

The Hawkes Will Trust

Report and Financial Statements

Year ended 31 December 2020

Registered charity number 1144972





Report of the Trustees

For the Year Ended 31 December 2020

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

The accounts (financial statements) have been prepared in accordance with 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), the Charities Act 2011 and UK Generally Accepted Practice.



Report of the Trustees

For the Year Ended 31 December 2020

Reference and administrative information

Charity Name	The Hawkes Will Trust (also known as The Hawkes Bequest)
Charity Number	1144972
Principal Address	St Nicholas Church Rectory Lane Stevenage Hertfordshire SG1 4DA

Charity Trustees

Reverend Dave Brown	Served as a trustee throughout the year
Stephen Bamford	Served as a trustee to 20 th September 2020
Karen Walker	Served as a trustee throughout the year
Mike Wilton	Served as a trustee from 20 th September 2020

Financial Trust Officer

Sandra Taylor

Custodian Trustees

The St Albans Diocesan Board of Finance
Holywell Lodge
41 Holywell Hill
St Albans
Hertfordshire
AL1 1HE

Independent Examiner

Colin Wilkinson
Barker Wilkinson Ltd
108 High Street
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SG1 3DW

Bankers

Barclays Bank plc
Unit 3
The Forum Centre
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Report of the Trustees

For the Year Ended 31 December 2020

Structure, governance and management

The Hawkes Will Trust is constituted as a charitable trust and registered with the Charity Commission under charity number 1144972. It is commonly referred to as The Hawkes Bequest. The Trust was established on 12 September 2008 following the death of the late Robert Hawkes who left his entire estate to be used for the maintenance and upkeep of the building of St Nicholas Church, Stevenage. The Trust is governed by the terms of his will.

The will stipulates that the vicar in residence and churchwardens are to be appointed as trustees. Although no specific training is given new trustees are encouraged to familiarise themselves with the conditions of the will (the governing document) and published guidance from the Charity Commission. Advice is also available from the custodian trustees, The St Albans Diocesan Board of Finance.

The trustees are responsible for the general control and management of the charitable trust and aim to meet twice a year with further meetings as necessary. The trustees receive no remuneration for their service.

The Parochial Church Council (PCC) is responsible for the maintenance of the fabric of the building. Funding requests from the PCC are approved only if all trustees are satisfied that the nature of the work is allowed within the terms of the will. Since June 2018, once expenditure has been approved, the bills are paid by the PCC and a grant to cover the expenditure is transferred from the Trust to the PCC and recorded in its books of account.

Risk management

The trustees have considered the major risks to which the charitable trust is exposed and these are kept under constant review.

The church has experienced instances of graffiti, arson, vandalism and metal theft in the past and security of the premises is an ever-present concern. Although the church is fully insured with Ecclesiastical Insurance the cover available for metal theft is strictly limited due to the high incidence of such thefts in recent years. The Trust continues to fund the maintenance of the CCTV system together with the security lighting to vulnerable areas but the churchwardens recognise there will always be a serious risk of metal theft from the building which is not covered by the insurance. They continue to monitor security and keep all potential improvements under consideration.

As part of security measures all lead is indelibly marked with 'smart water' and a 'lead watch' scheme has been established with neighbours, local police and members of the congregation to keep a watchful eye on the church. This was reviewed by the local Crime Prevention Officer at the end of 2019.

Investment Policy and performance

Since its inception the Trust has derived most of its income from bank deposits and rental income from a freehold property which was sold in 2014. Historically the investment strategy was dictated by the need to maintain sufficient cash reserves to fund the extensive backlog of maintenance work required at the church. That work being largely complete, the trustees actively reviewed their investment strategy to meet their likely long-term commitments. With the approval of the custodian trustees the Hawkes trustees invested their cash reserves in a range of maturities to provide income and capital growth over the long term.

In March 2015 £200,000 was invested with CCLA in the Church of England Investment Fund Income Shares which provides a quarterly income. In September 2015 £400,000 was invested in a portfolio with Trinity Wealth Management, divided into three funds designed to meet the liquidity requirements of the Trust over 5 - 10 years and more than 10 years with income being reinvested in the portfolio. Sufficient cash reserves were retained to fund projected maintenance expenditure over the next five years.

