

Report of the Trustees and
Financial Statements
for the Year Ended 31 December 2023
for
Blanchminster Trust

Metherell Gard Ltd
Chartered Accountants
Burn View
Bude
Cornwall
EX23 8BX

Blanchminster Trust

Contents of the Financial Statements
for the Year Ended 31 December 2023

	Page
Report of the Trustees	1 to 6
Report of the Independent Auditors	7 to 8
Statement of Financial Activities	9
Balance Sheet	10
Cash Flow Statement	11
Notes to the Cash Flow Statement	12
Notes to the Financial Statements	13 to 23

Blanchminster Trust
Report of the Trustees
for the Year Ended 31 December 2023

The trustees present their report with the financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provisions of 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 and aims

Blanchminster Trust is said to be possibly the oldest established grant making charity in the country (or even the world) being able to trace its origins directly back to the year 1421, and has recently celebrated the 600th anniversary. Despite changes of name through the long history, the trust has retained its general principle in so far as the 'relief of local need' is concerned. At that early date, considerable areas of land in the district were bequeathed to the trust, and over the years this has changed into a concentration of ownership of residential and commercial properties mostly in Bude itself. The first Charity Commission Scheme for the trust, then known as the Blanchminster Charity, was dated 12th December 1893. This directed the "Feoffees" at that time to formally set up the administration which, apart from the approved minor changes in recent times, has remained to the present day.

The objective of the trust is to manage the land belonging to it, in order to provide surplus income which it then applies in the following ways by means of grants or otherwise.

1 Relief in need

The trust is to give, generally or individually, to persons who are in conditions of need, hardship or distress, by grant of money or by providing services or facilities to alleviate this need.

2 Promotion of education

The trust is to award a maintenance allowance or otherwise provide financial assistance to persons who are in need of such assistance, to continue their studies. The trust is to also provide schools with special benefits not normally provided by the local education authority. The trust is to also provide financial assistance to any charitable organisation whose objects include the promotion of education.

3 Community aid

The trust is to provide financial assistance to local charitable organisations for the benefit of the community.

The area of benefit is principally the parishes of Bude, Stratton and Poughill (the former Bude-Stratton urban district area) but in special circumstances this may be extended to the immediate area outside these parishes. In order for an application to qualify for assistance, it must be proved not only does the applicant reside within the area of benefit but also that the grant falls within the three application types and that there is a genuine need. Consideration may, however, be given to current or immediate past pupils of Budehaven School who do not reside in the area of benefit where an education grant has been requested. The trustees will also consider educational grant applications from students who have a parent/ parents living within the designated area.

The trust is restricted in that the grants it gives cannot be used directly to relieve liabilities in respect of rates, taxes or other public funds.

Following many years of low levels of income from property rentals, with the consequent lack of investment in the maintenance of those properties, the trustees have, since the early 1980s, undertaken a steady upgrading of the trust's properties whenever the opportunity has arisen. This course of action had been possible through the raising of the rents to, or near to, the registered rent level and the setting of realistic rents for commercial properties, as guided by professional advice. The trustees continue to follow the programme of recent years in gradually raising the standard of all investment properties. It is a long-term process as most of the buildings are very old with the majority falling within a designated Conservation Area. The trustees believe that this policy is required to ensure that future surplus income is achieved to continue its grant making objectives.

Blanchminster Trust
Report of the Trustees
for the Year Ended 31 December 2023

OBJECTIVES AND ACTIVITIES

Grant Making Policy

Applications are normally made in writing to the clerk, when a 'financial enquiry form' is sent for completion and return. Applicants may be called for an informal interview by the relevant committee. Following this, a recommendation is made to the full Board of Trustees who make the final decision.

In the case of clubs, organisations etc., the latest annual accounts are called for, together with an updated financial statement.

Assistance can be given in the form of a cash grant or provision of equipment.

There has been no change of policy by the trustees in their procedures during the past year.

In setting their objectives and planning their activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The trustees measure the success of meeting their objectives by the level of grants made in the year.

