

Kelly Trust (Creditor)

**Unaudited Financial
Statements**

**Charity Registration
Number: 1116644**

31 December 2020

Kelly Trust (Crediton)

Financial Statements

Year ended 31 December 2020

	Pages
Trustees' annual report	1 to 4
Independent examiner's report to the trustees	5
Statement of financial activities	6
Statement of financial position	7
Notes to the financial statements	8 to 15

Kelly Trust (Crediton)

Trustees' Annual Report

Year ended 31 December 2020

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2020.

Reference and administrative details

Governing documents	Will of John Alan Kelly dated 21 December 1994 (died 13 March 1995) Charity Commission Scheme dated 4 March 2019	
Registered charity name	Kelly Trust (Crediton)	
Charity registration number	1116644	
Principal office	Boniface Centre Church Lane Crediton EX17 2AH	
The trustees	A A White J M Beskeen C M Clark C S Nicholl (Miss) J D Ward W S Lee G J Mortimer E J Heard R Cheriton (Mrs) J King D Brassington W J Crooke (Resigned 31 December 2020)	
Independent examiner	Nick Smy ACA Thomas Westcott Chartered Accountants Queens House New Street Honiton Devon, EX14 1BJ	
Bankers	National Westminster Bank plc 18 St Thomas Centre Cowick Street Exeter Devon, EX1 1DE	
Investment managers	Charles Stanley & Co Ltd Broadwalk House Southernhay West Exeter Devon, EX1 1TS	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET
Solicitors	Gilbert Stephens LLP Manor House North Street Crediton Devon, EX17 2BR	

Kelly Trust (Crediton)

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Structure, governance and management

Charity's Background

The objects are detailed in the Will of the late John Alan Kelly who died on 13 March 1995. Following the subsequent death of his widow, the life tenant, the Crediton Church Corporation received a share of the estate in 2004 and 2005 comprising cash balances of £889,427 and a portfolio of shares valued at approximately £160,000. Subsequently it was decided to demerge the Kelly legacy into the Kelly Trust (Crediton) a separate charity and to transfer the assets to the new entity effective from 1 January 2007.

The will states that the Trustees are obliged:

1. to relieve hardship and distress for persons over the age of 55 in Crediton and district.
2. to relieve hardship and distress for persons of any age who are chronically sick or disabled in Crediton and district.
3. after 50 years, subsequently reduced to 23 years, from the date of Mr Kelly's death, to provide support for Holy Cross Church, Crediton, in addition to the foregoing.

In respect of item 3 above, the Charity Commission by a Scheme dated 4 March 2019 amended the period after which the Trustees can use funds to support Holy Cross Church, Crediton, from 50 years to 23 years ie with immediate effect.

The will and the Charity Commission Scheme of 4 March 2019 should be read for the precise wording.

Appointment of Trustees

The Trustees normally number twelve and are elected by existing members. In line with the will, it is intended that the Trustees are the same as the Governors of the Crediton Church Corporation.

The Chairman is elected annually. The Chairman in 2020 was Mr A A White. Mrs R Cheriton was elected Chairman from 1 January 2021.

Day to day administration of the Trust is delegated to a small committee of Trustees, including the Chairman, who act with the Warden of the Church Governors and the Clerk. The delegated Trustees are appointed annually in December.

Changes to personnel

Mr W S Lee resigned as of 31 December 2020. His active support will be missed.

Kelly Trust (Crediton)

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Objectives and activities

In line with the foregoing, the Trust makes grants etc. to individuals, other charities and societies within the area. The Trustees have tended to support other charities and societies who themselves give help to private individuals and families rather than deal directly with a large number of small requests.

Additionally, the Trust owns four bungalows in Crediton. These are let to tenants falling within the objects of the Trust. In view of its charitable status, the rent charged to all tenants is discounted to some extent, and the properties are considered mixed motive investments as defined by the Charity Commission.

In planning their activities for the year the Trustees kept in mind the Charity Commission guidance on public benefit.

Achievements and performance

In the year, the Trustees continued to make grants to groups and individuals. These totalled £4,000 as detailed in the accounts.

In 2019, a grant was made of £50,000 towards the appeal for a replacement roof for Holy Cross Church, which ultimately will cost in excess of £1.5 million. This amount was paid within the terms of item 3 of our objects, detailed above. The Trustees took into account the relaxation by the Charity Commission of the '50 year moratorium' applying previously and also the fact that since the time of the setting up of the Kelly Trust (Crediton), in January 2007, there had been approximately £150,000 of unspent income accruing.

The properties continued to be maintained to a high standard. Number 10 Meadow Gardens became vacant from the end of January 2020 and, after some redecoration, was let to Mr John and Mrs Rachel Gillard from 5 December 2020.

As from October 2020, the administration of the lettings was placed into the hands of Carter Geering, subject to a management fee of 10% plus VAT.

