

**EPWORTH CASH PLUS FUND FOR CHARITIES
UNAUDITED ACCOUNTS
6 MONTH PERIOD TO 31 OCTOBER 2024**

(Charity number: 1115887)



CONTENTS

- 2 Report of the Chief Executive Officer
- 3 Responsibilities
- 4 Approval of the financial statements
Epworth Cash Plus Fund for Charities
- 5 Investment objectives and policy
Risk warning
- 6 Statement of total return
Balance sheet
- 7 Total expense ratios
Summary of deposits by credit rating
Income and net asset value history
Distributions paid
- 8 Summary of deposits
- 9 Summary of deposits by banking group
- 10 Notes to the accounts

EPWORTH CASH PLUS FUND FOR CHARITIES

For the 6 month period ended 31 October 2024

REPORT OF THE CHIEF EXECUTIVE OFFICER

The Epworth Cash Plus Fund for Charities ('the Fund') is a common deposit fund and an alternative investment fund under the Alternative Investment Funds Market Directive (AIFMD). It is available for investment to any charity in England and Wales and "appropriate bodies" in Scotland and Northern Ireland within the meanings of section 1 or 97(3) of the Charities Act 2011. **The Cash Plus Fund is not a money market fund.** Interest is calculated daily and paid monthly and depositors have next day access to their balances.

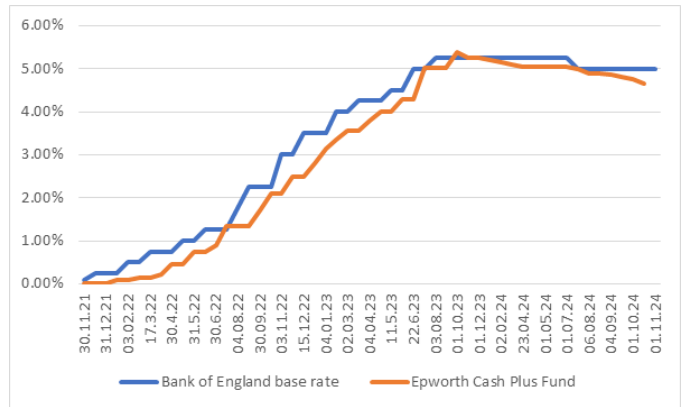
The Fund has a diverse range of counterparties and lending limits which are set by the Board of the Manager with reference to the credit quality of the borrower. There are also restrictions concerning the minimum amount of overnight and one week liquidity to be maintained within the Fund. There have been no defaults by the underlying counterparties to the Fund since its inception in 2006. The Deposit Fund of the Central Finance Board of the Methodist Church provides a stable core to the Fund, enabling it to accept additional duration risk within controlled parameters to improve the return to depositors. The Fund has an investment objective to "achieve a competitive level of income from cautious investment in a highly liquid portfolio of investments whilst maintaining the ability of depositing charities to make withdrawals at short notice". The Fund has a benchmark of the Sterling Overnight Index Average (SONIA) +0.4%.

On 1st August 2024 the Bank of England cut its base rate by 25 BPS to 5.0%. This marked the end of a historic rate hiking cycle which saw the base rate rise over 5.0% in the space of 18 months. Having spent over 12 months at a 15 year high of 5.25%, cash markets have seen significantly better performance in both absolute and real terms than recent history. Since the first rate cut in August, the direction of travel for interest rates in the United Kingdom has become very clear: downward. What the market is less sure about is the pace at which interest rates will be cut. Sticky services inflation coupled with sustained above trend wage pressures support a cautious approach to lower rates, whilst underwhelming economic growth mixed with lacklustre consumer and business confidence suggesting further easing is required. Each of these factors has merit, and the data-dependent nature of

polycymakers' decisions has led to fluctuating market expectations as economic data releases continue to shift sentiment.

In Epworth's view, the Bank of England will remain cautious of moving too quickly and we will only see one 25BPS rate cut over the remaining two meetings of this calendar year, resulting in the base rate finishing the year at 4.75%. In the absence of any further economic shocks normalising inflation in the first half of next year should pave the way for further cuts in early 2025. From a management standpoint, we continue to look to extend the Fund's duration to lock in favourable rates and position the portfolio well for a falling rate environment.

