

# KENNAWAY HOUSE TRUST

England & Wales · Charity number 1122667

## Details

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**Other names** KENNAWAY HOUSE LIMITED

**Status** Registered

**Legal form** Charitable company

**Company number** [06471831](#)

**Registered** 2008-02-06

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Kennaway House  
Coburg Road  
Sidmouth  
EX10 8NG

**Phone** 01395515551

**Email** [mail@kennawayhouse.org.uk](mailto:mail@kennawayhouse.org.uk)

**Website** [www.kennawayhouse.org.uk](http://www.kennawayhouse.org.uk)

## Activities

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**Objects:** TO ADVANCE PUBLIC EDUCATION IN PARTICULAR BUT NOT EXCLUSIVELY BY THE PROVISION OF AN EDUCATIONAL CENTRE FOR PEOPLE OF ALL AGES IN SIDMOUTH AND THE SURROUNDING AREA.

**Activities:** Kennaway House provides space for use by the community as a centre for the arts, learning, heritage and public and private events

## Classification

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- **How:** Provides Buildings/facilities/open Space
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** The General Public/mankind

## Geography

- **Area of benefit:** IN SIDMOUTH AND THE SURROUNDING AREA.
- Devon

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£114,251	£132,265	-	-
2023-12-31	£109,537	£113,272	-	-
2022-12-31	£122,431	£112,971	-	-
2021-12-31	£98,600	£80,459	-	-
2020-12-31	£79,682	£91,057	-	-

## Trustees

Name	Role	Appointed
<b>Alison Young</b>	Chair	2021-06-23
Dr MICHAEL James MBE		2008-02-07
Kathleen Rosemary Hounsell		2025-06-03
Linda Mary Williams		2016-10-17
Lisa McFall		2023-08-15
RALPH WILLIAM COX		2016-11-17
STEPHEN MARTIN WILLIAMS		2017-03-23

**KENNAWAY HOUSE TRUST**

England & Wales - Charity number 1122667

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# Accounts

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**REGISTERED COMPANY NUMBER: 06471831 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1122667**

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**REPORT OF THE TRUSTEES AND**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
**FOR**  
**KENNAWAY HOUSE TRUST**  
**(Formerly known as Kennaway House Limited)**

REGISTERED CHARITY NUMBER: 06471831 (England and Wales)  
**KENNAWAY HOUSE TRUST**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

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**KENNAWAY HOUSE TRUST**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: 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) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

**Objectives**

The objective of the charity is to advance public education in particular, but not exclusively, by the provision of an educational centre for people of all ages in Sidmouth and the surrounding area.

**Policies**

The policy of the Trust continues to be to encourage a wide variety of educational classes and events alongside our successful art gallery and to preserve, maintain and improve our Grade 2\* listed building by generating income, predominately through the rental of rooms and spaces.

**ACHIEVEMENT AND PERFORMANCE**

**Report on the year**

The House had another busy and successful year.

The small group activities continued with the Book Club, writer's group, poetry readers and art classes. History talks, meditation and first aid took place and BHL gave weekly valuation opportunities for antiques.

There were regular art exhibitions from March through to November which were enjoyed by Sidmouth residents' and visitors to the town. The monthly craft fairs started at Easter and ran until Christmas. SWAC held their annual open exhibition in the autumn which was well attended. All the art exhibitions include a small commission on sales for the House.

Five weddings took place including whole house and ceremonies and a number of celebration parties.

The Folk Festival used the House for music and food traders were outside for the week with the 'Do Drop Inn' bar once again being profitable in raising valuable funds for the House, expanding to be a two-gazebo venue.

A plant fair was held in March to replace Daffodil day. Sidmouth School of Art held a working day in the Cellar Bar. The Biodiversity Group held a festival day plus the Science festival and a number of business meeting days.

The Christmas fair joined with the craft fair for late night shopping again which included the Vintage tea-room in the Amyatt Room selling tea, coffee, cake and mulled wine. A raffle was held over 2 dates at Christmas with some very generous prize donations which resulted in improved ticket sales.

The Arboretum celebrated trees in November with demonstrations and talks.

Kieron Garrett held regular jazz sessions which are becoming increasingly popular.

The new leader of EDDC visited the House regarding the outstanding loan but again no further contact was made by them to try to resolve the matter.

Hannah, the admin assistant left at Christmas and a new caretaker, Rupert, was appointed in April, who has been a successful addition to the staff.

The new Cellar Bar door, which is fire and flood resistant, was fitted to ensure the floor is protected for the future. There was repainting in the back yard and general maintenance attended to. It was agreed that the lift could be refurbished rather than replaced, with work due in early 2025.

**KENNAWAY HOUSE TRUST**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

SVA and The Heritage Lottery fund have been approached for help with funding.

A thank you to the House Manager and staff for their hard work to ensure another successful year at Kennaway House. Also, the small band of volunteers who provide essential assistance at events.

**FINANCIAL REVIEW**

Total incoming resources in the Unrestricted Fund for the year to 31 December 2024 amounted to £114,251 (year ended 31 December 2023 £109,537).

General fund expenditure amounted to £132,265 (year ended 31 December 2023 £113,272).

The Charity had £(241,848) (year ended 31 December 2023 £(229,926)) in its general fund at the year ended 31 December 2024. This accounting deficit arose, as a result of significant expenditure incurred on the renovation of the Kennaway House building which ended in the year to 31 December 2009. The general fund, together with the property revaluation reserve and the capital fund, as shown on the balance sheet, shows an overall total charity fund amount of £1,208,152 (year ended 31 December 2023 £1,226,166).

In January 2015, East Devon District Council agreed with the Trust that for five years 2015 to 2021, no interest payment would be required on their loan. Instead, five years' interest would be "rolled up" and become due for payment in 2034, along with the principal of the loan.

We have continued to make interest payments on the loan and contacted EDDC to try and extend the term and reduce the interest or have it cancelled. There has still been no response so this will be pursued in 2025.

As at 31 December 2024, cash at bank and in hand held by the charity was £118,122 (31 December 2023 £132,245), with a healthy net current assets figure of £92,743 (31 December 2023 £109,274).

The purposes of the different types of funds are explained in the accounting policies as shown in the financial statements.

Notes 19 and 20 to the financial statements provide further explanation.

**Reserves policy**

It is the policy of the charity to maintain liquid reserves at a level which equates to approximately 3 months of unrestricted expenditure. This provides sufficient funds to cover management, administration and support costs.

The charity has a deficit in the general fund, which resulted from the initial restoration work on Kennaway House. The trustees and staff are working towards reducing the deficit year on year and to improve the reserves position.

**FUTURE PLANS**

We aim to continue promoting the community use of the House and organise more fundraising events of our own. Facebook and Instagram continue to be useful marketing tools. General maintenance is ongoing.

**Risk management**

The Trustees have put in place a risk management strategy which comprises:

- An annual review of the risks that the charity may face
- Maintaining the systems and procedures to mitigate those risks

During 2024 the Trustees continued to meet regularly to ensure care of the finances, maintenance where required and the successful running of the house for another year.

## **KENNAWAY HOUSE TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Kennaway House Trust is a company limited by guarantee, incorporated on 14th January 2008 and governed by its Memorandum and Articles of Association. The Charity Commission registered it as a charity on 6th February 2008.

The guarantors of the company are its members, each of whom undertakes to contribute £10 in the event of the charity winding up. The first members were the team who worked from 2001 to 2008 to raise £1 million to restore the house; others may apply to become members of the company.

The Trustees are elected by the members at the Annual General Meeting (or any general meeting). Members may propose and second a member for election, in writing and circulated to all members one month before the meeting.

Trustees are elected for three years, at the end of which they may retire or stand for re-election. The Articles of Association require that one third of the Trustees should retire at an AGM. The Board has the power to co-opt a Trustee in between AGMs, but he or she must retire or stand for re-election at the next AGM.

The Chairman is elected annually by the Board of Trustees, to serve for one year.

The Board of Trustees administers the charity and meets bi-monthly. Individual Trustees may take responsibility for a particular aspect of the administration. The board appoints the Manager to manage the day-to-day operations of the charity with the authority delegated by the Trustees for operational matters including finance. The Premises Manager/Caretaker reports to the Manager of Kennaway House.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number:** 06471831 (England and Wales)

**Registered Charity number:** 1122667

**Patron of the Kennaway Gallery:** Professor Alan Cotton MBE

**President:** Michael James MBE

**Vice President:** Jackie Street-Palmer

#### **Trustees**

Mrs A M Young (Chair)

Mrs J Bayliss

R W Cox

M L James MBE

S M Williams

Mrs L M Williams

P Smith (to February 2024)

Mrs L McFall

**Kennaway House Manager:** Nicola Dawkins

**Caretaker:** Rupert Moon (from April 2024)

**Registered Office:** Kennaway House, Coburg Road, Sidmouth, Devon, EX10 8NG

**Independent Examiner:** Merlin Accountancy Services Ltd, 2nd Floor, 33 Longbrook Street, Exeter, Devon EX4 6AW

**KENNAWAY HOUSE TRUST**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**Solicitors:** Gilbert Stephens, 36 High Street, Sidmouth, Devon, EX10 8ED

**Bankers:** HSBC Bank PLC, Fore Street, Sidmouth, Devon, EX10 8AA  
CCLA Investment Management, Senator House, 85 Queen Victoria Street, London, EC4V 4ET  
United Trust Bank, 1 Ropemaker Street, London, EC2Y 9AW

**Statement of Trustees' Responsibilities**

As a small charitable company, this report is prepared in accordance with the Small Companies Regime under the Companies Act 2006.

Company Law and Charity Law requires the Trustees to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the company and the profit or loss for that period. In preparing those financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue to operate;
- State whether the policies adopted are in accordance with the charities SORP, the regulations made under S44 of the Charities Act 1993 and with applicable accounting standards, subject to any material departures disclosed and explained in the Financial Statements.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that financial statements comply with the Companies Act 2006, and in accordance with the Statement of Recommended Practice (SORP 2005). The Trustees 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.

In accordance with company law, as the company's Directors, we certify that:

- So far as we are aware, there is no relevant information of which the company's Independent Examiners are unaware, and
- As the Directors of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant information and to establish that the charity's Independent Examiners are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on ..... 3/6/25 ..... and signed on its behalf by:

..... Amy .....  
Mrs A M Young - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
KENNWAY HOUSE TRUST  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**Independent examiner's report to the trustees of Kennaway House Trust ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2024.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

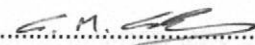
I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.

G M Corby BSc FCA

Merlin Accountancy Services Ltd  
2nd Floor  
33 Longbrook Street  
Exeter  
Devon  
EX4 6AW

Signed: .....  .....

Date: ..... 12/6/25 .....

## KENNAWAY HOUSE TRUST

### STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 Unrestricted funds £	2023 Total funds £
<b>INCOME</b>			
Donations and legacies	3	5,684	1,169
<b>Charitable activities</b>			
Centre for the arts, learning, heritage and events	5	106,153	107,317
Investment income	4	<u>2,414</u>	<u>1,051</u>
<b>Total</b>		<u>114,251</u>	<u>109,537</u>
<b>EXPENDITURE</b>			
Raising funds	6	21,175	23,265
<b>Charitable activities</b>			
Centre for the arts, learning, heritage and events	7	109,452	87,188
Other		<u>1,638</u>	<u>2,819</u>
<b>Total</b>		<u>132,265</u>	<u>113,272</u>
<b>NET INCOME/(EXPENDITURE)</b>		(18,014)	(3,735)
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		1,226,166	1,229,901
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>1,208,152</u>	<u>1,226,166</u>

#### CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The charity's only activity is the provision of Kennaway House as a centre for the arts, learning, heritage and events.

**KENNAWAY HOUSE TRUST****BALANCE SHEET  
AS AT 31 DECEMBER 2024  
REGISTERED CHARITY NUMBER: 1122667**

	Notes	2024 Unrestricted funds £	2023 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	12	1,454,446	1,455,929
<b>CURRENT ASSETS</b>			
Stocks	13	932	895
Debtors	14	6,942	2,416
Cash at bank and in hand	15	<u>118,122</u>	<u>132,245</u>
		125,996	135,556
<b>CREDITORS</b>			
Amounts falling due within one year	16	(33,253)	(26,282)
<b>NET CURRENT ASSETS</b>		<u>92,743</u>	<u>109,274</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,547,189	1,565,203
<b>CREDITORS</b>			
Amounts falling due after more than one year	17	(339,037)	(339,037)
<b>NET ASSETS</b>		<u>1,208,152</u>	<u>1,226,166</u>
<b>FUNDS</b>	19/20		
Unrestricted funds		<u>1,208,152</u>	<u>1,226,166</u>
<b>TOTAL FUNDS</b>		<u>1,208,152</u>	<u>1,226,166</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2024 in accordance with Section 476 of the Companies Act 2006.

**KENNAWAY HOUSE TRUST**

**BALANCE SHEET - continued  
31 DECEMBER 2024**

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 31/12/25 and were signed on its behalf by:

AM Young  
A M Young - Trustee

## KENNAWAY HOUSE TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### 1. COMPANY STATUS

The charity is a company limited by guarantee and has no share capital and is registered in England and Wales. The company was incorporated on 14<sup>th</sup> January 2008, and the charities registered number and registered office address can be found within the Reference and Administration details on page 5 - 6 of the financial statements.

The members of the company are the trustees who are also ordinary members. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. A list of these members can be found in the Reference and Administration details as shown on page 5.

Since 31<sup>st</sup> December 2017, the Trustees of the charity changed its name from Kennaway House Limited to Kennaway House Trust.

#### 2. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: 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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

In drafting these financial statements, the charity has also takes advantage of the exemptions for smaller charities contained in Charity Commission publication CC17.

The financial statements are presented in pound sterling (£) which is the charity's functional and presentation currency.

Kennaway House Trust reported a net deficit in the reporting period of £18,014, with total funds held at the end of the period of £1,208,152. Of these total funds, £(241,848) was held in the General Fund.

The deficit is financed by a loan which has a current balance of £339,037. This loan is not due to be repaid until 2033/34.

The trustees are of the view that, on the above basis, the charity is a going concern.

Kennaway House Trust is reliant on the local community to continue purchasing its services and the economic outlook, cuts in public spending, and reduced levels of available funding, are a potential area of financial uncertainty for the charity.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

The charity's only activity is the provision of Kennaway House as a centre for the arts, learning, heritage and events.

Legacies are recognised by reference to the date probate is granted, or if later, as soon as they are capable of being measured in financial terms.

Grants of a general nature are recognised as voluntary income.

## KENNAWAY HOUSE TRUST

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2024

#### 2. ACCOUNTING POLICIES - continued

##### **Expenditure**

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

The Unrestricted Fund is used for the cost of generating funds, i.e. fundraising costs and loan interest, on charitable activities such as running costs of the building, staff costs and expenses, and setup costs towards post-restoration activities. Governance costs are set out in note 8.