As part of an overall financial review the trustees put aside the sum of £25,000 on deposit against the possibility of a serious metal theft from the church.



Report of the Trustees For the Year Ended 31 December 2020

Investment Policy and performance (Cont'd)

Funds were withdrawn from both investments during 2019 to fund the major repair project and in 2020 the Trinity Wealth Management investment was closed with the remaining funds invested in the CCLA Church of England Investment Fund Income Shares.

Objectives and activities

The primary objective of the Trust is to fund the repair of the church building for the benefit of all those that use it. Under the terms of the will, the trustees have the power to apply the capital of the Trust for this purpose as well as income. The trustees confirm that they have considered the provisions of Section 17(5) of the Charities Act 2011 and consider that the trusts aims and objectives are for the public benefit.

Review of achievements

Responsibility for the maintenance of the church rests with the PCC on the advice of an architect appointed to undertake a quinquennial inspection. The PCC has concentrated on undertaking work identified in earlier quinquennial inspections.

The stone flooring in the church was badly decayed in many areas and in need of repair or renewal. As this would involve removing all the contents of the building for the duration of the work, the PCC appointed an architect to undertake a feasibility study of the opportunities for reordering and the report was received in February 2018. The work would disturb the services within the building (heating, lighting, power supplies and audio-visual facilities). The necessity of refurbishing/replacing these with up to current standard services would have the added benefit of reduced maintenance costs in the future. The PCC appointed specialist advisors to prepare proposals. A petition for a faculty for these works was deposited in November 2018 and one for the construction of a mezzanine floor in the parish room (outside of the scope of the Hawkes Trust) was deposited in December 2018. Both were granted in 2019.

The trustees agreed to contribute to the cost of these appointments to the extent that the work related to short- and long-term maintenance of the building. Expenditure on professional fees was incurred during 2018 in preparing the petition for a faculty and contractual preparations, and a contractor appointed in May 2019 with work commencing in June 2019. The Diocesan Advisory Committee asked that both elements of the work were undertaken concurrently by a single main contractor. Mindful of the need to plan for the longer- term care of the building, the Trustees agreed to fund a substantial majority of the items identified as maintenance of the building, with the PCC funding the development portion. Grants and donations from the wider community were sought by the PCC to cover the shortfall.

Plans for Future Periods

The floor replacement and services renewal project was due to be completed in Spring 2020. Due to the Covid 19 pandemic, although practical completion was achieved in March 2020 there were still a number of items needing finalising resulting in the final account from the contractor not being received during 2020. A review is being undertaken by the Trustees of future funding of maintenance and repair of the church following a quinquennial inspection in November 2020.

Financial review

During the period under review the trust generated income of £5,074 (2019 £9,185) from investments, a rate of return of approximately 2.1% (2019 1.2%). The Trust's main expenditure was on the floor and subsequent services repairs as outlined in the Review of Achievements above. The trust currently has free reserves of £262,955 (2019 £528,841) these are available for expenditure on the Trusts objectives and aims.

Approved by the trustees on 23rd April 2021 and signed on their behalf by:

Rev Dave Brown



Statement of financial activities

for the year ended 31 December 2020

	Note	Restricted income fund £	Expendable endowment fund £	Total funds 2020 £	Total funds 2019 £
Income and Endowments					
Income from investments	3	5,073	-	5,073	9,185
Other income	4	58,724	-	58,724	74,053
Total incoming resources		63,797	-	63,797	83,238
Expenditure					
Expenditure on Charitable Activities					
Church buildings insurance		-	-	-	1,738
PCC Grants	5	357,788	-	357,788	406,255
Other costs	5	540	-	540	510
Total resources expended		358,328	-	358,328	408,503
Net gains/(losses) on investments	6	-	28,645	28,645	74,777
Net Income/(Expenditure)		(294,531)	28,645	(265,886)	(250,488)
<i>Transfers between funds</i>		294,531	(294,531)	-	-
Net movement in funds		-	(265,886)	(265,886)	(250,488)
<i>Total funds brought forward</i>		<i>-</i>	<i>528,841</i>	<i>528,841</i>	<i>779,329</i>
Total funds carried forward	7	-	262,955	262,955	528,841

The notes on pages 7 to 11 form part of these accounts.



