

EAST LOOE TOWN TRUST CIO
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

EAST LOOE TOWN TRUST CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr P Gibson
Mr A Bishop
Mr B Galipeau
Mr S Tanner
Mr S Gill
Mr F Warne
Mr R P Lewis

(Appointed 13 June 2023)

Charity number

1166934

Registered office

East Looe Town Trust
The Guildhall
Fore Street
East Looe
Cornwall
PL13 1AA

Auditor

Prydis Accounts Limited
The Parade
Liskeard
Cornwall
PL14 6AF

EAST LOOE TOWN TRUST CIO

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EAST LOOE TOWN TRUST CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the 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)".

Objectives and activities

Objectives

The Objects of the CIO are for the 'Area of Benefit' which is 'the area covered by Looe Town Council', and are shown in detail elsewhere in this register entry. They are summarised as:

Management and maintenance of public access land and buildings on behalf of the people of Looe; maintaining and supporting the volunteer run museum; supporting pensioners, disabled persons, children and young people etc in Looe by the provision of facilities, equipment and/or grants according to available resources".

Activities

The Trust's income is from commercial leases, and licences, such as parking permits. The Trust has continued to support tenants by sharing posts on social media to boost awareness of their businesses and what they have to offer.

As in previous years, the Trust co-operates with other town organisations to provide a service to the town and to help with future planning.

Public benefit

In all our work Trustees have regard to the Charity Commission's guidance on public benefit. Details are shown in the paragraphs below, and throughout the year people within our area of benefit, and further afield were kept informed about our activities via our web page and social media – the latter being helpful in gauging the nature and level of public engagements with particular subjects.

We also updated the public via articles in the Looe Community News, and our two public notice boards.

EAST LOOE TOWN TRUST CIO

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

Review by Property

The Trust's charitable objects emphasise the importance of our provision of open public spaces for the health and wellbeing of all.

The Trust is committed to providing the beach, seafront and Wooldown areas for public use without charge to the public.

Beach and Seafront

East Looe beach is a recognised economic driver for Looe and SE Cornwall's economy, and a significant proportion of Trust costs go to the specialist equipment and staff time that goes into maintaining it. We are pleased that it is widely complimented for its condition. Our beach is the designated bathing water for Looe and has retained its Good classification for 2024. Between 1st May and 30th September our staff continued to post on the beach daily bathing water pollution risk forecasts (prf). All information is provided by the Environment Agency to keep the public informed of the water quality.

Authorised beach safety signage for beach users is maintained in good condition to reduce the risk of conflicting activities in and on the water.

There are events held on our land – particularly the beach and the Trust is pleased to support these organised events. The staff put considerable effort into liaising with organisers before and during events without charge. There is now a more formalised booking system so that the Trust can ensure that any event has the relevant risk assessments and public liability insurances in place and also to make sure that double-booking of events does not happen. In 2023 we were pleased to be able to offer the beach and seafront to support events organised by many organisations, including Looe Rowing Club, Looe Sailing Club, Looe Boat Owners Association, Looe Lions, United Beach Missions, Purple Gecko running events as well as several band and choir performances.

Old Lifeboat Station & Watchtower

The Trust's number one priority was to secure funding for the restoration of these Grade II listed buildings which were in danger of falling into permanent decay and disuse. Our vision for the project is to preserve community heritage, repurpose the building and stimulate the regeneration of the surrounding Church End character area. Following a lot of work by staff and trustees, we were successful in being awarded a £289k grant from the Cornwall and Isles of Scilly Good Growth fund. This significant award means that the work on the building will start in April 2024 and be fully completed by Spring 2025. Despite the award, the Trust will also have to use money from our building reserves. We are confident that this is a good investment for the future, not only for the Church End area but to provide low-carbon sustainable workplaces, and with the Trust administration moving into the Watchtower will open the way for us to begin a sequential review of all our buildings.

