

Charity Registration No. 1145202

Company Registration No. 07867602 (England and Wales)

**GUILDFORD POYLE CHARITIES**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

# GUILDFORD POYLE CHARITIES

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Dr Ian Christopher Dean (Chair of the Trustees, Grants Chair from May 2020) Mrs Deborah Drury Mr Mike Evans Ms Nicola Freeman Mr Matthew Gray Ms Debbie Hustings Mr Barry Marshall (Deputy Chair from April 2020) Mrs Moyra Matravers Mr Tim Meston Mr Paul Mitchell Dr Jonathan Norris Mr Gordon Reid (Chair of Finance & General Purposes Committee) Mr Tony Rooth Mrs Liz Westwood
<b>Charity number</b>	1145202
<b>Company number</b>	07867602
<b>Registered office</b>	208 High Street Guildford Surrey GU1 3JB
<b>Independent examiner</b>	Stephen Meredith FCA DChA Alliotts LLP Friary Court, 13-21 Friary Court Guildford Surrey GU1 3DL

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# GUILDFORD POYLE CHARITIES

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# **GUILDFORD POYLE CHARITIES**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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

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 memorandum and articles of association, 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**

The aims and objectives of the charity are:

- The relief of financial hardship, either generally or individually, of people living in Guildford Poyle Charities' area of benefit by making grants of money for providing or paying for items, services or facilities.
- To enable social inclusion for the public benefit by making grants of money to individuals or organisations so as to prevent people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **Review of Activities**

During the period under review, 96 grant payments were made to individuals. In addition at the end of the period 6 grants were still due to be paid. Examples of assistance given included white goods/electrical items, furniture, clothing and contributions towards flooring.

The two small awards usually made for the annual Ceremony of Dicing for the Maid's Money could not take place as usual due to Covid-19. This annual event takes place under the terms of the wills of John How and John Parsons who left a small sum of money for this purpose at the turn of the 17th century.

A total of 24 grants were made to organisations assisting those in need whose aims met the Trustees' guidelines (for more information see below).

#### **Grant Making Policy**

Applications for grants are received direct from individuals and from various statutory and voluntary bodies working with those in need. Applications from individuals are reviewed against current working guidelines and decisions made at regular meetings of a committee comprising three Trustees and a member of staff.

Decisions on grants to organisations are made by a committee meeting three times a year which reviews applications against current guidelines.

Guidelines for grant making for both individuals and organisations are reviewed annually to ensure that they reflect changing circumstances.

# GUILDFORD POYLE CHARITIES

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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### Achievements and performance

The on-going work of awarding grants in a timely, efficient and effective way takes up the majority of the working time of the two staff and the trustees.

In addition, other achievements of the charity during the year were:

- It became increasingly apparent during the year that the pandemic was having a serious impact on the activities of potential beneficiaries, on the operation of the Charities themselves and on the value of the Charities' investments. In particular, the business operating on the ground floor of the Charities' premises ceased trading early in the year and a new tenant has not yet been found.
- Trustees had already agreed to change grants' guidelines to reduce the normal maximum grant from £10,000 to £7,500 and to award multi-year grants only in exceptional circumstances. The drop in the number of applications received and grants awarded reflect the fact that a number of organisations were forced to curtail their activities which partially offset the drop in income.
- The Charities were able to continue the grants' programme despite the challenges of Covid-19. Staff were able to work from home by logging in to the office system and meetings took place by Zoom and email exchange. This worked well because of the goodwill and co-operation of staff and Trustees.
- On several occasions, the Trustees were able to respond within a very few days to emergency requests for funds.
- Grants' Guidelines were reviewed extensively and amended to reflect changes in need or circumstances. In particular, Trustees began work on a scheme to award grants to schools for items such as school uniform to replace the previous block grant to the Schools Confederation.
- New or updated policies were agreed.
- A fire risk assessment was undertaken for the property and some minor alterations made to the upper part. Plans were made for the installation of replacement fire alarm system for the ground floor.

