



Porlock Recreation Ground CIO

Trustees' Annual Report and Accounts for the year
ended 31 December 2021

Registered Charity number 1176921

Porlock Recreation Ground CIO
Accounts for the year ended 31 December 2021

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Report of the Trustees

The trustees of the Porlock Recreation Ground registered charity number 1176921 ("the Charity") have pleasure in presenting their Annual report and Accounts for the year ended 31 December 2021. The financial statements comply with the Charities Act 2011, the Charity's Governing Document 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) (updated 1 January 2019).

OBJECTIVES AND ACTIVITIES

The objectives of the Charity are set out in its Constitution. Paraphrasing, the Charity's objective is to retain, manage and promote Porlock Recreation Ground for the benefit of Porlock's inhabitants and visitors. In the interests of social welfare, the land is to be used for the provision of facilities for recreation or other leisure time occupation.

The charity achieves its objects by the following principal activities and in planning such activities the Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit.

The principal activity is the provision and upkeep of about nine acres of open space and facilities for recreational use by all the people of the village of Porlock and visitors to the village. To this end, the charity provides and maintains a pavilion, sports pitches (two football, one cricket), a tennis court, multi-sport court, children's playground, toddlers' playground and a memorial garden.

The facilities are made available for events such as an annual football festival and the Porlock Country Fair which raises funds for the charity and is well attended by local people, visitors, non-profit organisations and local businesses.

Public benefit is derived from use of the facilities, most of which are free of charge. Open spaces are regularly used for physical exercise by walkers as well as participants in organised and *ad hoc* sport. The children's play area is popular with children and parents who gain enjoyment and exercise from its use. The floodlit tennis court and multi-use games area also provide an opportunity for exercise and social interaction. The Pavilion is available to rent at low cost for events and use by local organisations and businesses.

Report of the Trustees continued

ACHIEVEMENTS AND PERFORMANCE

The early part of the year was again affected by the Covid-19 pandemic and the lockdown had some impact on the use of the Recreation Ground, particularly use of the Pavilion. However, with the easing of restrictions, use increased from May onwards and with some significant one-off hirers income was better than forecast.

Events

Unfortunately, the ESF Football Festival had to be cancelled because restrictions meant there was insufficient accommodation available locally for all the visiting teams. However, most of the other events planned for the year were able to take place and these included

- An Evening of Summer Song
- Porlock Village Fete (a scaled-down version of the Country Fair)
- Fun Run
- Porlock Hill Climb

Youth Club

The Club continues to be funded from monies received from 2019's Samworth Brothers Charity Challenge. This covers the cost of professional youth workers from Minehead Eye. There was little activity in the early part of the year but since sessions resumed in March the Club has gone from strength to strength. The Recreation Ground was eligible for business support grants from SW&T Council and Trustees allocated funds to continue support to the Youth Club until December 2023.

Sports Clubs

As with other users, the football and bowls clubs were affected by lockdown restrictions in the early part of the year. However, with the easing of restrictions all clubs, including the cricket club, were able to resume their normal seasonal activities and had a full programme of training sessions and matches. The income for all clubs had been severely reduced during 2020 and the Trustees allocated some of the business support grants to benefit their major users and did not collect annual ground rents from the sports clubs, or St Dubricius School.

Future plans and use of the Susan Taylor legacy

Trustees have continued to consider options and plans for one or two capital projects that have been enabled by the legacy monies. One project that came to fruition in 2021 was resurfacing in the Children's Play Area with Tiger Mulch to improve safety and appearance.

The Pavilion

The Pavilion had some regular users throughout the year which include the Toddlers group, a Yoga class, a belly-dancing class and Exmoor Adventures. There were also some significant one-off users such as Pleasure Dome Theatre Company who needed rehearsal space and Stacked Wonky who held a week-long Summer Academy for children.

Children's Play Area

The Trustees have continued to investigate options for upgrading the current equipment to ensure a safe and attractive environment. A new piece of equipment has been installed in the toddler area and one piece has had to be dismantled from the main area, but it is hoped that this can be replaced soon.

Report of the Trustees continued

Multi Use Games Area & Tennis Courts

These facilities have been used throughout the year by ad-hoc and organised groups such as the Tennis Club. New timers have been fitted to the floodlights to ensure they are used within the terms of the planning permission that was granted for their installation.

