

Charity Registration No. 1148460

Company Registration No. 08124695 (England and Wales)

MARYGATE HOUSE HOLY ISLAND
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

MARYGATE HOUSE HOLY ISLAND

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs Susan E Massey - Chair & Treasurer	
	Mr Andrew E Duff	
	Revd Sarah Hills	
	Mr J Merrison	(Appointed 22 October 2020)
	Revd Gillian Maude	(Appointed 23 April 2021)
Charity number	1148460	
Company number	08124695	
Registered office	Marygate House Holy Island Berwick upon Tweed TD15 2SD	
Independent examiner	Stuart Allister CA 17 Walkergate Berwick-upon-Tweed Northumberland TD15 1DJ	
Bankers	The Co-operative Bank PO Box 250 Delf House South Way Skelmersdale WN8 6WT	
Solicitors	T C Smith Solicitors LLP 9 Church Street Berwick upon Tweed Northumberland TD15 1EF	

MARYGATE HOUSE HOLY ISLAND

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MARYGATE HOUSE HOLY ISLAND

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

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

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charitable Company's 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 2015)".

Objectives and activities

Marygate House Holy Island aims to enable groups of people or individuals to come to Holy Island and carry out a religious, educational or cultural programme. It is also part of its remit to assist those members of staff who usually remain within the Charitable Company for up to one year and to discern where their future career path lies and to help enable them to try and achieve that goal.

Visitors are provided with full board and whatever assistance with their programme that may be required. It is not the purpose of the Charitable Company to provide accommodation for seaside holidays and great care is taken to explain this to potential visitors.

Marygate House Holy Island owns one large building, Marygate House, and its adjoining cottage known as Elemore Cottage.

The Charitable Company makes no charge for the use of facilities or for staying at any of the properties, making it available for all, regardless of their financial situation. The Charitable Company relies solely on voluntary donations from guests and others to cover costs and running expenses.

It is normal for Marygate House to be used by individuals and groups up to its capacity of 18 people.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charitable Company should undertake.

Achievements and performance

Preparations for 2020 went well and measures were put in place to address the previous years financial shortfall and we started the year with a full diary and high hopes for a successful year. However, the Corona Virus Pandemic with social distancing and lock downs derailed those plans, we had to adapt to a fast-developing precarious situation. Careful and near constant cashflow analysis assisted the Trust to be in the best situation to be in the strongest possible position to get through the crisis, bounce back and to move forward into the future.

During September 2020 we were open under strict social distancing arrangements due to national restrictions. This period of opening for individuals only helped us to realize how much revenue we receive running under such a mode. Also helped us to understand how to re-open in 2021 and therefore to prepare for it. Further, we observed a perceptible peaceful and prayerful ambiance in the house.

During the initial lockdown, the Holy Island Support Group ran a not-for-profit shop from Marygate. This proved a popular community-based initiative. Further, there have been other community initiatives run out of the house supported by the 'Warm-Hub' charity, such as provision of mobility aids to the elderly and housebound. These activities have buoyed up the island community during a difficult and isolating period and foster good relations between Marygate and the resident island community.

The Trustees set up a team to research and apply for additional revenue and capital funding. Further ensuring we maximized income from government and other funding schemes.

Remaining after the pandemic this team will help resource Marygate into the future.

Being closed for much of 2020 and part of 2021 has given us a good opportunity to review every aspect of the Trust's operations, keeping what was positive, change or drop what was not helpful and consider and apply new initiatives and directives.

MARYGATE HOUSE HOLY ISLAND

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

Financial review

It is the policy of the Charitable Company 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 consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charitable Company'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 Charitable Company is non-profit making. There is no fixed charge for accommodation of guests. Income is derived from donations and covenants, with a small amount from the sale of pamphlets. The Trustees acknowledge the generosity of those who stay, resulting in healthy bank balances. The attached financial statements show the current state of the finances which the Trustees consider to be satisfactory. The Trustees have reviewed the reserves of the Charitable Company, in the light of the nature of the income and expenditure streams and consider them enough to meet current and future requirements.