ACHIEVEMENT AND PERFORMANCE

	Grants Made	Grants Declined	Other	Total
Needs	30	5		35
Education	257	10		269
Community	6	4		10
Outside Of The Scope			8	8
Withdrawn			85	85
Carried forward to 2024			51	51
				458

The charity's main source of income remains rental receipts from the letting of its investment property. As in previous years, a number of properties have been refurbished.

The trustees are pleased that, overall, the investment property portfolio shows very few instances of non occupancy, and, with the guidance of the trust's property advisers, continues to achieve competitive, commercial rental returns.

By far the largest number of requests fall within the 'Education' category. Each year the trust offers a standard grant to mainly students of Budehaven Community School who are moving on to higher education where a financial need is established. This has provided in many cases an invaluable help to the students and their families at a time when Local Education Authority grants have been removed. In 2023 the standard grant paid was £1,500.

FUNDRAISING ACTIVITIES

The charity does not participate in any external fundraising activities nor does it engage any professional fundraising services. The costs of raising funds as noted in the SOFA on page 9 are detailed in note 3 to the financial statements, and relate solely to the management of the Investment Properties.

Blanchminster Trust
Report of the Trustees
for the Year Ended 31 December 2023

FINANCIAL REVIEW

Overall incoming resources decreased from £556,835 in 2022 to £546,684 in 2023. In 2022 there was a one off receipt of £30,000 to settle a dilapidation schedule. Overall, there has been an increase in investment income in the year of £22,865 which is the result of an increase in rental income and deposit interest income.

The trust is not dependent upon the receipt of donations, legacies or other voluntary income. The trust has applied its income firstly to grants in the areas of education, need and community projects, which totalled £388,462 and a further £171,496 in the maintenance and repair of properties.

The freehold property and the investments are valued on a fair value basis as explained in the accounting policies.

The Charities Official Investment Fund (COIF) shares are publicly quoted. These shares were valued at the year end and showed an unrealised gain of £155,833 for the year.

The trustees' reserves policy is to retain its investment assets in order to secure an income stream to meet current and future grants and related expenditure. The total value of the unrestricted reserves at the year end amounted to £2,440,196. The trustees are of the opinion that it is prudent for them to hold reserves to the level of between two and three years normal grants and cost of raising funds.

The reserves currently held are in excess of the target. The trustees are actively researching ways of providing additional benefits to the areas of need. In addition to this there are, as detailed in the next paragraph, major costs anticipated in the near future, and the level of this expenditure is currently unknown, so the additional reserves may be needed to cover those one off costs.

Following a structural fault with one of the Trust's older properties in 2022 the cost of the works carried out during 2023 exceeded the £30,000 estimate with a total figure in the region of £75,000.

The other properties in the street were surveyed and each property was found to require some level of remedial work. A rough estimate was received for the works required in the sum of over £400,000. These works will be carried out in phases subject to the priority of the works required to each property. The works commenced at the start of 2024.

The trust is in a strong financial position at the year end. Much of the financial strength of the Balance Sheet lies in the fixed assets, the majority of which are held by the trust as part of the endowment fund to provide annual income. The current assets and liquidity ratios are also strong and represent a good buffer against any future risks.

As has been noted earlier, the majority of the assets are long term and essential to the future income stream of the trust. This is further reflected in the apportionment of the assets between the funds. The endowment fund consists of all the properties owned and managed by the trust and also those COIF shares which have been purchased from the proceeds of the previous sale of properties. The funds are sufficient to meet the trust's obligations.

Investments are held in accordance with the trustees' powers.

FUTURE PLANS

The trustees' intention is to continue running the charity along very similar lines to those carried on in recent years. However, a particular objective is to seek out opportunities to continue the amount of annual grants made whilst adhering to the requirements of the governing document.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The trust is an unincorporated association which is governed by the Charity Commission Scheme dated 16 March 1982 as amended on 27 June 1988, 12 August 1991 and 7 August 1996 and amended by special resolution 4 July 1997. In June 2023 the Trustees decided to update the current scheme. This was submitted to the charity commission and approval is awaited.

Appointment of Trustees

The Board of Trustees consists of thirteen members. Trustees are appointed by the Board of Trustees. Each such appointment shall be for a period of five years, after which time trustees may put themselves forward for re-appointment.