Kelly Trust (Crediton)

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Financial review

Apart from the four bungalows owned, the Trust's main source of income is from a holding in the COIF Investment Fund. This investment provides income to meet requests for financial help, but also should ensure some capital appreciation over the long term. This income is supplemented by net rents received from the let properties. The portfolio of shares received from Mr Kelly's estate has been retained under the supervision of our principal investment managers, Charles Stanley and Co Limited. Income has accumulated within this investment, which is considered the Trustees' reserve of last resort. The Trustees are conscious that their commitments may well increase under item 3 of the Charity's objects, in future years, and in particular following the Charity Commission Scheme of 4 March 2019.

As at 31 December 2020, balances held were:

£305,025 COIF Investment Fund (income to current account)

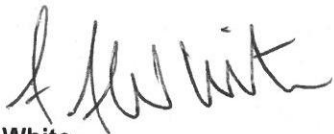
£334,215 Share portfolio; reserve of last resort (income accumulated to capital).

The Trustees have liaised at regular intervals with Investment Managers, Charles Stanley and Co Limited and both CCLA and Charles Stanley provide regular reports and valuations.

There are various controls in place to protect the integrity of the bank and investment balances.

The Trustees have taken the precaution of purchasing Trustee Indemnity Insurance in respect of any personal liability.

The trustees' annual report was approved on^{20th September 2021}..... and signed on behalf of the board of trustees by:



A A White
Trustee

Kelly Trust (Crediton)

Independent Examiner's Report to the Trustees of Kelly Trust (Crediton)

Year ended 31 December 2020

I report to the trustees on my examination of the financial statements of Kelly Trust (Crediton) ('the charity') for the year ended 31 December 2020.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Nick Smy ACA

Independent Examiner

For and on behalf of Thomas Westcott

Chartered Accountants

Queens House

New Street

Honiton

Devon

EX14 1BJ

28th September 2021

Kelly Trust (Crediton)

Statement of Financial Activities

Year ended 31 December 2020

		2020		2019
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Investment income	4	35,010	35,010	35,927
Total income		<u>35,010</u>	<u>35,010</u>	<u>35,927</u>
Expenditure				
Expenditure on raising funds:				
Investment management costs	5	(5,923)	(5,923)	(8,067)
Expenditure on charitable activities	6	(9,476)	(9,476)	(66,696)
Total expenditure		<u>(15,399)</u>	<u>(15,399)</u>	<u>(74,763)</u>
Net gains/(losses) on investments	9	5,959	5,959	116,459
Net income and net movement in funds		<u>25,570</u>	<u>25,570</u>	<u>77,623</u>
Reconciliation of funds				
Total funds brought forward		1,477,022	1,477,022	1,399,399
Total funds carried forward		<u>1,502,592</u>	<u>1,502,592</u>	<u>1,477,022</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

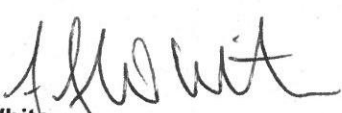
Kelly Trust (Creditor)

Statement of Financial Position

31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	13	1,460,115	1,452,541
Current assets			
Debtors	14	5,900	6,350
Cash at bank and in hand		45,132	26,674
		51,032	33,024
Creditors: amounts falling due within one year	15	(8,555)	(8,543)
Net current assets		42,477	24,481
Total assets less current liabilities		1,502,592	1,477,022
Net assets		1,502,592	1,477,022
Funds of the charity			
Unrestricted funds		1,502,592	1,477,022
Total charity funds	16	1,502,592	1,477,022

20th Sept 2021
These financial statements were approved by the board of trustees and authorised for issue on 20th Sept 2021, and are signed on behalf of the board by:


A A White
Trustee

Kelly Trust (Crediton)

Notes to the Financial Statements

Year ended 31 December 2020

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Boniface Centre, Church Lane, Crediton, EX17 2AH.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The charity has taken advantage of the exemption in FRS102 from the requirement to produce a cashflow statement because it is a small charity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Kelly Trust (Crediton)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Investments

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Kelly Trust (Crediton)

Notes to the Financial Statements (continued)

Year ended 31 December 2020

3. Accounting policies (continued)

Investment property

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

4. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Income from investment properties	20,870	20,870	19,080	19,080
Income from listed investments	5,335	5,335	7,618	7,618
Bank interest receivable	24	24	54	54
Investment interest	8,781	8,781	9,175	9,175
	<u>35,010</u>	<u>35,010</u>	<u>35,927</u>	<u>35,927</u>

Income from investment properties

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
10 Meadow Gardens	2,110	2,110	6,240	6,240
19 Greenway	6,760	6,760	4,160	4,160
7 Waresfoot Drive	6,240	6,240	2,920	2,920
12 Waresfoot Drive	5,760	5,760	5,760	5,760
	<u>20,870</u>	<u>20,870</u>	<u>19,080</u>	<u>19,080</u>

Kelly Trust (Creditor)**Notes to the Financial Statements (continued)****Year ended 31 December 2020****5. Investment management costs**