Grounds maintenance, trees and hedges

The grounds continued to be maintained throughout the year. There was minimal work undertaken on our trees but clearing and soil-levelling was carried out under the copper beech to make the area more attractive as a seating area. The Recreation Ground has been allocated trees by a joint project between the National Trust and Porlock Parish Council and planting is due to take place in early 2022.

FINANCIAL REVIEW

The Covid-19 pandemic continued to have some impact on the operations of the charity, especially in the early part of the year. However, with the easing of restrictions usage increased and although it didn't reach pre-pandemic levels, made a good recovery on the year before.

Income

Operational income, ignoring the Covid support grants received, was slightly higher than 2020 but still a long way below 2019. However, that had been an exceptional year with the Samworth Brothers event and a very good Country Fair. Discounting those two events, operational income was on a par with 2019 with the main sources being hire of the Pavilion and facilities and FIT income from the solar panels. There was significant income in covid support grants from Somerset West & Taunton Council and high income from investments reflected a strong recovery in the markets. All investment income has been reinvested.

Expenditure

Operational expenditure was higher than in 2020 but did include a significant project to re-landscape an area which had become a bit of an eyesore (£3,000). It is now a pleasant place to sit in the shade of a copper beech. Running costs were otherwise slightly lower than in 2020. There was also considerable investment in the children's play area with re-surfacing improving both the appearance and safety.

Loss for the year

Although the impact of the pandemic was considerably less than in 2020 its effects were still being felt and the charity made another operational loss in the year. However, the performance of the invested funds along with the Covid support grants received, offset the operational loss and the overall assets of the charity at the end of the year stood at £835,968.

Report of the Trustees continued

Available Funds

At year end the Charity had £741,302 invested and £28,340 cash held at the bank.

Budget

A cautious budget has been agreed by the Trustees for 2022. It is anticipated that use and therefore income will return to pre-pandemic levels but some operational costs have increased significantly so a slight loss is forecast.

Investment and Reserve Policy

The Trustees adopted an updated Investment Policy on 13th October 2020.

Specifically with respect to reserves, the policy states:

“6.1 Maintenance of reserves

At each General Meeting of the Management Committee, the Treasurer will report a summary of the Charity’s cash flow and reserves. Trustees will review the Treasurer’s report to ensure that the Charity has adequate reserves to meet its commitments.”

Reserves in this respect are adequate and comply with the policy. The Investment Policy also sets aside £100,000 in reserve to cover any potential operating losses in future years. These funds are included in the investments (see Investment Performance below).

Investment Performance

Whilst a large portion of the invested funds remains in the Church House Funds, the Investment Manager has allocated some monies to alternative securities to provide some diversification. Both short-term and long-term funds are invested in financial assets that have suitable liquidity to enable encashing as appropriate.

A summary of the changes to invested funds is as follows:

| | £ |
|---------------------------------------|---------|
| • Market value at start of the year | 696,263 |
| • Dividends | 13,845 |
| • Management fees | (2,240) |
| • Net gains on investments | 33,434 |
| • Market value at the end of the year | 741,302 |

No cash was transferred out of the invested funds in the year.

Report of the Trustees continued

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Porlock Recreation Ground CIO was registered as a Charity on 31 January 2018 and is governed by its Constitution dated 31 January 2018.

Appointment of trustees

Trustees can be elected at the Charity's Annual Community Meeting (ACM), appointed by invitation to join the Committee as a co-opted trustee or are nominated by specific local organisations defined in the Constitution. Trustees agree to appointment on the basis that they have the necessary skills, experience and time to contribute to the Charity's activities and to be able to discharge their obligations as Trustees.

Annual Community Meeting (ACM)

The ACM is scheduled to be held on 19th April 2022.

Trustees serving during the year

Chair – Sue McCanlis (appointed as trustee 20th April and Chair 18th May 2021)

Robert Longley (resigned as Chair and trustee 30th April 2021)

Secretary – Emma Child

Treasurer – Anna Toeman

Terry Gable (Porlock Parish Council representative)

Nora Maw

Ian Fraser (Porlock Cricket Club representative)

Brian Binnie (Porlock Football Club representative) (resigned 16th November 2021)

Andy Briggs

Chris Jones (co-opted 21st September 2021)

Trustee and volunteer recruitment

With a number of trustee vacancies, attempts to recruit new trustees from the community will be progressed prior to the ACM on 19th April.

