

**BROOKFIELD PARK SHIERS FAMILY TRUST MID-YEAR REPORT 2023/24****Report of the Deputy Chief Executive (Section 151 Officer)****1. Matter for Consideration**

- 1.1 This report is to provide an update to Members of the financial standing of the Trust as at 31 December 2023.
- 1.2 Background information about the Trust and the investment is provided at appendix one.

**2 Financial Standing of the Trust at 31 December 2023**

- 2.1 The table below shows the change in the total value of the fund since 1 April 2023. There has been a net increase of £23,265 up to 31 December 2023, including balances owed to the Council for distributions made from the funds during the year. The balance as at 31 December 2023 is £401,960.

	<b>COIF Deposit Fund £</b>	<b>COIF Investment Fund £</b>	<b>Total £</b>
<b>Balance brought forward 1 April 2023</b>	<b>128,771</b>	<b>249,924</b>	<b>378,695</b>
Dividend and Interest received in year*	9,355		9,355
Increase/(decrease) in net asset value as at 31 December 2023		16,228	16,228
<b>Balance on Funds as at 31 December 2023</b>	<b>138,126</b>	<b>266,152</b>	<b>404,278</b>
Less amounts owing to the Council for distributions	(2,318)		(2,318)
<b>Adjusted Balance of Funds as at 31 December 2023</b>	<b>135,808</b>	<b>266,152</b>	<b>401,960</b>

\* analysis provided below

- 2.2 The following table provides an analysis of the dividend and interest income received during the year

	<b>Dividends £</b>	<b>Interest £</b>	<b>Total £</b>
Q1	1,806	1,155	2,961
Q2	1,806	1,302	3,108
Q3	1,805	1,481	3,286
<b>Total</b>	<b>5,417</b>	<b>3,938</b>	<b>9,355</b>

**3 Funds Available to Support Voluntary Organisations**

- 3.1 The original bequest was £191,100 and Members have a policy to maintain the value of the Trust in real terms before considering any distribution.
- 3.2 At 31 December 2023, the value of the original bequest in real terms, based on latest published CPI data, is £345,522, which means that the Trust is in surplus by £56,438, after taking account of the reimbursement due to the Council.

	<b>COIF Deposit Fund £</b>	<b>COIF Investment Fund £</b>	<b>Total £</b>
Value of the Trust as at 31 December 2023	138,126	266,152	404,278
Less reimbursement due to the Council	(2,318)		(2,318)
Adjusted Balance of the Trust	135,808	266,152	401,960
Value required to maintain the original bequest in real terms	105,352	240,170	345,522
<b>Surplus / (Deficit) in real terms</b>	<b>30,456</b>	<b>25,982</b>	<b>56,438</b>

- 3.3 As stated above, the surplus in real terms is £56,438 as at 31 December 2023 and Members may want to consider making some or all of this available for distribution.
- 3.4 In terms of the deposit account, the interest rate at the time of writing this report is 4.67%, if applied for the year, this would mean that the total interest receivable on the account would be £5,249 for the year.
- 3.5 The dividends payable on the Investment Fund are more volatile and therefore much more difficult to predict. To date £5,417 has been received and as a guide, circa £7,000 has been received in dividends for the last couple of years so this looks achievable this year. At present, Members have a policy of reinvesting the dividends in the Investment Fund for capital growth.
- 3.6 Assuming that the dividend income is reinvested and interest is in line with forecasts for the final quarter, Members have around £51,000 in surplus and interest income that could be made available for distribution. However, caution should be exercised before committing all these funds for distribution, e.g. the value of the Investment Fund is variable so the value can go down as well as up.

#### **4. Recommendations**

- 4.1 The Area is recommended to:
- a) Note the contents of this report;
  - b) Decide upon the amount of funding, if any, to be made available for distribution from the Trust during 2023/34;
  - c) Advise as to any changes in the investment policies adopted that they wish to make. As a reminder, the investment policies are:
    - To maintain the value of the Trust in real terms before considering any distribution, and
    - To reinvest the dividends received in relation to the Investment Fund back into that Investment Fund.

## BACKGROUND PAPERS

There are none

Anyone wishing to inspect the above background papers or requiring further information should contact Paula McDonald on telephone number Tel: 0161-474-4708 or alternatively email [paula.mcdonald@stockport.gov.uk](mailto:paula.mcdonald@stockport.gov.uk)