

Registered Charity Number 1063148

THE CHURCH STREET CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

THE CHURCH STREET CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

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THE CHURCH STREET CHARITABLE TRUST

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2024

Reference and administrative details

The Church Street Charitable Trust Charity Number 1063148

Principal office and correspondence address

C/O Sunderlands
Offa House
St Peters Square
Hereford
HR1 2PQ

Trustees

Mr C R George (Chairman)
Mr R H L Stokes
Dr M M Helme
Mr A R Thomas
Mrs M E Campbell (resigned 30 November 2023)
Miss M S Davis
Mrs F M Hanks

Advisors

Solicitors
A Cunliffe
Messrs Lambe Corner & Co
36/37 Bridge Street
Hereford
HR4 9DJ

Investment Advisors
CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill West Malling
Kent
ME19 4JQ

Property Advisor
Sunderlands
Offa House
St Peters Square
Hereford
HR1 2PQ

Independent Examiner
I P Cooke FCA
Crowthers Accountants Limited
10 The Southend
Ledbury
Herefordshire
HR8 2EY

THE CHURCH STREET CHARITABLE TRUST

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their annual report and financial statements of the Charity for the year ended 31 March 2024. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Trust Deed, the Charities Act 2011 and Accounting and the Charities Statement of Recommended Practice (second edition) and Financial Reporting Standard FRS102.

Structure, governance and management

The Church Street Charitable Trust is a registered charity (number 1063148) and was formed on 5 March 1997 under a Trust Deed set up by Mrs Christine Mary Frederica Bulmer as the founder.

During the year the Trustees carried out a risk review, which involved identifying the risks the Charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. Systems are currently being reviewed and established to reduce the impact of the risks identified.

New Trustees are appointed in line with the terms of the Trust Deed. When selecting persons to appoint as new Trustees, the Trustees shall take into account the benefits of appointing a person who is able by virtue of his or her personal or professional qualifications to make a contribution to the pursuit of the objects or management of the Charity.

Objectives and activities for the public benefit

The objectives of the Trust Fund and its income is to apply the income for such charitable purposes as the Trustees at their absolute discretion think fit, and in particular, but not so as to limit the generality of the foregoing, for the general benefit and preservation of Church Street properties in the City of Hereford.

The Charity is a public benefit entity.

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's guidance on public benefit. Having budgeted on the sum to be put aside for future repairs and upkeep of the properties in Church Street it was decided, if requested, to make further donations again this year in line with earlier years to support The Courtyard for promotion of their Visual Arts for £12,000 (2023: £22,000 which also included support for the Youth Theatre) and various other donations in the support and advancement of the education of the public in traditional crafts and handicrafts including £10,363 to the Alloy Workshop and £10,000 to the Hereford Cider Museum CIO. The Trust would like to see the uniqueness of Church Street maintained as an independent shopping street offering a wide and interesting variety of individual retail and craft outlets and whenever possible to acquire further properties in Church Street.

Achievements and performance – how we delivered public benefit

The Trustees continue to maintain the buildings owned by the Trust, in 2024 spending £78,964 on general repairs and maintenance (2023: £60,684). The Trust continued in its ongoing support of Hereford Cider Museum and in addition various grants were made available throughout the year in support of education and further training in the arts and craft as shown in the accounts. In addition, a further £3,115 (2023: £5,139) was spent by the Trust in promoting the Old Mayors Parlour, some of which has been set aside to award prizes to participating students through various education establishments.

Financial review

The Trustees are confident that the finances are strong and will be sufficient to allow for any reduction in rental income next year.

The policy agreed by the Trustees is to preserve and maintain the buildings, to take steps whenever possible to maintain maximum occupancy of the buildings and if considered appropriate to make donations or grants to other charities and individuals in support of education and promotion in arts and crafts.

