		20,700	
Annual charge	3,450	27,600	3,450	24,150
Net book value		<u>110,400</u>		<u>113,850</u>

The total sum insured in respect of the Memorial Hall and the Pre School '£1,097,573' in June 2023.

The annual charge for depreciation is taken into account when the amount available for the grant allocation is calculated. As at 31st December 2023 investments with a market value of £182,599 had been either purchased or allocated to the "depreciation fund" (the number of units purchased or allocated are based on the annual depreciation charge). This holding is included within the

The buildings held by the Christ's Hospital Endowment at Potterhanworth are valued at depreciated cost, as there is no market-based evidence of fair value due to their location within the school setting (FRS 102 January 2022 Para 17.15). The depreciation fund is used as a way of preserving the overall balance sheet value of the Christ's Hospital Endowment at Potterhanworth, by formalising that investments should be made at the same rate as buildings

Other assets:-

- (a) Land used as the school field at the rear of the Memorial Hall.
- (b) Chairs tables and other furniture etc. and equipment within the Memorial Hall held for functional use by the charity. (The aggregate cost of these items has not been quantified).

Approved by the trustees / governors on 28/03/2024 and signed on their behalf by :-


M. ANDREWS (Chairman)

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Accounting Policies

- a) The Accounts are prepared on a receipts and payments basis in line with the accounting guidelines produced by the Charity Commissioners.
- b) Within the statement of Assets and Liabilities, the Dr. Richard Smith Memorial Hall is included at cost and depreciated on a straight line basis over forty years and will be fully depreciated by the end of 2034. Subsequent additions are depreciated on a straight line basis so that they too will be fully depreciated by the end of 2034.

The additional building completed in 2016 and currently occupied by the Potterhanworth Preschool is included at cost and depreciated on a straight line basis over 40 years and will be fully written off by the end of 2055.

- c) Expenditure on incidental equipment additions is written off in the Receipts and Payments account in the year of purchase.
- d) The fixed assets and investments of the charity are derived from the original holdings of land and the net income arising from them is applied as outlined in the annual report.

Related Party Transactions

During the year grants were awarded to individuals relating to the trustees:

- a) £105 was awarded to A. Battle, Treasurer
- b) £110 was awarded to M.Machin, Clerk
- c) £110 was awarded to M.Simpson

The Trustees are residents of Potterhanworth and are therefore entitled to apply for and receive grants from the charity.

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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CHRIST'S HOSPITAL
ENDOWMENT AT POTTERHANWORTH

I report on the accounts of the Trust for the year ended 31 December 2023, which are set out on the attached pages. This report is made solely to the charity's Trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the Charities Act 2011 ("the Act"). The charity's trustees consider that an audit is not required for this year under section 144 of the Act and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act; and
- to state whether particular matters have come to my attention.

Basis of Independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.

Signed:



Dated: 3 April 2024

Robert Anderson FCA
STREETS LLP
Chartered Accountants
Tower House
Lucy Tower Street
Lincoln
LN1 1XW