Old Guildhall Museum & Gaol

The Grade II* listed Old Guildhall Museum & Gaol was once again open to the public between Easter and October. The museum is run by a group of knowledgeable volunteers who do a lot of work in the background as well as being the friendly faces that greet visitors. Admission charges have been kept low – with no charge for children to try and encourage people to visit and appreciate the artefacts, not least the amazing building that is the museum. All museum income is ploughed back into the museum to keep it running.

EAST LOOE TOWN TRUST CIO

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Guildhall

The “new” Guildhall continues to host weddings and ceremonies but these are now organised and administered by an outside company. The numbers of weddings were growing and our staff just did not have time to be event organisers as well as their general work.

The TV series “Beyond Paradise” has continued to use the Guildhall for filming and is now often recognised as the Police Station from “Shipton Abbot”.

The building is expensive to maintain and there are further works to be done over the next few years, including re-pointing and the roof will need attention. With our first floor offices set to be vacated in 2025 we are monitoring progress with the Looe Neighbourhood Development plan regarding town centre regeneration and the use of first floor spaces.

Guildhall Tea Room

We continue to provide, free of charge, a community tea room. The volunteer teams can be found there six days a week and it is open to everyone on an informal basis. There is a small charge to cover the cost of tea and biscuits.

We were delighted to be able to offer the use of the tea room on some afternoons to a mental health support group and in the evenings for committee meetings.

Wooldown

The Wooldown is more than 16 acres of former farm land which is maintained without charge to the public as open access recreational space. It is within the Looe Conservation Area, and has been purposely maintained in the form of cliff-top fields and hedgerows; though this does increase costs.

We adhered to “no mow May” to assist our conservation scheme to create bee glades and wild flower meadows to support our local longhorn bees and other species. Kernow Ecology continue to give invaluable advice and assistance to our staff in managing the area.

Car Parks

The Trust owns three car parks in Looe, at the seafront, Shutta and Market Square. All carparks are for permit-holders only which are paid for in two annual instalments. The regime is reviewed annually to ensure that it sufficiently takes account of our costs, though we seek to keep increases to the minimum necessary. There are short waiting lists for all our carparks.

Charitable Giving

Applications for financial grants are welcome from local organisations. In 2023 the Trust provided financial grants to Looe Social Prescribing Allotments, Looe Derby & Joan Club and Looe Age Concern as well as continuing to support two defibrillators in the town. We also offer in-kind support by things such as free use of meeting rooms and trust land. The Beacon on the Wooldown will be lit for the 80th D-Day in 2024.

EAST LOOE TOWN TRUST CIO

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Management of Priorities

The Trust formally reviews and resets its management priorities annually and throughout the year as part of the budget setting round. It is an essential process to ensure a strategic approach and also to avoid overstretch.

External priority - Looe flood defence

The Trust is a participating stakeholder in the engineering studies being undertaken to design and secure funding for a flood defence; to protect the people in our area of benefit. We have an active view on the threat to lives and buildings posed by unconstrained storm water entering the harbour. As custodians of three listed buildings, and with staff and tenants at risk, we strongly support an effectively engineered solution. In taking this view we note the serious harbour wall damaged in 2014 by a severe storm, and the very frequent rising of flood water in the streets. As regards the frequent flooding, we have an interest in reversing the depressed property values, blocked investment, and restriction of economic growth in Looe. We have a further interest in conserving and improving the bathing water quality on East Looe Beach, current storm defence proposals offer the prospect of excellent quality

Identified potential expenditure

Following advice from our solicitors the Trust is in negotiation with two tenants in order to update leases reflecting a change in the law. Negotiations, delayed by Covid restrictions, have extended through 2023 backed by expensive legal advice. We use our best endeavours to minimise the significant cost of litigation, but will act in compliance with the law and in the long-term interest of the Trust.

Financial review

We confirm:

- a) that the system for financial controls complies with current Charity Commission guidance and the required checks were completed.
- b) Any comments within the previous audit letter have been addressed.
- c) Trustees have completed the annual register of interests.

