

## Paul's Fund Finances Commentary, 2012 – 2014

Paul's Fund is a Charitable Trust held by the Charities Aid Foundation and it is CAF that is the registered charity No. 268369.

Paul's Fund was originally set up by David and Pippa Morton in 2009 following the death of their son Paul and comprising donations made at Paul's memorial service and money put in to the fund by David and Pippa that they had inherited from Paul himself.

In 2011 "Paul's Place" came into existence when David and Pippa purchased "The Old Bakery" bed and breakfast and commenced running it as a business. Since setting up Paul's Place (which is the same as The Old Bakery), the main purpose of Paul's Fund has been to enable young adults who meet the Trust's criteria to have a largely free respite holiday staying at Paul's Place. This is achieved by Paul's Fund paying their full accommodation costs directly to Paul's Place, and giving grants to the qualifying young adult to help towards the cost of their travel and daily expenses.

During 2009, 2010 and 2011 donations amounting to nearly £20,500 were received plus another £3,000 in gift aid and some investment income. Of this £10,700 was placed in a socially responsible investment fund in 2010, hence the investment income from dividends. There was expenditure of about £3,000 including £1,300 in the first grants to Paul's Place guests. Hence at the end of 2011 Paul's Fund had a cash balance of approximately £11,100 and this is taken as the starting point for this financial summary.

These sums exclude the money originally donated by David and Pippa and subsequently moved in to a separate personal charity account. This is because under Charity rules money donated to Paul's Fund by David and Pippa cannot be used to pay grants to Paul's Place/The Old Bakery. Hence all income figures in this report comprise donations made by private individuals and companies, dividends from investments and Gift Aid. No income has been received from any other charities, trusts, lotteries or public organisations (apart from Gift Aid which is paid by the government).

The tables and charts below summarise in more detail the income and expenditure over the last 3 years since Paul's Place started operating in earnest, ie 2012, 2013 & 2014. ***Please note that the figures in this commentary are derived from monthly statements provide by the Charities Aid Foundation but these are NOT audited accounts and anyone wanting more formal and audited accounts should contact the Charities Aid Foundation.***

**Income** has been split in to eight categories to show the relative contribution of different size and types of income comprising:

- One-off, individual donations of less than £500
- One-off, individual donations of £500 or more (excluding sponsorship)
- Regular donations by standing order
- Money raised at specific fund raising events
- Donations made by way of sponsorship (which may include donations over £500)
- Income from the sale of items such as cards, photographs, calendars etc and also of cream teas.
- Gift Aid
- Dividends on investments.

**Expenditure** has been split in to five categories as follows:

- Payments made directly to The Old Bakery to cover the accommodation cost of Paul's Place guests
- Payments made directly to Paul's Place guests to cover daily allowances and travelling expenses
- Fees paid to CAF
- Other expenses claimed against the Fund
- Donations to other charities. These are an anomaly in 2013 as a small number of donations continued to be paid out of Paul's Fund to other charities that should have come out of David and Pippa's own charity account. This no longer happens.

### **Income**

Income has fluctuated over the three years with no real trend but it is notable that a small number of large donations make up the bulk of the Trust's income – 45% over the three years.

In 2014 when the largest contribution comes through sponsorship of David and two of Paul's friends climbing Mt Kenya at the end of 2013. Excluding Gift Aid this raised nearly £10,500 at the end of 2013 and into 2014. But in fact

£4,300 of the £8,200 in sponsorship in 2014 comprised just three corporate and one private donation (which was a legacy), all of a £1000 or more. If this is transferred to the “Donations over £500” column, then large donations make up 45% (as opposed to the 36% shown) of the total income with some individuals making repeat large donations each year.

Regular donations (3.5%) make a small but important contribution and have grown slightly in number over the years.

David sells cards, calendars and pictures comprising his own or Paul’s photographs and in summer David and Pippa sell cream teas at The Old Bakery. In the case of the photography, the whole profit after deducting direct costs (printing/frames etc) goes to Paul’s Fund. In the case of the cream teas the profit net of direct costs is split three ways equally between Pippa, a friend who helps and Paul’s Fund.

Gift Aid makes an important contribution but is only 7% of the total. It has proved difficult to claim Gift Aid at events and on many smaller donations and there is potential to claim much more.

### **Expenditure**

As Paul’s Fund and Paul’s Place have become more widely known and demand on the Fund has increased, expenditure has more than doubled over the three years from just £7,400 in 2012 to nearly £15,200 in 2014. Payments to The Old Bakery clearly comprise the largest proportion – over 70% last year.