### Examples of Grants Awarded from the Income Fund during the Year

**St Catherine's Approved Premises National Probation Service** - This is a residential hostel for rehabilitation and resettlement of nineteen offenders who pose high risk of harm to themselves or others; most experiencing mental health issues. They had previously received a block grant from the Charity. Trustees awarded £1,000 to use towards interview clothes, employment focused courses, essentials for setting up home etc.

**Stoke Community Support in association with Foodwise** – Their aim was to distribute weekly meals to low income families in need during Covid-19 crisis in the Stoke area of Guildford. During the year Trustees awarded a total of £7,500 for this project.

**Church Homeless Trust, Personal Support and Resettlement Grants for clients of Vaughan House, St Saviours and Number Five Project** Grants for similar projects have been awarded for several years towards training or items e.g. furniture in order to help people move on from supported housing. This application requested £4,000 of a total project cost of £6,000 towards similar items to support individuals to move on **within the above** schemes. Trustees awarded the grant in full but in the evaluation wanted to see that timescales for clients accessing the grant had been addressed.

### Financial review

Net outgoing resources for the year were £31,424 (2019 - £12,098) before investment losses of £107,088 (2020 - £325,274 investment gains), resulting in a negative net movement of funds of £(138,512) (2019 - £323,176 positive net movement).

Total funds stood at £4,628,651 at the year end (2019 - £4,767,163) and were represented by endowment funds of £4,518,106 (2019 - £4,664,113) and unrestricted funds of £110,545 (2019 - £103,050).



# GUILDFORD POYLE CHARITIES

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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### Reserves Policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Charities have two funds:

1. The Permanent Endowment fund, the capital of which may not be spent;
2. The Income Fund which is an unrestricted fund;

The trustees annually review the level of unrestricted reserves required by the Charities to provide for unforeseen events and emergencies such as the following:

- To provide continuity of service in the event of an increase in demand for grants or an economic shock which reduced income, or to provide funds for an orderly wind-down if this should become necessary;
- To provide for a void on the shop rent should the tenant default/leave.

Taking these factors into account, the trustees agreed at their meeting in January 2020 that a reserve level of £45,000 was a suitable amount to hold in unrestricted reserves. At 31 December 2020 free reserves stood at £109,542 ( unrestricted funds less amounts tied up in fixed assets) so there is a surplus above the set level which is expected to run down over future years.

# **GUILDFORD POYLE CHARITIES**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)** **FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Investment Policy**

Unrestricted capital is held directly in Guildford Poyle Charities (charity number 1145202), whilst the endowment capital is held by its subsidiary, The Poyle Charity (charity number 1145202-1).

The Charities' capital generates income which can be used in accordance with the Charities' objectives. There are no restrictions on the Charities powers to invest. The investment policy is set by the Trustees who consider the income requirements, the risk profile and the investment managers' view of the market prospects in the medium term. The Charities invest a proportion of funds in property which generate income as well as providing office accommodation from which they can operate.

The Trustees meet the investment manager annually to review performance and discuss investment policy.

### **Total Return**

The initial values of the Trust for Investment and the Unapplied Total Return (UTR) were established by a decision of the Board of Trustees to approve the proposal from the Finance and General Purposes Committee (F&GP) on 25 October 2018, to take effect from 1 January 2019.

The initial value of the Trust for Investment was proposed as the value of the stock market investments within the permanent endowment funds at 31 December 2008, being an amount of £2,424,155, on the basis that this was the first time that all the endowment funds of the Charity were combined. The value of the Charity's building was excluded from the Trust for Investment. The initial value of the UTR at 1 January 2019 was £1,278,650.

The Charity has established guidelines to ensure that in future years, the income taken on this basis does not compromise the long-term sustainability of the Trust for Investment.

None of the Trust for Investment has been allocated to the UTR and no recoupment has been made from the UTR into the Trust for Investment in the period.

The Charity received advice on the generality of total return investing, the guidelines for converting UTR to income and the sustainability of the income from Mr Alex Dow of Rathbones. Mr Dow is a Chartered Fellow of the Chartered Institute for Securities and Investments, holding the Diploma, and is also a Chartered Financial Analyst charterholder.

