

The Tranquility House Trust

Charity No 201815

Report of the Trustees for the year ended 31st March 2022

The Charity's Trustees present their Annual Report and Financial Statements of the Charity for the year ended 31st March 2022. The Financial Statements have been prepared as Receipts and Payments accounts in accordance with the Charities Act 2011.

Objectives and activities for the public benefit

The objective of the Trust is to provide holidays for members of the clergy of the Church of England and their families who are resident in England or Wales. The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives, and setting the grant-making policy for the year.

The Trust furthers its charitable purposes for the public benefit by making grants towards the cost of holidays for individual clergy nominated by or on behalf of their diocesan Bishops. The refreshment and relaxation that clergy receive from these holidays is of great value to them and their families and many would be unable to take holidays without the grants made by the Trust.

During the year, the Trust paid or approved 51 new grants totalling £30,600. This year the trustees decided not to chase those dioceses who failed to respond to the requests for nominations.

Financial review

The value of the trust's portfolio stood at £748,272 at the year-end compared with £703,089 at 1st April 2021.

Investment income for the year ending 31st March 2022 was slightly in excess of the previous twelve months namely £25,836 (2021: £22,246).

The amount of grants for the following year have continued to be set at a level of £600 partly because the trustees had agreed to ask the grant secretary not to chase diocesan bishops who did not respond to the initial requests for nominations.

The Trust's work is entirely reliant on the income from its investments. The Trust's investment objective is to balance income and capital returns. The assets should be managed at least to maintain their real capital value, whilst generating a sustainable level of income within an acceptable level of risk to support the Trust's current charitable activities.

In 2018 the Trustees appointed an Investment Committee, which comprises two trustees: Jeremy Howell and Paul Hewson. The Committee has responsibility for agreeing strategy, selecting investment managers and monitoring their performance. In 2017 Brewin Dolphin Ltd were appointed as the Trust's investment advisers. The Investment Committee meets at least once every six months to review the Trust's portfolio of investments, including analysis of return, risk and asset allocation – currently by Zoom. Performance will be monitored against market indices agreed with the Investment Managers. The Investment Committee will

report formally to the full trustee board on at least an annual basis. The report will include a review of asset allocation strategy, performance, risk profile and consistency with the long-term investment objective.

Risk management

The principal risks faced by the Trust lie in the performance of investments and operational risks from ineffective grant-making and the capacity of the Trust to make worthwhile grants to enough deserving cases.

The Trustees consider that the variability of investment returns constitute the Trust's major financial risk. To mitigate this, the Investment Committee in 2018 prepared an investment policy for a diversified investment portfolio and, additionally, has the responsibility for agreeing strategy and selecting skilled investment managers. The Trustees consider that this approach, with the various monitoring safeguards built in, will help to reduce the risk of variable investment returns in the longer term.

The Trustees have reviewed their processes for making grants and, in particular, have taken steps to ensure that the Trust is not competing with other charities (often much larger than the Trust) for candidates.

Reserves policy

It is the policy of the Trustees to maintain unrestricted funds at a level that equates to at least six months' unrestricted expenditure. The Trustees consider that this level will provide sufficient funds to respond to applications for grants and ensure that support and governance costs are covered.

The balance held on unrestricted funds at 31 March 2022 was £43,795 (2021: £50,485). Total expenditure in the year was £37,792 (2021: £24,441).

Plans for the future

Following the selection and appointment of investment managers, the consequent likelihood of some reorganisation of the Trust's investment portfolio is probably the most significant event for the near future.

Further steps will be explored to mitigate the potential risks associated with the making of grants.

Structure, governance and management

The Trust is a registered charity, number 201815, and is constituted under a Charity Commissioners for England and Wales Scheme dated 28 March 1988 (with subsequent minor amendments on 1 November 1991).

In 1924, Miss Violet Edith Wills provided a property known as 'Tranquillity House' in Torquay for the purposes of establishing a rest home for clergy of the Church of England and endowed it; two charities were established: The Clergy Rest Home and The Clergy Rest Home Endowment Fund. The property was sold and, under the Scheme referred to above, the two charities and their assets were administered and managed together by The Tranquillity House Trust.