Resources expended include attributable VAT which cannot be recovered.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

##### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

##### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

##### **Operating leases**

The lease of the photocopier is classified as an operating lease, the title of the equipment remaining with the lessor and rental charges charged on a straight line basis over the term of the lease. £1,200 was paid in the year on Operating Leases.

##### **Financial instruments**

Kennaway House Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

- Financial assets, includes trade receivables, cash and balances and investments are recognised at transaction value.
- Financial liabilities, includes trade payables and recognised at transaction value. Trade payables are obligations to pay for goods and services required from suppliers in the course of business activities

## KENNAWAY HOUSE TRUST

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2024

#### 2. ACCOUNTING POLICIES - continued

##### Operating leases

Kennaway House Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

- Financial assets, includes trade receivables, cash and balances and investments are recognised at transaction value.

- Financial liabilities, includes trade payables and recognised at transaction value. Trade payables are obligations to pay for goods and services required from suppliers in the course of business activities

##### Volunteers and Donated Services and Facilities

The value of services provided by volunteers is not incorporated into these financial statements.

#### 3. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	2,178	-
Legacies	1,000	-
Friends subscriptions	<u>2,506</u>	<u>1,169</u>
	<u>5,684</u>	<u>1,169</u>

#### 4. INVESTMENT INCOME

	2024	2023
	£	£
Investment Income	<u>2,414</u>	<u>1,051</u>

#### 5. INCOME FROM CHARITABLE ACTIVITIES

	2024	2023
	£	£
Room hire	60,613	64,535
Bar sales	22,986	20,884
Craft and music events	12,445	10,374
Art sales	1,450	353
Miscellaneous income	<u>8,659</u>	<u>11,171</u>
	<u>106,153</u>	<u>107,317</u>

#### 6. RAISING FUNDS

##### Other trading activities

	2024	2023
	£	£
Fundraising, cost of grants donations and events	10,402	11,540
Interest payable and similar charges	<u>10,773</u>	<u>11,725</u>
	<u>21,175</u>	<u>23,265</u>

## KENNAWAY HOUSE TRUST

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2024

#### 7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Centre for the arts, learning, heritage and events	<u>107,746</u>	<u>1,706</u>	<u>109,452</u>

#### 8. SUPPORT COSTS

		Governance costs £	
Other resources expended		1,638	
Centre for the arts, learning, heritage and events			<u>1,706</u>
			<u>3,344</u>

Support costs, included in the above, are as follows:

##### Governance costs

		2024	2023
	Other resources expended £	Centre for the arts, learning, heritage and events £	Total activities £
Governance Costs	<u>1,638</u>	<u>1,706</u>	<u>3,344</u>
			<u>2,819</u>

#### 9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024 £	2023 £
Depreciation - owned assets	<u>1,483</u>	<u>1,983</u>

#### 10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

##### **Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2024 nor for the year ended 31 December 2023.

**KENNAWAY HOUSE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**11. STAFF COSTS**

	2024	2023
	£	£
Wages and salaries	<u>55,024</u>	<u>51,840</u>
	<u>55,024</u>	<u>51,840</u>

The staff costs relate to the salaries paid to the full time Premises Manager and 2 part time staff who help the manager with the running of Kennaway House, with their National Insurance and Pension costs. National Insurance costs are currently covered by HRMC's Employment Allowance of £5,000.

The Key Management Personnel of Kennaway House is the Premises Manager.

The average monthly number of employees during the year was as follows:

	2024	2023
Staff	<u>3</u>	<u>3</u>

No employees received emoluments in excess of £60,000.

**12. TANGIBLE FIXED ASSETS**

	Freehold property £	Furnishings £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>					
At 1 January 2024 and 31 December 2024	<u>1,450,000</u>	<u>20,942</u>	<u>50,046</u>	<u>2,347</u>	<u>1,523,335</u>
<b>DEPRECIATION</b>					
At 1 January 2024	-	20,177	45,437	1,792	67,406
Charge for year	<u>-</u>	<u>191</u>	<u>1,153</u>	<u>139</u>	<u>1,483</u>
At 31 December 2024	<u>-</u>	<u>20,368</u>	<u>46,590</u>	<u>1,931</u>	<u>68,889</u>
<b>NET BOOK VALUE</b>					
At 31 December 2024	<u>1,450,000</u>	<u>574</u>	<u>3,456</u>	<u>416</u>	<u>1,454,446</u>
At 31 December 2023	<u>1,450,000</u>	<u>765</u>	<u>4,609</u>	<u>555</u>	<u>1,455,929</u>

Freehold Property: Kennaway House is shown at a surveyors revaluation of April 2022.

## KENNAWAY HOUSE TRUST

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2024

#### 13. STOCKS

	2024	2023
	£	£
Stocks	<u>932</u>	<u>895</u>

#### 14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade debtors	4,076	566
Prepayments	<u>2,866</u>	<u>1,850</u>
	<u>6,942</u>	<u>2,416</u>

#### 15. CASH AT BANK AND IN HAND

	2024	2023
	Total funds	Total funds
	£	£
Cash in hand	304	276
Bank account no. 1	51,552	98,117
Bank deposit account	<u>66,266</u>	<u>33,852</u>
Total	<u>118,122</u>	<u>132,245</u>

#### 16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Other loans (see note 17)	15,713	15,713
Trade creditors	-	1,869
Social security and other taxes	1,475	1,750
Other creditors	6,802	2,883
Accruals and deferred income	<u>9,263</u>	<u>4,067</u>
	<u>33,253</u>	<u>26,282</u>

#### 17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Other loans (see note 18)	<u>339,037</u>	<u>339,037</u>

This interest only loan is secured against the Kennaway House property by way of legal charge. The interest rate for this loan is 4.19%. The loan is due for repayment in 2033/34.

**KENNAWAY HOUSE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**18. LOANS**

An analysis of the maturity of loans is given below:

	2024 £	2023 £
Amounts falling due within one year on demand:		
Other loans	<u>15,713</u>	<u>15,713</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments:		
Other loans more 5yrs non-inst	<u>339,037</u>	<u>339,037</u>

**19. MOVEMENT IN FUNDS**

	At 1/1/24 £	Net movement in funds £	At 31/12/24 £
<b>Unrestricted funds</b>			
General fund	(229,926)	(11,922)	(241,848)
Capital Fund	506,092	(6,092)	500,000
Property Revaluation Reserve	<u>950,000</u>	-	<u>950,000</u>
	<u>1,226,166</u>	<u>(18,014)</u>	<u>1,208,152</u>
<b>TOTAL FUNDS</b>	<u>1,226,166</u>	<u>(18,014)</u>	<u>1,208,152</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	114,251	(132,265)	(18,014)
	<u>114,251</u>	<u>(132,265)</u>	<u>(18,014)</u>
<b>TOTAL FUNDS</b>	<u>114,251</u>	<u>(132,265)</u>	<u>(18,014)</u>

The General Fund has been established to maintain liquid reserves at a level which equates to approximately 3 months of unrestricted expenditure. This would provide sufficient funds to cover management, administration and support costs.

The Capital Fund and the Revaluation Reserve is the value of designated funds represented by the freehold property owned by the charity.

**KENNAWAY HOUSE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>General Fund £</b>	<b>Designated Funds £</b>	<b>Total Funds As at 31 Dec 2024 £</b>	<b>Total Funds As at 31 Dec 2023 £</b>
Tangible Fixed Assets	4,446	1,450,000	1,454,446	1,455,929
Current Assets	125,996	-	125,996	135,556
Current Liabilities	(33,253)	-	(33,253)	(26,282)
Long Term Liabilities	(339,037)	-	(339,037)	(339,037)
<b>Net assets</b>	<b>(241,848)</b>	<b>1,450,000</b>	<b>1,208,152</b>	<b>1,226,166</b>

**21. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 December 2024.

**KENNAWAY HOUSE TRUST**

England & Wales - Charity number 1122667

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# Accounts

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**REGISTERED COMPANY NUMBER: 06471831 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1122667**

**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023  
FOR  
KENNAWAY HOUSE TRUST  
(Formerly known as Kennaway House Limited)**

**KENNAWAY HOUSE TRUST  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**CONTENTS OF THE FINANCIAL STATEMENTS**

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**KENNAWAY HOUSE TRUST**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: 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) (effective 1 January 2019).

**OBJECTIVES AND POLICIES**

**Objectives**

The objective of the charity is to advance public education in particular, but not exclusively, by the provision of an educational centre for people of all ages in Sidmouth and the surrounding area.

**Policies**

The policy of the Trust continues to be to encourage a wide variety of educational classes and events alongside our successful art gallery and to preserve, maintain and improve our Grade 2\* listed building by generating income, predominately through the rental of rooms and spaces.

**ACHIEVEMENT AND PERFORMANCE**

**Report on the year**

The House continued to build on its successful recovery from Covid in 2023. Monthly Discos, an Antique 'Call My Bluff' evening, history talks, a quiz evening and a 'Meet the Artist' with Peter Brown were all fundraisers. Kieron Garrett started jazz evenings which are proving popular. A Doctor's Away Day was held which included a buffet lunch provided by Kennaway.

There were regular art exhibitions including OtterVale Art Society using the House for the first time, and monthly craft fairs.

Three whole house weddings took place plus some wedding ceremonies and a number of celebration parties.

Eats Boutique came once a month during the summer with a number of different food traders.

The Jazz Festival decided not to use the House for music, but food traders were in the car park and were busy. The Folk Festival used the House for music and food traders were outside for the week with the 'Do Drop Inn' bar which had another profitable year raising valuable funds for the House.

Daffodil Day started a year of community events. The Biodiversity Festival used the house for the first time, for 3 days. The Science Festival returned for talks and an exhibition of children's art and held Super Science Saturday in the whole house and on the lawn. The Walking Festival was based at the House.

The Aboretum celebrated trees in November with demonstrations and talks.

The Christmas fair joined with the craft fair for late night shopping on Friday and Father Christmas on Saturday. A Vintage tearoom opened in the Amyatt Room selling tea, coffee, cake and mulled wine. A raffle was held for the first time which was successful and will be held again at further Kennaway events.

SWAC were based in the back Amyatt Room for 2 days a week and held their annual open exhibition in the autumn.

Contact was made with EDDC regarding the outstanding loan but nothing was resolved before the year ended.

Alex, the admin assistant left at the end of the summer and two new admins were appointed in October.

**KENNAWAY HOUSE TRUST**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

Aurora, the property attached to the back of Kennaway had major building works which finished in the summer. The balcony at the side of Kennaway was repaired and painted at the same time. A resident of the adjoining properties paid for the fencing along the parking space at the side of the house to be replaced. The walls around the double staircase were repainted. The new fire door for the Cellar Bar was researched and should be fitted in 2024.

The lift had ongoing problems during the year and finally broke down in November. The part needed was not available.

Another successful year in a continuing difficult economic climate due to the hard work of the House manager, her staff and the volunteers.

**FINANCIAL REVIEW**

Total incoming resources in the Unrestricted Fund for the year to 31 December 2023 amounted to £109,537 (year ended 31 December 2022 £122,431).

General fund expenditure amounted to £113,272 (year ended 31 December 2022 £112,971).

The Charity had £(223,834) (year ended 31 December 2022 £(226,191)) in its general fund at the year ended 31 December 2023. This accounting deficit arose, as a result of significant expenditure incurred on the renovation of the Kennaway House building which ended in the year to 31 December 2009. The general fund, together with the property revaluation reserve and the capital fund, as shown on the balance sheet, shows an overall total charity fund amount of £1,226,166 (year ended 31 December 2022 £1,229,901).

In January 2015, East Devon District Council agreed with the Trust that for five years 2015 to 2021, no interest payment would be required on their loan. Instead, five years' interest would be "rolled up" and become due for payment in 2034, along with the principal of the loan.

During 2023 we began to pay interest on the loan and opened discussions as to how we might deal with paying the principal sum. The outstanding loan makes it difficult to apply for grant funding, although we are self-supporting.

As at 31 December 2023, cash at bank and in hand held by the charity was £132,245 (31 December 2022 £131,848), with a healthy net current assets figure of £109,274 (31 December 2022 £112,205).

The purposes of the different types of funds are explained in the accounting policies as shown in the financial statements.

Notes 19 and 20 to the financial statements provide further explanation.

**Reserves policy**

It is the policy of the charity to maintain liquid reserves at a level which equates to approximately 3 months of unrestricted expenditure. This provides sufficient funds to cover management, administration and support costs.

The charity has a deficit in the general fund, which resulted from the initial restoration work on Kennaway House. The trustees and staff are working towards reducing the deficit year on year and have increased the total cash balances to help towards improving the reserves position.

**FUTURE PLANS**

We aim to continue promoting the community use of the House and organise more fundraising events of our own. Facebook and Instagram continue to be useful marketing tools.

Maintenance is ongoing with the flood door and the lift, being priorities for 2024.

**KENNAWAY HOUSE TRUST**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**Risk management**

The Trustees have put in place a risk management strategy which comprises:

- An annual review of the risks that the charity may face
- Maintaining the systems and procedures to mitigate those risks

During 2023 the Trustees continued to meet regularly to ensure care of the finances, maintenance where required and the successful running of the house for another year.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

Kennaway House Trust is a company limited by guarantee, incorporated on 14th January 2008 and governed by its Memorandum and Articles of Association. The Charity Commission registered it as a charity on 6th February 2008.

The guarantors of the company are its members, each of whom undertakes to contribute £10 in the event of the charity winding up. The first members were the team who worked from 2001 to 2008 to raise £1 million to restore the house; others may apply to become members of the company.

The Trustees are elected by the members at the Annual General Meeting (or any general meeting). Members may propose and second a member for election in writing and circulate this to all members one month before the meeting.

Trustees are elected for three years, at the end of which they may retire or stand for re-election. The Articles of Association require that one third of the Trustees should retire at an AGM. The Board has the power to co-opt a Trustee in between AGMs, but he or she must retire or stand for re-election at the next AGM.

The Chairman is elected annually by the Board of Trustees, to serve for one year.

The Board of Trustees administers the charity and meets bi-monthly. Individual Trustees may take responsibility for a particular aspect of the administration. The board appoints the Manager to manage the day to day operations of the charity with the authority delegated by the Trustees for operational matters including finance. The Premises Manager/Caretaker reports to the Manager of Kennaway House.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number:** 06471831 (England and Wales)

**Registered Charity number:** 1122667

**Patron of the Kennaway Gallery:** Professor Alan Cotton MBE

**President:** Michael James MBE

**Vice President:** Jackie Street-Palmer

**Trustees:**

Mrs A M Young (Chair, from August 2023)

Mrs J Bayliss

R W Cox

M L James

S M Williams

Mrs L M Williams (Chair, to August 2023)

P Smith (from 1/4/2023 to February 2024)

Mrs L McFall (appointed 1/8/2023)

**KENNAWAY HOUSE TRUST**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**Kennaway House Manager:** Nicola Dawkins

**Caretaker:** Douglas Waller (to December 2023)

**Registered Office:** Kennaway House, Coburg Road, Sidmouth, Devon. EX10 8NG

**Independent Examiner:** Merlin Accountancy Services Ltd, 2nd Floor, 33 Longbrook Street, Exeter, Devon EX4 6AW

**Solicitors:** Gilbert Stephens, 36 High Street, Sidmouth, Devon, EX10 8ED

**Bankers:** HSBC Bank PLC, Fore Street, Sidmouth, Devon, EX10 8AA  
CCLA Investment Management, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

**Statement of Trustees' Responsibilities**

As a small charitable company, this report is prepared in accordance with the Small Companies Regime under the Companies Act 2006.