The invested fund of the Charities has reduced because of the performance of the market. The reduction is in line with the benchmark. The Charities' rules for determining income allow for a significant fall in the market and take a view over a 5 year period. The cushion of UTR built up over the years enables us to do this. Income for the year 2021 will be set at the 2020 level adjusted for inflation. The performance of the fund is reviewed quarterly with reports from the fund manager and annually at a review meeting with the fund manager. Decisions about future income will be taken following such a meeting.

### **Risk Management**

The Trustees have examined the major strategic, business and operational risks which the Charities face and have set up systems to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. Although a pandemic was not recognised as a risk, the inability of staff to use the offices was. Accordingly, provisions for working from home were in the process of being implemented and these were accelerated. Risks to the Charity will be discussed at a conference of Trustees in 2021.

# **GUILDFORD POYLE CHARITIES**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)** **FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Future Plans**

The Charities intend to continue to provide grants to individuals and organisations in line with the objects. Whilst recognising the impact of the pandemic on the Charities' funds, the Trustees do not yet see the need to cut the budget available for grants. This decision reflects the change to a Total Return approach to generating income which has enabled the Charities to use some of the unapplied total return accumulated in previous years. The Charities expect that as life begins to return to more normal conditions in 2021, the demand on the Charities' funds will increase. This will be kept under review in the light of progress with dealing with the pandemic and the prospects for capital growth of the investment.

When there is more clarity on the likely ending of the pandemic, probably in the second half of 2021, the Charities intend to hold a Trustee conference to review the lessons learned, to reassess the risks and to consider what they mean for the way that the Charities operate in the future.

### **Structure, governance and management**

#### **Constitution and Governing Document**

Guildford Poyle Charities was incorporated on 1 December 2011, having been acted as an umbrella body for a number of much older charities. The company is limited by guarantee and is governed by a set of Memorandum and Articles of Association based upon model documents produced by the Charity Commission with registration number 07867602. The company was registered with the Charity Commission on 22 December 2011 with charity registration number 1145202.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr Ian Christopher Dean (Chair of the Trustees,  
Grants Chair from May 2020)  
Mrs Deborah Drury  
Mr Mike Evans  
Ms Nicola Freeman  
Mr Matthew Gray  
Ms Debbie Hustings  
Mr Barry Marshall (Deputy Chair from April 2020)  
Mrs Moyra Matravars  
Mr Tim Meston  
Mr Paul Mitchell  
Dr Jonathan Norris  
Mr Gordon Reid (Chair of Finance & General  
Purposes Committee)  
Mr Tony Rooth  
Mrs Liz Westwood  
Mr Peter Farrell (Grants Chair until May 2020, (Resigned 21 May 2020)  
Deputy Chair until April 2020) (Retired May  
2020)



# **GUILDFORD POYLE CHARITIES**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)** **FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Recruitment and Appointment of Trustees**

The Trustees who have served through the period and since the period end are set out on page 1.

Trustees are chosen for their knowledge of the sector the charity works in or for other specialist knowledge required to operate a successful charity. Checks are carried out before a Trustee is appointed include searching the Register of Removed Trustees held at the Charity Commission and the Insolvency Register to ensure candidates are eligible to take up appointment and obtaining an enhanced declaration of eligibility from the candidate.

The board of Trustees comprise a minimum of three individuals but unless otherwise determined by ordinary resolution, shall not be subject to any maximum. Guildford Borough Council is responsible for nominating one trustee to serve on the Board of Trustees.

### **Retirement of Trustees**

At each AGM, one-quarter of the Trustees must retire by rotation which is determined by those who have been in office longest since their appointment.

There is a maximum term of office of eight years, although a trustee may be re-elected for a further four year period if they are appointed Chairman of the Charity or Chairman of any of the Committees.

### **Structure**

On 1 January 2012 the assets and liabilities, except those relating to a permanent Endowment Fund, were transferred from "Henry Smith's or The Poyle Charity known as Guildford Poyle Charities" (formerly Charity number 1078131) to the new charitable company.

