

Charity registration number 1131269

Company registration number 6932120 (England and Wales)

BERNARD'S ACRE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

BERNARD'S ACRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr A Heron
Mrs R J Sowden
Mr P T Sowden
Mrs I Mathieson
Mrs R Heron
Mr P J Hawes
Mr C R Eggins

Charity number

1131269

Company number

6932120

Registered office

15-17 Southernhay East
Exeter
Devon
EX1 1QE

Independent examiner

Mr A Hemmings BA (Hons) FCA CTA
Simpkins Edwards LLP
The Summit
Woodwater Park
Pynes Hill
Exeter
Devon
EX2 5WS

BERNARD'S ACRE

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BERNARD'S ACRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their annual report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 and "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

During the year, Rosemary Sowden was responsible for day to day administration of property bookings, administration and finance. Paul Sowden was responsible for property matters.

During the year the Charity employed one part time person for 20 hours per week - 12 hours per week as caretaker plus 8 hours per week to cover the day-to-day administration of the centre bookings process.

The Focus of our Work

Our main objective for the period were to promote the evangelical Christian faith. We meet these objectives by letting out the premises at Bernard's Acre to church affiliated and other Christian groups and individuals.

Purposes and Aims

Our charity's purposes as set out in the objects contained in the company's memorandum of association are:

- The promotion of the Evangelical Christian Faith and in furtherance of this object to provide a Christian Centre; and
- The furtherance of such other charitable purposes as the charity shall determine.

The aims of our charity are to promote the evangelical Christian faith by providing premises for use by church affiliated and other groups that respect our values. These premises are known as Bernard's Acre and are located at Belstone, Okehampton, Devon. We are an inclusive Christian charity. Everyone is welcome to use our facilities, whether they are a person of faith or not.

The charity is a successor body to the unincorporated charitable trust known as The Bernard's Acre Trust established by deed executed on 10 January 1981. On 1 October 2009, the Trust transferred the freehold property at Bernard's Acre and its entire net assets to the charity. The charity commenced the activities previously undertaken by the Trust on 1 October 2009. In 5th June 2017 Bernard's Acre Trust was linked to the Trust by the Charity Commission.

Ensuring our Work Delivers Our Aims

When reviewing our aims this year the Trustees have considered the Charity Commission's published guidance on public benefit. The aim of our charity is to provide comfortable, affordable, accessible accommodation for use by families, church affiliated groups and other groups that respect our values.

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the period, the success of the key activities and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aim, objectives and activities remain focused on our stated purposes. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

How our Activities Deliver Public Benefit

Our main activities and who we try to help are described below. All our charitable activities focus on the promotion of the evangelical faith by the provision of suitable premises for hire and are undertaken to further our charitable purposes for the public benefit.

BERNARD'S ACRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2023**

Achievements and performance

Who used and benefited from our Services

Bernard's Acre was let for 90% of weekends during 2023 which is our primary letting pattern. The occupancy rate during the November to March low season remained steady at 39% with the mid season also steady at 76%. The Summer holiday AND Christmas high season rate remained at nearly 90%. The impact of our work goes far beyond the individuals who stay at Bernard's Acre. The bookings returned to a more normal pattern, which included church based groups and activities, including youth groups, Educational groups, adult retreats as well as the family groups. Our work also benefits the churches, families and communities to which guests belong with additional income generated by letting to families and groups for holidays during the periods when the centre would otherwise be vacant.

In September the building was closed for a number of weeks mid week to allow the installation of solar panels.

Financial review

The charitable company made an operating surplus in the year of £59,626 (2022 – surplus £12,587).

Total income increased by £53,222 compared to the previous year. The Lorraine Trust gifted £50,000 by way of reducing the Charity's loan due to them.

Total expenditure showed an increase of £6,183 compared to the previous years with small increases seen in salary costs and repairs and renewals.

The charitable company's funds totalled £464,601 at the year-end with net current assets totalling £28,217.

Principal Funding Sources

The principal funding sources for the charity over this year were the letting of Bernard's Acre and some donations from supporters.

Investment Policy

Aside from retaining a prudent amount in reserves each year most of the charity's funds are to be spent in the short term concentrating on repayment of long term borrowing and upgrade of the premises in order to reach a carbon neutral position in the long term, so there are no funds for long term investment.

Reserves policy

The directors have examined the charity's requirements for reserves in light of the main risks to the organisation which would include a significant reduction in lettings income and the liabilities associated with employment of staff. It has established a policy to hold at least 6 months of unrestricted expenditure. At the year-end reserves in 2022 were £51,315 which was in excess of this policy. So the Board spent £23,000 on the installation of solar panels to move Bernard's Acre towards a carbon neutral position. Reserves this year totalled £28,217 which was in line with this policy.

