

**BROOKFIELD PARK SHIERS FAMILY TRUST MID-YEAR REPORT 2024/25**

Report of the Assistant Director for Finance (Interim Section 151 Officer)

**1. INTRODUCTION AND PURPOSE OF REPORT**

- 1.1 This report is to provide an update to Members of the financial standing of the Trust as at 30 September 2024.
- 1.2 Background information about the Trust and the investment is provided at appendix one.

**2. FINANCIAL STANDING OF THE TRUST AT 30 SEPTEMBER 2024**

- 2.1 The table below shows the change in the total value of the fund since 1 April 2024. There has been a net increase of £4,367 up to 30 September 2024 bringing the overall balance to £391,893.

	<b>COIF Deposit Fund £</b>	<b>COIF Investment Fund £</b>	<b>Total £</b>
<b>Balance brought forward 1 April 2024</b>	<b>107,440</b>	<b>280,086</b>	<b>387,526</b>
Dividend and Interest received in year	6,588		6,588
Increase/(decrease) in net asset value as at 30 September 2024		(2,221)	(2,221)
<b>Balance on Funds as at 31 December 2023</b>	<b>114,028</b>	<b>277,865</b>	<b>391,893</b>

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

	<b>Dividends £</b>	<b>Interest £</b>	<b>Total £</b>
Q1	1,882	1,425	3,307
Q2	1,882	1,399	3,281
<b>Total</b>	<b>3,764</b>	<b>2,824</b>	<b>6,588</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 30 September 2024, the value of the original bequest in real terms, based on latest published CPI data, is £354,824, which means that the Trust is in surplus by £37,069.

	<b>COIF Deposit Fund £</b>	<b>COIF Investment Fund £</b>	<b>Total £</b>
Value of the Trust as at 30 September 2024	114,028	277,865	391,893
Value required to maintain the original bequest in real terms	100,884	253,940	354,824
<b>Surplus / (Deficit) in real terms</b>	<b>13,144</b>	<b>23,925</b>	<b>37,069</b>

3.3 Members may want to consider making some or all of the £37,069 surplus available for distribution.

3.4 In terms of the deposit account, the interest rate at the time of writing this report is 5%, if applied for the year, this would mean that the total interest receivable on the account would be circa £5,670 for the year.

3.5 The dividends payable on the Investment Fund are more volatile and therefore much more difficult to predict. To date £3,764 has been received and as a guide, circa £7,200 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 £39,900 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. PROPOSED GUIDELINES FOR DISTRIBUTIONS FROM THE FUND**

4.1 Following feedback from the Brookfield Shiers Family Trust Sub Committee, it has been proposed that two new guidelines for the distribution of monies from the Trust are introduced in addition to the existing guidelines. These are as follows:-

- a) Not to permit retrospective grant applications, and
- b) An upper limit of £5,000 be placed on the amount that can be applied for.

4.2 Members may also wish to give consideration to how often a group/organisation can apply for funding.

#### **5. CONCLUSIONS AND RECOMMENDATIONS**

5.1 The Area Committee is recommended to:

- a) Note the contents of this report;
- b) Decide upon the amount of funding to be made available for distribution from the Trust during 2024/25;
- 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.
- d) Approve the proposed additional guidelines for the distribution of monies from the Trust:
  - Not to permit retrospective grant applications, and
  - An upper limit of £5,000 be placed on the amount of any application.

## 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)