Blanchminster Trust
Report of the Trustees
for the Year Ended 31 December 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisation

The full Board of Trustees meets monthly.

There are three committees, each of which meet monthly:

- 1 The Property and Administration Committee has executive powers but reports all actions to the next monthly meeting of the full Board of Trustees;
- 2 The Education Committee;
- 3 The Needs and Community Committee.

Both grant applications committees and any two trustees have emergency powers. Otherwise they make recommendations to the full board meeting on a monthly basis.

Induction and Training of New Trustees

All trustees are fully aware of their responsibilities to the trust. In the event of a new appointment, either by further trustees being required or permanent retirement, the senior and junior stockwarden are jointly responsible for providing all the necessary induction and guidance to any newly appointed trustee. The clerk to the trustees assists in this regard, advising on day to day responsibilities and tasks.

Key management remuneration

Remuneration of key management is reviewed by trustees annually.

Related Parties

Related party transactions requiring disclosure are recorded at note 17 in the accounts.

All trustees who have a connection with a recipient of a grant or have any involvement with a grant recipient's application are not involved in the deliberation or decision making process for those particular grants.

Risk Management

The principal risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems have been established to mitigate those risks.

The principal risks faced by the Trust lie in the performance of investments. The charity's principal income source is from rental receipts of its investment properties. The trustees have ensured that adequate insurance is in place for the properties and carry out regular maintenance to mitigate the risks.

Blanchminster Trust
Report of the Trustees
for the Year Ended 31 December 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Name and Address

Blanchminster Trust, Blanchminster Building, 38 Lansdown Road, Bude, Cornwall, EX23 8BN.

Registered Charity Number 202118

All of the trustees noted below were in office for the period from 1st January 2023 to the date of this report except where otherwise stated. The offices held and committee details are as at the date of this report.

Trustees

Mrs J Adams	Mrs V A Newman
Mrs C Bilsland (resigned 4th August 2023)	Mr C D Nichols (Senior Stockwarden)
Mrs P Gliddon	Mr I Saltern
Mr A R James	Mrs J M Shepherd
Mrs S A Lamble (Junior Stockwarden)	Mr L M Tozer
Mr O A May	Mrs D Y Wellington
Dr A Moss (appointed 3rd November 2023)	Mr I J Whitfield

Staff (Part time) responsible for day-to-day management

Ms J E Cornish (Clerk to the Trustees)
Mrs J Hinson (Office Secretary)

Property and Administration Committee

Mrs P Gliddon (Chairperson)	Mr C D Nichols
Mr A R James	Mrs J M Shepherd
Mrs S A Lamble	Mr L M Tozer
Mr O A May	Mrs D Y Wellington
Mrs V A Newman	

Education Committee

Mrs J Adams	Mr C D Nichols
Mr A R James	Mr L M Tozer (Chairperson)
Mr O A May	Mr I J Whitfield
Mrs V A Newman	

Needs and Community Committee

Mrs P Gliddon	Mr C D Nichols
Mr A R James	Mrs J M Shepherd
Mrs S A Lamble (Chairperson)	Mr L M Tozer
Mr O A May	Mrs D Y Wellington
Mrs V A Newman	

Bankers

National Westminster Bank plc, Launceston Branch, 14 Westgate Street, Launceston, Cornwall, PLEA 7AG.

Solicitors

Messrs Peter, Peter & Wright, 1 Queen Street, Bude, Cornwall, EX23 8AZ.

Auditors

Metherell Gard Ltd, Burn View, Bude, Cornwall, EX23 8BX.

Architects

The Bazeley Partnership, Efford Farm, Vicarage Road, Bude, EX23 8LT

Surveyor and Property Agent

Mr A P Furse BSc. MRICS, Underwood Wright Ltd, 5 Queen Street, Bude, Cornwall, EX23 8AY.

Insurers

AXA Insurance PLC, 20 Gracechurch Street, London, EC3V 0BG
Higos Insurance, 7 Cary Court, Somerton Business Park, Somerton, TA11 6SB

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Blanchminster Trust
Report of the Trustees
for the Year Ended 31 December 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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;
- 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 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, 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.