It is the current policy of the charity that there is a designated reserve which should be maintained at a level equivalent to six months operating expenditure. A further designated reserve set at 10% of the book value of the properties is maintained in order to provide protection against any uninsured repairs, losses and other properly maintenance outside of the normal course of operations. The trustees consider that reserves of 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.

The full details of these reserves can be found in Note 21 of the financial statements. Work continued to review an investment policy for our liquid reserves.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Communication

Throughout the year people within our area of benefit, and further afield were kept informed about our activities via our web page and social media – the latter being helpful in gauging the nature and level of public engagements with particular subjects.

We also updated the public via articles in the bi-monthly Community News, and our two public notice boards.

EAST LOOE TOWN TRUST CIO

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Structure, governance and management

The Trust is supported in delivering its objectives by our staffing structure during this year.

The charity is a company limited by guarantee .

The organisation has been incorporated as a Charitable incorporated Organisation (CIO) and as such has no equity holdings. Therefore the Trustees of the CIO have no liability to contribute to its assets and no personal responsibility for settling its debt and liabilities should the organisation be wound up. Trustees do no benefit from their involvement in the organisation in any way. No remuneration or other rewards are conferred to Trustees for their services.

The Trust's governing document shows that there is a minimum of 4 trustees who are appointed for a 4 year period, which is renewable. The maximum number of Trustees is at the discretion of the Board.

Trustee recruitment is by way of public advertisement, written application and interview. Applicants will reside in the area of benefit or adjoining parishes, and be over 18 years of age. Recruitment and board membership will be fully compliant with the Equalities Act. Before appointment (and thereafter annually) trustees are required to make declarations of interests, and that they are not disqualified by law from being a trustee.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr P Gibson

Mr A Bishop

Mr B Galipeau

Mr S Tanner

Ms P Stephenson

(Resigned 13 June 2023)

Mr S Gill

Mr F Warne

Mr R P Lewis

(Appointed 13 June 2023)

Mr C R Rose

(Appointed 9 May 2023 and retired 12 June 2024)

All trustees are required to confirm annually by way of a register any potential conflicts of interest or related party relationships which may influence their judgement on any trust matter.

This register is reiterated at the start of every meeting, by confirmation of specific conflicts relating to items on the meeting agenda. Upon discussion of any item where a conflict exists the remaining Trustees consider the circumstances and advise the trustee of their level of their permitted involvement in the discussion, or ask the member to leave the meeting as required.

EAST LOOE TOWN TRUST CIO

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In relation to the financial statements which comprise the statement of financial activities, the balance sheet and the related notes:

- The trustees approve these financial statements and confirm that they are responsible for them, including selecting the appropriate accounting policies, applying them consistently and making, on a reasonable and prudent basis, the judgments underlying them. They have been prepared on the going concern basis on the grounds that the charity will continue in operation.
- The trustees confirm that they have made available to Prydis Accounts Limited, all the charity's accounting records and provided all the information necessary for the compilation of the financial statements.
- The trustees confirm that to the best of their knowledge and belief, the accounting records reflect all transactions of the charity for the year ended 31 December 2023.

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

Mr A Bishop

Trustee

Dated: 13 August 2024

Mr B Galipeau

Trustee

Dated: 13 August 2024

EAST LOOE TOWN TRUST CIO

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF EAST LOOE TOWN TRUST CIO

Opinion

We have audited the financial statements of East Looe Town Trust CIO (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 1.1 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

EAST LOOE TOWN TRUST CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EAST LOOE TOWN TRUST CIO

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

EAST LOOE TOWN TRUST CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EAST LOOE TOWN TRUST CIO

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Prydis Accounts Limited
Chartered Accountants
Statutory Auditor**