The Representative Trustee positions for Porlock Vale Tourist Association, Porlock Football Club and Porlock & District Bowling Club remain unfilled.

Porlock Recreation Ground CIO
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Reference and Administrative Information

Charity Number: 1176921

Registered Office:

The Pavilion
Porlock Recreation Ground
Parsons Street
Porlock
Somerset
TA24 8QJ

Independent Examiner:

Karen Hanlan, ACA
Karen Hanlan Independent Examiner Limited
1 Saracen Close
Ettington
CV37 7SZ

Bankers:

The Co-op Bank PLC
PO Box 101
1 Balloon Street
Manchester
M60 4EP

Investment Managers:

Church House Investment Management
York House
6 Coldharbour
Sherbourne
Dorset, DT9 4JW

Legal advisors:

Stone King LLP
Boundary House
91 Charterhouse Street
London
EC1M 6HR

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the accounts in accordance with applicable law, UK Accounting Standards and the Charities Act 2011.

The trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Charity and of the surplus or deficit incurred by the Charity for that year. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 accounts; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to exist.

The trustees have overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011.

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 and to provide reasonable assurance that:

- the Charity is operating efficiently and effectively;
- its assets are safeguarded against un-authorised use or disposition;
- proper records are maintained and financial information used within the Charity or for publication is reliable;
- the Charity complies with relevant laws and regulations.

Approved by the Board and signed on its behalf by:

Date: 2 April 2022

Sue McCanlis
Chair

Independent Examiner's Report to the Trustees of Porlock Recreation Ground CIO ('the Charity')

I report to the charity trustees on my examination of the accounts of the Charity for the period ended 31 December 2021 which are set out on pages 11 to 18.

Responsibilities and basis of report

As the charity trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities act 2011 ('the Act').

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

Independent Examiner's statement

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

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

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

Karen Hanlan
ACA, ACIE
Karen Hanlan Independent Examiner Ltd
1 Saracen Close
Ettington
CV37 7SZ

Date: 2/4/2022

Porlock Recreation Ground CIO
Accounts for the year ended 31 December 2021

Statement of Financial Activities

| | Note | Un-restricted funds | Restricted funds | Total funds 2021 | Total funds 2020 |
|---|------|---------------------|------------------|------------------|------------------|
| | | £ | £ | £ | £ |
| Income: | | | | | |
| Donations and legacies | 1 | 19,967 | - | 19,967 | 2,405 |
| Charitable activities | 2 | 7,778 | - | 7,778 | 6,117 |
| Other trading activities | 3 | 2,171 | - | 2,171 | - |
| Investments – bank interest | | 18 | - | 18 | 512 |
| Investments – dividends | | 13,845 | - | 13,845 | 4,161 |
| Other income – insurance claim | | - | - | - | 1,169 |
| Total income | | 43,779 | - | 43,779 | 14,364 |
| Expenditure on: | | | | | |
| Raising funds | 4 | 2,925 | - | 2,925 | 29 |
| Charitable Activities | 4 | 29,348 | 5,000 | 34,348 | 30,663 |
| Total expenditure | | 32,273 | 5,000 | 37,273 | 30,692 |
| Net gains on investments | | 33,434 | - | 33,434 | 19,691 |
| Net income/(expenditure) and net movement in funds | | 44,940 | (5,000) | 39,940 | 3,363 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 791,028 | 6,244 | 797,272 | 793,909 |
| Total funds carried forward | | 835,968 | 1,244 | 837,212 | 797,272 |

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

All income and expenditure derive from continuing activities.