BANK OF ENGLAND BASE RATE VS EPWORTH CASH PLUS FUND INTEREST RATE



Any charity wishing to open accounts should download an application form from the Epworth website (<https://epworthim.com/cash/>).

David Palmer
November 2024

EPWORTH CASH PLUS FUND FOR CHARITIES

For the 6 month period ended 31 October 2024

RESPONSIBILITIES

The Schemes of the Charity Commissioners, made under Sections 96–99 of the Charities Act 2011, dated 27 February 2007, 22 September 2009, 2 February 2010 and 28 February 2011 as amended on 13 August 2014, 22 July 2015, 7 May 2021, 1 January 2023, 10 July 2023 and 28 November 2023, define the responsibilities, duties and powers of the Trustee and Manager.

RESPONSIBILITIES OF THE DEPOSITARY

The Depositary must ensure that the Fund is managed in accordance with the Financial Conduct Authority's Investment Funds Sourcebook, ("The Sourcebook"), the Alternative Investment Fund Managers Directive ("AIFMD") (together "The Regulations") and the Funds' Scheme Particulars.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Fund and its investors.

The Depositary is responsible for the safekeeping of the assets of the Fund in accordance with the Regulations.

The Depositary must ensure that:

- the Fund's cash flows are properly monitored and that cash of the Fund is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of units are carried out in accordance with the Regulations;
- the assets under management and the net asset value per share of the Fund are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Fund's assets is remitted to the Fund within the usual time limits;
- that the Fund's income is applied in accordance with the Regulations; and
- the instructions of the Alternative Investment Fund Manager ("the AIFM") are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Fund is managed in accordance with the Scheme Particulars in relation to the investment and borrowing powers applicable to the Fund.

RESPONSIBILITIES OF THE CORPORATE TRUSTEE

The Corporate Trustee is required by the Scheme to:

- (a) ensure the Manager's compliance with the Scheme and the Scheme Particulars;
- (b) appoint and supervise the Registrar;
- (c) safeguard the assets of the Fund and collect all income due to the Fund;
- (d) create and cancel units in accordance with the instructions of the Manager;
- (e) make distributions to Participating Charities;
- (f) prepare an annual report and inform the Charity Commission if it is not satisfied with the Manager's compliance with the Scheme or Scheme Particulars;
- (g) be responsible for any winding up of the Funds.

RESPONSIBILITIES OF THE MANAGER

The Manager is required by the Scheme to:

- (a) instruct the Trustee of creation and cancellation of units;
- (b) manage the investments of the Fund;
- (c) make and revise the written statement of the investment policy of the Funds;
- (d) make and revise the Scheme Particulars;
- (e) keep a daily record the receipt and repayment of deposits;
- (f) make all records of the Fund available for inspection by the Trustee;
- (g) prepare a report and accounts of the Fund for each accounting period;
- (h) appoint the auditor of the Fund;

The Manager is required in accordance with UK Generally Accepted Accounting Principles to:

- select suitable accounting policies that are appropriate for the Fund and apply them on a consistent basis;
- comply with the disclosure requirements of the Charities (Accounts and Reports) Regulations 2008;
- follow law and UK accounting standards (UK Generally Accepted Accounting Practice);
- keep proper accounting records which enable them to demonstrate that the accounts as prepared comply with the above requirements;
- make judgements and estimates which are reasonable and prudent;
- prepare the accounts on the basis that the Fund will continue in operation unless it is inappropriate to do presume this.

The Manager is required to manage and administer the Fund in accordance with the Scheme, maintain accounting records and take reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee has appointed the Manager as Registrar to the Funds.