Under Charities Act legislation the permanent Endowment Fund had to be kept in the original unincorporated charity. This unincorporated charity has now been linked to the new charitable company via a uniting direction and given a new charity number 1145202-1.

On 26 January 2012 the Trustees of the old charity resigned and the new charitable company became the sole corporate Trustee of the unincorporated charity.

These accounts incorporate the results of both Guildford Poyle Charities (charity number 1145202) and The Poyle Charity (united charity number 1145202-1).

# GUILDFORD POYLE CHARITIES

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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### Trustee Induction and Training

New Trustees participate in an induction session to familiarise themselves with the charity and the context within which it operates. Among other things, this covers:

- The obligations of Trustees
- The main documents which set out the operational framework for the charity including the Memorandum and Articles of Association
- The charity's grant making guidelines
- Resourcing and the current financial position as set out in the latest published accounts
- Future plans and objectives

Talks by relevant speakers are organised throughout the year to help ensure that knowledge of the community in which the charity operates is up-to-date and an 'Awayday' is held, when required.


The trustees' report was approved by the Board of Trustees.



Dr Ian Christopher Dean (Chair of the Trustees, Grants Chair from May 2020)

Trustee

Dated: 24/5/21



Mr Gordon Reid (Chair of Finance & General Purposes Committee)

Trustee

Dated: 21/5/21

# GUILDFORD POYLE CHARITIES

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF GUILDFORD POYLE CHARITIES

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I report to the trustees on my examination of the financial statements of Guildford Poyle Charities (the charity) for the year ended 31 December 2020.

#### **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.



Stephen Meredith FCA DChA

Friary Court  
13-21 High Street  
Guildford  
Surrey  
GU1 3DL

Dated: 23/06/2021

# GUILDFORD POYLE CHARITIES

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Endowment funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Endowment funds 2019 £	Total 2019 £
<b>Income from:</b>							
Donations and legacies	3	13,130	-	13,130	17,870	-	17,870
Investments	4	15,956	104,233	120,189	54,706	143,824	198,530
Other income	5	120,000	(120,000)	-	150,000	(150,000)	-
<b>Total income</b>		<b>149,086</b>	<b>(15,767)</b>	<b>133,319</b>	<b>222,576</b>	<b>(6,176)</b>	<b>216,400</b>
<b>Expenditure on:</b>							
Raising funds	6	5,548	25,660	31,208	5,756	33,540	39,296
Charitable activities	7	133,535	-	133,535	189,202	-	189,202
<b>Total resources expended</b>		<b>139,083</b>	<b>25,660</b>	<b>164,743</b>	<b>194,958</b>	<b>33,540</b>	<b>228,498</b>
Net gains/(losses) on investments	12	(2,508)	(104,580)	(107,088)	5,488	329,786	335,274
<b>Net movement in funds</b>		<b>7,495</b>	<b>(146,007)</b>	<b>(138,512)</b>	<b>33,106</b>	<b>290,070</b>	<b>323,176</b>
Fund balances at 1 January 2020		103,050	4,664,113	4,767,163	69,944	4,374,043	4,443,987
<b>Fund balances at 31 December 2020</b>		<b>110,545</b>	<b>4,518,106</b>	<b>4,628,651</b>	<b>103,050</b>	<b>4,664,113</b>	<b>4,767,163</b>

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

All income and expenditure derive from continuing activities.



## GUILDFORD POYLE CHARITIES

### SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

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	All income funds 2020 £	2019 £
Gross income	149,086	222,576
(Losses)/gains on investments	(2,508)	5,488
	<hr/>	<hr/>
Total income in the reporting period	146,578	228,064
	<hr/>	<hr/>
Total expenditure from income funds	139,083	194,958
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Net income for the year	7,495	33,106
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# GUILDFORD POYLE CHARITIES

