Policy on investment of funds and use of funds for charitable purposes

Adopted by Yaxham Parish Charity at its Meeting on 22nd March 2018.

**Investment of Funds & Reporting of Accounts**

1. Yaxham Parish Council is the sole Trustee of Yaxham Parish Charity.
2. The Charity’s governing document states that “Application of income – Subject to payment of the expenses aforesaid the Trustee shall apply the income of the Charity for such charitable purposes for the general benefit of the inhabitants of the Parish of Yaxham as the Trustee thinks fit.”
3. The Charity will invest its funds in such a way that (i) it is clear which funds are the endowment (and are therefore not to be spent) and which are income and so for use for charitable purposes, (ii) the long term security of the endowment is protected and (iii) regular income is produced for use for charitable purposes.
4. The value of the permanent endowment at 31st December 2017 is £ 285,508.23  
    (Up from the value at 31st December 2014 of £239,862).
5. In order to ensure the long term security of its funds, the Charity will invest the permanent endowment in a Charity Commission recommended investment specifically designed for charities, namely the CCLA COIF (Charities Official Investment Fund). This investment will provide capital growth of the endowment to protect against devaluation due to inflation, and will also pay dividends as an income to be used for charitable purposes.
6. The income from the endowment investment shall be held in the Charity’s current account.
7. The Clerk will provide a financial report at each meeting of the Charity detailing the balance of the COIF investment and the current account and a record of the income and expenditure for the financial year to date.
8. The Charity’s accounts will be inspected annually by the Yaxham Parish Council’s Independent Auditor.
9. The Clerk will prepare the draft annual accounts of the Charity following the end of the financial year to be agreed at the next Charity meeting and reported at the Annual Parish Meeting in May.
10. The Clerk will prepare the Charity’s final annual accounts by 1st July following the end of the financial year and will submit the annual return to the Charity Commission.

**Use of Funds for Charitable Purposes**

1. As of 31 December 2017, the cumulative income, net of grants, for use for charitable purposes is the sum of [£36,329] and is held in the current account. It is anticipated for the period 2018-2023 that additional income of around £10,000 pa should be received, which would provide disposable funds of some £80,000-£90,000 over the period.
2. The Trustee will keep the majority of the Charity’s income for medium and larger/longer term projects of benefit to the parish such as those listed in the 2017 Yaxham Neighbourhood Plan Community Benefit Policy COM02. Up to 10% of the income would be made available for smaller projects i.e. those projects requesting up to £1,000. Medium projects are those requesting £1,001 to £10,000 and Larger projects are those requesting £10,001 or more from the Charity.
3. The Charity will expect Applications for Medium and Larger projects to demonstrate how much additional funding from other sources that the Applicant has applied for, received or could apply for in the event that an Application to the Parish Charity is successful, or explain why this is not practical. Overall the Charity will expect applicants to secure at least £1 of external funding for every £1 granted.
4. The Charity reserves the right to make all or part of the award of a grant contingent on the Applicant successfully securing additional funding from other sources, and/or securing planning permission or any other permissions that may be required for the project to proceed.
5. Applications for funds for projects should be made in writing to the Clerk using the forms attached. Any grants awarded will be limited to the uses as set out in the Application. The Charity will periodically request for confirmation of the use of the grant made in line with the Application. If a project fails to proceed or there are funds remaining at a project’s completion, then all unused funds are to be returned to the Charity. If an Applicant needs to vary the terms of the grant award, then they should write to the Clerk setting out the proposal for the Charity to consider.
6. The Charity will approve or reject each Application, or will request further information. The decision of the Charity is final and the reasons for accepting or refusing an Application will be provided in writing to the applicant and recorded in the Minutes of the relevant Parish Charity meeting.

**Application Forms can be found at:** <http://yaxham.com/parish-council/parish-charity/>

* Smaller Project Application Form
* Medium & Larger Project Application Form

**Send completed Application Forms to:**

**Mrs Melanie Eversfield**

**Clerk to Yaxham Parish Council**

**19 Willow Close, Brundall, Norfolk NR13 5PZ**

**Tel: 01603 712943**

**Email:** [**yaxhamparishclerk@gmail.com**](mailto:yaxhamparishclerk@gmail.com)

**What types of projects are eligible?**

The following list is not exhaustive, and consideration is given to any projects that meet the Charity’s aims and objectives.

* One-off community events such as community fun day expenses, litter-picking, sports events etc
* Contributing to the purchasing of major capital items such as to support or encourage community sports facilities
* Purchasing items to run a project such as specialised medical equipment, sports and exercise equipment for local club, arts and craft materials for a workshop or for a youth project.
* Improvements to community buildings and facilities such as painting or refurbishing buildings, or upgrading and improving existing community facilities
* Improvements to external spaces such as park clean ups, community gardens, disabled access projects, food growing projects, woodland walk.
* Purchasing materials to undertake a place based improvement project such as buying paint, litter pickers, gravel, grass seed, plants, and benches.

**Who can apply?**

Applications will be accepted from a wide range of organisations within the Parish of Yaxham including:

* Voluntary/community organisations
* Registered charities
* Yaxham VA Primary School
* Sports clubs
* Community groups
* Other not-for-profit organisations might also be eligible Businesses and ‘for profit’ organisations are not eligible.

**How much can we apply for?**

Grants are split into three categories

1. Up to £1,000 – Smaller Projects
2. £1,001 £10,000 – Medium Projects
3. £10,001 or greater – Large Projects

A Copy of the Parish Charity Trust Deed and Policy on investment of funds and use of funds for charitable purposes can be found at <http://yaxham.com/parish-council/parish-charity/>.