Company Law and Charity Law requires the Trustees to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the company and the profit or loss for that period. In preparing those financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue to operate;
- State whether the policies adopted are in accordance with the charities SORP, the regulations made under S44 of the Charities Act 1993 and with applicable accounting standards, subject to any material departures disclosed and explained in the Financial Statements.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that financial statements comply with the Companies Act 2006, and in accordance with the Statement of Recommended Practice (SORP 2005). The Trustees 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.

In accordance with company law, as the company's Directors, we certify that:

- So far as we are aware, there is no relevant information of which the company's Independent Examiners are unaware, and
- As the Directors of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant information and to establish that the charity's Independent Examiners are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on .....27/8/24..... and signed on its behalf by:

.....  
Mrs A M Young - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
KENNAWAY HOUSE TRUST  
FOR THE YEAR ENDED 31 DECEMBER 2023**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2023.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

**Basis of Independent Examiner's Report**

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 these matters set out in the statement below.

**Independent examiner's statement**

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

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.

G M Corby BSc FCA

Merlin Accountancy Services Ltd  
2nd Floor  
33 Longbrook Street  
Exeter  
Devon  
EX4 6AW

Signed: .....  .....

Date: ..... 27/8/24 .....

## KENNAWAY HOUSE TRUST

### STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 Unrestricted funds £	2022 Total funds £
<b>INCOME</b>			
Donations and legacies	3	1,169	1,283
<b>Charitable activities</b>			
Centre for the arts, learning, heritage and events	5	107,317	120,722
Investment income	4	<u>1,051</u>	<u>426</u>
<b>Total</b>		<u>109,537</u>	<u>122,431</u>
<b>EXPENDITURE</b>			
Raising funds	6	23,265	20,413
<b>Charitable activities</b>			
Centre for the arts, learning, heritage and events	7	87,188	88,329
Governance Costs		<u>2,819</u>	<u>4,229</u>
<b>Total</b>		<u>113,272</u>	<u>112,971</u>
<b>NET INCOME/(EXPENDITURE)</b>		(3,735)	9,460
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward at 1 <sup>st</sup> January 2023		<u>1,229,901</u>	<u>1,220,441</u>
<b>TOTAL FUNDS CARRIED FORWARD at 31<sup>st</sup> December 2023</b>		<u>1,226,166</u>	<u>1,229,901</u>

#### **CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The charity's only activity is the provision of Kennaway House as a centre for the arts, learning, heritage and events.

**KENNAWAY HOUSE TRUST**  
**BALANCE SHEET**  
**AS AT 31 DECEMBER 2023**  
**REGISTERED CHARITY NUMBER: 1122667**

	Notes	2023 Unrestricted funds £	2022 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	12	1,455,929	1,456,733
<b>CURRENT ASSETS</b>			
Stocks	13	895	1,340
Debtors	14	2,416	6,692
Cash at bank and in hand	15	<u>132,245</u>	<u>131,848</u>
		135,556	139,880
<b>CREDITORS</b>			
Amounts falling due within one year	16	(26,282)	(27,675)
<b>NET CURRENT ASSETS</b>		<u>109,274</u>	<u>112,205</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,565,203	1,568,938
<b>CREDITORS</b>			
Amounts falling due after more than one year	17	(339,037)	(339,037)
<b>NET ASSETS</b>		<u>1,226,166</u>	<u>1,229,901</u>
<b>FUNDS</b>			
Unrestricted funds	19	<u>1,226,166</u>	<u>1,229,901</u>
<b>TOTAL FUNDS</b>		<u>1,226,166</u>	<u>1,229,901</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2023 in accordance with Section 476 of the Companies Act 2006.

**KENNAWAY HOUSE TRUST**

**BALANCE SHEET - continued  
31 DECEMBER 2023**

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 27/8/24 and were signed on its behalf by:

AM Y  
Mrs A M Young - Trustee

## KENNAWAY HOUSE TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### 1. COMPANY STATUS

The charity is a company limited by guarantee and has no share capital and is registered in England and Wales. The company was incorporated on 14<sup>th</sup> January 2008, and the charities registered number and registered office address can be found within the Reference and Administration details on page 3 - 4 of the financial statements.

The members of the company are the trustees who are also ordinary members. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. A list of these members can be found in the Reference and Administration details as shown on page 3.

Since 31<sup>st</sup> December 2017, the Trustees of the charity changed its name from Kennaway House Limited to Kennaway House Trust.

#### 2. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: 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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

In drafting these financial statements, the charity has also takes advantage of the exemptions for smaller charities contained in Charity Commission publication CC17.

The financial statements are presented in pound sterling (£) which is the charity's functional and presentation currency.

Kennaway House Trust reported a net deficit in the reporting period of £(3,735), with total funds held at the end of the period of £1,226,166. Of these total funds, £(223,834) was held in the General Fund.

The deficit is financed by a loan which has a current balance of £339,037. This loan is not due to be repaid until 2033/34.

The trustees are of the view that, on the above basis, the charity is a going concern.

Kennaway House Trust is reliant on the local community to continue purchasing its services and the economic outlook, cuts in public spending, and reduced levels of available funding, are a potential area of financial uncertainty for the charity.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

The charity's only activity is the provision of Kennaway House as a centre for the arts, learning, heritage and events.

Legacies are recognised by reference to the date probate is granted, or if later, as soon as they are capable of being measured in financial terms.

Grants of a general nature are recognised as voluntary income.

## KENNAWAY HOUSE TRUST

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

#### 2. ACCOUNTING POLICIES - continued

##### **Expenditure**

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

The Unrestricted Fund is used for the cost of generating funds, i.e. fundraising costs and loan interest, on charitable activities such as running costs of the building, staff costs and expenses, and setup costs towards post-restoration activities. Governance costs are set out in note 7.

Resources expended include attributable VAT which cannot be recovered.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

##### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

##### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

##### **Operating leases**

The lease of the photocopier is classified as an operating lease, the title of the equipment remaining with the lessor and rental charges charged on a straight line basis over the term of the lease. £1,200 was paid in the year on Operating Leases.

##### **Financial instruments**

Kennaway House Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

- Financial assets, includes trade receivables, cash and balances and investments are recognised at transaction value.
- Financial liabilities, includes trade payables and recognised at transaction value. Trade payables are obligations to pay for goods and services required from suppliers in the course of business activities

**KENNAWAY HOUSE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**2. ACCOUNTING POLICIES - continued**

**Volunteers and Donated Services and Facilities**

The value of services provided by volunteers is not incorporated into these financial statements.

**3. DONATIONS AND LEGACIES**

	2023	2022
	£	£
Donations	-	50
Friends subscriptions	<u>1,169</u>	<u>1,233</u>
	<u>1,169</u>	<u>1,283</u>

**4. INVESTMENT INCOME**

	2023	2022
	£	£
Investment income	<u>1,051</u>	<u>426</u>

**5. INCOME FROM CHARITABLE ACTIVITIES**

	2023	2022
	£	£
Room hire	64,535	84,730
Bar sales	20,884	21,053
Craft and music events	10,374	8,810
Art sales	353	49
Miscellaneous income	<u>11,171</u>	<u>6,080</u>
	<u>107,317</u>	<u>120,722</u>

**6. RAISING FUNDS**

**Other trading activities**

	2023	2022
	£	£
Fundraising, cost of grants donations and events	11,540	9,163
Interest payable and similar charges	<u>11,725</u>	<u>11,250</u>
	<u>23,265</u>	<u>20,413</u>

**7. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 7) £	Totals £
Centre for the arts, learning, heritage and events	<u>87,188</u>	<u>2,819</u>	<u>90,007</u>

**KENNAWAY HOUSE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**8. SUPPORT COSTS**

	Governance costs £
Centre for the arts, learning, heritage and events	<u>2,819</u>

Support costs, included in the above, are as follows:

**Governance costs**

	2023 £	2022 £
Governance costs	<u>2,819</u>	<u>4,229</u>
	<u>2,819</u>	<u>4,229</u>

**9. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2023 £	2022 £
Depreciation - owned assets	<u>1,983</u>	<u>2,247</u>

**10. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

**11. STAFF COSTS**

	2023 £	2022 £
Wages and salaries	<u>51,840</u>	<u>53,566</u>
	<u>51,840</u>	<u>53,566</u>

The staff costs relate to the salaries paid to the full time Premises Manager and 2 part time staff who help the manager with the running of Kennaway House, with their National Insurance and Pension costs. National Insurance costs are currently covered by HRMC's Employment Allowance of £5,000.

The Key Management Personnel of Kennaway House is the Premises Manager.

**KENNAWAY HOUSE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

The average monthly number of employees during the year was as follows:

	2023	2022
Staff	<u>3</u>	<u>4</u>

No employees received emoluments in excess of £60,000.

**12. TANGIBLE FIXED ASSETS**

	Freehold property £	Furnishings £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>					
At 1 January 2023	1,450,000	20,663	49,146	2,347	1,522,156
Additions	<u>-</u>	<u>279</u>	<u>900</u>	<u>-</u>	<u>1,179</u>
At 31 December 2023	<u>1,450,000</u>	<u>20,942</u>	<u>50,046</u>	<u>2,347</u>	<u>1,523,335</u>
<b>DEPRECIATION</b>					
At 1 January 2023	-	19,920	43,897	1,606	65,423
Charge for year	<u>-</u>	<u>257</u>	<u>1,540</u>	<u>186</u>	<u>1,983</u>
At 31 December 2023	<u>-</u>	<u>20,177</u>	<u>45,437</u>	<u>1,792</u>	<u>67,406</u>
<b>NET BOOK VALUE</b>					
At 31 December 2023	<u>1,450,000</u>	<u>765</u>	<u>4,609</u>	<u>555</u>	<u>1,455,929</u>
At 31 December 2022	<u>1,450,000</u>	<u>743</u>	<u>5,249</u>	<u>741</u>	<u>1,456,733</u>

Freehold Property: Kennaway House is shown at a surveyors revaluation of April 2022.

**13. STOCKS**

	2023	2022
	£	£
Stocks	<u>895</u>	<u>1,340</u>

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Trade debtors	566	2,153
Other debtors	-	2,359
Prepayments	<u>1,850</u>	<u>2,180</u>
	<u>2,416</u>	<u>6,692</u>

**KENNAWAY HOUSE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**15. CASH AT BANK AND IN HAND**

	2023	2022
	Total funds	Total funds
	£	£
Cash in hand	276	276
HSBC	98,117	98,771
CCLA	<u>33,852</u>	<u>32,801</u>
<b>Total</b>	<b><u>132,245</u></b>	<b><u>131,848</u></b>

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Other loans (see note 18)	15,713	20,950
Trade creditors	1,869	293
Social security and other taxes	1,750	1,978
Other creditors	2,883	1,280
Accruals and deferred income	<u>4,067</u>	<u>3,174</u>
	<b><u>26,282</u></b>	<b><u>27,675</u></b>

**17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2023	2022
	£	£
Other loans (see note 18)	<u>339,037</u>	<u>339,037</u>

This interest only loan is secured against the Kenneway House property by way of legal charge. The interest rate for this loan is 4.19%. The loan is due for repayment in 2033/34.

**18. LOANS**

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>15,713</u>	<u>20,950</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments:		
Other loans more 5yrs non-inst	<u>339,037</u>	<u>339,037</u>

**KENNAWAY HOUSE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**19. MOVEMENT IN FUNDS**

	At 1/1/23 £	Net movement in funds £	At 31/12/23 £
<b>Unrestricted funds</b>			
General fund	(226,191)	2,357	(223,834))
Capital Fund	506,092	(6,092)	500,000
Property Revaluation Reserve	950,000	-	950,000
	<u>1,229,901</u>	<u>(3,735)</u>	<u>1,226,166</u>
<b>TOTAL FUNDS</b>	<u>1,229,901</u>	<u>(3,735)</u>	<u>1,226,166</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	109,537	(113,272)	(3,735)
	<u>109,537</u>	<u>(113,272)</u>	<u>(3,735)</u>
<b>TOTAL FUNDS</b>	<u>109,537</u>	<u>(113,272)</u>	<u>(3,735)</u>

The General Fund has been established to maintain liquid reserves at a level which equates to approximately 3 months of unrestricted expenditure. This provides sufficient funds to cover management, administration and support costs.

The Capital Fund and the Revaluation Reserve is the value of designated funds represented by the freehold property owned by the charity.

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	General Fund £	Designated Funds £	Total Funds As at 31 Dec 2023 £	Total Funds As at 31 Dec 2022 £
Tangible Fixed Assets	5,929	1,450,000	1,455,929	1,456,733
Current Assets	135,556	-	135,556	139,880
Current Liabilities	(26,282)	-	(26,282)	(27,675)
Long Term Liabilities	(339,037)	-	(339,037)	(339,037)
Net assets	<u>(223,834)</u>	<u>1,450,000</u>	<u>1,226,166</u>	<u>1,229,901</u>

**21. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 December 2023.

**KENNAWAY HOUSE TRUST**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023 £	2022 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	-	50
Friends subscriptions	<u>1,169</u>	<u>1,233</u>
	1,169	1,283
<b>Investment income</b>		
Curr asset inv income	1,051	426
<b>Charitable activities</b>		
Room hire	64,535	84,730
Bar sales	20,884	21,053
Craft and music events	10,374	8,810
Art sales	353	49
Miscellaneous income	<u>11,171</u>	<u>6,080</u>
	<u>107,317</u>	<u>120,722</u>
<b>Total incoming resources</b>	109,537	122,431
<b>EXPENDITURE</b>		
<b>Other trading activities</b>		
Fundraising, cost of grants donations and events	11,540	9,163
Bank loan interest	10,475	10,475
Bank charges	<u>1,250</u>	<u>775</u>
	23,265	20,413
<b>Charitable activities</b>		
Wages	51,840	53,566
Advertising, website and promotional costs	2,114	1,759
Carried forward	53,954	55,325
<b>Charitable activities</b>		
Brought forward	53,954	55,325
Building running costs	<u>33,234</u>	<u>33,004</u>
	87,188	88,329
<b>Support costs</b>		
<b>Governance costs</b>		
Governance costs	<u>2,819</u>	<u>4,229</u>
Total resources expended	<u>113,272</u>	<u>112,971</u>
<b>Net (expenditure)/income</b>	<u>(3,735)</u>	<u>9,460</u>

**KENNAWAY HOUSE TRUST**

England & Wales - Charity number 1122667

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# Accounts

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**KENNAWAY HOUSE TRUST**  
(formerly known as Kennaway House Limited)

**TRUSTEES' REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2022**

**Charity Registration Number: 1122667**

**Company Registration Number: 6471831 (England and Wales)**

**KENNAWAY HOUSE TRUST  
TRUSTEES' REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**Year Ended 31 December 2022**

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**KENNAWAY HOUSE TRUST  
TRUSTEES' ANNUAL REPORT**

**Year Ended 31 December 2022**

The Trustees, who are directors for Company Law purposes, have pleasure in presenting their report along with the financial statements for the year ended 31 December 2022. The financial statements have been prepared in accordance with current statutory requirements, the charity's governing documents, and the recommendations of the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and complies with applicable law. We have also referred to the guidance contained in the Charity Commission's guidance on public benefit when reviewing our aims and objectives for the year.