EPWORTH CASH PLUS FUND FOR CHARITIES

For the 6 month period ended 31 October 2024

APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements of the Epworth Cash Plus Fund for Charities for the period to 31 October 2024 were approved by the Manager and are signed on behalf of the Manager by:



David Palmer
Director, Epworth Investment Management Limited
26 November 2024



John Sandford
Chair, Epworth Investment Management Limited
26 November 2024

EPWORTH CASH PLUS FUND FOR CHARITIES

For the 6 month period ended 31 October 2024

INVESTMENT OBJECTIVES AND POLICY

The Fund's Investment Objective is to achieve a competitive level of income from cautious investment in a highly liquid portfolio of investments, whilst maintaining the ability of depositing Charities to make withdrawals at short notice. The Fund is not a money market fund. The Fund's returns may be more volatile than those of money markets and there is a risk that you may not receive back the amount invested.

The Fund's Investment Policy is to invest money with banks and other institutions which meet rigorous criteria based on independent credit ratings and total asset size, with a maximum Average Maturity Date for the investments of no more than 180 days. The Fund has an objective to outperform, before the deduction of charges, the Bank of England Sterling Overnight Interbank Average (SONIA) by 0.4% over rolling 12 month periods. Risk is minimised by limiting the proportion of the Fund deposited with any single bank or other institution and is also minimised through diversification by lending to banks and institutions in a number of different banking groups.

The Fund will not invest more than 20% of its assets with any single bank or banking group with a credit rating of Aaa, and will set lower levels of investment for lesser credit rating banks. There is no restriction on the amount that may be invested with His Majesty's Government.

The Fund's investments may include:

- Sterling denominated deposit accounts with any deposit-taking firm;
- Sterling denominated negotiable certificates of deposit with any deposit-taking firm;
- Sterling denominated deposits with any local authority in the United Kingdom;
- Sterling denominated fixed and floating rate securities issued by any deposit-taking firm;
- Treasury bills or other securities issued or guaranteed by His Majesty's Government.

The Fund must maintain at least 10% of its assets in investments realisable within 5 business days and the remainder repayable within a period not exceeding two years (except floating rate securities). The Average Maturity Date of the investments of the Fund will not exceed 180 days. The maximum leverage permitted under both the Gross and Commitment methods is 1 which means that leverage is neither permitted nor employed by the Fund Manager. The Fund is not subject to any special arrangements arising from any part of it being insufficiently liquid.

The Manager will publish details of its objectives, and latest risk management and diversification criteria on its website at epworthim.com.

RISK WARNING

The Trustee and the Fund Manager undertake to use due skill, care and diligence in carrying out their duties under the Epworth Cash Plus Fund for Charities Scheme, but whilst complying with this undertaking in relation to the investment of the Fund, they cannot give guarantees regarding the repayment of deposits.

The Epworth Cash Plus Fund is exempt from the Financial Services and Markets Act 2000 and depositing charities are not eligible for the Statutory Investors Compensation Scheme or the services of the Financial Services Ombudsman. The Fund Manager is however authorised and regulated by the Financial Conduct Authority.

The current interest distribution is no guarantee of future returns.

EPWORTH CASH PLUS FUND FOR CHARITIES

For the 6 month period ended 31 October 2024

STATEMENT OF TOTAL RETURN

For the 6 month period ended 31 October 2024

	Note	6 months to 31.10.24 £'000	6 months to 31.10.23 £'000
Income: revenue		18,637	14,385
Expenses	2	(562)	(434)
Net revenue after taxation		18,075	13,951
Total return before distributions		18,075	13,951
Distributions		(18,088)	(13,906)
Change in net assets attributable to unit holders from investment activities		(13)	45

BALANCE SHEET

As at 31 October 2024

	Note	31.10.24 £'000	30.04.24 £'000
Assets		707,627	620,211
Investments - deposits with authorised banks			
Current assets:			
Debtors	5	11,741	13,308
Cash and bank balances		-	-
Total assets		719,368	633,519
Liabilities			
Creditors - other creditors	8	(328)	(565)
Total liabilities		(328)	(565)
Net assets attributable to unitholders		719,040	632,954
Represented by:			
Deposits	6	718,355	632,256
Income reserve	9	685	698
		719,040	632,954

Balance sheet approved and signed on behalf of the Manager by:



David Palmer
Director, Epworth Investment Management Limited
26 November 2024



John Sandford
Chair, Epworth Investment Management Limited
26 November 2024

EPWORTH CASH PLUS FUND FOR CHARITIES

For the 6 month period ended 31 October 2024

TOTAL EXPENSE RATIOS

Expense type	31.10.24 £'000	30.04.23 £'000
Manager's periodic charge (inc VAT)	0.30	0.30
Corporate Trustee's charge (inc VAT)	0.02	0.02
Other expenses	0.03	0.03
Total expense ratio	0.35	0.35

SUMMARY OF DEPOSITS BY CREDIT RATING

Rating band	31.10.24 £'000's	31.10.24 %	30.04.24 £'000's	30.04.23 %
Aa1	-	-	-	-
Aa2	162,094	22.9	112,124	18.1
Aa3	90,130	12.7	90,184	14.6
A1	259,003	36.6	244,003	39.3
A2	196,400	27.8	173,900	28.0
NR	-	-	-	-
Total	707,627	100.0	620,211	100.0

INCOME AND NET ASSET VALUE HISTORY

Year/period	Net asset value £'000's	Average distribution %	Average distribution LIBID/SONIA (net of expenses) AER %	%
Year to 30.04.20	461,831	0.70	0.70	0.22
Year to 30.04.21	531,420	0.37	0.37	0.06
Year to 30.04.22	467,466	0.08	0.08	0.19
Year to 30.04.23	531,043	2.21	2.23	2.52
Year to 30.04.24	632,256	4.91	5.03	5.05
6 months to 31.10.24	718,355	4.94	5.05	5.07

DISTRIBUTIONS PAID

For the 6 month period ended 31 October 2024

Distribution period	Net income per unit %	Equalisation per unit	Distribution payable per unit %	Date payable
30 April 2024 - 30 May 2024	5.05	0.00	5.05	31 May 2024
31 May 2024 - 29 June 2024	5.05	0.00	5.05	30 June 2024
30 June 2024 - 30 July 2024	5.05	0.00	5.05	31 July 2024
31 July 2024 - 30 August 2024	4.92	0.00	4.92	31 August 2024
31 August 2024 - 29 September 2024	4.83	0.00	4.83	30 September 2024
30 September 2024 - 30 October 2024	4.73	0.00	4.73	31 October 2024
Average rate and total paid for period	4.94	0.00		

EPWORTH CASH PLUS FUND FOR CHARITIES

For the 6 month period ended 31 October 2024

SUMMARY OF DEPOSITS

As at 31 October 2024

By maturity	31.10.24	31.10.24	30.04.24	30.04.24
Repayable	£'000's	%	£'000's	%
On call	1	-	1	-
Within 5 business days	121,400	17.2	68,900	11.1
1 month	64,002	9.0	59,002	9.5
2 months	65,100	9.2	75,137	12.1
3 months	62,124	8.8	74,165	12.0
6 months	145,000	20.4	158,006	25.5
1 year	205,000	29.0	150,000	24.2
2 years	45,000	6.4	35,000	5.6
Total	707,627	100.0	620,211	100.0

EPWORTH CASH PLUS FUND FOR CHARITIES

For the 6 month period ended 31 October 2024

SUMMARY OF DEPOSITS BY BANKING GROUP

As at 31 October 2024

	31.10.24	30.04.24
	%	%
Toronto Dominion	11.3	5.7
Lloyds	10.6	13.7
Development Bank of Singapore (DBS)	9.9	9.7
UBS	9.9	9.7
Landesbank Baden-Wuerttemberg	8.0	9.5
Sumitomo Mitsui Banking Corporation London	7.1	-
Societe Generale	5.7	12.1
DNB	4.9	3.2
Goldman Sachs Intl Bank	4.9	2.4
Standard Chartered	4.9	4.0
CIC	3.5	2.4
Commonwealth Bank of Australia	2.8	4.9
Mitsubishi UFG	2.8	0.8
Natwest Markets	2.8	-
Rabobank	2.1	-
Royal Bank of Canada	1.7	2.8
Bank of Nova Scotia	1.4	1.6
Credit Agricole	1.4	3.2
Sumitomo Mitsui Banking Corporation Intl	1.4	-
BNP Paribas	0.7	1.6
Canadian Imperial Bank of Commerce	0.7	-
National Australia Bank	0.7	-
Santander	0.6	0.7
National Westminster Group	-	3.2
Nordea Bank	-	1.6
Barclays	-	1.6
SEB	-	1.6
CIBC	-	0.8
DZ Bank	-	0.8
Sumitomo Mitsui Banking Corporation Europe	-	1.6
Mitsubishi UFJ Trust and Banking Corporation	-	0.8
	100.0	100.0

