

### **Brookfield Park Shiers Family Trust**

#### Background information regarding the role of the Council as Charitable Trustee

The Brookfield Park Shiers Family Trust was formed out of a Deed of Gift of Brookfield House to the former Cheadle and Gatley Urban District Council in 1945 by Percy Hesketh Shiers. Money from the sale of Brookfield House has been used to set up an award scheme for the benefit of local community and voluntary groups in the former Cheadle and Gatley Urban District Council area.

The former Cheadle and Gatley Urban District Council area spans beyond the area normally covered by Cheadle Area Committee. It includes Cheadle and Gatley, Cheadle Hulme North, Cheadle Hulme South and Heald Green Wards, and parts of the Bramhall North, Bramhall South and Davenport and Cale Green Wards. The Area Committee has agreed that any monies distributed, must be spent on residents within the Trust's area, even if the organisation applying for the grant is located outside the area of benefit of the Trust.

Trustees must accept ultimate responsibility for directing the affairs of a charity and ensuring that it is solvent, well-run, and delivering the charitable outcomes for the public benefit for which it has been set up. Trustees have a duty to act solely in the interests of the charity and its beneficiaries. It is essential that assets are held and applied in accordance with the charities particular purpose, which can be summarised as making sure that the land and the trust funds are used for health, educational and social services.

#### Investment Details

The sale of Brookfield House gave rise to the original bequest of £191,100. The proceeds are invested in funds administered by CCLA Investment Management Ltd. There are two accounts held and the following is a summary of each:

- The COIF (Charities Official Investment Fund) Investment Fund is an equity-based fund, similar to a unit trust. It has a variable net asset value, which means that the value is dependent on the value of the units. Income from the Investment Fund is in the form of dividends and these are paid into the Deposit Account on a quarterly basis.
- The COIF Deposit Account is a cash-based account similar to a building society account. This account has a fixed net asset value, i.e. the original amount invested is maintained, and interest earned is paid quarterly into the account.

In terms of the sums invested, Trustees have established the following policies:-

- To maintain the value of the Trust in real terms before considering any distribution; and
- To reinvest the dividends received into the Investment Fund.

The financial standing of the Trust is usually reported on twice a year and Trustees are asked if they wish to maintain these policies. Trustees have a duty to manage the Charity's resources responsibly, which includes taking special care when investing. If Members are looking to change their investment strategy, then they may wish to seek independent financial advice on the matter. This can be arranged but it must be noted that any costs incurred will be against the Charity funds.