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	13	43,062		551,526	
Investment properties	14	557,941		50,000	
Investments	15	4,017,444		4,164,654	
		<u>4,618,447</u>		<u>4,766,180</u>	
<b>Current assets</b>					
Debtors	17	-		2,902	
Cash at bank and in hand		21,185		32,994	
		<u>21,185</u>		<u>35,896</u>	
<b>Creditors: amounts falling due within one year</b>	18	(10,981)		(34,913)	
Net current assets			10,204		983
<b>Total assets less current liabilities</b>		<u>4,628,651</u>		<u>4,767,163</u>	
<b>Capital funds</b>					
Endowment funds - general	19	4,518,106		4,664,113	
<b>Income funds</b>					
Unrestricted funds		110,545		103,050	
		<u>4,628,651</u>		<u>4,767,163</u>	

# GUILDFORD POYLE CHARITIES

## BALANCE SHEET (CONTINUED)

**AS AT 31 DECEMBER 2020**

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 2020.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the 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 company.

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 20/05/21



Dr Ian Christopher Dean (Chair of Trustees)

**Trustee**



Mr Gordon Reid (Chair of Finance & General Purposes Committee)

**Trustee**

**Company Registration No. 07867602**

# GUILDFORD POYLE CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

#### Charity information

Guildford Poyle Charities is a private company limited by guarantee incorporated in England and Wales. The registered office is 208 High Street, Guildford, Surrey, GU1 3JB.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Companies Act 2006, the Charities Act 2011 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)". 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 and to include investment properties and certain financial instruments 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.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 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.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.



# GUILDFORD POYLE CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

All expenditure is accounted for on the accruals basis inclusive of VAT.

- Raising funds compromise those costs directly attributable to managing investment portfolios.
- Charitable activities include grants made together with relevant support and governance costs.
- Grants are charged in the year that they are approved for payment. No grants are deferred.
- Other expenditure represents those costs not falling into other headings.

#### 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.

Individual fixed assets costing £500 or more are capitalised at cost.

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:

Computers and office equipment	33% Straight line
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Freehold land and assets are not depreciated.

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 net income/(expenditure) for the year.

#### 1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in Statement of Financial Activities.

#### 1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 1.9 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).

#### 1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# GUILDFORD POYLE CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

(Continued)

#### 1.11 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.

##### **Derecognition of financial liabilities**

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

#### 1.12 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.

#### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# GUILDFORD POYLE CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Donations and gifts	13,130	17,870

### 4 Investments

	Unrestricted funds	Endowment funds general	Total	Unrestricted funds	Endowment funds general	Total
	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £
Rental income	13,450	-	13,450	40,555	-	40,555
Income from listed investments	2,500	-	2,500	13,898	-	13,898
Income from listed investments	-	104,233	104,233	-	130,801	130,801
Interest	6	-	6	170	13,023	13,193
Service Charge	-	-	-	83	-	83
	15,956	104,233	120,189	54,706	143,824	198,530



# GUILDFORD POYLE CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 5 Other income

	Unrestricted funds	Endowment funds general	Total	Unrestricted funds	Endowment funds general	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Released from Unapplied Total Return	120,000	(120,000)	-	150,000	(150,000)	-

### 6 Raising funds

	Unrestricted funds	Endowment funds general	Total	Unrestricted funds	Endowment funds general	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
<u>Fundraising and publicity</u>						
Investment management fees	615	25,660	26,275	685	33,540	34,225
Support costs	4,933	-	4,933	5,071	-	5,071
	5,548	25,660	31,208	5,756	33,540	39,296

### 7 Charitable activities

	Unrestricted Funds 2020	Unrestricted Funds 2019
	£	£
Grant funding of activities (see note 8)	95,660	147,596
Share of support costs (see note 9)	31,905	36,330
Share of governance costs (see note 9)	5,970	5,276
	133,535	189,202