**Objects and Policies**

**Objectives**

The objective of the charity is to advance public education in particular, but not exclusively, by the provision of an educational centre for people of all ages in Sidmouth and the surrounding area.

**Policies**

The policy of the Trust continues to be to encourage a wide variety of educational classes and events alongside our successful art gallery and to preserve, maintain and improve our Grade 2\* listed building by generating income, predominately through the rental of rooms and spaces.

**Achievements and Performance**

**Report on 2022**

The house was fully opened and operational following the lifting of Covid restrictions. Some regular routine classes did not restart, but overall, the house was busy, and our income exceeded our expenditure. This achievement was largely due to the addition of an outdoor bar during the Folk Festival run by the house to support the food traders and hosting the first Sidmouth Jazz Festival. Our lawn was used for free jazz concerts, and the house for the performers changing rooms, green room, and refreshments.

Wedding Ceremonies and complete Wedding events played a major role in the success of the house, with the most bookings we have accommodated in a while. The House makes a beautiful venue for these occasions.

Art Exhibitions continued and with increased footfall. Local artists continue to book regularly, as do the very popular monthly Craft Fairs. Peter Vaillant, an International abstract artist held an exhibition here, which was a first for him and resounding success. He will be returning in the future. South West Academicians held a second successful Open Exhibition in November, and are now using the house as their base, occupying a room on the ground floor as a gallery and office.

Community events at the house included Daffodil Day in March, the Folk and Food Festival in August, the Walking Festival in September, and Science Festival during October. Super Science Saturday with hands on activities for children and parents, held on the lawn is proving more popular each year. Sidmouth Arboretum have used both our lawn area and cellar for their Celebration of Trees event. A new Biodiversity Festival took place at the house this year with very positive comments and will be held annually.

Maintenance and redecoration are ongoing and continue to be prioritised; the latest work was in the yard and small office on the second floor. We have been able to add to the maintenance account giving a degree of resilience for predictable repairs and unexpected problems.

Overall, it was a successful year, and we are again grateful for the energy and enthusiasm of our house manager and her small team.

**Overview and future plans**

We aim to build our community presence by encouraging local organisations to hold more events here, making use of both the house and lawn area. We continue to market our facilities for weddings and publicise all activities. To maintain our income, new fundraising opportunities are being explored with volunteers playing a major role in the planning and running of the events.

**KENNAWAY HOUSE TRUST  
TRUSTEES' ANNUAL REPORT**

**Year Ended 31 December 2022**

Maintenance challenges continue. Some urgent repair work on our balcony awaits the completion of significant restoration of the adjoining building which has required scaffolding, skips etc which have somewhat detracted from the appearance of the house. We have accommodated scaffolding and vehicles on our land to assist the builders.

The emergency exit door in the cellar/function room needs replacing, and we must reduce the risk of flooding into this room as the Insurance company will not re-insure the floor following damage in 2022. The lift is showing signs of age and its inspection and repair costs are becoming more expensive. An attic window is rotting and needs extensive repair. The maintenance account will reduce as a result but is expected to remain sound.

**Financial Review**

Total incoming resources in the Unrestricted Fund for the year to 31 December 2022 amounted to £122,431 (year ended 31 December 2021 £98,600).

General fund expenditure amounted to £112,971 (year ended 31 December 2021 £80,459).

The Charity had £(226,191) (year ended 31 December 2021 £(235,651)) in its general fund at the year ended 31 December 2022. This accounting deficit arose, as a result of significant expenditure incurred on the renovation of the Kennaway House building which ended in the year to 31 December 2009. The general fund, together with the property revaluation reserve and the capital fund, as shown on the balance sheet, shows an overall total charity fund amount of £1,229,901 (year ended 31 December 2021 £1,220,441).

In January 2015, East Devon District Council agreed with the Trust that for five years 2015 to 2021, no interest payment would be required on their loan. Instead, five years' interest would be "rolled up" and become due for payment in 2034, along with the principal of the loan.

During 2023 we begun to pay interest on the loan and opened discussions as to how we might deal with paying the principal sum. The outstanding loan makes it difficult to apply for grant funding, but that we are self-supporting.

As at 31 December 2022, cash at bank and in handheld by the charity was £131,848 (31 December 2021 £126,092), with a healthy net current assets figure of £112,205 (31 December 2021 £111,728).

The purposes of the different types of funds are explained in the accounting policies as shown in the financial statements.

Notes 15 and 16 to the financial statements provide further explanation.

**Reserves Policies**

**Reserves Policy**

It is the policy of the charity to maintain liquid reserves at a level which equates to approximately 3 months of unrestricted expenditure. This provides sufficient funds to cover management, administration and support costs.

The charity has a deficit in the general fund, which resulted from the initial restoration work on Kennaway House. The trustees and staff are working towards reducing the deficit year on year and have increased the total cash balances to help towards improving the reserves position.

**Risk Management**

The Trustees of Kennaway House have put in place a risk management strategy which comprises:

- An annual review of the risks the charity may face,
- The establishment of systems and procedures to mitigate those risks, and
- The implementation of procedures designed to mitigate any potential impact on the charity should those risks materialise.

**KENNAWAY HOUSE TRUST  
TRUSTEES' ANNUAL REPORT**

**Year Ended 31 December 2022**

During 2022, trustees continued to monitor with care the finances of the trust, as essential maintenance work was undertaken. At the time of writing, we are planning how to improve the flood resilience of our cellar bar and are looking ahead to the 2030's when we are due to repay a loan taken out to enable the initial restoration of the house.

**Structure, Governance and Management**

Kennaway House Trust is a company limited by guarantee, incorporated on 14<sup>th</sup> January 2008 and governed by its Memorandum and Articles of Association. The Charity Commission registered it as a charity on 6<sup>th</sup> February 2008.

The guarantors of the company are its members, each of whom undertakes to contribute £10 in the event of the charity winding up. The first members were the team who worked from 2001 to 2008 to raise £1 million to restore the house; others may apply to become members of the company.

The Trustees are elected by the members at the Annual General Meeting (or any general meeting). Members may propose and second a member for election, in writing and circulated to all members one month before the meeting.

Trustees are elected for three years, at the end of which they may retire or stand for re-election. The Articles of Association require that one third of the Trustees should retire at an AGM. The Board has the power to co-opt a Trustee in between AGMs, but he or she must retire or stand for re-election at the next AGM.

The Chairman is elected annually by the Board of Trustees, to serve for one year.

The Board of Trustees administers the charity and meets bi-monthly. Individual Trustees may take responsibility for a particular aspect of the administration. The board appoints the Manager to manage the day to day operations of the charity with the authority delegated by the Trustees for operational matters including finance. The Premises Manager/Caretaker reports to the Manager of Kennaway House.

**Reference and Administration Details**

<b>Patron of the Kennaway Gallery</b>	Professor Alan Cotton MBE
<b>President</b>	Michael James MBE
<b>Vice President</b>	Jackie Street-Palmer
<b>Trustees</b>	Linda Williams (Chair) Michael James MBE Ralph Cox Stephen Williams Douglas Waller (to May 2022) Penelope Bates (to October 2022) Alison Young Joanna Baylis Paul Smith (from April 2023)

**KENNAWAY HOUSE TRUST  
TRUSTEES' ANNUAL REPORT**

**Year Ended 31 December 2022**

<b>Kennaway House Manager</b>	Nicola Dawkins
<b>Caretaker</b>	Douglas Waller (from May 2022)
<b>Registered Charity Number</b>	1122667
<b>Registered Company Number</b>	6471831
<b>Registered Address</b>	Coburg Road, Sidmouth, Devon, EX10 8NG
<b>Bankers</b>	HSBC Bank PLC, Fore Street, Sidmouth, Devon, EX10 8AA CCLA Investment Management, Senator House, 85 Queen Victoria Street, London, EC4V 4ET
<b>Solicitors</b>	Gilbert Stephens, 36 High Street, Sidmouth, Devon, EX10 8ED
<b>Accountants</b>	Merlin Accountancy Services Ltd, 2 <sup>nd</sup> Floor, 33 Longbrook Street, Exeter, Devon, EX4 6AW

**KENNAWAY HOUSE TRUST  
TRUSTEES' ANNUAL REPORT**

**Year Ended 31 December 2022**

**Statement of Trustees' Responsibilities**

As a small charitable company, this report is prepared in accordance with the Small Companies Regime under the Companies Act 2006.

Company Law and Charity Law requires the Trustees to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the company and the profit or loss for that period. In preparing those financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue to operate;
- State whether the policies adopted are in accordance with the charities SORP, the regulations made under S44 of the Charities Act 1993 and with applicable accounting standards, subject to any material departures disclosed and explained in the Financial Statements.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that financial statements comply with the Companies Act 2006, and in accordance with the Statement of Recommended Practice (SORP 2005). The Trustees 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.

In accordance with company law, as the company's Directors, we certify that:

- So far as we are aware, there is no relevant information of which the company's Independent Examiners are unaware, and
- As the Directors of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant information and to establish that the charity's Independent Examiners are aware of that information.

This report has been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies, and was approved by the board and signed on their behalf by:

Signed.....

*Linda M. Williams*

Name: Linda Williams

Date.....

*9th August 2023*

**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF  
KENNAWAY HOUSE TRUST**

**Year Ended 31 December 2022**

I report on the accounts of the charity for the year ended 31 December 2022, which are set out on pages 7 to 15.

**Respective Responsibilities of Trustees and Examiner**

The charity's trustees (who are also the Directors of the company for the purposes of company law) 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.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

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

**Basis of Independent Examiner's Report**


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 these matters set out in the statement below.

**Independent Examiner's Statement**

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 386 of the Companies Act 2006; and
  - accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2005) have not been met; or
2. to which in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

G M Corby BSc FCA  
Merlin Accountancy Services Ltd  
2<sup>nd</sup> Floor  
33 Longbrook Street  
Exeter  
EX4 6AW

Signed: 

Date: 14/10/23

**KENNAWAY HOUSE TRUST  
STATEMENT OF FINANCIAL ACTIVITIES  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

Year Ended 31 December 2022

	Notes	Unrestricted Funds 2022 £	Designated Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
<b>Incoming Resources</b>					
Donations and Legacies	3	1,283	-	1,283	1,410
Other Trading Activities	4	-	-	-	-
Income from Investments		429	-	429	17
Income from Charitable Activities	5	120,722	-	120,722	97,173
<b>Total Incoming Resources</b>		<b>122,431</b>	<b>-</b>	<b>122,431</b>	<b>98,600</b>
<b>Resources Expended</b>					
Expenditure on Raising Funds	6	20,413	-	20,413	13,795
Expenditure from Charitable Activities	7	92,558	-	92,558	66,664
<b>Total Resources Expended</b>		<b>112,971</b>	<b>-</b>	<b>112,971</b>	<b>80,459</b>
<b>Net Income/(Expenditure) for the year</b>		<b>9,460</b>	<b>-</b>	<b>9,460</b>	<b>18,141</b>
<b>Gain/(Loss) on Revaluation of Fixed Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>450,000</b>
<b>Total Funds Brought Forward at 1<sup>st</sup> January 2022</b>	16	<b>(235,651)</b>	<b>1,456,092</b>	<b>1,220,441</b>	<b>752,300</b>
<b>Total Funds Carried Forward at 31<sup>st</sup> December 2022</b>	16	<b>(226,191)</b>	<b>1,456,092</b>	<b>1,229,901</b>	<b>1,220,441</b>

The statement of financial activities includes all gains and losses recognised in the period.

All income resources and resources expended derive from continuing activities. No operations have been discontinued or acquired during the year.

The charity's only activity is the provision of Kennaway House as a centre for the arts, learning, heritage and events.

The notes on pages 9 to 15 form part of the Financial Statements.

**KENNAWAY HOUSE TRUST**  
**BALANCE SHEET**  
**Registered Charity Number: 1122667**  
**As at 31 December 2022**

	Notes	2022		2021	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	10		1,456,733		1,458,225
<b>Current Assets</b>					
Stock		1,340		918	
Debtors and Prepayments	11	6,692		3,794	
Cash at bank and in hand	12	<u>131,848</u>		<u>126,092</u>	
		139,880		130,804	
<b>Current Liabilities</b>					
Amounts falling due within one year	13	<u>(27,675)</u>		<u>(19,076)</u>	
<b>Net Current Assets</b>			<u>112,205</u>		<u>111,728</u>
<b>Total Assets Less Current Liabilities</b>			1,568,938		1,569,953
<b>Long Term Liabilities</b>					
Amounts falling due after more than One year	14		<u>(339,037)</u>		<u>(349,512)</u>
<b>Net Assets</b>			<u>1,229,901</u>		<u>1,220,441</u>
<b>Total Funds</b>					
Unrestricted Funds:					
Capital Fund			506,092		506,092
Property Revaluation Reserve			950,000		500,000
General Fund			<u>(226,191)</u>		<u>(235,651)</u>
			<u>1,229,901</u>		<u>1,220,441</u>

The company is entitled to exemption from audit under Section 477(1) of the Companies Act 2006 for the year ended 31 December 2022. The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006 – however, in accordance with section 145 of the Charities Act 2011 the accounts have been examined by an independent examiner whose report appears in page 6.

The trustees acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its net income or expenditure for each financial year in accordance with the requirements of Section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Approved by the Board of Trustees on 13th June 2023 and signed on its behalf by:

Linda M. Williams  
 Linda Williams

**KENNAWAY HOUSE TRUST  
NOTES TO THE FINANCIAL STATEMENTS**

**Year Ended 31 December 2022**

**1. COMPANY STATUS**

The charity is a company limited by guarantee and has no share capital and is registered in England and Wales. The company was incorporated on 14<sup>th</sup> January 2008, and the charities registered number and registered office address can be found within the Reference and Administration details on page 3 - 4 of the financial statements.

The members of the company are the trustees who are also ordinary members. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. A list of these members can be found in the Reference and Administration details as shown on page 3.

Since 31<sup>st</sup> December 2017, the Trustees of the charity changed its name from Kennaway House Limited to Kennaway House Trust.

**2. ACCOUNTING POLICIES**

**a) Basis of Preparation of Financial Statements**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

In drafting these financial statements, the charity has also takes advantage of the exemptions for smaller charities contained in Charity Commission publication CC17.

Kennaway House meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are presented in pound sterling (£) which is the charity's functional and presentation currency.