The Trustees have reviewed the reserves of the Charity. The review concluded that the reserves were mainly the properties owned by the Trust in Church Street which should continue to produce a steady income, although suitable allowance is to be made to reflect possible reduction in rental income where properties have become vacant pending re-letting. The Trustees consider sufficient funds will be available to continue support of local charities and education in arts and crafts as permitted in the Trust's 'Declaration of Trust'.

THE CHURCH STREET CHARITABLE TRUST

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Plans for Future Periods

The plan is to effectively discharge the Charity's objectives of preserving and maintaining its buildings and to this end in 2016 the Trustees commissioned a building survey report on all their properties and consider that based on that Report and the cost of repairs and general expenses for the past five years, it is reasonable to assume an annual need to allow for a sum of £75,000. It is the intention of the Trust to commission further reports once every 10 years to ensure the buildings are maintained to a high level, especially where the buildings are listed as being of historical and architectural importance. The current overall income gives a surplus of approximately £50,000 that might be available to use for other permitted purposes in keeping with the Trust's objectives as permitted under the deed of the Charity.

The success of an exhibition gallery in Church Street is considered important and the management agreement previously entered into by the Trustees is proving successful and is bringing the gallery into greater use, whilst maintaining to provide facilities to enable local arts and craftsmen to promote and market their work, and its use in an educational role in providing facilities and support for local pupils and young artists/crafts. In addition to also continue making grants and donations available in support of the Trust's objectives.

The Trust has sufficient funds in hand to purchase additional properties in Church Street and have purchased No. 19a Church Street. The Trustees are mindful that small independent traders, along with many high street traders, are continuing to find trading difficult and are therefore mindful that rental values remain weak and may do so for some time.

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Examiner

The Trustees intend to ask Ian P Cooke FCA of Crowthers Accountants Limited to undertake the independent examination of the Trust for the following year.

Signed on behalf of the Trustees on 30 May 2024


C R GEORGE

THE CHURCH STREET CHARITABLE TRUST

REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2024

I report on the accounts of the Trust for the year ended 31 March 2024, which are set out on pages 5 to 10.

Respective responsibilities of Trustees and examiner

The Charity's Trustees are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair" view and the report is limited to those matters set out in the statement below.

Independent examiner's report

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in, any material respect, the Trustees have not met the requirements to ensure that:
 - proper accounting records are kept (in accordance with section 130 of the 2011 Act); and
 - accounts are prepared which agree with the accounting records and comply with the accounting requirements of the 2011 Act; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



I P Cooke FCA
Crowthers Accountants Limited
10 The Southend
Ledbury
Herefordshire
HR8 2EY

30 May 2024

THE CHURCH STREET CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted Funds				
		Notes	2024		2023	
			£	£	£	£
INCOME AND ENDOWMENTS FROM:						
Investments	3		244,519		244,150	
Total income and endowments				244,519		244,150
EXPENDITURE ON:						
Expenditure on raising funds	4		(112,163)		(89,371)	
Expenditure on charitable activities	5		(50,342)		(50,369)	
Total expenditure				(162,505)		(139,740)
Net income				82,014		104,410
(Loss)/gain on revaluation of investment assets				-		(42)
NET MOVEMENT IN FUNDS				82,014		104,368
Reconciliation of funds:						
Total funds brought forward				2,895,015		2,790,647
Total funds carried forward				2,977,029		2,895,015

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

THE CHURCH STREET CHARITABLE TRUST

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
FIXED ASSETS					
Investments	6		2,552,625		2,400,725
CURRENT ASSETS					
Debtors	7	70,281		-	
Cash at bank in hand		<u>372,917</u>		<u>497,950</u>	
		443,198		497,950	
Creditors: amounts falling due within one year	8	<u>(18,794)</u>		<u>(3,660)</u>	
Net current assets			<u>424,404</u>		<u>494,290</u>
NET ASSETS			<u>2,977,029</u>		<u>2,895,015</u>
TOTAL CHARITY FUNDS – Unrestricted funds			<u>2,977,029</u>		<u>2,895,015</u>

The financial statements on pages 5 to 10 were approved by the Trustees on 30 May 2024 and signed on behalf by:

C R GEORGE
Trustee



THE CHURCH STREET CHARITABLE TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES

(a) BASIS OF PREPARATION AND ASSESSMENT OF GOING CONCERN

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and with the Charities Act 2011.