	Unrestricted Funds	Total Funds 2020	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Investment managers' fees	3,797	3,797	3,134	3,134
Repairs to properties and insurance	2,126	2,126	4,933	4,933
	<u>5,923</u>	<u>5,923</u>	<u>8,067</u>	<u>8,067</u>

6. Expenditure on charitable activities

	Unrestricted Funds	Total Funds 2020	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Grants	4,000	4,000	61,600	61,600
Support costs	5,476	5,476	5,096	5,096
	<u>9,476</u>	<u>9,476</u>	<u>66,696</u>	<u>66,696</u>

7. Analysis of grants

	2020 £	2019 £
Grants to institutions		
Age Concern Creditor	1,000	6,500
Yeoford Church	1,000	—
Creditor Church Campaign (Roof Appeal)	—	50,000
Creditor Methodist Church	—	2,500
MS Society	—	500
Creditor Foodbank	—	100
	<u>2,000</u>	<u>59,600</u>
Grants to individuals		
Mr N Beighton	1,000	—
Mrs A Jerman	1,000	—
Mrs K Coates	—	2,000
	<u>4,000</u>	<u>61,600</u>

Kelly Trust (Crediton)

Notes to the Financial Statements (continued)

Year ended 31 December 2020

8. Other expenditure

Analysis of governance costs

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Clerk to the Trustees	1,250	1,250	1,250	1,250
Insurance	738	738	746	746
Meeting room and the facilities	500	500	500	500
Independent examination	1,314	1,314	1,275	1,275
Accountancy	1,674	1,674	1,275	1,275
Sundry expenses	—	—	50	50
	<u>5,476</u>	<u>5,476</u>	<u>5,096</u>	<u>5,096</u>

9. Net gains on investments

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Gains/(losses) on investment property	—	—	30,000	30,000
Gains/(losses) on listed investments	5,959	5,959	86,459	86,459
	<u>5,959</u>	<u>5,959</u>	<u>116,459</u>	<u>116,459</u>

10. Independent examination fees

	2020 £	2019 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,314</u>	<u>1,275</u>

11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020 £	2019 £
Wages and salaries	<u>1,250</u>	<u>1,250</u>

The average head count of employees during the year was Nil (2019: Nil).

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

12. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the Trustees.

Kelly Trust (Creditor)

Notes to the Financial Statements (continued)

Year ended 31 December 2020

13. Investments

	Cash or cash equivalents £	Listed investments £	Investment properties £	Other investments £	Total £
Cost or valuation					
At 1 January 2020	18,886	286,689	800,000	346,966	1,452,541
Additions	101,994	–	–	96,335	198,329
Disposals	(100,005)	–	–	(96,709)	(196,714)
Other movements	–	18,336	–	(12,377)	5,959
At 31 December 2020	<u>20,875</u>	<u>305,025</u>	<u>800,000</u>	<u>334,215</u>	<u>1,460,115</u>

All investments shown above are held at valuation.

Listed investments

	£	£	£	£	£
Historical cost as at 31 December 2020	<u>20,875</u>	<u>247,773</u>	<u>778,505</u>	<u>287,856</u>	<u>1,335,009</u>

Individual investments, which comprise more than 5% of the total market value of fixed asset investments, are as follows:

	£
CCLA investments	<u>305,025</u>

Investment properties

	2020 £	2019 £
10 Meadow Gardens	190,000	190,000
19 Greenway	190,000	190,000
7 Waresfoot Drive	200,000	200,000
12 Waresfoot Drive	220,000	220,000
	<u>800,000</u>	<u>800,000</u>

The properties were valued professionally in December 2019 by Devon Sales and Lettings giving a valuation of £800,000.

All fixed asset investments are held within the United Kingdom.

Kelly Trust (Creditor)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

14. Debtors

	2020	2019
	£	£
Other debtors	<u>5,900</u>	<u>6,350</u>

15. Creditors: amounts falling due within one year

	2020	2019
	£	£
Accruals and deferred income	2,628	2,550
Other creditors	<u>5,927</u>	<u>5,993</u>
	<u>8,555</u>	<u>8,543</u>

16. Analysis of charitable funds

Unrestricted funds

	At 1 January 2020 £	Income £	Expenditure £	Gains and losses £	At 31 December 2020 £
General funds	<u>1,477,022</u>	<u>35,010</u>	<u>(15,399)</u>	<u>5,959</u>	<u>1,502,592</u>

	At 1 January 2019 £	Income £	Expenditure £	Gains and losses £	At 31 December 2019 £
General funds	<u>1,399,399</u>	<u>35,927</u>	<u>(74,763)</u>	<u>116,459</u>	<u>1,477,022</u>

Kelly Trust (Crediton)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

17. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2020 £
Investments	1,460,115	1,460,115
Current assets	51,032	51,032
Creditors less than 1 year	(8,555)	(8,555)
Net assets	1,502,592	1,502,592

	Unrestricted Funds £	Total Funds 2019 £
Investments	1,452,541	1,452,541
Current assets	33,024	33,024
Creditors less than 1 year	(8,543)	(8,543)
Net assets	1,477,022	1,477,022