Porlock Recreation Ground CIO
Accounts for the year ended 31 December 2021

Balance Sheet

| | Notes | 2021 £ | 2020 £ |
|--|-------|----------------|----------------|
| Fixed assets | | | |
| Tangible assets | 6 | 67,294 | 52,979 |
| Investments | 7 | 741,302 | 696,263 |
| | | 808,596 | 749,242 |
| Current Assets | | | |
| Debtors | 8 | 776 | 755 |
| Cash at bank and in hand | | 28,340 | 48,922 |
| Total current assets | | 29,116 | 49,677 |
| Current Liabilities | | | |
| Creditors: amounts falling due within one year | 9 | (500) | (1,647) |
| Net current assets | | 28,616 | 48,030 |
| Net assets | | 837,212 | 797,272 |
| Funds of the Charity: | | | |
| Restricted Funds | 10 | 1,244 | 6,244 |
| Unrestricted Funds - general | | 828,468 | 791,028 |
| Unrestricted Funds - designated | 11 | 7,500 | - |
| Unrestricted Funds - total | | 835,968 | 791,028 |
| Total funds of the Charity | | 837,212 | 797,272 |

The accompanying accounting policies and notes form part of these financial statements.

Approved by the Trustees and signed on their behalf by:

Anna Toeman
Treasurer

Sue McCanlis
Chair

Date: 2 April 2022

Principal accounting policies

Basis of preparation

The financial statements have been prepared in accordance with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (updated 1 January 2019) – (Charities SORP FRS 102), and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements have been prepared on a going concern basis which assumes that the charity will continue to operate. The validity of this assumption is dependent upon the continuance of support from its supporters. The charity's business plan shows that the charity will be able to operate in the foreseeable future. Based on this understanding the trustees believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments, which would result from the basis of preparation being inappropriate.

Funds

General accumulated funds are unrestricted funds available for general purposes and include funds designated for a particular purpose; the use of such funds remains at the discretion of the trustees.

Restricted funds are funds subject to conditions imposed by the donor or by specific terms of the appeal under which the funds are raised. The restrictive conditions are binding upon the Charity.

Income and expenditure

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Irrecoverable VAT is allocated to the expense heading to which it relates in accordance with standard accounting practice.

Principal accounting policies (continued)

Investment income receivable

Dividends and bank interest are shown on the basis of amounts receivable in the year.

Tangible fixed assets

Depreciation is provided at a rate calculated to write off the cost on a straight line basis over a period of less than the estimated useful life of the assets as follows:

| | | |
|--------------------------------|---|----------|
| Buildings and facilities | - | 10 years |
| Plant, machinery and equipment | - | 5 years |

Fixed assets are capitalised when their costs exceed £250.

Fixed Asset Investments

Fixed asset investments are included at market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors

Creditors are recognised when the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Taxation

As a registered charity no provision is considered necessary for taxation.

Notes to the financial statements

1. Income from donations and legacies

| | 2021 | 2020 |
|---|---------------|-------|
| | £ | £ |
| Donations (2020 - £500 restricted) | 75 | 2,405 |
| Grants – Covid support from Somerset West & Taunton Council | 19,892 | - |
| | 19,967 | 2,405 |

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Notes to the financial statements (continued)

2. Income from charitable activities

| | 2021 | 2020 |
|------------------------|--------------|-------|
| | £ | £ |
| Hire of facilities | 1,518 | 1,205 |
| Rents payable by clubs | 3,958 | 2,467 |
| Energy payments | 2,302 | 2,445 |
| | 7,778 | 6,117 |

3. Income from other trading activities

| | 2021 | 2020 |
|--------------|--------------|------|
| | £ | £ |
| Village Fete | 1,971 | - |
| Other | 200 | - |
| | 2,171 | - |

4. Analysis of expenditure

| | 2021 | 2020 |
|--------------------------------------|---------------|--------|
| | Total | Total |
| | £ | £ |
| Fundraising – costs of events | 686 | 21 |
| Investment managers fees | 2,239 | 8 |
| | 2,925 | 29 |
| Maintenance/cleaning | 3,865 | 3,238 |
| Utilities and fuel | 433 | 1,709 |
| Insurance | 1,013 | 1,049 |
| Print, postage & stationery | 6 | 34 |
| Repairs & equipment | 4,130 | 3,446 |
| Tree work | - | 400 |
| Tools & equipment | 51 | 104 |
| Equipment maintenance | 239 | 339 |
| Sundry expenditure | 114 | 97 |
| Grants given – inc £5,000 restricted | 7,711 | 4,256 |
| Depreciation | 15,901 | 12,958 |
| Professional fees | 385 | 2,633 |
| Independent Examiner's fee | 500 | 400 |
| Total | 34,348 | 30,663 |

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Notes to the financial statements (continued)

5. Staff costs, trustee remuneration and expenses

The charity employs no staff (2020: none).