Approved by order of the board of trustees on 1st Nov 2024 and signed on its behalf by:


.....
C Nichols (Senior Stockwarden) - Trustee

Report of the Independent Auditors to the Trustees of
Blanchminster Trust

Opinion

We have audited the financial statements of Blanchminster Trust (the 'charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 Auditors' 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 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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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 which 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Trustees of
Blanchminster Trust

Our responsibilities for the audit of the financial statements

We have been appointed as auditors 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 a Report of the Independent Auditors 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:

We gained an understanding of the legal and regulatory framework applicable to the Trust.

We obtained an understanding of the entity's risk assessment process, including the risk of fraud.

We reviewed the financial statements and tested the disclosures against supporting documentation.

We reviewed minutes of meetings of those charged with management and governance.


We performed audit work, including reviewing the risk of management override of controls, testing journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions, and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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 auditors' 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.


for and on behalf of Mettrel Gard Ltd
Chartered Accountants
Burn View
Bude
Cornwall
EX23 8BX

Date: 5.11.24

Blanchminster Trust

**Statement of Financial Activities
for the Year Ended 31 December 2023**

	Notes	Unrestricted fund £	Endowment fund £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Investment income	2	544,890	-	544,890	522,025
Other income		1,794	-	1,794	34,810
Total		546,684	-	546,684	556,835
EXPENDITURE ON					
Raising funds					
Investment management costs	3	305,757	660	306,417	292,368
		305,757	660	306,417	292,368
Charitable activities					
Educational grants	4	350,146	330	350,476	265,178
Community grants		30,756	165	30,921	28,658
Relief in need grants		41,210	165	41,375	21,211
Total		727,869	1,320	729,189	607,415
Net gains/(losses) on investments		127,898	(329,371)	(201,473)	(102)
NET INCOME/(EXPENDITURE)		(53,287)	(330,691)	(383,978)	(50,682)
RECONCILIATION OF FUNDS					
Total funds brought forward		2,493,483	10,910,649	13,404,132	13,454,814
TOTAL FUNDS CARRIED FORWARD		2,440,196	10,579,958	13,020,154	13,404,132

The notes form part of these financial statements

Blanchminster Trust

Balance Sheet
31 December 2023

	Notes	Unrestricted fund £	Endowment fund £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	10	3,341	82,360	85,701	88,263
Investments	11	1,809,147	10,578,683	12,387,830	12,391,531
		<u>1,812,488</u>	<u>10,661,043</u>	<u>12,473,531</u>	<u>12,479,794</u>
CURRENT ASSETS					
Stocks	12	114	-	114	10,279
Debtors	13	57,406	-	57,406	66,797
Cash at bank	14	618,896	-	618,896	922,569
		<u>676,416</u>	<u>-</u>	<u>676,416</u>	<u>999,645</u>
CREDITORS					
Amounts falling due within one year	15	(48,708)	(81,085)	(129,793)	(75,307)
NET CURRENT ASSETS		<u>627,708</u>	<u>(81,085)</u>	<u>546,623</u>	<u>924,338</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,440,196</u>	<u>10,579,958</u>	<u>13,020,154</u>	<u>13,404,132</u>
NET ASSETS		<u>2,440,196</u>	<u>10,579,958</u>	<u>13,020,154</u>	<u>13,404,132</u>
FUNDS	16				
Unrestricted funds				2,440,196	2,493,483
Endowment funds				10,579,958	10,910,649
TOTAL FUNDS				<u>13,020,154</u>	<u>13,404,132</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 1st Nov 2024 and were signed on its behalf by:



C Nichols (Senior Stockwarden) - Trustee

Blanchminster Trust
Cash Flow Statement
for the Year Ended 31 December 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	(420,727)	(321,558)
Net cash used in operating activities		(420,727)	(321,558)
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(4,290)
Purchase of fixed asset investments		(116,687)	-
Net rents received		180,562	264,644
Interest received		2,494	548
Dividends received		50,685	50,490
Net cash provided by investing activities		117,054	311,392
Change in cash and cash equivalents in the reporting period		(303,673)	(10,166)
Cash and cash equivalents at the beginning of the reporting period		922,569	932,735
Cash and cash equivalents at the end of the reporting period		618,896	922,569