EPWORTH CASH PLUS FUND FOR CHARITIES

For the 6 month period ended 31 October 2024

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

(A) BASIS OF ACCOUNTING

The accounts have been prepared under the historical cost convention, as modified by the revaluation of investments, and in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Statement of Recommended Practice issued by the Investment Management Association in 2014, the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the relevant Scheme of the Charity Commissioners.

(B) INCOME RECOGNITION

Interest on bank and building society deposits is accrued on a daily basis. Premiums and discounts arising on the purchase of short dated investments held by the Fund are taken to a Redemption Equalisation account and amortised on a straight line basis from the date of purchase to maturity. This amortisation is taken to Income account.

(C) MANAGEMENT EXPENSES

The Manager's periodic charge paid to Epworth Investment Management Limited is charged to the income of the Fund before distribution at a rate of 0.25%, plus VAT, of the value of the Fund. This fee covers the provision of staff and investment services and other expenses incurred by the Manager. The Corporate Trustee fee, audit and legal fees, and bank charges are charged separately to the income of the Fund before distribution.

(D) DISTRIBUTIONS

All income of the Fund, after deduction of management and other expenses, and transfers to/from income reserve, is distributed to depositors.

(E) BASIS OF VALUATION

The Money Market Deposits, all of which are with banks, have been valued at cost.

(F) STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

The financial statements do not include a statement of change in net assets attributable to unitholders. The fund is not a unitised fund and is valued at par. The change in net assets is not impacted by market movements and represents the change in deposit holders cash balances.

2. EXPENSES

	6 months to 31.10.24 £'000s	6 months to 31.10.23 £'000s
Payable to the Manager or associates Manager's periodic charge – see Note 1(c)	454	354
	454	354
Payable to the Corporate Trustees or associates and agents of either of them:	84	73
Other expenses:		
Audit fee	7	6
Custody charges	13	–
Bank charges	4	1
Other	–	–
Other expenses	108	80
Total expenses	562	434

3. TAXATION

The Fund is exempt from UK income tax and capital gains tax due to its charitable status pursuant to Sections 478 and 479 of the Corporation Tax Act 2010. Distributions are credited gross to depositors.

4. DEPOSITS WITH AUTHORISED BANKS

Deposits are with financial institutions who have permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits.

5. DEBTORS

	31.10.24 £'000s	30.04.24 £'000s
Interest receivable	11,741	13,308
Total debtors	11,741	13,308

6. DEPOSITS

Deposits represent money entrusted to the Fund by its customers.

	31.10.24 £'000s	30.04.24 £'000s
Central Finance Board of the Methodist Church Deposit Fund	425,893	355,145
Epworth UK Equity Fund	–	1,473
Epworth Global Equity Fund	–	1,181
Epworth Multi-Asset Fund	–	1,823
Epworth Climate Stewardship Fund	–	1,660
Other Charities	292,462	270,974
Total deposits	718,355	632,256

EPWORTH CASH PLUS FUND FOR CHARITIES

For the 6 month period ended 31 October 2024

7. MATURITY ANALYSIS

	31.10.24	30.04.24
	£'000s	£'000s
Repayable		
On demand	576,355	505,756
Within 3 months	34,000	42,000
Within 1 year	94,500	74,000
Within 2 years	13,500	10,500
Total deposits	718,355	632,256

8. CREDITORS

	31.10.24	30.04.24
	£'000s	£'000s
Bank overdraft	102	356
Other/trade creditors	76	61
Accrued expenses	150	148
Total creditors	328	565

9. INCOME RESERVE

The Fund operates an income reserve which is accumulated out of income and held on trust for depositors for the time being. The income reserve is maintained to ensure payment of interest to depositors each month even though a proportion of the income earned by the Fund will not be received until maturity date of individual deposits. The reserve is also available to augment the Fund's deposit rate and to provide against potential default of counterparties.