27 August 2024

**The Parade
Liskeard
Cornwall
PL14 6AF**

Prydis Accounts Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

EAST LOOE TOWN TRUST CIO

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total Unrestricted funds 2023 £	Restricted funds 2022 £	Total 2022 £
	Notes					
Income from:						
Donations and legacies	2	589	2,358	2,947	1,052	7,408
Charitable activities	3	262,719	-	262,719	-	243,092
Investments	4	7,291	-	7,291	-	2,578
Total income		270,599	2,358	272,957	6,356	253,078
Expenditure on:						
Charitable activities	5	245,440	1,293	246,733	5,356	359,485
Net gains/(losses) on investments	11	626,500	-	626,500	-	-
Net income/(expenditure) for the year/						
Net movement in funds		651,659	1,065	652,724	1,000	(106,407)
Fund balances at 1 January 2023		3,484,211	-	3,484,211	-	3,590,618
Fund balances at 31 December 2023		4,135,870	1,065	4,136,935	1,000	3,484,211

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

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

EAST LOOE TOWN TRUST CIO

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13		39,621		46,265
Heritage assets	14		1		1
Investment properties	15		3,690,000		3,063,500
			<u>3,729,622</u>		<u>3,109,766</u>
Current assets					
Stocks	17	769		839	
Debtors	18	17,535		13,356	
Investments		60		60	
Cash at bank and in hand		518,238		469,133	
		<u>536,602</u>		<u>483,388</u>	
Creditors: amounts falling due within one year	19	(129,289)		(108,943)	
Net current assets			<u>407,313</u>		<u>374,445</u>
Total assets less current liabilities			<u>4,136,935</u>		<u>3,484,211</u>
<u>Restricted income funds</u>					
Fixed Assets		2,400		3,023	
Grant Income		(3,621)		(3,178)	
Cash		1,221		1,155	
General restricted funds		<u>1,065</u>		<u>-</u>	
			1,065		1,000
<u>Unrestricted funds</u>					
Designated funds	21	493,540		425,461	
General unrestricted funds		2,736,472		2,778,392	
Revaluation reserve		<u>905,858</u>		<u>279,358</u>	
			<u>4,135,870</u>		<u>3,483,211</u>
			<u>4,136,935</u>		<u>3,484,211</u>

The financial statements were approved by the Trustees on 13 August 2024

Mr A Bishop
Trustee

Mr B Galipeau
Trustee

EAST LOOE TOWN TRUST CIO

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

1 Accounting policies

Charity information

East Looe Town Trust is a Charitable Incorporated Organisation (1166934) that was registered in England and Wales on 5 May 2016 to take forward the work of the unincorporated Charity number 234116.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, 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 applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

In common with many other businesses of our size and nature we use our auditors to assist with the preparation of the financial statements and to provide VAT and payroll tax advice as required.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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 or grantors 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.

EAST LOOE TOWN TRUST CIO

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

1 Accounting policies

(Continued)

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.

Gifts in kind for sale or distribution are included in the accounts at the point of receipt and are included at fair value unless there is a practical reason why this is not possible, or the costs of recognition of an item, outweigh the benefit of its inclusion. This is a departure from the recognition on sale policy previously operated by the charity. This change has been required following the adoption of the FRS102 SORP.

Donated services and facilities are only included in the incoming resources (with an equivalent amount in resources expended) where material and where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.

Where conditions exist, grants are shown as restricted and the appropriate costs are allocated against the income. Where expenditure has not been made in full income is carried forward until expenditure conditions are met.

1.5 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

EAST LOOE TOWN TRUST CIO

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

1 Accounting policies

(Continued)

Expenditure is recognised:

- once there is a legal or constructive obligation committing the charity to pay out resources;
- it is probable that a settlement would be required;
- the amount of the obligation can be measured reliably.

Support costs are proportioned based on the usage for, or time spent on, indirect activities. Apportionment's are made on a reasonable and consistent basis.

Governance costs include costs of the preparation and examination of statutory accounts, the costs of trustee meetings and cost of any legal advice to trustees on governance or constitutional matters.

Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.

Grants payable without performance conditions are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.

Whilst the charity relies upon and is very grateful for the huge amount of time and energy provided by it's volunteers, no adjustments are made to the accounting figures to take account of his contribution.

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:

Plant and equipment	20% reducing balance
Fixtures and fittings	20% reducing balance
Computers	33% reducing balance

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

1.7 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 profit or loss.