The notes form part of these financial statements

Blanchminster Trust

Notes to the Cash Flow Statement
for the Year Ended 31 December 2023

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES			
	2023	2022	
	£	£	
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(383,978)	(50,682)	
Adjustments for:			
Depreciation charges	2,562	2,483	
Unrealised (gain)/losses on investments	201,473	102	
Net rents received	(192,008)	(180,484)	
Interest received	(6,094)	(1,631)	
Dividends received	(50,685)	(50,685)	
Decrease in stocks	10,165	235	
Decrease/(increase) in debtors	121	(30,282)	
Decrease in creditors	(2,283)	(10,614)	
	<u>(420,727)</u>	<u>(321,558)</u>	
Net cash used in operations	<u>(420,727)</u>	<u>(321,558)</u>	
2. ANALYSIS OF CHANGES IN NET FUNDS			
	At 1.1.23	Cash flow	At 31.12.23
	£	£	£
Net cash			
Cash at bank	922,569	(303,673)	618,896
	<u>922,569</u>	<u>(303,673)</u>	<u>618,896</u>
Total	<u>922,569</u>	<u>(303,673)</u>	<u>618,896</u>

The notes form part of these financial statements

Blanchminster Trust

Notes to the Financial Statements for the Year Ended 31 December 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and 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 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 effective from January 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donated goods are measured at their fair value and included in income. They are included when the trust has been notified of their entitlement, all conditions have been met and the final amount is known and expected.

Donations and legacies are included in income when the charity has been notified of their entitlement, all conditions have been met, and the final amount is known and expected.

Rental income from investment property leased out under an operating lease is recognised in income on a straight line basis over the lease term. Any income received in advance is included as a creditor as shown in note 15.

Investment income from interest and dividends is shown in the accounts on a receivable basis.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

In particular raising funds includes property management costs relating to the investment property held as Permanent Endowment.

Grants payable are recognised as expenditure when the grant is approved by the Board of the Trustees and the decision has been communicated to the recipient.

Allocation and apportionment of costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. Governance costs comprise of costs involved in the public accountability of the trust and its compliance with regulation and good practice.

Support costs have been allocated and apportioned on the basis of time spent, further analysis is shown in note 6.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Blanchminster Trust

Notes to the Financial Statements - continued **for the Year Ended 31 December 2023**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold Land	-	Nil
Freehold Buildings	-	2% per annum on valuation
Fixtures and Fittings	-	10% per annum on written down basis
	-	25% per annum straight line basis

All fixtures and fittings are included at historic cost and are reviewed for impairment at each balance sheet date.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from tax on its charitable activities.

Funds

Unrestricted

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Endowment

Endowment funds represent those assets which must be held permanently by the charity. The investment and freehold property are shown in the financial statements as a permanent endowment, in accordance with the trust's charity scheme as described in the Report of the Trustees. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the endowment fund. Other investments, which have been purchased using the proceeds of sales of freehold property, are also included in the endowment fund.

Other

Financial instruments

The trust only enters into basic financial instruments that result in the recognition of financial assets and liabilities such as rent, trade and other accounts receivable and payable, and cash held at bank. Further disclosures relating to the financial instruments are given in the notes for particular items.

Debtors

Rent and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount after allowing for any discounts due.

Investment assets and unrealised gains

The valuation of the Investment Property is an important factor in the Financial Statements and this is a key source of estimation uncertainty.

The portfolio of commercial, mixed commercial/residential, residential and agricultural property which make up the investment property are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the SoFA.

It is the trustees policy to have a full independent quinquennial review completed by a valuer who holds a recognised and relevant professional qualification and has recent experience in the location and class of the property being valued. The quinquennial review was last completed on 31st December 2021 in accordance with RICS Valuation standards. In the intervening years in order to ensure the carrying amounts are at fair value, the residential property is revalued in accordance to the Land Registry house price index and the commercial property values are adjusted if there is a material change in circumstance with guidance being provided by an independent valuer.