The Trustees have assessed the major risks to which the Charitable Company is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Risk Review

The Charitable Company has conducted a review of risks and procedures implementing changes in a timely fashion. At present we can perceive two primary threats both pandemic related. During the pandemic with its associated social distancing and lock downs there is a drain on our resources exceeding our income. Should this position be long lasting we may need to consider laying off paid staff, closing until better times. Also, societal habits may change in the new normal and this may affect Marygate prospects in a positive or negative way. So, the Trustees have adopted a proactive attitude.

Plans for the future

Firstly, we will continue to welcome our current client base, but in addition we will extend our principal focus becoming a Centre for Peace and Reconciliation. The House, or how it runs, will not change demonstrably rather it will promote itself in this light. If there is anything the world or people need, it is peace. We will continue to welcome people to enjoy the natural peace of the island, advertising that Marygate and the Island are fantastic places to find and grow inner peace and spirituality. Further, it is a great place to retreat from the world which bruises you. A place to come when you need to be reconciled or receive healing. We will run and resource events to promote reconciliation, resourcing others to help address division. We will make our facilities available for dialogue facilitation and mediation, encouraging, enabling, and empowering Reconciliation.

Secondly, to enable this and to encourage more general retreatants we need to make improvements to the fabric of the building. Especially in regard to reducing overheads and becoming more environmental. We are making a concerted effort to secure grants to cover these capital costs, which will enable us to be the foremost retreat house in the North East of England and a place of excellence with regards Peace and Reconciliation.

The Trust remains committed to offering guests the best experience of retreat possible while continuing to maintain the practice of receiving donations. The Trust is also committed to offering facilities for retreat in continuity with the past, while also exploring new opportunities.

We feel that measures that were put in place to reverse the losses made in the previous two years put the house in a strong position moving forward. Which together with some financial assets and few liabilities have placed Marygate in a good position to weather the current situation.

Staffing

In addition to the two wardens we now employ a part-time general assistant who resides on the island. At present we are not pursuing voluntary helpers, however when the pandemic has past, we will be proactive in this regard as volunteers have brought so much to our organization and it is very much part of our remit.

MARYGATE HOUSE HOLY ISLAND

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

Public Benefit

Throughout this report the Trustees have sought to highlight those activities undertaken by the Charitable Company in furtherance of its charitable objectives for the public benefit. The Charitable Company continually considers its activities and policies with particular regard to the public benefit guidance published by the Charity Commission in the Charities Act 2011.

Structure, governance and management

Marygate House Holy Island was incorporated on 29 June 2012.

The Charitable Company is a company limited by guarantee, having no share capital and solely charitable objectives.

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mrs Susan E Massey - Chair & Treasurer

Mr David R Harris-Jones (Resigned 6 February 2020)

Mr Andrew E Duff

Mr Mark G Winter - Vice Chair (Resigned 11 June 2020)

Mrs Kathryn Turner (Resigned 6 February 2020)

Mr John A Bevan (Resigned 22 October 2020)

Revd Sarah Hills

Mr J Merrison (Appointed 22 October 2020)

Revd Gillian Maude (Appointed 23 April 2021)

The Articles of Association provides for a minimum of six Trustees. Where there is a requirement for new Trustees, these would be identified and appointed by ordinary resolution. The Chair of Trustees is responsible for the induction of any new Trustee which involves awareness of a Trustee's responsibilities, the governing document, administrative procedures, the history and philosophical approach of the Charitable Company. A new Trustee would receive copies of the previous year's annual report and accounts.

None of the Trustees has any beneficial interest in the Charitable Company. All of the Trustees are members of the Charitable Company and guarantee to contribute £1 in the event of a winding up.

The Charitable Company works closely with St. Mary's Church, Holy Island with regard to the sale of publications.