The Trust does not actively fundraise and seeks to continue the charitable work desired by the original donor through the careful stewardship of its existing resources. New Trustees are appointed by the existing Trustees and serve for five years after which they may put themselves forward for re-appointment. The Scheme document (as amended in 1991) provides for a maximum of ten Trustees, with a quorum of four.

At the half-yearly Trustees' meetings, the Trustees agree the broad strategy and areas of activity for the Trust, including consideration of grant-making, reserves and risk management policies and performance.

On appointment, new trustees sign a model Trustee Declaration committing them to giving their time and expertise. They also receive a copy of the most recent set of accounts, a copy of the latest Trustee minutes and a copy of the Trust's 'Internal Control Policies and Procedures'.

The Grant Secretary, who is not a Trustee, and who is remunerated for her work, is responsible for liaison with the diocesan bishops in accordance with procedures agreed by the Trustees with a view to the bishops making nominations for deserving clergy to receive grants. The Grant Secretary is responsible for liaison with the successful nominees, dealing with queries and preparing the necessary cheques. The grant secretary is the spouse of a trustee and the process of appointment was carried out in accordance with the charity's constitution.

Reference and Administrative information

Trustees

Mr Jeremy Howell (Chairman)
Mrs Ann Berrow
The Rev Preb. Roger J Carlton
The Ven. D J Dettmer, Archdeacon of Totnes
Mrs Diana Fitch
Mr Christopher G Goldsmith
Mr Paul Hewson
Mr Carrick G M Johnson (appointed 17/11/2021)

Grants Secretary

Mrs Hilary Howell

Treasurer

Mr Ian Barrett FCA

Charity Registration Number: 201815

Address (for Charity Commission purposes)

c/o Messrs Barretts
22, Union Street,
Newton Abbot
TQ12 2JS

Bankers

National Westminster Bank Plc
108 Union Street
Torquay
Devon TQ2 5PZ

Independent Examiner

Mrs Clare Lillington,
Raddon,
Station Hill,
Chudleigh,
Newton Abbot
TQ13 0EE

Investment Managers

Brewin Dolphin Ltd
Pynes Hill, Woodwater Park
Exeter EX2 5FD

Trustees' responsibilities in relation to the financial statements

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each 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 period. In preparing the financial statements, the Trustees are required to:

- Select suitable accounting policies and to apply them consistently;
- Observe the methods and principles of the applicable Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that 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, the applicable Charities (Accounts and Reports) Regulations and the provisions of the Scheme document. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

J W Howell (Chairman) 23rd November 2022

Independent Examiner's Report to the Trustees Tranquillity House Trust
Charity no. 201815

I report to the trustees on my examination of the accounts for the year ended 31st March 2022.

Responsibilities and basis of the report

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

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

Independent examiner's statement

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

1. Accounting records were not kept in respect of the Church as required by section 130 of the Act; or
2. The accounts do not accord with those records.

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.

Clare Lillington FMAAT
Raddon
Station Hill
Chudleigh
Devon
TQ13 0EE

5th December 2022

Tranquility House Trust
Charity no 201815

Receipts and Payments Account for
The Year Ended 31st March 2022

	<i>General Fund 31/03/2022</i>	<i>General Fund 31/03/2021</i>
<i>Receipts</i>		
Dividends received	25,836	22,246
Withdrawal from investments	5,266	4,463
	31,102	26,709
<i>Payments</i>		
Grants to individuals	30,600 51	18,200 23
Investment management	5,266	4,463
Treasurer	600	600
Independent Examination fee	250	125
Secretarial & stationery	1,076	1,053
	37,792	24,441
Net (deficit)/surplus for the period	(6,690)	2,268
Bank balance at 1st April 2021	50,485	47,387
Adjustment		830
Bank balance at 31st March 2022	43,795	50,485

Statement of Assets and Liabilities
At 31st March 2022

	<i>General Fund 2022</i>	<i>Permanent Endowment 2022</i>	<i>General Fund 2021</i>	<i>Permanent Endowment 2021</i>
<i>Assets</i>				
Investments - market value		748,272		703,089
Cash at bank	43,795		50,485	
	43,795	748,272	50,485	703,089
<i>Liabilities</i>				
Grants payable	12,000		25,200	
Secretarial	500		500	
Accountancy	200		200	
Portfolio management	1,346		1,266	
Bookkeeping	600		840	
	14,646		28,006	