Blanchminster Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

1. ACCOUNTING POLICIES - continued

Other

Investment assets in the form of the Charities Official Investment Fund shares, are shown in the financial statements at fair value.

Unrealised gains on investment and other assets represent the difference between the fair value at the end of the year and:

- i) for investment and other assets held at the start of the year, the fair value at that date, or
- ii) for investment and other assets acquired in the year, the cost of acquisition.

Changes in fair value are recognised in the SoFA.

Employee Benefits

When employees have rendered service to the trust, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The trust operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

2. INVESTMENT INCOME

	2023	2022
	£	£
Rents received	488,063	469,664
Wayleaves	48	45
COIF - dividends	50,685	50,685
Deposit account interest	6,094	1,631
	<u>544,890</u>	<u>522,025</u>

3. INVESTMENT MANAGEMENT COSTS

	2023	2022
	£	£
General insurance	35,643	17,365
Bad debts	7,156	-
Property repairs	171,496	199,241
General and water rates	19,330	17,860
Light and heat	3,871	5,540
Advertising	54	-
Surveyors and valuers fees	17,334	19,674
Legal and professional fees	13,878	2,576
Support costs	37,655	30,112
	<u>306,417</u>	<u>292,368</u>

Blanchminster Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

4. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 5) £	Support costs (see note 6) £	Totals £
Educational grants	333,320	17,156	350,476
Community grants	22,344	8,577	30,921
Relief in need grants	32,798	8,577	41,375
	<u>388,462</u>	<u>34,310</u>	<u>422,772</u>

The objects of the trust are to make grants in three specific areas:

1. Relief in need

The trust is to give generally or individually to persons, who are in conditions of need, hardship or distress, by grant of money or by providing services or facilities to alleviate this need.

2. Promotion of education

The trust is to award a maintenance allowance, scholarship or otherwise provide financial assistance to persons who are in need of such assistance, to continue their studies. The trust is to also provide schools with special benefits not normally provided by the local education authority. The trust is to also provide financial assistance to any charitable organisation whose objects include the promotion of education.

3. Community aid

The trust is to provide financial assistance to local charitable organisations for the benefit of the community.

5. GRANTS PAYABLE

	2023 £	2022 £
Educational grants	333,320	250,121
Community grants	22,344	21,130
Relief in need grants	32,798	13,683
	<u>388,462</u>	<u>284,934</u>

Blanchminster Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

5. GRANTS PAYABLE - continued

The total grants paid to institutions during the year was as follows:

	2023	2022
	£	£
Budehaven School	-	(2,152)
St Michaels Church	-	2,622
Bude Canoe Club	1,000	-
Budehaven Nursery	-	2,000
Stratton Playgroup	5,000	3,640
Sew N Sew Group	1,000	-
Bude At War	1,750	-
Bude Croquet Club	-	2,500
Bude Primary Academy	-	2,346
Bedazzled	-	1,000
2 Minute Foundation	-	2,570
Cornwall Grows CIC	3,300	4,200
Christians Together	-	500
Kilkhampton PTA	-	1,300
Citizens Advice, Bude	10,000	-
Young People's Pop Up Cafe	(898)	898
Poughill Short Mat Bowling Club	-	1,200
Royal British Legion	572	-
Bude Cancer Support	620	-
	<u>22,344</u>	<u>22,624</u>

The total grants paid to individuals during the year was as follows:

	2023	2022
	£	£
Promotion of Education	333,320	248,627
Relief in Need	32,798	13,683
	<u>366,118</u>	<u>262,310</u>

6. SUPPORT COSTS

	Management	Governance	Totals
	£	costs £	£
Investment management costs	30,315	7,340	37,655
Educational grants	14,606	2,550	17,156
Community grants	7,302	1,275	8,577
Relief in need grants	7,302	1,275	8,577
	<u>59,525</u>	<u>12,440</u>	<u>71,965</u>