In 2013 the proportion was less mainly due to a one-off cost in creating a new web site which cost £2,200. The only other major expense is printing leaflets (£470 in 2012) which will need to be repeated.

In 2012 and 2013 income exceeded expenditure but in 2014 they were approximately equal.

Looking ahead, expenditure is likely to increase further but will level off as there is a limit to how many Paul’s Place guests David and Pippa feel able to accommodate. At the beginning of 2015 there are currently many more enquiries than there has ever been in previous years and expenditure is very likely to exceed £15,000.

David and Pippa do not claim any expenses for time, travel or other costs that they may incur in their administration of the trust or fund raising, but did claim for the attendance fee at a conference back in 2012. Likewise expenses incurred in connection with fund raising events and sponsorship are mostly met by the participants or out of proceeds or from other sources.

CAF’s fees represent less than 5% of the outgoings which is a very modest level within the charity sector.

As explained above the “other donations” are an anomaly which has stopped.

### **Future Finances**

Paul’s Fund has done extremely well over the last three years with the balance growing from just £10,800 at the beginning of 2012 to £22,800 at the beginning of 2015. This has meant we have never had to be concerned about whether there is enough money to meet the grants applied for and there is sufficient to cover the likely level of grants in the coming year. However, the pressure on finances is likely to increase as demand grows and it cannot be assumed that the relatively small number of large donors will continue to support Paul’s Fund at the same level in years to come.

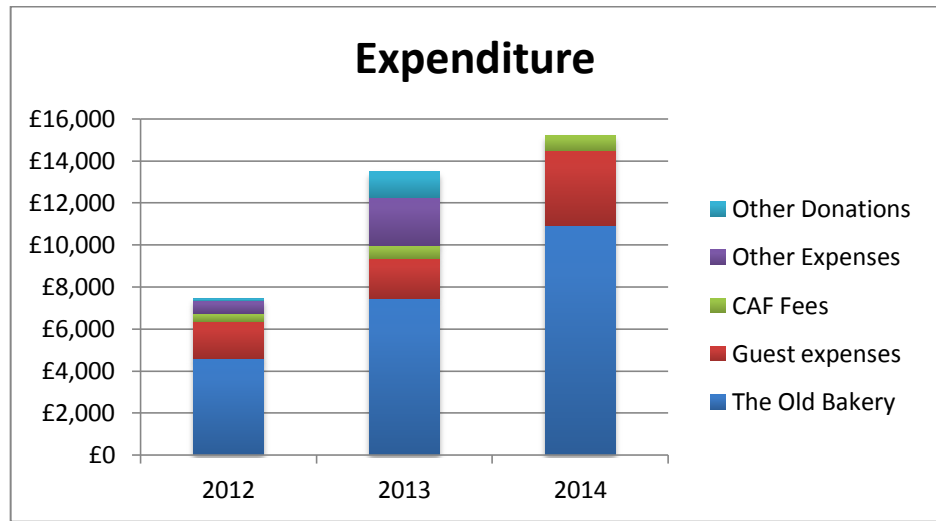
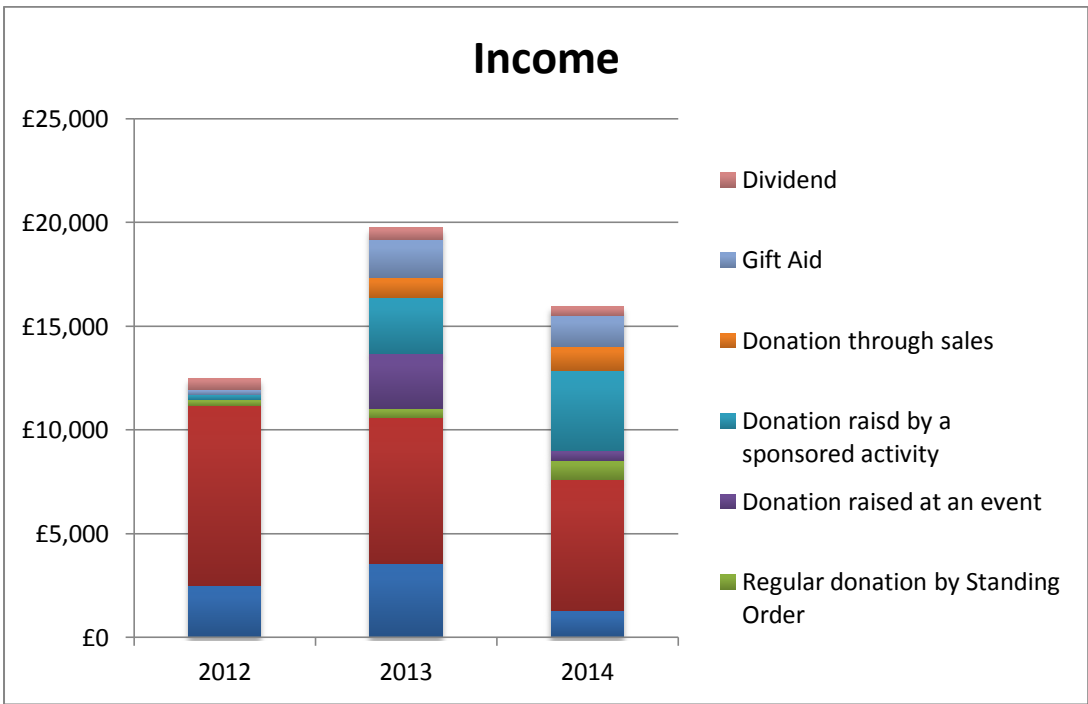
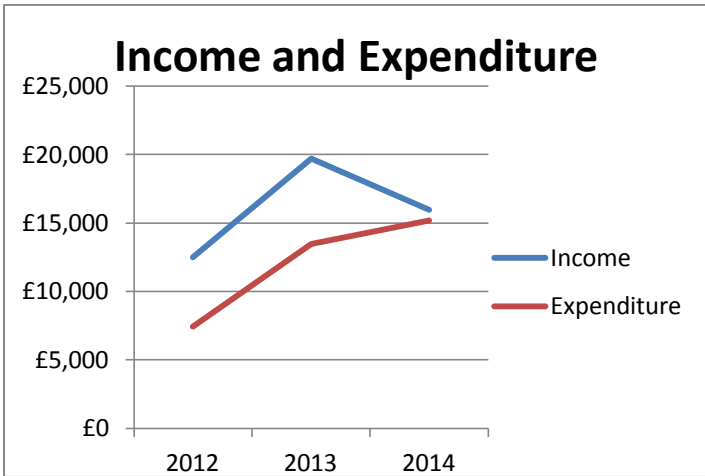
There remains, therefore, a need to attract donations, ideally in excess of £15,000 a year in order to maintain a healthy reserve.