MARYGATE HOUSE HOLY ISLAND

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

Statement of Trustees' responsibilities

The Trustees, who are also the directors of Marygate House Holy Island for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Exemptions

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

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

Mrs Susan E Massey - Chair & Treasurer

Dated: 14 June 2021

MARYGATE HOUSE HOLY ISLAND

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF MARYGATE HOUSE HOLY ISLAND

I report to the Trustees on my examination of the financial statements of Marygate House Holy Island (the Charitable Company) for the year ended 31 December 2020.

Responsibilities and basis of report

As the Trustees of the Charitable Company (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 Charitable Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charitable Company'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 Charitable Company 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 accounts to be reached.

Stuart Allister CA

17 Walkergate
Chartered Accountants & Statutory Auditors
Berwick-upon-Tweed
Northumberland
TD15 1DJ

Dated: 14 June 2021

MARYGATE HOUSE HOLY ISLAND

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Total 2020 £	Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Total 2019 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	3	25,138	-	25,138	101,154	-	101,154
Income from charitable activities	4	429	-	429	4,913	-	4,913
Investments	5	85	7	92	149	16	165
Other income	6	28,968	-	28,968	-	-	-
Total income		54,620	7	54,627	106,216	16	106,232
<u>Expenditure on:</u>							
Raising funds	7	282	-	282	3,949	-	3,949
Charitable activities	8	72,765	6,484	79,249	105,451	17,213	122,664
Other expenditure	11	-	-	-	-	3,433	3,433
Total resources expended		73,047	6,484	79,531	109,400	20,646	130,046
Gross transfers between funds		-	-	-	(10,917)	10,917	-
Net movement in funds		(18,427)	(6,477)	(24,904)	(14,101)	(9,713)	(23,814)
Fund balances at 1 January 2020		62,599	94,416	157,015	76,700	104,129	180,829
Fund balances at 31 December 2020		44,172	87,939	132,111	62,599	94,416	157,015

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

MARYGATE HOUSE HOLY ISLAND

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	13		84,627		90,530
Current assets					
Stocks	15	681		816	
Debtors	16	1,891		726	
Cash at bank and in hand		52,379		73,220	
		<u>54,951</u>		<u>74,762</u>	
Creditors: amounts falling due within one year	17	<u>(7,467)</u>		<u>(8,277)</u>	
Net current assets			47,484		66,485
Total assets less current liabilities			<u>132,111</u>		<u>157,015</u>
Income funds					
Unrestricted funds - designated	19		87,939		94,416
Unrestricted funds - general			44,172		62,599
			<u>132,111</u>		<u>157,015</u>

The Charitable 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 Charitable Company 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 Charitable 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 Charitable Company.

The members have not required the Charitable 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 14 June 2021

Mrs Susan E Massey - Chair & Treasurer
Trustee

Company Registration No. 08124695

MARYGATE HOUSE HOLY ISLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Marygate House Holy Island is a private company limited by guarantee incorporated in England and Wales. The registered office is Marygate House, Holy Island, Berwick upon Tweed, TD15 2SD.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charitable Company'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)" (as amended for accounting periods commencing from 1 January 2016). The Charitable Company is a Public Benefit Entity as defined by FRS 102.

The Charitable Company has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charitable Company 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 unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the Charitable Company 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 Charitable Company 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.

Grants receivable are recognised in the Statement of Financial Activities in full in the year which they become receivable, that is when the conditions for receipt have been met.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

MARYGATE HOUSE HOLY ISLAND

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

1 Accounting policies

(Continued)

1.5 Resources expended

Resources expended are allocated to direct charitable expenditure, costs of generating funds and governance costs under the appropriate 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.

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:

Land and buildings	Nil
Property improvements	10% Straight Line
Fixtures, fittings & equipment	25% Straight Line

Although Accounting Standards require the annual depreciation of fixed assets, there is no provision in the financial statements for depreciation of Freehold land and buildings. The buildings are maintained to a high standard to prevent deterioration. The estimated residual value of the buildings are, at current prices, not less than their book value. The Trustees therefore believe that the policy of not providing depreciation is necessary for the accounts to give a true and fair view. The freehold property is held on furtherance of the Charitable Company's objectives and not as an investment.