# GUILDFORD POYLE CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 8 Grants payable

	Unrestricted Funds 2020 £
Grants to organisations (24 grants):	
Burpham Association Supported Independent Living	5,000
CHIPS	750
Church Homeless Trust	4,000
Citizens Advice Waverley	5,000
Delight, Box of Delight	4,000
Emerge Advocacy	7,500
Guildford Shakespeare Company	5,600
Headway Surrey	3,000
Oakleaf (2 Grants)	8,500
Salvation Army Housing Association	500
South West Surrey Association for Mental Health Ltd	5,000
St Catherines National Probation Service	1,000
St Saviour's Church	2,500
Stoke Community Support in conjunction with foodwise	7,500
Stonham Home group	450
TALK Surrey CIO	3,000
The Eikon Charity	5,000
The Halow Project Belong 2020	5,000
The Matrix Trust	6,000
Weyfield Primary Academy	695
YMCA	5,000
Total Grants to organisations	84,995
Grants to individuals	19,861
Grants written back	(9,196)
	95,660

# GUILDFORD POYLE CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 9 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Staff costs	27,439	-	27,439	31,122	-	31,122
Office administrative expenses	3,974	-	3,974	5,307	-	5,307
Office Expenses	3,055	-	3,055	4,972	-	4,972
Repairs and renewals	2,370	-	2,370	-	-	-
Independent Examination	-	2,244	2,244	-	1,800	1,800
Accountancy	-	2,216	2,216	-	1,780	1,780
Legal and professional	-	1,510	1,510	-	1,696	1,696
	<u>36,838</u>	<u>5,970</u>	<u>42,808</u>	<u>41,401</u>	<u>5,276</u>	<u>46,677</u>
Analysed between						
Fundraising	4,933	-	4,933	5,071	-	5,071
Charitable activities	<u>31,904</u>	<u>5,970</u>	<u>37,874</u>	<u>36,330</u>	<u>5,276</u>	<u>41,606</u>
	<u>36,838</u>	<u>5,970</u>	<u>42,808</u>	<u>41,401</u>	<u>5,276</u>	<u>46,677</u>

Governance costs includes payments of £3,000 (2019: £3,580) for accountancy and the Independent examination fees

### 10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

### 11 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	<u>2</u>	<u>2</u>
Employment costs	2020 £	2019 £
Wages and salaries	27,002	30,687
Other pension costs	<u>437</u>	<u>435</u>
	<u>27,439</u>	<u>31,122</u>

# GUILDFORD POYLE CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 12 Net gains/(losses) on investments

	Unrestricted funds	Endowment funds general	Total	Unrestricted funds	Endowment funds general	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Revaluation of investments	(2,508)	(104,580)	(107,088)	5,488	299,786	305,274
Revaluation of investment properties	-	-	-	-	30,000	30,000
	<u>(2,508)</u>	<u>(104,580)</u>	<u>(107,088)</u>	<u>5,488</u>	<u>329,786</u>	<u>335,274</u>

### 13 Tangible fixed assets

	Freehold land and buildings	Computers and office equipment	Total
	£	£	£
<b>Cost</b>			
At 1 January 2020	550,000	1,570	551,570
Transfer to investment property	(507,941)	-	(507,941)
At 31 December 2020	<u>42,059</u>	<u>1,570</u>	<u>43,629</u>
<b>Depreciation and impairment</b>			
At 1 January 2020	-	44	44
Depreciation charged in the year	-	523	523
At 31 December 2020	<u>-</u>	<u>567</u>	<u>567</u>
<b>Carrying amount</b>			
At 31 December 2020	<u>42,059</u>	<u>1,003</u>	<u>43,062</u>
At 31 December 2019	<u>550,000</u>	<u>1,526</u>	<u>551,526</u>

### 14 Investment property

	2020
	£
<b>Fair value</b>	
At 1 January 2020	50,000
Transfers from owner-occupied property	507,941
At 31 December 2020	<u>557,941</u>

# GUILDFORD POYLE CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 14 Investment property

(Continued)

Investment property brought forward comprises two roads with a trustee valuation of £25,000 (2019: £25,000) each. In 2014 the Trustees reconsidered this valuation of the freehold investments after consulting people with appropriate skills and confirmed the notional value of £25,000 remains appropriate.