This will mainly be achieved by appealing to the Paul’s Place/Paul’s Fund network of supports and encouraging:

- More regular donors by standing order
- Annual donations on anniversaries
- Asking supporters to carry out fund raising activities
- Annual fund raising events in Bristol and Croyde
- Another major sponsored activity similar to Mt Kenya in 2016 or 2017 appealing to local businesses.

### **Other Support**

David and Pippa would like to acknowledge the valuable support from the local community in and around Georgeham including the local church and businesses. This has comprised cash donations, raffle prizes and participating in the Paul’s Place Passport Scheme which entitles Paul’s Place guests to discounted or free entry to local attractions, activities and places to eat.



Year	Opening Balance	Closing Balance	Net change
2012	£11,106	£15,854	+£4,748
2013	£15,854	£22,070	+£6,216
2014	£22,070	£22,834	+£764

Year	Income								
	One off Donation Less than £500	Donation £500 or over	Regular donation by Standing Order	Donation raised at an event	Donation raised by a sponsored activity	Donation through sales	Gift Aid	Dividend	Total
2012	£2,492	£8,692	£285	£0	£267	£0	£230	£543	<b>£12,508</b>
2013	£3,591	£7,000	£450	£2,673	£2,678	£972	£1,824	£579	<b>£19,689</b>
2014	£1,327	£6,300	£910	£494	£3,869	£1,128	£1,489	£443	<b>£15,960</b>
<b>Totals to Date</b>	<b>£7,410</b>	<b>£21,992</b>	<b>£1,645</b>	<b>£3,167</b>	<b>£6,814</b>	<b>£2,099</b>	<b>£3,543</b>	<b>£1,564</b>	<b>£48,157</b>
% of Total	15.4%	45.7%	3.4%	6.6%	14.2%	4.4%	7.4%	3.2%	100.0%

Year	Expenditure					
	The Old Bakery (Paul's Place)	Guest expenses	CAF Fees	Other Expenses	Other Donations	Total
2012	£4,593	£1,767	£388	£589	£100	<b>£7,437</b>
2013	£7,465	£1,902	£618	£2,256	£1,232	<b>£13,473</b>
2014	£10,917	£3,560	£720	£0	£0	<b>£15,197</b>
<b>Totals to Date</b>	<b>£22,974</b>	<b>£7,230</b>	<b>£1,726</b>	<b>£2,845</b>	<b>£1,332</b>	<b>£36,107</b>
% of Total	63.6%	20.0%	4.8%	7.9%	3.7%	100.0%