The functional currency of The Church Street Charitable Trust is considered to be pounds sterling (£) because that is the currency of the primary economic environment in which the Charity operates.

The Trust constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. The most significant area of adjustment and key assumptions that affect items in the accounts are to do with the valuation of investments.

(b) INCOME RECOGNITION

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

(c) EXPENDITURE RECOGNITION

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution please refer to note (e) below.

(d) IRRECOVERABLE VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(e) ALLOCATION OF SUPPORT AND GOVERNANCE COSTS

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to the statutory independent examination and legal fees together with an apportionment of overhead and support costs.

THE CHURCH STREET CHARITABLE TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2024

(f) CHARITABLE ACTIVITIES

Costs of charitable activities include grants made, governance costs and an apportionment of support costs as shown in note 5.

(g) FIXED ASSET INVESTMENTS

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(h) REALISED GAINS AND LOSSES

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2. RELATED PARTY TRANSACTIONS AND TRUSTEES' EXPENSES AND REMUNERATION

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2023: £nil). Expenses paid to the Trustees in the year totalled £Nil (2023: £Nil).

3. INCOME FROM INVESTMENTS

	2024 £	2023 £
Rental income	237,132	240,738
Interest receivable	7,994	2,884
Loss on sale of investments	(607)	-
Dividends receivable from investments	-	528
	<u>244,519</u>	<u>244,150</u>

THE CHURCH STREET CHARITABLE TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

4. EXPENDITURE ON RAISING FUNDS

	£	£
Expenses and repairs to rental properties	78,964	60,684
Agent's fees	<u>33,199</u>	<u>28,687</u>
	<u>112,163</u>	<u>89,371</u>

5. EXPENDITURE ON CHARITABLE ACTIVITIES

	£	£
Governance costs:		
Independent examiners fees	3,000	3,000
Accountancy services	834	660
Legal and professional fees	1,320	-
Bank charges	60	72
Sundry expenses	-	-
Donations:		
Hereford Cider Museum CIO	10,000	4,000
Donations to individuals and Hereford College of Arts	7,400	2,300
Hereford Make CIC	2,250	8,198
The Courtyard	12,000	22,000
John Masfield High School	-	5,000
Alloy Workshop	10,363	-
Gallery – Old Mayor's Parlour running costs	<u>3,115</u>	<u>5,139</u>
	<u>50,342</u>	<u>50,369</u>

6. FIXED ASSET INVESTMENTS

<u>Market Value</u>	<u>Freehold Investment Property</u>	<u>Listed Investments</u>	<u>Total</u>
	£	£	£
As at 1 April 2023	2,375,683	25,042	2,400,725
Additions	176,942	-	176,942
Disposals	-	(25,042)	(25,042)
Revaluations	<u>-</u>	<u>-</u>	<u>-</u>
As at 31 March 2024	<u>2,552,625</u>	<u>-</u>	<u>2,552,625</u>

The freehold property was donated to the Trust and was valued at 30 September 2000 by Carter Jonas, Chartered Surveyors, on an open market value basis, subject to the existing tenancies. The Trustees are of the opinion that the fair value is now not significantly different to that detailed above (valuation as at 31 March 2016 from Sunderlands & Thompsons LLP).

The listed investments have an historical cost at 31 March 2024 of £Nil (2023: £16,522).

THE CHURCH STREET CHARITABLE TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2024 CONTINUED

7. DEBTORS

	2024	2023
	£	£
Rents receivable from agents	<u>70,281</u>	<u>-</u>

8. CREDITORS: Amounts falling due within one year

	£	£
Accruals and deferred income	<u>18,794</u>	<u>3,660</u>