Investment property also comprises of the proportion of freehold property which is currently being rented to third parties. The fair value of the investment property has been arrived at on the basis of the valuation carried out in November 2019 by Owen Shipp Chartered Surveyors, who are not connected with the charity. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties and the trustees regard this as the appropriate valuation at the year end.

	2020 £	2019 £
Freehold	557,941	50,000
Long leasehold	-	-
Short leasehold	-	-

### 15 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
<b>Cost or valuation</b>			
At 1 January 2020	4,088,620	76,034	4,164,654
Additions	655,574	14,044	669,618
Unrealised / realised gains (losses)	(107,088)	-	(107,088)
Disposals	(709,740)	-	(709,740)
At 31 December 2020	3,927,366	90,078	4,017,444
<b>Carrying amount</b>			
At 31 December 2020	3,927,366	90,078	4,017,444
At 31 December 2019	4,088,620	76,034	4,164,654

### 16 Financial instruments

	2020 £	2019 £
<b>Carrying amount of financial assets</b>		
Instruments measured at fair value through profit or loss	3,927,366	4,088,620



## GUILDFORD POYLE CHARITIES

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 17 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Prepayments and accrued income	-	2,902
	<u>          </u>	<u>          </u>

#### 18 Creditors: amounts falling due within one year

	2020	2019
	£	£
Accruals and deferred income	10,981	34,913
	<u>          </u>	<u>          </u>

# GUILDFORD POYLE CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 19 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Balance at 1 January 2019	Incoming resources	Movement in funds			Balance at 1 January 2020	Incoming resources	Movement in funds			Balance at 31 December 2020
	£	£	Resources expended	Transfers	Revaluations gains and losses	£	£	Resources expended	Transfers	Revaluations gains and losses	£
<b>Permanent endowments</b>											
Endowment fund	4,374,043	(6,176)	(33,540)	-	329,786	4,664,113	(15,767)	(25,660)	-	(104,580)	4,518,106
	<u>4,374,043</u>	<u>(6,176)</u>	<u>(33,540)</u>	<u>-</u>	<u>329,786</u>	<u>4,664,113</u>	<u>(15,767)</u>	<u>(25,660)</u>	<u>-</u>	<u>(104,580)</u>	<u>4,518,106</u>

# GUILDFORD POYLE CHARITIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 20 Analysis of net assets between funds

	Unrestricted funds 2020 £	Endowment funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Endowment funds 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:						
Tangible assets	1,003	42,059	43,062	1,526	550,000	551,526
Investment properties	-	557,941	557,941	-	50,000	50,000
Investments	94,102	3,923,342	4,017,444	97,550	4,067,104	4,164,654
Current assets/(liabilities)	15,440	(5,236)	10,204	3,974	(2,991)	983
	<u>110,545</u>	<u>4,518,106</u>	<u>4,628,651</u>	<u>103,050</u>	<u>4,664,113</u>	<u>4,767,163</u>

### 21 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

### 22 Total Return

	Endowment £	Unapplied Total Return £	Total £
<b>At 1 January 2020</b>			
Trust for Investment	2,425,155	0	2,425,155
Unapplied Total Return	<u>0</u>	<u>1,638,958</u>	<u>1,638,958</u>
<b>Total</b>	<u>2,425,155</u>	<u>1,638,958</u>	<u>4,064,113</u>
<b>Movements in reporting period</b>			
Investment return: Dividends and Interest		104,233	104,233
Investment return: Realised and Unrealised gains and (losses)		(104,580)	(104,580)
Less: investment managers costs		<u>(25,660)</u>	<u>(25,660)</u>
<b>Total</b>	<u>0</u>	<u>(26,007)</u>	<u>(26,007)</u>
Unapplied Total Return allocated to income in the reporting period		(120,000)	(120,000)
<b>Net movements in reporting period</b>	<u>0</u>	<u>(146,007)</u>	<u>(146,007)</u>
<b>At 31 December 2020</b>			
Trust for Investment	2,425,155		2,425,155
Unapplied Total Return		1,492,951	1,492,951
<b>Total</b>	<u>2,425,155</u>	<u>1,492,951</u>	<u>3,918,106</u>