**b) Preparation of the financial statements on a going concern basis**

Kennaway House Trust reported a net surplus in the reporting period of £9,460, with total funds held at the end of the period of £1,229,901. Of these total funds, £(226,191) was held in the General Fund.

The deficit is financed by a loan which has a current balance of £339,037. This loan is not due to be repaid until 2033/34.

The trustees are of the view that, on the above basis, the charity is a going concern.

Kennaway House Trust is reliant on the local community to continue purchasing its services and the economic outlook, cuts in public spending, and reduced levels of available funding, are a potential area of financial uncertainty for the charity.

**c) Incoming Resources**

The charity's only activity is the provision of Kennaway House as a centre for the arts, learning, heritage and events.

Legacies are recognised by reference to the date probate is granted, or if later, as soon as they are capable of being measured in financial terms.

Grants of a general nature are recognised as voluntary income.

**KENNAWAY HOUSE TRUST  
NOTES TO THE FINANCIAL STATEMENTS**

**Year Ended 31 December 2022**

**Accounting Policies – continued**

**d) Volunteers and Donated Services and Facilities**

The value of services provided by volunteers is not incorporated into these financial statements.

**e) Resources Expended**

The Unrestricted Fund is used for the cost of generating funds, i.e. fundraising costs and loan interest, on charitable activities such as running costs of the building, staff costs and expenses, and setup costs towards post-restoration activities. Governance costs are set out in note 7.

Expenditure is included on an accrual basis and incorporates provisions for known liabilities where the costs can be predicted. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources.

Resources expended include attributable VAT which cannot be recovered.

**f) Taxation**

Under section 505 ICTA 1988 the charity is exempt from certain taxes. Full account is taken of tax credits attaching to gifts and qualifying donations. Kennaway House Trust has charitable status and is exempt from Corporation Tax on income it receives.

**g) Operating Leases**

The lease of the photocopier is classified as an operating lease, the title of the equipment remaining with the lessor and rental charges charged on a straight line basis over the term of the lease. £1,200 was paid in the year on Operating Leases.

**h) Tangible Fixed Assets**

Individual fixed assets are capitalised at cost. Capital items below £50 are not treated as capital items, and instead are charged as a revenue expense. Fixed assets are reviewed annually for impairment. Furnishings, fixtures and equipment are depreciated on a reducing balance basis at an annual rate of 25%.

**i) Financial instruments**

Kennaway House Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

- Financial assets, includes trade receivables, cash and balances and investments are recognised at transaction value.
- Financial liabilities, includes trade payables and recognised at transaction value. Trade payables are obligations to pay for goods and services required from suppliers in the course of business activities.

**j) Stock**

The stock held is for bar stock valued at cost.

**k) Funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. Unrestricted funds include a revaluation reserve representing the restatement of the freehold property at Director's valuation.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on the expenditure imposed by the donor or through the terms of an appeal.

**KENNAWAY HOUSE TRUST  
NOTES TO THE FINANCIAL STATEMENTS**

Year Ended 31 December 2022

**3. DONATIONS AND LEGACIES**

	Year Ended 31 December 2022	Year Ended 31 December 2021
	£	£
Donations	50	-
Friends Subscriptions	1,233	1,410
	1,283	1,410
	1,283	1,410

**4. OTHER TRADING ACTIVITIES**

	Year Ended 31 December 2022	Year Ended 31 December 2021
	£	£
Friends Events	-	-
	-	-
	-	-

**5. INCOME FROM CHARITABLE ACTIVITIES**

Kennaway House was used for adult education classes, lectures, art exhibitions, other arts events, weddings, civic and other social events.

	Year Ended 31 December 2022	Year Ended 31 December 2021
	£	£
Room Hire	84,730	53,220
Bar Sales	21,053	4,438
Craft and Music Events	8,810	6,265
Art Sales	49	82
Miscellaneous	6,080	33,168
	120,722	97,173
	120,722	97,173

**6. EXPENDITURE ON RAISING FUNDS**

	Year Ended 31 December 2022	Year Ended 31 December 2021
	£	£
Fundraising, Cost of Grants, Donations and Events	9,163	3,042
Loan Interest	10,475	10,475
Bank Charges	775	278
	20,413	13,795
	20,413	13,795

**KENNAWAY HOUSE TRUST  
NOTES TO THE FINANCIAL STATEMENTS**

**Year Ended 31 December 2022**

**7. EXPENDITURE FROM CHARITABLE ACTIVITIES**

	Year Ended 31 December 2022	Year Ended 31 December 2021
	£	£
Building Running Costs	33,004	23,122
Advertising, Website and Promotional Costs	1,759	2,979
Staff Costs	53,566	38,270
Governance Costs	4,229	2,293
	<u>92,558</u>	<u>66,664</u>

**8. STAFF COSTS**

	Year Ended 31 December 2022	Year Ended 31 December 2021
	£	£
Wages and Salaries	52,846	37,707
Pension costs	720	563

The staff costs relate to the salaries paid to the full time Premises Manager and 2 part time staff who help the manager with the running of Kennaway House, with their National Insurance and Pension costs. National Insurance costs are currently covered by HRMC's Employment Allowance of £5,000.

The Key Management Personnel of Kennaway House is the Premises Manager.

No employee received remuneration in excess of £60,000 in either the current or previous year.

The average number of employees during the year were 3.67 (2021: 2.75).

**9. MOVEMENTS IN TOTAL FUNDS FOR THE YEAR**

	Year Ended 31 December 2022	Year Ended 31 December 2021
	£	£
This is stated after charging:		
Depreciation	2,007	2,742
Independent Examiner's Fee/Accountancy Fee	1,443	1,407
Operating Lease Commitment	-	1,200

**KENNAWAY HOUSE TRUST  
NOTES TO THE FINANCIAL STATEMENTS**

**Year Ended 31 December 2022**

**10. TANGIBLE FIXED ASSETS**

	Freehold Property	Computer Equipment	Furnishings	Fixtures & Fittings	Total
<b>COST</b>					
At 1 January 2022	1,450,000	2,347	20,197	48,857	1,521,401
Additions	-	-	446	289	755
At 31 December 2022	<u>1,450,000</u>	<u>2,347</u>	<u>20,663</u>	<u>49,146</u>	<u>1,522,156</u>
<b>DEPRECIATION</b>					
At 1 January 2022	-	1,358	19,671	42,147	63,176
Charge for year	-	248	249	1,750	2,247
At 31 December 2022	-	<u>1,606</u>	<u>19,920</u>	<u>43,897</u>	<u>65,423</u>
<b>NET BOOK VALUE</b>					
At 31 December 2022	<u>1,450,000</u>	<u>741</u>	<u>743</u>	<u>5,249</u>	<u>1,456,733</u>
At 31 December 2021	<u>1,450,000</u>	<u>989</u>	<u>526</u>	<u>6,710</u>	<u>1,458,225</u>

Freehold Property: Kennaway House is shown at a surveyors revaluation of April 2022.

**11. DEBTORS AND PREPAYMENTS**

	Year Ended 31 December 2022	Year Ended 31 December 2021
<b>Due Within One Year</b>		
	£	£
Debtors	2,153	665
Prepayments	2,180	3,129
Other Debtors	2,359	-
	<u>6,692</u>	<u>3,794</u>

**12. CASH AT BANK AND IN HAND**

	Year Ended 31 December 2022	Year Ended 31 December 2021
	£	£
CCLA Deposit Accounts	32,801	32,375
HSBC Current Accounts	98,771	93,457
Cash in Hand	276	260
	<u>131,848</u>	<u>126,092</u>

**KENNAWAY HOUSE TRUST  
NOTES TO THE FINANCIAL STATEMENTS**

Year Ended 31 December 2022

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Year Ended 31 December 2022	Year Ended 31 December 2021
	£	£
Creditors	293	202
Accruals	3,174	13,637
Social Security and Other Taxes	1,978	2,031
Other Creditors	1,280	3,206
Loan Interest	20,950	-
	27,675	19,076

**14. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR**

East Devon District Council Loan. Amounts due as follows:

Amounts due within 1 year	£20,950
Amounts due within 2-5 years	Nil
Amounts due over 5 years	£339,037

This interest only loan is secured against the Kennaway House property by way of legal charge. The interest rate for this loan is 4.19%. The loan is due for repayment in 2033/34.

**15. MOVEMENT IN FUNDS**

	As at 01 Jan 2022	Income	Expenditure	As at 31 Dec 2022
	£	£	£	£
Capital Fund	506,092	-	-	506,092
Property Revaluation Reserve	950,000	-	-	950,000
General Fund	(235,651)	122,431	112,971	(226,191)
	1,220,441	122,431	112,971	1,229,901

The General Fund has been established to maintain liquid reserves at a level which equates to approximately 3 months of unrestricted expenditure. This provides sufficient funds to cover management, administration and support costs.

The Capital Fund and the Revaluation Reserve is the value of designated funds represented by the freehold property owned by the charity.

**KENNAWAY HOUSE TRUST  
NOTES TO THE FINANCIAL STATEMENTS**

Year Ended 31 December 2022

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	General Fund £	Designated Funds £	Total Funds As at 31 Dec 2022 £	Total Funds As at 31 Dec 2021 £
Tangible Fixed Assets	641	1,456,092	1,456,733	1,458,225
Current Assets	139,880	-	139,880	130,804
Current Liabilities	(27,675)	-	(27,675)	(19,076)
Long Term Liabilities	(339,037)	-	(339,037)	(349,512)
	<hr/>			
Net assets	(226,191)	1,456,092	1,229,901	1,220,441
	<hr/>			

**17. RELATED PARTIES**

No trustee or connected person has received fees or emoluments, or reimbursement of expenses incurred during the year.

There were no related party transactions in the year.

**KENNAWAY HOUSE TRUST**

England & Wales - Charity number 1122667

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# Accounts

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**KENNAWAY HOUSE TRUST**  
**(formerly known as Kennaway House Limited)**

**TRUSTEES' REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2021**

**Charity Registration Number: 1122667**

**Company Registration Number: 6471831 (England and Wales)**

**KENNAWAY HOUSE TRUST  
TRUSTEES' REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**Year Ended 31 December 2021**

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**KENNAWAY HOUSE TRUST  
TRUSTEES' ANNUAL REPORT**

**Year Ended 31 December 2021**

The Trustees, who are directors for Company Law purposes, have pleasure in presenting their report along with the financial statements for the year ended 31 December 2021. The financial statements have been prepared in accordance with current statutory requirements, the charity's governing documents, and the recommendations of the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and complies with applicable law. We have also referred to the guidance contained in the Charity Commission's guidance on public benefit when reviewing our aims and objectives for the year.

**Objects and Policies**

**Objectives**

The objective of the charity is to advance public education in particular, but not exclusively, by the provision of an educational centre for people of all ages in Sidmouth and the surrounding area.

**Policies**

The policy of the Trust continues to be to encourage a wide variety of educational classes and events alongside our successful art gallery and to preserve, maintain and improve our Grade 2\* listed building by generating income, predominately through the rental of rooms and spaces.

**Achievements and Performance**

**Report on 2021**

Covid 19 continued to have a significant effect during the year. A third national lockdown was introduced on January 5th and phased lifting of rules allowed outdoor gatherings at the end of March and indoor venues to open on 17<sup>th</sup> May. Kennaway House remained open, very carefully complying with all the rules. Many events were again postponed or rescheduled limiting our income. However, all the craft fairs were run on the dates scheduled, the planned summer Art Exhibitions were a success and South West Academy of Artists held their annual exhibition in Kennaway House for the first time, using the ground floor rooms and the cellar, which was transformed with the installation of free-standing white boards. Discussions opened about it using a room in the house as a permanent base.

The quieter than usual year enabled necessary redecoration and repair work to continue. The crumbling plaster in the entrance lobby and staircase was repaired and repainted along with some other rooms. The boiler was replaced, having become uneconomical to repair. Other substantial necessary costs were for the renewal of the Civil Ceremony License, and the redesign of the website to make it more user friendly and better show the amenities of the House. We were grateful for a further 'restart' grant which covered the cost of this.

In July, exceptionally heavy rain caused a flood in the cellar resulting in significant damage. The whole floor had to be replaced along with some skirting boards. As the floor and lower walls had to dry out over some months, trustees sourced and fitted permeable exhibition carpet to enable two long standing bookings for wedding receptions to be honoured. Folk week was a wet one and the lawn became very muddy, resulting in us cancelling the planned Food Festival. The end of the year brought the Omicron Variant of Covid, yet again causing nervousness in people booking events.

Kennaway House has shown considerable resilience over a second difficult year and none of this would have been possible without the energy and enthusiasm of our House Manager and her small staff for which we are very grateful.

**Overview and future plans**

At the time of writing, we reflect on how our business plans continue to be affected by Covid 19 for a third year. Formal restrictions were finally lifted in the spring, and the house was then able to run all planned events and take new bookings. However, we sensed some reluctance to attend some events. This concern is reducing and a recent outdoor jazz festival, which hired our lawn and some rooms, was extremely well attended. We will continue to market our facilities, increasingly using social media, and to develop a programme of events of our own, especially within our lawned area.

**KENNAWAY HOUSE TRUST  
TRUSTEES' ANNUAL REPORT**

**Year Ended 31 December 2021**

**Financial Review**

Total incoming resources in the Unrestricted Fund for the year to 31 December 2021 amounted to £98,600 (year ended 31 December 2020 £79,682).

General fund expenditure amounted to £80,459 (year ended 31 December 2020 £91,057).

The Charity had £(235,651) (year ended 31 December 2020 £(253,792)) in its general fund at the year ended 31 December 2021. This accounting deficit arose, as a result of significant expenditure incurred on the renovation of the Kennaway House building which ended in the year to 31 December 2009. The general fund, together with the property revaluation reserve and the capital fund, as shown on the balance sheet, shows an overall total charity fund amount of £1,220,441 (year ended 31 December 2020 £752,300).

In January 2015, East Devon District Council agreed with the Trust that for five years 2015 to 2020, no interest payment would be required on their loan. Instead, five years' interest would be "rolled up" and become due for payment in 2034, along with the principal of the loan. Interest was due to become payable annually from 2021, but this has not been requested.

As at 31 December 2021, cash at bank and in hand held by the charity was £126,092 (31 December 2020 £95,931), with a healthy net current assets figure of £111,728 (31 December 2020 £90,845).

The purposes of the different types of funds are explained in the accounting policies as shown in the financial statements.

Notes 15 and 16 to the financial statements provide further explanation.

**Reserves Policies**

**Reserves Policy**

It is the policy of the charity to maintain liquid reserves at a level which equates to approximately 3 months of unrestricted expenditure. This provides sufficient funds to cover management, administration and support costs.

The charity has a deficit in the general fund, which resulted from the initial restoration work on Kennaway House. The trustees and staff are working towards reducing the deficit year on year and have increased the total cash balances to help towards improving the reserves position.

**Risk Management**

The Trustees of Kennaway House have put in place a risk management strategy which comprises:

- An annual review of the risks the charity may face
- The establishment of systems and procedures to mitigate those risks, and
- The implementation of procedures designed to mitigate any potential impact on the charity should those risks materialise.