1.8 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).

EAST LOOE TOWN TRUST CIO

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

1 Accounting policies

(Continued)

1.9 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.

1.10 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.

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.

EAST LOOE TOWN TRUST CIO

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

1 Accounting policies

(Continued)

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.

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Donations and gifts	589	670	1,259	1,052	4,566	5,618
Grants receivable	-	1,688	1,688	-	1,790	1,790
	<u>589</u>	<u>2,358</u>	<u>2,947</u>	<u>1,052</u>	<u>6,356</u>	<u>7,408</u>

Conditional grants have been received in the year. The amount above only includes the income received for which all performance conditions have been specified.

3 Charitable activities

	Charitable Activities 2023 £	Charitable Activities 2022 £
Rent of seafront properties	44,678	37,996
Cornwall Council - Beachfront cleaning contract	9,576	9,156
Car parks	81,536	74,066
Market house rents	29,728	25,326
Guildhall rents and other income	74,800	74,645
Concessions and museum admissions & sales	10,881	7,967
Other income	11,520	13,936
	<u>262,719</u>	<u>243,092</u>

EAST LOOE TOWN TRUST CIO

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

4 Investments

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Interest receivable	7,291	2,578

5 Charitable activities

	Charitable Activities 2023 £	Charitable Activities 2022 £
Staff costs	87,846	76,405
Depreciation and impairment	10,166	10,219
Insurance	7,190	10,912
Utilities	22,793	12,847
Administrative expenses	11,452	10,280
Professional fees	18,221	31,086
Property repairs	33,431	145,610
Museum - other operating costs	320	301
Beach cleaning and Wooldown	7,831	7,840
Bad debts suffered	-	2,864
	199,250	308,364
Grant funding of activities (see note 7)	1,725	5,698
Share of support costs (see note 8)	30,300	30,508
Share of governance costs (see note 8)	15,458	14,915
	246,733	359,485
Analysis by fund		
Unrestricted funds	245,440	354,129
Restricted funds	1,293	5,356
	246,733	359,485

EAST LOOE TOWN TRUST CIO

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

6 Charitable Activities

Charitable Activities

As the owner of a number of prominent historic buildings including a museum, a beach and other open spaces in the town of Looe, the charity facilitates the use of these assets for the benefit of the local community. This is achieved by granting leases for local business and other services to use these spaces, alongside other ad hoc activities for the generation of funds, to support the long term preservation of these assets.

Costs above represent the direct expenditure required to protect, run and maintain the properties and work to issue and maintain the leases on the properties.

Any costs associated with the day to day management of the charity, prepare trustees reports and liaise with the board, as well as costs to comply with statutory regulations, are included under governance and support.

7 Grants payable

	Charitable Activities 2023 £	Charitable Activities 2022 £
Grants to institutions:		
Looe Darby and Joan Club	250	250
Looe Age Concern	250	250
Royal British Legion - wreath	25	25
Looe Town Football Club	500	-
Looe social prescribing	500	-
Keltique (choir)	200	-
Looe community meals project	-	1,000
Liskeard and Looe foodbank	-	1,500
Looe Film society	-	250
Replacement defibrillator and battery at Seafront locations	-	2,423
	<u>1,725</u>	<u>5,698</u>

It is the usual policy of the Trust to consider applications from, and make grants to, local organisations and individuals based on applications received, which are in line with their charitable object. This is subject to an annual budget set after consideration of the trusts surplus for the year.

EAST LOOE TOWN TRUST CIO

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

8 Support costs

	Support costs £	Governance costs £	2023 Support costs £	Governance costs £	2022 £
Staff costs	20,322	5,080	25,402	20,059	25,074
Guildhall utilities	2,631	658	3,289	3,046	3,807
Insurance	7,038	1,752	8,790	5,649	7,055
Postage and stationery	309	2,053	2,362	1,753	2,712
Audit fees	-	3,230	3,230	-	3,405
Legal and professional	-	2,685	2,685	-	3,370
	<u>30,300</u>	<u>15,458</u>	<u>45,758</u>	<u>30,507</u>	<u>45,423</u>
Analysed between Charitable activities	<u>30,300</u>	<u>15,458</u>	<u>45,758</u>	<u>30,508</u>	<u>45,423</u>

Governance costs includes payments to the auditors of £3,230 (2022- £3,405) for audit fees.