	31.10.24	30.04.24
	£'000s	£'000s
Balance at start of period	698	708
Transfer (from)/to reserve	(13)	(10)
Income reserve at 31 October	685	698

10. RISK MANAGEMENT POLICIES

The main risks arising from the Fund's financial instruments and the Manager's policies for managing these risks are summarised below. These policies have been applied throughout the period.

INTEREST RATE RISK

The Fund invests in fixed rate and floating rate deposits with an approved list of institutions maintained by the Manager. Changes in the interest rates may result in income either increasing or decreasing. The interest rate profile of the Fund's financial assets and liabilities at 31 October 2024 is set out below:

	31.10.24	30.04.24
	£'000s	£'000s
£ floating rate financial assets	41,226	41,310
£ fixed rate financial assets	666,401	578,901
£ financial assets not carrying interest	11,638	12,952
£ financial liabilities not carrying interest	(910)	(907)
Total net assets	718,355	632,256

CREDIT RISK

The Fund's transactions expose it to the risk that a counterparty may not repay a deposit at its maturity date. To minimise this risk, investments are made with banks and other institutions which meet rigorous criteria based on independent credit ratings and size, with a maximum average maturity date for the investments of no more than 180 days. Risk is further minimised by limiting the proportion of the Fund deposited with any single bank or other institution.

LIQUIDITY RISK

To ensure that the Fund can meet obligations that may arise from depositors wishing to make withdrawals, the Manager must maintain at all times a minimum of 10% of the Fund's assets in investments realisable within 5 working days.

11. RELATED PARTY TRANSACTIONS

The Manager's periodic charge is paid to Epworth Investment Management Limited, a related party to the Fund. The amounts paid in respect of the Manager's periodic charge are disclosed in Note 2. At 31 October 2024, outstanding balances due to Epworth Investment Management Limited amounted to £76,284 (30 April 2024: £60,867). There were no other transactions entered into with Epworth Investment Management Limited during the period.

12. CONTINGENT ASSETS AND LIABILITIES

As at 31 October 2024, there are no commitments, contingent assets or liabilities which we are aware (30 April 2024 - nil).

EPWORTH CASH PLUS FUND FOR CHARITIES

Charity Number 1115887

INVESTMENT MANAGER, ADMINISTRATOR AND REGISTRAR

Epworth Investment Management Limited
(Authorised and Regulated by the Financial Conduct Authority)
Methodist Church House,
25 Tavistock Place
London WC1H 9SF
Telephone 020 7496 3636
Fax 020 7496 3637
Email admin@epworthim.com
Website epworthim.com

DIRECTORS

John Sandford (Chair)
David Palmer (Chief Executive)
Peter Hobbs
Jennie Austin
Julian de G Parker
Tim Swindell
Alexandra Cornforth

CHIEF INVESTMENT STRATEGIST

Roz Amos

FUND MANAGERS

Miles Askew (Head of Research)
Sam Bradley
Matthew Jones
Gareth Morgan

HEAD OF DISCRETIONARY SERVICES

Sarah Bourgein

SECRETARY

Marina Phillips

HEAD OF FINANCE

Lina Dineikiene

HEAD OF COMPLIANCE

Vanessa Meredith

CORPORATE TRUSTEE & CUSTODIAN BANKERS

HSBC Securities Services
HSBC Bank PLC
8 Canada Square
London E14 5HQ

SOLICITORS

Eversheds Sutherland
1 Wood Street
London EC2V 7WS

INDEPENDENT AUDITOR

Blick Rothenberg Audit LLP
16 Great Queen Street, Covent Garden
London WC2B 5AH