During 2021, trustees continued to monitor with care the finances of the trust, as essential maintenance work was undertaken. At the time of writing, we are planning how to improve the flood resilience of our cellar bar and are looking ahead to the 2030's when we are due to repay a loan taken out to enable the initial restoration of the house.

**KENNAWAY HOUSE TRUST  
TRUSTEES' ANNUAL REPORT**

**Year Ended 31 December 2021**

**Structure, Governance and Management**

Kennaway House Trust is a company limited by guarantee, incorporated on 14<sup>th</sup> January 2008 and governed by its Memorandum and Articles of Association. The Charity Commission registered it as a charity on 6<sup>th</sup> February 2008.

The guarantors of the company are its members, each of whom undertakes to contribute £10 in the event of the charity winding up. The first members were the team who worked from 2001 to 2008 to raise £1 million to restore the house; others may apply to become members of the company.

The Trustees are elected by the members at the Annual General Meeting (or any general meeting). Members may propose and second a member for election, in writing and circulated to all members one month before the meeting.

Trustees are elected for three years, at the end of which they may retire or stand for re-election. The Articles of Association require that one third of the Trustees should retire at an AGM. The Board has the power to co-opt a Trustee in between AGMs, but he or she must retire or stand for re-election at the next AGM.

The Chairman is elected annually by the Board of Trustees, to serve for one year.

The Board of Trustees administers the charity and meets bi-monthly. Individual Trustees may take responsibility for a particular aspect of the administration. The board appoints the Manager to manage the day to day operations of the charity with the authority delegated by the Trustees for operational matters including finance. The Premises Manager/Caretaker reports to the Manager of Kennaway House.

**Reference and Administration Details**

<b>Patron</b>	The Rt Hon Sir Hugo Swire KCMG MP
<b>Patron of the Kennaway Gallery</b>	Professor Alan Cotton
<b>President</b>	Michael James MBE
<b>Vice Presidents</b>	David James Jackie Street-Palmer
<b>Trustees</b>	Michael James MBE Linda Williams Ralph Cox Stephen Williams Douglas Waller (to May 2021) Penelope Bates Alison Young (from June 2021) Joanna Baylis (from June 2021)

**KENNAWAY HOUSE TRUST  
TRUSTEES' ANNUAL REPORT**

**Year Ended 31 December 2021**

<b>Company Secretary</b>	Debbie Squibbs
<b>Kennaway House Manager</b>	Nicola Dawkins
<b>Caretaker</b>	Anthony Coombe (until April 2021)
<b>Registered Charity Number</b>	1122667
<b>Registered Company Number</b>	6471831
<b>Registered Address</b>	Coburg Road, Sidmouth, Devon, EX10 8NG
<b>Bankers</b>	HSBC Bank PLC, Fore Street, Sidmouth, Devon, EX10 8AA CCLA Investment Management, Senator House, 85 Queen Victoria Street, London, EC4V 4ET
<b>Solicitors</b>	Gilbert Stephens, 36 High Street, Sidmouth, Devon, EX10 8ED
<b>Accountants</b>	Merlin Accountancy Services Ltd, 2 <sup>nd</sup> Floor, 33 Longbrook Street, Exeter, Devon, EX4 6AW

**KENNAWAY HOUSE TRUST  
TRUSTEES' ANNUAL REPORT**

**Year Ended 31 December 2021**

**Statement of Trustees' Responsibilities**

As a small charitable company, this report is prepared in accordance with the Small Companies Regime under the Companies Act 2006.

Company Law and Charity Law requires the Trustees to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the company and the profit or loss for that period. In preparing those financial statements the Trustees are required to:


- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue to operate;
- State whether the policies adopted are in accordance with the charities SORP, the regulations made under S44 of the Charities Act 1993 and with applicable accounting standards, subject to any material departures disclosed and explained in the Financial Statements.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that financial statements comply with the Companies Act 2006, and in accordance with the Statement of Recommended Practice (SORP 2005). The Trustees 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.

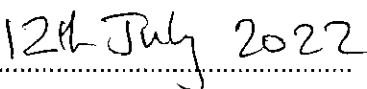
In accordance with company law, as the company's Directors, we certify that:

- So far as we are aware, there is no relevant information of which the company's Independent Examiners are unaware, and
- As the Directors of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant information and to establish that the charity's Independent Examiners are aware of that information.

This report has been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies, and was approved by the board and signed on their behalf by:

Signed..... 

Name: Linda Williams

Date..... 

**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF  
KENNAWAY HOUSE TRUST**

**Year Ended 31 December 2021**

I report on the accounts of the charity for the year ended 31 December 2021, which are set out on pages 7 to 15.

**Respective Responsibilities of Trustees and Examiner**

The charity's trustees (who are also the Directors of the company for the purposes of company law) 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.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

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

**Basis of Independent Examiner's Report**

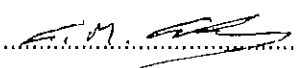
My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or 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 these matters set out in the statement below.

**Independent Examiner's Statement**

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 386 of the Companies Act 2006; and
  - accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2005) have not been met; or
2. to which in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

G M Corby BSc FCA  
Merlin Accountancy Services Ltd  
2<sup>nd</sup> Floor  
33 Longbrook Street  
Exeter  
EX4 6AW

Signed: 

Date: 26/7/22

**KENNAWAY HOUSE TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

**Year Ended 31 December 2021**

	Notes	Unrestricted Funds 2021 £	Designated Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
<b>Incoming Resources</b>					
Donations and Legacies	3	1,410	-	1,410	1,664
Other Trading Activities	4	-	-	-	-
Income from Investments		17	-	17	137
Income from Charitable Activities	5	97,173	-	97,173	77,881
<b>Total Incoming Resources</b>		<b>98,600</b>	<b>-</b>	<b>98,600</b>	<b>79,682</b>
<b>Resources Expended</b>					
Expenditure on Raising Funds	6	13,795	-	13,795	12,507
Expenditure from Charitable Activities	7	66,664	-	66,664	78,550
<b>Total Resources Expended</b>		<b>80,459</b>	<b>-</b>	<b>80,459</b>	<b>91,057</b>
<b>Net Income/(Expenditure) for the year</b>		<b>18,141</b>	<b>-</b>	<b>18,141</b>	<b>(11,375)</b>
<b>Gain/(Loss) on Revaluation of Fixed Assets</b>		<b>-</b>	<b>450,000</b>	<b>450,000</b>	<b>-</b>
<b>Total Funds Brought Forward at 1<sup>st</sup> January 2021</b>	16	<b>(253,792)</b>	<b>1,006,092</b>	<b>752,300</b>	<b>763,675</b>
<b>Total Funds Carried Forward at 31<sup>st</sup> December 2021</b>	16	<b>(235,651)</b>	<b>1,456,092</b>	<b>1,220,441</b>	<b>752,300</b>

The statement of financial activities includes all gains and losses recognised in the period.

All Income resources and resources expended derive from continuing activities. No operations have been discontinued or acquired during the year.

The charity's only activity is the provision of Kennaway House as a centre for the arts, learning, heritage and events.

The notes on pages 9 to 15 form part of the Financial Statements.

**KENNAWAY HOUSE TRUST**  
**BALANCE SHEET**  
**Registered Charity Number: 1122667**  
**As at 31 December 2021**

	Notes	2021		2020	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	10		1,458,225		1,010,967
<b>Current Assets</b>					
Stock		918		351	
Debtors and Prepayments	11	3,794		445	
Cash at bank and In hand	12	<u>126,092</u>		<u>95,931</u>	
		130,804		96,727	
<b>Current Liabilities</b>					
Amounts falling due within one year	13	<u>(19,076)</u>		<u>(5,882)</u>	
<b>Net Current Assets</b>			<u>111,728</u>		<u>90,845</u>
<b>Total Assets Less Current Liabilities</b>			1,569,953		1,101,812
<b>Long Term Liabilities</b>					
Amounts falling due after more than One year	14		<u>(349,512)</u>		<u>(349,512)</u>
<b>Net Assets</b>			<u>1,220,441</u>		<u>752,300</u>
<b>Total Funds</b>					
Unrestricted Funds:					
Capital Fund			506,092		506,092
Property Revaluation Reserve			950,000		500,000
General Fund			<u>(235,651)</u>		<u>(253,792)</u>
			<u>1,220,441</u>		<u>752,300</u>

The company is entitled to exemption from audit under Section 477(1) of the Companies Act 2006 for the year ended 31 December 2021. The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006 – however, in accordance with section 145 of the Charities Act 2011 the accounts have been examined by an independent examiner whose report appears in page 6.

The trustees acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its net income or expenditure for each financial year in accordance with the requirements of Section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Approved by the Board of Trustees on 15-06-2022 and signed on its behalf by:

Linda M. Williams

Linda Williams

**KENNAWAY HOUSE TRUST  
NOTES TO THE FINANCIAL STATEMENTS**

**Year Ended 31 December 2021**

**1. COMPANY STATUS**

The charity is a company limited by guarantee and has no share capital and is registered in England and Wales. The company was incorporated on 14<sup>th</sup> January 2008, and the charities registered number and registered office address can be found within the Reference and Administration details on page 3 - 4 of the financial statements.

The members of the company are the trustees who are also ordinary members. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. A list of these members can be found in the Reference and Administration details as shown on page 3.

Since 31<sup>st</sup> December 2017, the Trustees of the charity changed its name from Kennaway House Limited to Kennaway House Trust.

**2. ACCOUNTING POLICIES**

**a) Basis of Preparation of Financial Statements**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

In drafting these financial statements, the charity has also taken advantage of the exemptions for smaller charities contained in Charity Commission publication CC17.

Kennaway House meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are presented in pound sterling (£) which is the charity's functional and presentation currency.

**b) Preparation of the financial statements on a going concern basis**

Kennaway House Trust reported a net surplus in the reporting period of £18,141, with total funds held at the end of the period of £1,220,441. Of these total funds, £(235,651) was held in the General Fund.

The deficit is financed by a loan which has a current balance of £349,512. This loan is not due to be repaid until 2033/34.

The trustees are of the view that, on the above basis, the charity is a going concern.

Kennaway House Trust is reliant on the local community to continue purchasing its services and the economic outlook, cuts in public spending, and reduced levels of available funding, are a potential area of financial uncertainty for the charity.

**c) Incoming Resources**

The charity's only activity is the provision of Kennaway House as a centre for the arts, learning, heritage and events.

Legacies are recognised by reference to the date probate is granted, or if later, as soon as they are capable of being measured in financial terms.

Grants of a general nature are recognised as voluntary income.

**KENNAWAY HOUSE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**

**Year Ended 31 December 2021**

**Accounting Policies – continued**

**d) Volunteers and Donated Services and Facilities**

The value of services provided by volunteers is not incorporated into these financial statements.

**e) Resources Expended**

The Unrestricted Fund is used for the cost of generating funds, i.e. fundraising costs and loan interest, on charitable activities such as running costs of the building, staff costs and expenses, and setup costs towards post-restoration activities. Governance costs are set out in note 7.

Expenditure is included on an accrual basis and incorporates provisions for known liabilities where the costs can be predicted. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources.

Resources expended include attributable VAT which cannot be recovered.

**f) Taxation**

Under section 505 ICTA 1988 the charity is exempt from certain taxes. Full account is taken of tax credits attaching to gifts and qualifying donations. Kennaway House Trust has charitable status and is exempt from Corporation Tax on Income it receives.

**g) Operating Leases**

The lease of the photocopier is classified as an operating lease, the title of the equipment remaining with the lessor and rental charges charged on a straight line basis over the term of the lease. £1,200 was paid in the year on Operating Leases.

**h) Tangible Fixed Assets**

Individual fixed assets are capitalised at cost. Capital items below £50 are not treated as capital items, and instead are charged as a revenue expense. Fixed assets are reviewed annually for impairment. Furnishings, fixtures and equipment are depreciated on a reducing balance basis at an annual rate of 25%.

**i) Financial instruments**

Kennaway House Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

- Financial assets, includes trade receivables, cash and balances and investments are recognised at transaction value.
- Financial liabilities, includes trade payables and recognised at transaction value. Trade payables are obligations to pay for goods and services required from suppliers in the course of business activities.

**j) Stock**

The stock held is for bar stock valued at cost.

**k) Funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. Unrestricted funds include a revaluation reserve representing the restatement of the freehold property at Director's valuation.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on the expenditure imposed by the donor or through the terms of an appeal.

**KENNAWAY HOUSE TRUST  
NOTES TO THE FINANCIAL STATEMENTS**

**Year Ended 31 December 2021**

**3. DONATIONS AND LEGACIES**

	<b>Year Ended 31 December 2021</b>	<b>Year Ended 31 December 2020</b>
	<b>£</b>	<b>£</b>
Donations	-	511
Friends Subscriptions	1,410	1,153
Legacies	-	-
	<b>1,410</b>	<b>1,664</b>

**4. OTHER TRADING ACTIVITIES**

	<b>Year Ended 31 December 2021</b>	<b>Year Ended 31 December 2020</b>
	<b>£</b>	<b>£</b>
Friends Events	-	-
	<b>-</b>	<b>-</b>

**5. INCOME FROM CHARITABLE ACTIVITIES**

Kennaway House was used for adult education classes, lectures, art exhibitions, other arts events, weddings, civic and other social events.

	<b>Year Ended 31 December 2021</b>	<b>Year Ended 31 December 2020</b>
	<b>£</b>	<b>£</b>
Room Hire	53,220	35,858
Bar Sales	4,438	534
Craft and Music Events	6,265	60
Art Sales	82	286
Miscellaneous	33,168	41,143
	<b>97,173</b>	<b>77,881</b>

**6. EXPENDITURE ON RAISING FUNDS**

	<b>Year Ended 31 December 2021</b>	<b>Year Ended 31 December 2020</b>
	<b>£</b>	<b>£</b>
Fundraising, Cost of Grants, Donations and Events	3,042	1,605
Loan Interest	10,475	10,475
Bank Charges	278	427
	<b>13,795</b>	<b>12,507</b>

**KENNAWAY HOUSE TRUST  
NOTES TO THE FINANCIAL STATEMENTS**

**Year Ended 31 December 2021**

**7. EXPENDITURE FROM CHARITABLE ACTIVITIES**

	<b>Year Ended 31 December 2021</b>	<b>Year Ended 31 December 2020</b>
	<b>£</b>	<b>£</b>
Building Running Costs	23,122	40,313
Advertising, Website and Promotional Costs	2,979	2,014
Staff Costs	38,270	34,174
Governance Costs	2,293	2,049
	<hr/>	<hr/>
	66,664	78,550
	<hr/>	<hr/>

**8. STAFF COSTS**

	<b>Year Ended 31 December 2021</b>	<b>Year Ended 31 December 2020</b>
	<b>£</b>	<b>£</b>
Wages and Salaries	37,707	33,618
Pension costs	563	556

The staff costs relate to the salaries paid to the full time Premises Manager and 2 part time staff who help the manager with the running of Kennaway House, with their National Insurance and Pension costs. National Insurance costs are currently covered by HRMC's Employment Allowance of £4,000.