Budgets for the coming year forecast a net operating profit of £23,992 of which it is proposed up to £12,000 would be earmarked for repayment of the mortgage capital. In addition, £50,000 of the mortgage borrowed from a grant giving Trust was converted into a grant so the sum owed is reduced to £22,000 going into 2024.

Plans for future periods

The charity has a full booking diary for 2023. We are reviewing our marketing strategy in order to maximise the income that can be generated during the low season now the upgrade has been completed allowing letting all year round.

Structure, governance and management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 12th June 2009 and registered as a charity on 21st August 2009. The company was established under a Memorandum of Association which established the objectives and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

BERNARD'S ACRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2023**

Directors

The names of persons who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report, are set out on page 1.

Mr A Heron

Mrs R J Sowden

Mr P T Sowden

Mrs I Mathieson

Mrs R Heron

Mr P J Hawes

Mr C R Eggins

Recruitment and appointment of trustees

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association the directors are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting. The directors are also members of the company and the company has no members who are not directors, therefore the Annual General Meeting was deemed to have taken place as part of the meeting of the directors at which the Accounts were presented for approval.

All directors/trustees give their time voluntarily and received no benefits from the charity.

Organisational structure

Bernard's Acre has a board of directors who meet biannually (or more as required) and are responsible for the strategic direction and policy of the charity. At present the board has seven members from a variety of professional backgrounds relevant to the work of the charity.

Induction and training of trustees

No new trustees were appointed during the year. All trustees have visited Bernard's Acre and volunteer in practical ways.

Additionally, trustees familiarise themselves with the charity and the context within which it operates, including:

- The obligations of members
- The main documents which set out the operational framework for the charity including the Memorandum and Articles
- Resourcing and the current financial position
- Future plans and objectives

Risk Management

The directors have reviewed the major risks to which the charity is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces.

Mr A Heron

Trustee

8 June 2024

BERNARD'S ACRE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF BERNARD'S ACRE

I report to the Trustees on my examination of the financial statements of Bernard's Acre (the charity) for the year ended 31 December 2023.

Responsibilities and basis of report

As the Trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable 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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

Mr A Hemmings BA (Hons) FCA CTA

for and on behalf of Simpkins Edwards LLP

The Summit
Woodwater Park
Pynes Hill
Exeter
Devon
EX2 5WS

Dated: 24 June 2024

BERNARD'S ACRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £
Income from:					
Donations and legacies	2	51,663	5,000	56,663	6,380
Charitable activities	3	50,929	-	50,929	48,706
Other trading activities	4	221	-	221	228
Investments	5	1,133	-	1,133	410
Total income		103,946	5,000	108,946	55,724
Charitable activities	6	49,320	-	49,320	43,137
Net income		54,626	5,000	59,626	12,587
Transfers between funds		5,000	(5,000)	-	-
Net movement in funds		59,626	-	59,626	12,587
Reconciliation of funds:					
Fund balances at 1 January 2023		404,975	-	404,975	392,388
Fund balances at 31 December 2023		464,601	-	464,601	404,975

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

BERNARD'S ACRE

BALANCE SHEET

AS AT 31 DECEMBER 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	9		458,384		435,660
Current assets					
Debtors	10	3,710		4,811	
Cash at bank and in hand		43,912		57,061	
		47,622		61,872	
Creditors: amounts falling due within one year	12	19,405		10,557	
Net current assets			28,217		51,315
Total assets less current liabilities			486,601		486,975
Creditors: amounts falling due after more than one year	13		(22,000)		(82,000)
Net assets			464,601		404,975
The funds of the charity					
Unrestricted funds			464,601		404,975
			464,601		404,975

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 8 June 2024

Mr A Heron
Trustee

Company registration number 6932120 (England and Wales)

BERNARD'S ACRE

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

1 Accounting policies

Charity information

Bernard's Acre is a private company limited by guarantee incorporated in England and Wales. The registered office is 15-17 Southernhay East, Exeter, Devon, EX1 1QE.

The liability of each member in the event of winding up is limited to £10.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

BERNARD'S ACRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Equipment costing more than £750 is capitalised.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	The freehold property is stated at estimated market value and is not depreciated
Fixtures and fittings	15% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

BERNARD'S ACRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Taxation

As a charitable company, Bernard's Acre is exempt from tax on income and gains falling within sections 466 to 493 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable purposes. No tax charges have arisen in the charity.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Supply of Water to Riverside Cottage

A deed has been drawn up between Bernard's Acre and Riverside Cottage regarding water supplied via Bernard's Acre. The costs of metered water and standing charge are shown in other income.