Balance sheet

at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Investment assets	8	207,382	238,737
Total fixed assets		207,382	238,737
Current assets			
Debtors and prepayments		-	-
Cash at bank		47,214	293,712
Cash held by custodian trustees	9	8,779	3,953
Total current assets		55,993	297,665
Current liabilities			
Creditors: amounts falling due within one year	10	(420)	(7,561)
Net current assets		55,573	290,104
Total assets less current liabilities		262,955	528,841
Funds of the Trust			
Expendable endowment	7	262,955	528,841
Total Trust funds		262,955	528,841

The notes on pages 7 to 11 form part of these accounts.

The financial statements were approved by the trustees on 23rd April 2021 and were signed on their behalf by:

Rev Dave Brown



Notes to the financial statements

for the year ended 31 December 2020

1. Accounting policies

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historic cost convention and 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 Charities Act 2011.

The trustees are not aware of any material uncertainties about the charity's ability to continue and therefore the Charity's financial statements have been prepared on a going concern basis.

(b) Funds structure

The Trust has a single expendable endowment which can only be used for the maintenance and repair of St Nicholas Church building. It is not a permanent endowment and the trustees may utilise the capital as well as the income for the designated purpose.

Income from the endowment is taken to a restricted income fund which is subject to the same restrictions as the endowment. Expenditure is taken initially from the restricted income fund and then from the expendable endowment.

(c) Income recognition

All incoming resources are recognised once the charity has entitlement to the resources, there is sufficient certainty that it is probable that the resources will be received and the monetary value of income can be measured with sufficient reliability. Investment income is included when receivable.

(d) Expenditure recognition

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

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

All expenditure is for the Charitable Activities of the Charity.

(e) Irrecoverable VAT and Income Tax

Irrecoverable VAT is aggregated with and charged to the expenditure heading for which it was incurred. The Listed Places of Worship Grant Scheme makes grants towards the VAT incurred in making repairs to listed buildings mainly used for public worship. Any grants received under this scheme as well as recoverable income tax are included within the Statement of financial activities as part of 'Other income'.

(f) Tangible fixed assets

Assets acquired for the maintenance of the church building and surrounding area are capitalised at historic cost where that cost is more than £1,500. Depreciation is provided over the expected useful life of the asset. During the period under review no assets were acquired that cost more than £1,500.

(g) Investment Assets

Investment assets are classified as a separate category within fixed assets. These are shown in the balance sheet at their transaction value and subsequently measured at market value. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

(h) Cash at Bank and in Hand

Cash held in short term bank balances and readily convertible short-term cash deposits are accounted for as Cash at Bank and in Hand.



Notes to the financial statements

for the year ended 31 December 2020

1. Accounting policies (Continued)

(i) Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at settlement value.

2. Related party transactions and trustees' remuneration

The trustees received no remuneration for acting in that capacity during the year and there were no trustee expenses.

The Trust made grants of £357,788 to the St Nicholas Church PCC. All of the Trustees are also trustees of the St Nicholas Church PCC.

3. Investment income

	2020 £	2019 £
Investment Fund Income	4,826	6,372
Dividends – UK equities	-	1,309
Interest on cash deposits	247	1,504
	5,073	9,185

4. Other income

	2020 £	2019 £
Listed Places of Worship Grant 2020	51,583	74,053
Listed Places of Worship Grant due to PCC from 2019	7,141	-
	58,724	74,053

5. Expenditure on charitable activities

The following notes provide further analysis for expenditure on charitable activities:

(a) PCC Grants	2020 £	2019 £
Floor repairs project - Architect Fees	9,466	37,910
Floor repairs project - Other Professional Fees	18,112	34,405
Floor repairs project - Contractor	324,031	323,701
Floor repairs project - Insurance	127	1,269
CCTV – maintenance & support	594	1,011
CCTV - Broadband Access	351	299
Septic tank emptying	250	250
Lightning conductor maintenance	143	143
Heating maintenance	-	114
Organ maintenance	-	425
General maintenance	-	2,497
Insurance	3,514	3,671
Architect Fees – Quinquennial Inspection	1,200	560
	357,788	406,255



Notes to the financial statements

for the year ended 31 December 2020

(b) Other costs	2020	2019
	£	£
Independent examiners fees	540	510
	540	510

6. Net gains/(losses) on investment

	2020	2019
	£	£
Revaluation of income fund	43,015	37,323
Revaluation of investment fund	(12,099)	33,914
Revaluation of other investments (equities)	(2,271)	3,540
	28,645	74,777

7. Expendable endowment

The movement on the expendable endowment during the year and previous year was as follows:

	2020	2019
	£	£
Value of fund at beginning of the year	528,841	779,329
Income	63,797	83,238
Expenditure	(358,328)	(408,503)
Gains on investment assets	28,645	74,777
Fund value at the end of year	262,955	528,841

8. Fixed asset investments

Movement in fixed asset investments:

	2020	2019
	£	£
Market value at beginning of the year	238,737	722,399
Gain on revaluation of investment assets	28,645	74,777
Sale and transfer of investment assets to cash	(60,000)	(558,439)
Market value at the end of the year	207,382	238,737

Investments at market value comprise:

	2020	2019
	£	£
Income fund	205,198	63,276
Investment fund	-	171,006
Other investments (equities)	2,184	4,455
	207,382	238,737



Notes to the financial statements

for the year ended 31 December 2020

9. Assets held by custodian trustees

The St Albans Diocesan Board of Finance acts as custodian trustees for the Trust, holding the following assets:

	2020 £	2019 £
Income fund	205,198	63,276
Investment fund	-	171,006
Other investments (equities)	2,184	4,455
Bank deposit	8,779	3,953
	216,161	242,690

10. Creditors: amounts falling due within one year

The following amounts are due for payment in 2021:

	2020 £	2019 £
Other accruals	420	420
Monies due to St Nicholas PCC	-	7,141
	420	7,561

11. Commitments

At a meeting of the trustees held on 16th May 2019 the Trustees committed to support the St Nicholas PCC with the costs of repair and replacement of the floor in St Nicholas Church and various other repairs, replacements and improvements.

The total value of works approved by the Trustees was £637,870 and an extra £63,000 was approved on 7th February 2020. At the balance sheet date, the total grants paid to St Nicholas PCC for this project, net of VAT reclaimed, was £657,907, the balance of £42,963 is committed to be granted to the St Nicholas PCC in 2021.

12. Legal Status

The Charity is a trust registered at the Charity Commission at St Nicholas Church, Rectory Lane, Stevenage, Herts, SG1 4DA. The charity is a public benefit entity.



Notes to the financial statements

for the year ended 31 December 2020

13. Comparatives for Statement of Financial Activities

	Note	Restricted income fund £	Expendable endowment fund £	Total funds 2019 £
Income and Endowments				
Income from investments		9,185	-	9,185
Other income		74,053	-	74,053
Total incoming resources		83,238	-	83,238
Expenditure				
Expenditure on Charitable Activities				
Church buildings insurance		1,738	-	1,738
PCC Grants		406,255	-	406,255
Other costs		510	-	510
Total resources expended		408,503	-	408,503
Net gains/(losses) on investments		-	74,777	74,777
Net Income/(Expenditure)		(325,265)	74,777	(250,488)
Transfers between funds		325,265	(325,265)	-
Net movement in funds		-	(250,488)	(250,488)
Total funds brought forward		-	779,329	779,329
Total funds carried forward		-	528,841	528,841



Independent examiner's report

to the trustees of The Hawkes Will Trust

I report to the trustees on my examination of the accounts of The Hawkes Will Trust, for the year ended 31 December 2020 which are set out on pages 5-11.

Responsibilities and basis of report

As the charity trustees of The Hawkes Will Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent examiner's statement

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

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

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

C Wilkinson FCCA

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2021