The Key Management Personnel of Kennaway House is the Premises Manager.

No employee received remuneration in excess of £60,000 in either the current or previous year.

The average number of employees during the year were 2.75 (2020: 2.3).

**9. MOVEMENTS IN TOTAL FUNDS FOR THE YEAR**

	<b>Year Ended 31 December 2021</b>	<b>Year Ended 31 December 2020</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation	2,742	3,658
Independent Examiner's Fee/Accountancy Fee	1,407	1,373
Operating Lease Commitment	1,200	1,200

**KENNAWAY HOUSE TRUST  
NOTES TO THE FINANCIAL STATEMENTS**

**Year Ended 31 December 2021**

**10. TANGIBLE FIXED ASSETS**

	Freehold Property	Computer Equipment	Furnishings	Fixtures & Fittings	Total
<b>COST</b>					
At 1 January 2021	1,000,000	2,347	20,197	48,857	1,071,401
Revaluation	<u>450,000</u>	-	-	-	<u>450,000</u>
At 31 December 2021	<u>1,450,000</u>	<u>2,347</u>	<u>20,197</u>	<u>48,857</u>	<u>1,521,401</u>
<b>DEPRECIATION</b>					
At 1 January 2021	-	1,028	19,496	39,910	60,434
Charge for year	-	<u>330</u>	<u>175</u>	<u>2,237</u>	<u>2,742</u>
At 31 December 2021	-	<u>1,358</u>	<u>19,671</u>	<u>42,147</u>	<u>63,176</u>
<b>NET BOOK VALUE</b>					
At 31 December 2021	<u>1,450,000</u>	<u>989</u>	<u>526</u>	<u>6,710</u>	<u>1,458,225</u>
At 31 December 2020	<u>1,000,000</u>	<u>1,319</u>	<u>701</u>	<u>8,947</u>	<u>1,010,967</u>

Freehold Property: Kennaway House is shown at a surveyors revaluation of April 2022.

**11. DEBTORS AND PREPAYMENTS**

	<b>Year Ended 31 December 2021</b>	<b>Year Ended 31 December 2020</b>
	<b>£</b>	<b>£</b>
<b>Due Within One Year</b>		
Debtors	665	20
Prepayments	3,129	370
Other Debtors	-	55
	<u>3,794</u>	<u>445</u>

**12. CASH AT BANK AND IN HAND**

	<b>Year Ended 31 December 2021</b>	<b>Year Ended 31 December 2020</b>
	<b>£</b>	<b>£</b>
CCLA Deposit Accounts	32,375	32,358
HSBC Current Accounts	93,457	63,313
Cash in Hand	260	260
	<u>126,092</u>	<u>95,931</u>

**KENNAWAY HOUSE TRUST  
NOTES TO THE FINANCIAL STATEMENTS**

**Year Ended 31 December 2021**

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Year Ended 31 December 2021 £</b>	<b>Year Ended 31 December 2020 £</b>
Creditors	202	-
Accruals	13,637	3,307
Social Security and Other Taxes	2,031	1,089
Other Creditors	3,206	1,486
	19,076	5,882

**14. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR**

East Devon District Council Loan. Amounts due as follows:

Amounts due within 1 year	Nil
Amounts due within 2-5 years	Nil
Amounts due over 5 years	£349,512

This interest only loan is secured against the Kennaway House property by way of legal charge. The interest rate for this loan is 4.19%. The loan is due for repayment in 2033/34.

**15. MOVEMENT IN FUNDS**

	<b>As at 01 Jan 2021 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Gain/(Loss) on Revaluation £</b>	<b>As at 31 Dec 2021 £</b>
Capital Fund	506,092	-	-	-	506,092
Property Revaluation Reserve	500,000	-	-	450,000	950,000
General Fund	(253,792)	98,600	80,459	-	(235,651)
Total Funds	752,300	98,600	80,459	450,000	1,220,441

The General Fund has been established to maintain liquid reserves at a level which equates to approximately 3 months of unrestricted expenditure. This provides sufficient funds to cover management, administration and support costs.

The Capital Fund and the Revaluation Reserve is the value of designated funds represented by the freehold property owned by the charity.

**KENNAWAY HOUSE TRUST  
NOTES TO THE FINANCIAL STATEMENTS**

**Year Ended 31 December 2021**

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>General Fund £</b>	<b>Designated Funds £</b>	<b>Total Funds As at 31 Dec 2021 £</b>	<b>Total Funds As at 31 Dec 2020 £</b>
Tangible Fixed Assets	2,133	1,456,092	1,458,225	1,010,967
Current Assets	130,804	-	130,804	96,727
Current Liabilities	(19,076)	-	(19,076)	(5,882)
Long Term Liabilities	(349,512)	-	(349,512)	(349,512)
<b>Net assets</b>	<b>(235,651)</b>	<b>1,456,092</b>	<b>1,220,441</b>	<b>752,300</b>

**17. RELATED PARTIES**

No trustee or connected person has received fees or emoluments, or reimbursement of expenses incurred during the year.

There were no related party transactions in the year.

**KENNAWAY HOUSE TRUST**

England & Wales - Charity number 1122667

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# Accounts

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**KENNAWAY HOUSE TRUST**  
**(formerly known as Kennaway House Limited)**

**TRUSTEES' REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

**Charity Registration Number: 1122667**

**Company Registration Number: 6471831 (England and Wales)**

**KENNAWAY HOUSE TRUST  
TRUSTEES' REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**Year Ended 31 December 2020**

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**KENNAWAY HOUSE TRUST  
TRUSTEES' ANNUAL REPORT**

**Year Ended 31 December 2020**

The Trustees, who are directors for Company Law purposes, have pleasure in presenting their report along with the financial statements for the year ended 31 December 2020. The financial statements have been prepared in accordance with current statutory requirements, the charity's governing documents, and the recommendations of the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and complies with applicable law. We have also referred to the guidance contained in the Charity Commission's guidance on public benefit when reviewing our aims and objectives for the year.

**Objects and Policies**

**Objectives**

The objective of the charity is to advance public education in particular, but not exclusively, by the provision of an educational centre for people of all ages in Sidmouth and the surrounding area.

**Policies**

The policy of the Trust continues to be to encourage a wide variety of educational classes and events alongside our successful art gallery and to preserve, maintain and improve our Grade 2\* listed building by generating income, predominately through the rental of rooms and spaces.

**Achievements and Performance**

**Report on 2020**

As usual, January and February were quiet with only the routine classes taking place. The high point was the removal of scaffolding that revealed new Kennaway House lettering on the portico over the main entrance and the house looking wonderful, having had two sides redecorated.

On the 23<sup>rd</sup> March the first lockdown came into force after Government ruling due to the COVID pandemic. The house was moth-balled by the manager, ensuring all costs were minimised during the closure. The Caretaker, Tony Coombe resigned from his post, and remaining staff were furloughed. Essential internal maintenance was completed by volunteers in full compliance with the lockdown restrictions. Our Meet the Author event, with John Nettles had to be postponed, with the hope to make an alternative date in the autumn.

When we were able to partially reopen, the manager, on part time furlough, undertook work to ensure the building was COVID safe; one-way systems, hand sanitiser stations, mask wearing, enhanced cleaning, and specific risk assessments. A fully stewarded Craft fair with additional food stalls using the lawn area and Cellar, was held on the 1<sup>st</sup> August. We were able to hold a scaled down version of our annual Food festival, on the 15<sup>th</sup> August, with all safety regulations in place. It was not as well attended as previous years, but people were pleased to see an event being carried out and safely. Cancellations and postponement of bookings continued, although we did manage to host one wedding ceremony and a funeral, the latter, being streamed to those who were not allowed to attend.

The house continued to stay open but with limited access. Office tenants continued to use the house on an ad hoc basis. Counselling sessions continued throughout the year, designated by adult social services as an essential requirement.

A Christmas art exhibition was held during the first weekend of December. Full closure of the House was again required by Government rules from the second week of December.

The garden continued to be maintained throughout the year by the gardener. Along with the regular house checks by the manager throughout what was a very unusual and difficult year.

We are very grateful for grants from the Government, via East Devon District Council, that enabled us to pay for the unavoidable costs such as standing charges for utilities, essential maintenance of alarm systems, insurance, and renewal of our wedding licence.

The House continues to be a community asset and is well respected by those in the locality and surrounding areas.

**KENNAWAY HOUSE TRUST  
TRUSTEES' ANNUAL REPORT**

**Year Ended 31 December 2020**

**Report on 2020 – continued**

**Overview and future plans**

At the time of writing, we reflect on how our business plans have been significantly affected by the Covid 19 pandemic. We will strive to continue as a successful arts and community centre doing all that we can to restore and further increase the use of the house. We will continue to undertake the essential maintenance of the house to keep up the high standards.

We are working to increase the capabilities of the new website, making it more informative and easier to navigate, and e.g., will investigate booking online for all ticketed events and some classes. In addition to changing our practices to enable people's safety in line with changing guidance, we need to build the confidence of users. We plan to investigate better ways of marketing our facilities and also how we can develop a programme of events of our own, especially within our lawned area.

**Financial Review**

Total incoming resources in the Unrestricted Fund for the year to 31 December 2020 amounted to £79,682 (year ended 31 December 2019 £97,134).

General fund expenditure amounted to £91,057 (year ended 31 December 2019 £110,270).

The Charity had £(253,792) (year ended 31 December 2019 £(242,417)) in its general fund at the year ended 31 December 2020. This accounting deficit arose, as a result of significant expenditure incurred on the renovation of the Kennaway House building which ended in the year to 31 December 2009. The general fund, together with the property revaluation reserve and the capital fund, as shown on the balance sheet, shows an overall total charity fund amount of £752,300 (year ended 31 December 2019 £763,675).

In January 2015, East Devon District Council agreed with the Trust that for five years 2015 to 2020, no interest payment would be required on their loan. Instead, five years' interest would be "rolled up" and become due for payment in 2034, along with the principal of the loan. Interest will become payable annually from 2021.

As at 31 December 2020, cash at bank and in handheld by the charity was £95,931 (31 December 2019 £93,022), with a healthy net current assets figure of £90,494 (31 December 2019 £88,087).

The purposes of the different types of funds are explained in the accounting policies as shown in the financial statements.

Notes 15 and 16 to the financial statements provide further explanation.

**Reserves Policies**

**Reserves Policy**

It is the policy of the charity to maintain liquid reserves at a level which equates to approximately 3 months of unrestricted expenditure. This provides sufficient funds to cover management, administration and support costs.

The charity has a deficit in the general fund, which resulted from the initial restoration work on Kennaway House. The trustees and staff are working towards reducing the deficit year on year and have increased the total cash balances to help towards improving the reserves position.

**Risk Management**

The Trustees of Kennaway House have put in place a risk management strategy which comprises:

- An annual review of the risks the charity may face
- The establishment of systems and procedures to mitigate those risks, and
- The implementation of procedures designed to mitigate any potential impact on the charity should those risks materialise.

**KENNAWAY HOUSE TRUST  
TRUSTEES' ANNUAL REPORT**

**Year Ended 31 December 2020**

During 2019, significant risks related to the challenge of users due to increasing competition opened to more room hire. During 2020, the most significant risks have arisen from the loss of income due to the Covid 19 Pandemic.

Looking forward, the risk of there being a lack of public appetite to visit and attend events may restrict our income. Users being reluctant to visit indoor venues is an increasing possibility. We aim to build confidence through demonstrating effective control and management of those events that can take place, following Government guidance during these unprecedented times.

**Structure, Governance and Management**

Kennaway House Trust is a company limited by guarantee, incorporated on 14<sup>th</sup> January 2008 and governed by its Memorandum and Articles of Association. The Charity Commission registered it as a charity on 6<sup>th</sup> February 2008.

The guarantors of the company are its members, each of whom undertakes to contribute £10 in the event of the charity winding up. The first members were the team who worked from 2001 to 2008 to raise £1 million to restore the house; others may apply to become members of the company.

The Trustees are elected by the members at the Annual General Meeting (or any general meeting). Members may propose and second a member for election, in writing and circulated to all members one month before the meeting.

Trustees are elected for three years, at the end of which they may retire or stand for re-election. The Articles of Association require that one third of the Trustees should retire at an AGM. The Board has the power to co-opt a Trustee in between AGMs, but he or she must retire or stand for re-election at the next AGM.

The Chairman is elected annually by the Board of Trustees, to serve for one year.

The Board of Trustees administers the charity and meets bi-monthly. Individual Trustees may take responsibility for a particular aspect of the administration. The board appoints the Manager to manage the day to day operations of the charity with the authority delegated by the Trustees for operational matters including finance. The Premises Manager/Caretaker reports to the Manager of Kennaway House.

**Reference and Administration Details**

<b>Patron</b>	The Rt Hon Sir Hugo Swire KCMG MP
<b>Patron of the Kennaway Gallery</b>	Professor Alan Cotton
<b>President</b>	Michael James MBE
<b>Vice Presidents</b>	David James Jackie Street-Palmer
<b>Trustees</b>	Michael James MBE Linda Williams Ralph Cox Stephen Williams Douglas Waller Penelope Bates
<b>Company Secretary</b>	Debbie Squibbs
<b>Kennaway House Manager</b>	Nicola Dawkins

**KENNAWAY HOUSE TRUST  
TRUSTEES' ANNUAL REPORT**

**Year Ended 31 December 2020**

<b>Caretaker</b>	Anthony Coombe (until April 2020)
<b>Registered Charity Number</b>	1122667
<b>Registered Company Number</b>	6471831
<b>Registered Address</b>	Coburg Road, Sidmouth, Devon, EX10 8NG
<b>Bankers</b>	HSBC Bank PLC, Fore Street, Sidmouth, Devon, EX10 8AA CCLA Investment Management, Senator House, 85 Queen Victoria Street, London, EC4V 4ET
<b>Solicitors</b>	Gilbert Stephens, 36 High Street, Sidmouth, Devon, EX10 8ED
<b>Accountants</b>	Merlin Accountancy Services Ltd, 2 <sup>nd</sup> Floor, 33 Longbrook Street, Exeter, Devon, EX4 6AW

**KENNAWAY HOUSE TRUST  
TRUSTEES' ANNUAL REPORT**

**Year Ended 31 December 2020**

**Statement of Trustees' Responsibilities**

As a small charitable company, this report is prepared in accordance with the Small Companies Regime under the Companies Act 2006.

Company Law and Charity Law requires the Trustees to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the company and the profit or loss for that period. In preparing those financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue to operate;
- State whether the policies adopted are in accordance with the charities SORP, the regulations made under S44 of the Charities Act 1993 and with applicable accounting standards, subject to any material departures disclosed and explained in the Financial Statements.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that financial statements comply with the Companies Act 2006, and in accordance with the Statement of Recommended Practice (SORP 2005). The Trustees 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.

In accordance with company law, as the company's Directors, we certify that:

- So far as we are aware, there is no relevant information of which the company's Independent Examiners are unaware, and
- As the Directors of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant information and to establish that the charity's Independent Examiners are aware of that information.