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 Impairment of fixed assets

At each reporting end date, the Charitable Company 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 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 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.

MARYGATE HOUSE HOLY ISLAND

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

1 Accounting policies

(Continued)

1.10 Financial instruments

The Charitable Company 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 Charitable Company's balance sheet when the Charitable Company 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 Charitable Company's contractual obligations expire or are discharged or cancelled.

1.11 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 Charitable Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

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

MARYGATE HOUSE HOLY ISLAND

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

2 Critical accounting estimates and judgements

In the application of the Charitable Company'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

	2020	2019
	£	£
Donations from guests	12,825	62,278
General donations	11,049	29,907
Covenanted donations and gift aid	1,264	8,969
	<u>25,138</u>	<u>101,154</u>

4 Income from charitable activities

	2020	2019
	£	£
Sale of publications	<u>429</u>	<u>4,913</u>

5 Investments

	Unrestricted funds general £	Unrestricted funds designated £	Total 2020 £	Total 2019 £
Interest receivable	<u>85</u>	<u>7</u>	<u>92</u>	<u>165</u>
For the year ended 31 December 2019	<u>149</u>	<u>16</u>		<u>165</u>

MARYGATE HOUSE HOLY ISLAND

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

6 Other income

	Unrestricted funds general 2020 £	Total 2019 £
HMRC Job retention scheme	17,634	-
COVID-19 Business support grants	11,334	-
	<u>28,968</u>	<u>-</u>

7 Raising funds

	Unrestricted funds general 2020 £	2019 £
Publications	135	1,579
Share of surplus on pamphlet sales to St. Mary's church	147	2,370
	<u>282</u>	<u>3,949</u>

MARYGATE HOUSE HOLY ISLAND

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

8 Charitable activities

	Charitable activities	Staff costs	Depreciation	Total 2020	Total 2019
	£	£	£	£	£
Staff costs	-	36,575	-	36,575	38,822
Depreciation and impairment	-	-	6,484	6,484	6,533
Sundries	57	-	-	57	56
Independent examination costs	3,702	-	-	3,702	3,998
General running expenses	7,252	-	-	7,252	23,179
Heating and lighting	7,566	-	-	7,566	12,523
Council tax and water charges	5,098	-	-	5,098	7,356
Repairs, renewals and equipment	1,613	-	-	1,613	16,075
Travelling expenses	95	-	-	95	738
Insurance	2,997	-	-	2,997	2,987
Rent	5,400	-	-	5,400	7,664
Refuse collection	470	-	-	470	914
Advertising	809	-	-	809	185
Postage and stationery	85	-	-	85	326
Telephone	769	-	-	769	984
Computer costs	245	-	-	245	288
Bank charges	32	-	-	32	36
	<u>36,190</u>	<u>36,575</u>	<u>6,484</u>	<u>79,249</u>	<u>122,664</u>
Analysis by fund					
Unrestricted funds - general	36,190	36,575	-	72,765	
Unrestricted funds - designated	-	-	6,484	6,484	
	<u>36,190</u>	<u>36,575</u>	<u>6,484</u>	<u>79,249</u>	
For the year ended 31 December 2019					
Unrestricted funds - general	66,629	38,822	-		105,451
Unrestricted funds - designated	10,680	-	6,533		17,213
	<u>77,273</u>	<u>38,822</u>	<u>6,533</u>		<u>122,664</u>

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year.

MARYGATE HOUSE HOLY ISLAND

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

10 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	3	3

Employment costs

	2020 £	2019 £
Wages and salaries	35,328	35,683
Other pension costs	1,247	3,139
	<u>36,575</u>	<u>38,822</u>

The total wages expense for the year was £36,575 (2019: £38,822) and no employees received emoluments greater than £60,000 (2019: Nil).