9 Trustees

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

The trust provides an annual honorarium to the Museum curator of £1,000 per year out of museum funds generated.

10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Charitable activities	4	4
Governance	1	1
Total	<u>5</u>	<u>5</u>
Employment costs	2023 £	2022 £
Wages and salaries	<u>113,248</u>	<u>101,479</u>

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

EAST LOOE TOWN TRUST CIO

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

11 Net gains/(losses) on investments

	Unrestricted funds	Total
	2023 £	2022 £
Revaluation of investment properties	626,500	-

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

13 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost or valuation				
At 1 January 2023	146,898	150,705	6,854	304,457
Additions	-	1,938	1,584	3,522
At 31 December 2023	146,898	152,643	8,438	307,979
Depreciation and impairment				
At 1 January 2023	106,939	144,621	6,632	258,192
Depreciation charged in the year	7,992	1,605	569	10,166
At 31 December 2023	114,931	146,226	7,201	268,358
Carrying amount				
At 31 December 2023	31,967	6,417	1,237	39,621
At 31 December 2022	39,959	6,084	222	46,265

EAST LOOE TOWN TRUST CIO

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

14 Heritage assets

Museum
exhibits and
artworks
£

At 1 January 2023 and at 31 December 2023

1

The charity accounts for the objects in its museum collection, along with the town maces and other individually identified historical artefacts held, as non-operational heritage assets, in accordance with SORP Module 18 Accounting for Heritage Assets. A heritage asset is defined as a tangible or intangible asset with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture.

These have been included at a nominal value of £1, on the basis that valuation of such assets raises a number of issues. Such a valuation is complicated in nature as, whilst each item has an intrinsic value at any given time, this value will fluctuate over even the short term and the intrinsic value of many of the artefacts is down to their local associations. Such items would rarely be sold, and obtaining an expert valuation of these items would therefore be difficult. The collection has been brought together by the Charity through acquisition and donations over a period of over 100 years and includes a very diverse range of objects. It is not therefore felt that such a valuation would provide any meaningful information to the users of the accounts or represent a good use of the CIO's funds to obtain.

The museum has catalogued its entire collection using the MODES computer system and a full catalogue of these assets is available.

Where any assets are disposed of for a material sum this will be treated as income, included within the Statement of Financial Activity and separately identified in the notes as income, for completeness of disclosure.

No heritage articles have purchased or been disposed of in the current period.

A small number of assets are on loan to other organisations in order to further promote the work of our own museum.

15 Investment property

2023
£

Fair value

At 1 January 2023

3,063,500

Net gains or losses through fair value adjustments

626,500

At 31 December 2023

3,690,000

EAST LOOE TOWN TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

15 Investment property

(Continued)

The CIO has taken a policy of securing a full market valuation of all properties every 5 years with interim valuations being taken as part of the ongoing rent review process.

A full market valuation report was prepared by the CIO's independent valuer Miller Commercial during May 2024 (previously valued by Kivells in February 2019).

This valuation has been updated for the accounting year ended 31 December 2023. The trustees do not believe that there will have been any significant changes in the value of the investment properties during the interim period.

It is believed that there will be a further increase in property values next year, with planned refurbishment works on the Old Lifeboat Station and Watchtower. The valuer has provided expected values for the completed properties and will update their assessment once the works is completed.

On transfer to the new CIO on 1 October 2016 the properties had a book value of £2,609,362. An increase in this cost for the construction of the Guildhall restaurant of £80,914 occurred in the year ended 30 September 2017. Given the very long history of the previous trust, records do not allow for a full cost value of the assets to be stated.