2 Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	51,663	5,000	56,663	6,380	-	6,380

3 Income from charitable activities

	Charitable activities income 2023 £	Charitable activities income 2022 £
Letting's income	50,929	48,706
Analysis by fund		
Unrestricted funds	50,929	48,706

BERNARD'S ACRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

4 Income from other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Trading activity income: other	221	228

5 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	1,133	410

6 Expenditure on charitable activities

	Charitable expenditure 2023 £	Charitable expenditure 2022 £
Direct costs		
Staff costs	12,404	9,473
Depreciation and impairment	9,404	8,787
Heating and Lighting	3,792	4,303
Insurance	2,878	2,819
Water and Sewage	826	526
Waste Disposal	484	484
Telephone	1,091	795
Repairs, Maintenance and Equipment	6,296	5,431
Cleaning	3,885	3,814
Rent and Rates	338	348
Accountancy	2,010	690
Payroll Charges	252	351
Bank Charges	91	81
Miscellaneous Expenses	1,271	620
Lorraine Trust Mortgage Interest	3,280	3,684
Dues and Subscriptions	555	-
Advertising	463	931
	49,320	43,137
Analysis by fund		
Unrestricted funds	49,320	43,137

BERNARD'S ACRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

7 Trustees

One of the Trustees was reimbursed expenses totalling £2,206 during the year. These costs were in relation to charitable expenditure.

8 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	1	1
Employment costs	2023	2022
	£	£
Wages and salaries	12,404	9,473

There were no employees whose annual remuneration was more than £60,000.

9 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 January 2023	400,000	58,575	458,575
Additions	-	32,130	32,130
At 31 December 2023	400,000	90,705	490,705
Depreciation and impairment			
At 1 January 2023	-	22,917	22,917
Depreciation charged in the year	-	9,404	9,404
At 31 December 2023	-	32,321	32,321
Carrying amount			
At 31 December 2023	400,000	58,384	458,384
At 31 December 2022	400,000	35,660	435,660

BERNARD'S ACRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

10 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	1,396	2,705
Prepayments and accrued income	2,314	2,106
	<u>3,710</u>	<u>4,811</u>

11 Loans and overdrafts

	2023 £	2022 £
Bank overdrafts	6,307	-
Other loans	22,000	82,000
	<u>28,307</u>	<u>82,000</u>
Payable within one year	6,307	-
Payable after one year	22,000	82,000
	<u>28,307</u>	<u>82,000</u>

A loan of £100,000 has been offered by The Loraine Christian Trust with interest charged at 4% over a period of up to fifteen years.

During the year the Trustees of the Loraine Trust agreed to reduce the loan by £50,000 as at the year end date.

The Charity also repaid £10,000 during the year.

12 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank overdrafts	11	6,307	-
Deferred income	14	10,042	9,133
Other creditors		659	167
Accruals and deferred income		2,397	1,257
		<u>19,405</u>	<u>10,557</u>

13 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Borrowings	22,000	82,000
	<u>22,000</u>	<u>82,000</u>

BERNARD'S ACRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

14 Deferred income

	2023 £	2022 £
Other deferred income	10,042	9,133

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Deferred income is included within:		
Current liabilities	10,042	9,133
Movements in the year:		
Deferred income at 1 January 2023	9,133	6,975
Released from previous periods	(9,650)	(5,912)
Resources deferred in the year	10,559	8,070
Deferred income at 31 December 2023	10,042	9,133

15 Restricted funds

The restricted funds of the charity comprise the balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2023 £	Incoming resources £	Transfers £	At 31 December 2023 £
The Moshulu Charitable Trust Grant	-	5,000	(5,000)	-

During the year, the charity received £5,000 from The Moshulu Charitable Trust. This donation was to be used to assist the charity in the purchase of solar panels.

16 Unrestricted funds

	At 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 December 2023 £
Revaluation of property	250,000	-	-	-	250,000
General funds	154,975	103,946	(49,320)	5,000	214,601
	404,975	103,946	(49,320)	5,000	464,601

BERNARD'S ACRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

16 Unrestricted funds (Continued)

Previous year:	At 1 January 2022	Incoming resources	Resources expended	Transfers	At 31 December 2022
	£	£	£	£	£
Revaluation of property	250,000	-	-	-	250,000
General funds	142,388	55,724	(43,137)	-	154,975
	<u>392,388</u>	<u>55,724</u>	<u>(43,137)</u>	<u>-</u>	<u>404,975</u>

17 Related party transactions

Equipment and work done totalling £767 was paid for by the charity to a company where the son of two of the trustees is a director.