11 Other expenditure

	2020 £	2019 £
Net loss on disposal of tangible fixed assets	-	3,433

12 Taxation

The Charitable Company is exempt from Corporation Tax and is not registered for value added tax.

MARYGATE HOUSE HOLY ISLAND

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

13 Tangible fixed assets

	Land and buildings	Property improvements	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 January 2020	63,672	61,763	15,902	141,337
Additions	-	-	581	581
At 31 December 2020	63,672	61,763	16,483	141,918
Depreciation and impairment				
At 1 January 2020	-	35,232	15,575	50,807
Depreciation charged in the year	-	6,168	316	6,484
At 31 December 2020	-	41,400	15,891	57,291
Carrying amount				
At 31 December 2020	63,672	20,363	592	84,627
At 31 December 2019	63,672	26,531	327	90,530

Marygate House and Elemore Cottage have been valued at £900,000 as of July 2006 for the purpose of insurance.

14 Financial instruments	2020 £	2019 £
Carrying amount of financial assets		
Debtors	1,284	276
Carrying amount of financial liabilities		
Creditors and accruals	7,467	8,277
15 Stocks	2020 £	2019 £
Pamphlets	681	816

MARYGATE HOUSE HOLY ISLAND

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

16 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	1,284	276
Prepayments and accrued income	607	450
	<u>1,891</u>	<u>726</u>

17 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	524	1,664
Other creditors	196	340
Accruals and deferred income	6,747	6,273
	<u>7,467</u>	<u>8,277</u>

18 Retirement benefit schemes

Defined contribution schemes

The Charitable Company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charitable Company in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £1,247 (2019: £3,139).

MARYGATE HOUSE HOLY ISLAND

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

19 Unrestricted funds - designated

These are designated funds which are material to the Charitable Company's activities made up as follows:

	Balance at 1 January 2020	Movement in funds		Balance at 31 December 2020
	£	Incoming resources	Resources expended	£
Building Maintenance Fund (Designated)	82	7	-	89
Fixed Asset Fund	90,530	-	(6,484)	84,046
Elizabeth Barrie Fund	3,804	-	-	3,804
	<u>94,416</u>	<u>7</u>	<u>(6,484)</u>	<u>87,939</u>

The Designated Building Maintenance Fund was created to account for ongoing property improvements and maintenance.

The Designated Fixed Asset Fund has been created to account for changes in the fixed assets of the trust and associated depreciation charges.

The Elizabeth Barrie Fund was set up in 2017 from a donation made by Dr K Butterworth in memory of the late Elizabeth Barrie, who volunteered at St Mary's House. The remaining balance being set aside for an as yet undecided project that will benefit all guests.

20 Analysis of net assets between funds

	Unrestricted Funds	Designated Funds	Total
	£	£	£
Fund balances at 31 December 2020 are represented by:			
Tangible assets	-	84,627	84,627
Current assets/(liabilities)	44,172	3,312	47,484
	<u>44,172</u>	<u>87,939</u>	<u>132,111</u>

The Designated Funds consists of two funds, these being, a Designated Building Maintenance Fund which represents the funds of the Charitable Company, which are available for use at the discretion of the Trustees for the ongoing property improvements and maintenance, plus the Designated Fixed Asset Fund, which is used to account for changes in the fixed assets of the Charitable Company and depreciation charges.

MARYGATE HOUSE HOLY ISLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

21 Operating lease commitments

At the reporting end date the Charitable Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	5,903	503
Between two and five years	3,150	-
	<u>9,053</u>	<u>503</u>

22 Related party transactions

The Charitable Company works closely with St. Mary's Church, Holy Island with regard to the sale of publications. At the year end £147 (2019: £2,370) was due to be paid to the Church for sales.

23 Indemnity Insurance

Funds of the Charitable Company have been used to provide Indemnity Insurance to protect the Charitable Company and its Trustees against the consequences of any neglect or defaults.

During the year, £2,504 (2019: £2,418) was charged to the profit and loss account in respect of indemnity insurance.