This report has been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies, and was approved by the board and signed on their behalf by:

Signed.....

Name: Linda Williams

Date.....

**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF  
KENNAWAY HOUSE TRUST**

**Year Ended 31 December 2020**

I report on the accounts of the charity for the year ended 31 December 2020, which are set out on pages 8 to 16.

**Respective Responsibilities of Trustees and Examiner**

The charity's trustees (who are also the Directors of the company for the purposes of company law) 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.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

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

**Basis of Independent Examiner's Report**

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 these matters set out in the statement below.

**Independent Examiner's Statement**

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 386 of the Companies Act 2006; and
  - accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2005) have not been met; or
2. to which in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

G M Corby BSc FCA  
Merlin Accountancy Services Ltd  
2<sup>nd</sup> Floor  
33 Longbrook Street  
Exeter  
EX4 6AW

Signed:.....

Date:.....

**KENNAWAY HOUSE TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

**Year Ended 31 December 2020**

	Notes	2020 Total Funds £	2019 Total Funds £
<b>Incoming Resources</b>			
Donations and Legacies	3	1,664	2,406
Other Trading Activities	4	-	-
Income from Investments		137	240
Income from Charitable Activities	5	<u>77,881</u>	<u>94,488</u>
<b>Total Incoming Resources</b>		<u>79,682</u>	<u>97,134</u>
<b>Resources Expended</b>			
Expenditure on Raising Funds	6	12,507	19,575
Expenditure from Charitable Activities	7	<u>78,550</u>	<u>90,695</u>
<b>Total Resources Expended</b>		<u>91,057</u>	<u>110,270</u>
<b>Net Income/(Expenditure) for the year</b>		<u>(11,375)</u>	<u>(13,136)</u>
<b>Total Funds Brought Forward at 1<sup>st</sup> January 2020</b>	16	<u>(242,417)</u>	<u>(229,281)</u>
<b>Total Funds Carried Forward at 31<sup>st</sup> December 2020</b>	16	<u>(253,792)</u>	<u>(242,417)</u>

The statement of financial activities includes all gains and losses recognised in the period.

All income resources and resources expended derive from continuing activities. No operations have been discontinued or acquired during the year.

The charity's only activity is the provision of Kennaway House as a centre for the arts, learning, heritage and events.

The notes on pages 9 to 15 form part of the Financial Statements.

**KENNAWAY HOUSE TRUST**  
**BALANCE SHEET**  
**Registered Charity Number: 1122667**  
**As at 31 December 2020**

	Notes	2020		2019	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	10		1,010,967		1,014,625
<b>Current Assets</b>					
Stock		351		896	
Debtors and Prepayments	11	445		3,054	
Cash at bank and in hand	12	<u>95,931</u>		<u>93,022</u>	
		96,727		96,972	
<b>Current Liabilities</b>					
Amounts falling due within one year	13	<u>(5,882)</u>		<u>(8,874)</u>	
<b>Net Current Assets</b>					
			<u>90,845</u>		<u>88,087</u>
<b>Total Assets Less Current Liabilities</b>					
			1,101,812		1,102,712
<b>Long Term Liabilities</b>					
Amounts falling due after more than One year	14		<u>(349,512)</u>		<u>(339,037)</u>
<b>Net Assets</b>					
			<u>752,300</u>		<u>763,675</u>
<b>Total Funds</b>					
Unrestricted Funds:					
Capital Fund			506,092		506,092
Property Revaluation Reserve			500,000		500,000
General Fund			<u>(253,792)</u>		<u>(242,417)</u>
			<u>752,300</u>		<u>763,675</u>

The company is entitled to exemption from audit under Section 477(1) of the Companies Act 2006 for the year ended 31 December 2020. The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006 – however, in accordance with section 145 of the Charities Act 2011 the accounts have been examined by an independent examiner whose report appears in page 7.

The trustees acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its net income or expenditure for each financial year in accordance with the requirements of Section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Approved by the Board of Trustees on ..... and signed on its behalf by:

.....  
Linda Williams

**KENNAWAY HOUSE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**

**Year Ended 31 December 2020**

**1. COMPANY STATUS**

The charity is a company limited by guarantee and has no share capital and is registered in England and Wales. The company was incorporated on 14<sup>th</sup> January 2008, and the charities registered number and registered office address can be found within the Reference and Administration details on page 4 of the financial statements.

The members of the company are the trustees who are also ordinary members. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. A list of these members can be found in the Reference and Administration details as shown on page 4.

Since 31<sup>st</sup> December 2017, the Trustees of the charity changed its name from Kennaway House Limited to Kennaway House Trust. This change was made in March 2019.

**2. ACCOUNTING POLICIES**

**a) Basis of Preparation of Financial Statements**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

In drafting these financial statements, the charity has also takes advantage of the exemptions for smaller charities contained in Charity Commission publication CC17.

Kennaway House meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are presented in pound sterling (£) which is the charity's functional and presentation currency.

**b) Preparation of the financial statements on a going concern basis**

Kennaway House Trust reported a net deficit in the reporting period of £11,375, with total funds held at the end of the period of £752,300. Of these total funds, £(253,792) was held in either unrestricted or designated funds; a net decrease of £11,375.

The deficit is financed by a loan which has a current balance of £349,512. This loan is not due to be repaid until 2033/34.

The trustees are of the view that, on the above basis, the charity is a going concern.

Kennaway House Trust is reliant on the local community to continue purchasing its services and the economic outlook, cuts in public spending, and reduced levels of available funding, are a potential area of financial uncertainty for the charity.

**c) Incoming Resources**

The charity's only activity is the provision of Kennaway House as a centre for the arts, learning, heritage and events.

Legacies are recognised by reference to the date probate is granted, or if later, as soon as they are capable of being measured in financial terms.

Grants of a general nature are recognised as voluntary income.

**KENNAWAY HOUSE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**

**Year Ended 31 December 2020**

**Accounting Policies – continued**

**d) Volunteers and Donated Services and Facilities**

The value of services provided by volunteers is not incorporated into these financial statements.

**e) Resources Expended**

The Unrestricted Fund is used for the cost of generating funds, i.e. fundraising costs and loan interest, on charitable activities such as running costs of the building, staff costs and expenses, and setup costs towards post-restoration activities. Governance costs are set out in note 7.

Expenditure is included on an accrual basis and incorporates provisions for known liabilities where the costs can be predicted. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources.

Resources expended include attributable VAT which cannot be recovered.

**f) Taxation**

Under section 505 ICTA 1988 the charity is exempt from certain taxes. Full account is taken of tax credits attaching to gifts and qualifying donations. Kennaway House Trust has charitable status and is exempt from Corporation Tax on income it receives.

**g) Operating Leases**

The lease of the photocopier is classified as an operating lease, the title of the equipment remaining with the lessor and rental charges charged on a straight line basis over the term of the lease. £1,200 was paid in the year on Operating Leases.

**h) Tangible Fixed Assets**

Individual fixed assets are capitalised at cost. Capital items below £50 are not treated as capital items, and instead are charged as a revenue expense. Fixed assets are reviewed annually for impairment. Furnishings, fixtures and equipment are depreciated on a reducing balance basis at an annual rate of 25%.

**i) Financial instruments**

Kennaway House Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

- Financial assets, includes trade receivables, cash and balances and investments are recognised at transaction value.
- Financial liabilities, includes trade payables and recognised at transaction value. Trade payables are obligations to pay for goods and services required from suppliers in the course of business activities.

**j) Stock**

The stock held is for bar stock valued at cost.

**k) Funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. Unrestricted funds include a revaluation reserve representing the restatement of the freehold property at Director's valuation.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on the expenditure imposed by the donor or through the terms of an appeal.

**KENNAWAY HOUSE TRUST  
NOTES TO THE FINANCIAL STATEMENTS**

**Year Ended 31 December 2020**

**3. DONATIONS AND LEGACIES**

	<b>Year Ended 31 December 2020</b>	<b>Year Ended 31 December 2019</b>
	<b>£</b>	<b>£</b>
Donations	511	767
Friends Subscriptions	1,153	1,639
Legacies	-	-
	1,664	2,406
	1,664	2,406

**4. OTHER TRADING ACTIVITIES**

	<b>Year Ended 31 December 2020</b>	<b>Year Ended 31 December 2019</b>
	<b>£</b>	<b>£</b>
Friends Events	-	-
	-	-
	-	-

**5. INCOME FROM CHARITABLE ACTIVITIES**

Kennaway House was used for adult education classes, lectures, art exhibitions, other arts events, weddings, civic and other social events.

	<b>Year Ended 31 December 2020</b>	<b>Year Ended 31 December 2019</b>
	<b>£</b>	<b>£</b>
Room Hire	35,858	63,646
Bar Sales	534	10,369
Literary Events	-	4,282
Craft and Music Events	60	10,119
Art Sales	286	3,964
History Events	-	818
Miscellaneous	41,143	1,290
	77,881	94,488
	77,881	94,488

**6. EXPENDITURE ON RAISING FUNDS**

	<b>Year Ended 31 December 2020</b>	<b>Year Ended 31 December 2019</b>
	<b>£</b>	<b>£</b>
Fundraising, Cost of Grants, Donations and Events	1,605	8,458
Loan Interest	10,475	10,475
Bank Charges	427	642
	12,507	19,575
	12,507	19,575

**KENNAWAY HOUSE TRUST  
NOTES TO THE FINANCIAL STATEMENTS**

**Year Ended 31 December 2020**

**7. EXPENDITURE FROM CHARITABLE ACTIVITIES**

	<b>Year Ended 31 December 2020</b>	<b>Year Ended 31 December 2019</b>
	<b>£</b>	<b>£</b>
Building Running Costs	40,313	41,704
Advertising, Website and Promotional Costs	2,014	2,764
Staff Costs	34,174	44,245
Governance Costs	2,049	1,982
	<hr/>	<hr/>
	78,550	90,695
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**8. STAFF COSTS**

	<b>Year Ended 31 December 2020</b>	<b>Year Ended 31 December 2019</b>
	<b>£</b>	<b>£</b>
Wages and Salaries	33,618	43,808
Pension costs	556	437

The staff costs relate to the salaries paid to the full time Premises Manager and 2 part time staff who help the manager with the running of Kennaway House, with their National Insurance and Pension costs. National Insurance costs are currently covered by HRMC's Employment Allowance of £4,000.

The Key Management Personnel of Kennaway House is the Premises Manager.

No employee received remuneration in excess of £60,000 in either the current or previous year.

The average number of employees during the year were 2.3 (2019: 3.1).

**9. MOVEMENTS IN TOTAL FUNDS FOR THE YEAR**

	<b>Year Ended 31 December 2020</b>	<b>Year Ended 31 December 2019</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation	3,658	4,876
Independent Examiner's Fee/Accountancy Fee	1,373	1,372
Operating Lease Commitment	1,200	1,200

**KENNAWAY HOUSE TRUST  
NOTES TO THE FINANCIAL STATEMENTS**

**Year Ended 31 December 2020**

**10. TANGIBLE FIXED ASSETS**

	Freehold Property	Computer Equipment	Furnishings	Fixtures & Fittings	Total
<b>COST</b>					
At 1 January 2020	1,000,000	2,347	20,197	48,857	1,071,401
Additions	-	-	-	-	-
At 31 December 2020	<u>1,000,000</u>	<u>2,347</u>	<u>20,197</u>	<u>48,857</u>	<u>1,071,401</u>
<b>DEPRECIATION</b>					
At 1 January 2020	-	587	19,262	36,926	56,775
Charge for year	-	441	234	2,984	3,659
At 31 December 2020	<u>-</u>	<u>1,028</u>	<u>19,496</u>	<u>39,910</u>	<u>60,434</u>
<b>NET BOOK VALUE</b>					
At 31 December 2020	<u>1,000,000</u>	<u>1,319</u>	<u>701</u>	<u>8,947</u>	<u>1,010,967</u>
At 31 December 2019	<u>1,000,000</u>	<u>1,760</u>	<u>934</u>	<u>11,931</u>	<u>1,014,625</u>

Freehold Property: Kennaway House is shown at Director's revaluation of December 2012.

The Trustees are not aware of any material changes since the last valuation.

**11. DEBTORS AND PREPAYMENTS**

	<b>Year Ended 31 December 2020</b>	<b>Year Ended 31 December 2019</b>
	<b>£</b>	<b>£</b>
<b>Due Within One Year</b>		
Debtors	20	1,774
Prepayments	370	1,280
Other Debtors	55	-
	<u>445</u>	<u>3,054</u>

**12. CASH AT BANK AND IN HAND**

	<b>Year Ended 31 December 2020</b>	<b>Year Ended 31 December 2019</b>
	<b>£</b>	<b>£</b>
CCLA Deposit Accounts	32,358	32,221
HSBC Current Accounts	63,313	60,541
Cash in Hand	260	260
	<u>95,931</u>	<u>93,022</u>

**KENNAWAY HOUSE TRUST  
NOTES TO THE FINANCIAL STATEMENTS**

**Year Ended 31 December 2020**

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Year Ended 31 December 2020</b>	<b>Year Ended 31 December 2019</b>
	<b>£</b>	<b>£</b>
Creditors	-	19
Accruals	3,307	3,464
Social Security and Other Taxes	1,089	1,455
Other Creditors	1,486	3,947
	5,882	8,885

**14. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR**

East Devon District Council Loan. Amounts due as follows:

Amounts due within 1 year	Nil
Amounts due within 2-5 years	Nil
Amounts due over 5 years	£349,512

This interest only loan is secured against the Kennaway House property by way of legal charge. The interest rate for this loan is 4.19%. The loan is due for repayment in 2033/34.

**15. MOVEMENT IN FUNDS**

	<b>As at 01 Jan 2020</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>As at 31 Dec 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Capital Fund	506,092	-	-	-	506,092
Property Revaluation Reserve	500,000	-	-	-	500,000
General Fund	(242,417)	79,682	91,057	-	(253,792)
	763,675	79,682	91,057	-	752,300

The General Fund has been established to maintain liquid reserves at a level which equates to approximately 3 months of unrestricted expenditure. This provides sufficient funds to cover management, administration and support costs.

The Capital Fund and the Revaluation Reserve is the value of restricted funds represented by the freehold property owned by the charity.

**KENNAWAY HOUSE TRUST  
NOTES TO THE FINANCIAL STATEMENTS**

**Year Ended 31 December 2020**

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted Funds £</b>	<b>Designated Funds £</b>	<b>Total Funds As at 31 Dec 2020 £</b>	<b>Total Funds As at 31 Dec 2019 £</b>
Tangible Fixed Assets	4,875	1,006,092	1,010,967	1,014,625
Current Assets	96,727	-	96,727	96,972
Current Liabilities	(5,882)	-	(5,882)	(8,885)
Long Term Liabilities	(349,512)	-	(349,512)	(339,037)
	<hr/>			
Net assets	(253,792)	1,006,092	752,300	763,675
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**17. RELATED PARTIES**

No trustee or connected person has received fees or emoluments, or reimbursement of expenses incurred during the year.

There were no related party transactions in the year.