The charity's Trustees were not paid nor received any other benefits from employment in the year (2020: £nil). Trustee expenses, relating to expenses and equipment paid for on behalf of the Committee, were reimbursed to three Trustees totalling £401.96 in the year (2020: 3 Trustees, £341.25)

Mrs Terry Gable, Trustee, received a total of £1,070 for cleaning services provided during the year (2020: £510).

6. Tangible fixed assets

| | Buildings and facilities £ | Plant, machinery and equipment £ | Total £ |
|----------------------------|---|---|---------------------|
| Cost | | | |
| At beginning of year | 49,181 | 39,604 | 88,785 |
| Additions | - | 30,216 | 30,216 |
| | <hr/> 49,181 | <hr/> 69,820 | <hr/> 119,001 |
| Depreciation | | | |
| At beginning of year | 8,573 | 27,233 | 35,806 |
| Charge for the year | 2,062 | 13,839 | 15,901 |
| | <hr/> 10,635 | <hr/> 41,072 | <hr/> 51,707 |
| Net Book Value | | | |
| At 31 December 2021 | <hr/> 38,546 | <hr/> 28,748 | <hr/> 67,294 |
| At 31 December 2020 | <hr/> 40,608 | <hr/> 12,371 | <hr/> 52,979 |

Porlock Recreation Ground CIO
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Notes to the financial statements (continued)

7. Fixed asset investments

| | 2021 £ | 2020 £ |
|---|----------------|----------------|
| Listed Investments | | |
| Market value at beginning of period | 628,913 | 568,418 |
| Disposal proceeds | - | (406,500) |
| Additions (including dividends reinvested) | 59,645 | 447,304 |
| Net gains in year | 33,434 | 19,691 |
| Market value at end of year | 721,992 | 628,913 |
| Historic cost at end of year | 671,911 | 670,332 |
| Church House Tenax Absolute Return Strategic Fund | 179,071 | 177,713 |
| Church House Investment Grade fixed interest | 198,057 | 205,556 |
| Church House Balanced Equity income | 166,706 | 122,196 |
| Church House UK Equity Growth | 78,164 | 50,525 |
| UK Equity investments | 64,617 | 43,813 |
| International Equity investments | 35,377 | 29,110 |
| Total investments | 721,992 | 628,913 |
| Cash awaiting investment | 19,310 | 67,350 |
| Total portfolio | 741,302 | 696,263 |

8. Debtors

| | 2021 £ | 2020 £ |
|-------------------|------------|------------|
| Prepayments | 776 | 755 |
| Income receivable | - | - |
| | 776 | 755 |

9. Creditors: amounts falling due within one year

| | 2021 £ | 2020 £ |
|-----------------|------------|--------------|
| Accruals | 500 | 400 |
| Deferred income | - | 1,247 |
| | 500 | 1,647 |

Movements in deferred income are as follows:

| | £ | £ |
|----------------------------|---------|---------|
| At beginning of year | 1,247 | 1,388 |
| Released to income in year | (1,247) | (1,388) |
| Deferred in year | - | 1,247 |
| At end of year | - | 1,247 |

Deferred income relates to rental income received in advance.

Notes to the financial statements (continued)

10. Restricted funds

| | Movement in Funds | | |
|-------------------|---|---------------------|--------------------------|
| | Balance at beginning of year £ | Income £ | Expenditure £ |
| Youth Worker Fund | 6,244 | - | (5,000) |
| Toddler Group | - | - | - |
| Total | 6,244 | - | (5,000) |

In 2019 a charity fundraising event at the recreation ground raised funds for a number of charitable causes and £10,000 was granted by the Samworth Brothers Charity to fund the Youth Worker for a further 2 years.

11. Designated funds

Funds totalling £7,500 have been set aside by Trustees to support the Porlock Youth Club from July 2022 through to December 2023.

12. Transactions with related parties

Other than the above and that detailed in note 5, there were no transactions with related parties during the year that require disclosure in these financial statements (2020 none).

13. Controlling Interests

The Charity is controlled by the Trustees.