In a break from UK GAAP the trust currently utilises space upstairs in the Guildhall as a Trust Office, but do not apportion the value of the property between investment property and fixed asset. This reflects the Trusts flexible approach to their occupation. The area of the Guildhall utilised as an office is also let out as a part of the wider property when opportunities allow. The space utilised for governance activities is small and the Trust is currently preparing to move the office to the Watchtower assuming that the renovations planned for this property are successful. As the Watchtower refurbishment will be into a full time Trust office, this property will be reclassified as a fixed asset in 2025.

16	Financial instruments	2023 £	2022 £
	Carrying amount of financial assets		
	Instruments measured at fair value through profit or loss	60	60
		<u> </u>	<u> </u>
17	Stocks	2023 £	2022 £
	Finished goods and goods for resale	769	839
		<u> </u>	<u> </u>
18	Debtors	2023 £	2022 £
	Amounts falling due within one year:		
	Trade debtors	8,096	11,319
	Prepayments and accrued income	9,439	2,037
		<u> </u>	<u> </u>
		17,535	13,356
		<u> </u>	<u> </u>

EAST LOOE TOWN TRUST CIO

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

19 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Other taxation and social security		23,395	21,022
Deferred income	20	2,556	3,179
Payments received on account		65,815	68,760
Trade creditors		20,794	5,946
Other creditors		2,351	2,216
Accruals and deferred income		14,378	7,820
		<u>129,289</u>	<u>108,943</u>

20 Deferred income

	2023 £	2022 £
Arising from Grant income deferred	<u>2,556</u>	<u>3,179</u>

This represents the remaining grant income received which has been subject to expenditure conditions, which have not yet been fulfilled. All deferred income is restricted in nature.

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Deferred income is included within:		
Current liabilities	<u>2,556</u>	<u>3,179</u>
Movements in the year:		
Deferred income at 1 January 2023	3,179	3,969
Released from previous periods	<u>(623)</u>	<u>(790)</u>
Deferred income at 31 December 2023	<u>2,556</u>	<u>3,179</u>

EAST LOOE TOWN TRUST CIO

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

21 Designated funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Balance at 1 January 2022	Transfers	Balance at 1 January 2023	Transfers	Balance at 31 December 2023
	£	£	£	£	£
Operating reserve	145,138	(26,027)	119,111	5,429	124,540
Property reserve	306,350	-	306,350	62,650	369,000
	<u>451,488</u>	<u>(26,027)</u>	<u>425,461</u>	<u>68,079</u>	<u>493,540</u>

Annual transfer made based on 6 months of unrestricted costs excluding depreciation and discretionary grants.

22 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 December 2023 are represented by:						
Tangible assets	37,221	2,400	39,621	43,242	3,023	46,265
Heritage assets	1	-	1	1	-	1
Investment properties	3,690,000	-	3,690,000	3,063,500	-	3,063,500
Current assets/(liabilities)	408,648	(1,335)	407,313	376,468	(2,023)	374,445
	<u>4,135,870</u>	<u>1,065</u>	<u>4,136,935</u>	<u>3,483,211</u>	<u>1,000</u>	<u>3,484,211</u>

23 Operating lease commitments

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

	2023 £	2022 £
Within one year	676	730
Between two and five years	1,352	-
	<u>2,028</u>	<u>730</u>

EAST LOOE TOWN TRUST CIO

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

24 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

No Trustee receives any remuneration and no expenses are paid to Trustees. Trustees are not permitted to carry out any transactions on behalf of the Trust or seek reimbursement of such expenditure.

An annual Christmas meal is provided by the Trust for the benefit of the Trustees and staff. Attendance at this event is voluntary and some trustees choose to reimburse the cost of their meal.

A separate meal was provided to museum volunteers in recognition of their efforts in staffing the museum and providing their time to assist with the winter maintenance programme.

25 Non-audit services provided by auditor

In common with many businesses of our size and nature we use our auditor to assist with the preparation of the financial statements.

Appropriate safeguards are maintained by ourselves and by our auditors, to ensure that this arrangement is within all relevant legislation.