Activity	Basis of allocation
Management	TIME SPENT
Governance costs	TIME SPENT

Blanchminster Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

6. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

Management

	Investment management costs £	Educational grants £	Community grants £
Wages	22,473	11,236	5,618
Pensions	669	334	167
Insurance	569	88	44
Office utilities	687	343	171
Telephone	393	196	98
Printing and advertising	789	42	21
Postage	187	94	47
Sundries	312	156	78
Office repairs	2,954	1,477	738
Depreciation of tangible fixed assets	1,282	640	320
	<u>30,315</u>	<u>14,606</u>	<u>7,302</u>

	2023	2022
	Relief in need grants £	Total activities £
Wages	5,618	44,945
Pensions	167	1,337
Insurance	44	745
Office utilities	171	1,372
Telephone	98	785
Printing and advertising	21	873
Postage	47	375
Sundries	78	624
Office repairs	738	5,907
Depreciation of tangible fixed assets	320	2,562
	<u>7,302</u>	<u>59,525</u>

Governance costs

	Investment management costs £	Educational grants £	Community grants £
Auditors' remuneration	4,280	1,260	630
Legal and professional fees	3,060	1,290	645
	<u>7,340</u>	<u>2,550</u>	<u>1,275</u>

Blanchminster Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2023**

6. SUPPORT COSTS - continued

Governance costs - continued

		2023	2022
	Relief in need grants £	Total activities £	Total activities £
Auditors' remuneration	630	6,800	6,700
Legal and professional fees	645	5,640	4,720
	<u>1,275</u>	<u>12,440</u>	<u>11,420</u>

7. AUDITORS' REMUNERATION

	2023 £	2022 £
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>6,800</u>	<u>6,700</u>

The total auditors remuneration includes fees for non-audit services. The non-audit services include assistance with the preparation of the statutory accounts, £5,160 has been allocated in governance costs as legal and professional fees.

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

9. STAFF COSTS

	2023 £	2022 £
Wages and salaries	44,945	40,466
Other pension costs	1,337	1,096
	<u>46,282</u>	<u>41,562</u>

The average monthly number of employees during the year was as follows:

	2023	2022
Staff (excluding trustees)	<u>3</u>	<u>3</u>

No employees received emoluments in excess of £60,000.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Key management personnel salary totals £26,854 for the year (2022: £26,171).

Blanchminster Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

10. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and Fittings £	Totals £
COST			
At 1 January 2023 and 31 December 2023	<u>85,000</u>	<u>12,063</u>	<u>97,063</u>
DEPRECIATION			
At 1 January 2023	1,320	7,480	8,800
Charge for year	<u>1,320</u>	<u>1,242</u>	<u>2,562</u>
At 31 December 2023	<u>2,640</u>	<u>8,722</u>	<u>11,362</u>
NET BOOK VALUE			
At 31 December 2023	<u>82,360</u>	<u>3,341</u>	<u>85,701</u>
At 31 December 2022	<u>83,680</u>	<u>4,583</u>	<u>88,263</u>

Freehold property includes freehold land estimated at £19,000 (2022: £19,000) which is not depreciated.

The tangible fixed assets are used in the management and administration of the charity. The freehold property was acquired at no cost. The freehold property was valued on the same basis as the commercial investment property detailed in the accounting policy in note 1, in order to ensure that the carrying amount does not differ materially from the fair value at the end of the reporting period.

The freehold property is included in the endowment fund.

11. FIXED ASSET INVESTMENTS

	Investment property £	COIF/ listed shares £	Totals £
MARKET VALUE			
At 1 January 2023	10,701,096	1,690,435	12,391,531
Additions	197,772	-	197,772
Revaluations	<u>(357,306)</u>	<u>155,833</u>	<u>(201,473)</u>
At 31 December 2023	<u>10,541,562</u>	<u>1,846,268</u>	<u>12,387,830</u>
NET BOOK VALUE			
At 31 December 2023	<u>10,541,562</u>	<u>1,846,268</u>	<u>12,387,830</u>
At 31 December 2022	<u>10,701,096</u>	<u>1,690,435</u>	<u>12,391,531</u>

There were no investment assets held outside the UK.

Cost or valuation at 31 December 2023 is represented by:

	Investment property £	COIF/ listed shares £	Totals £
Valuation in 2023	<u>10,541,562</u>	<u>1,846,268</u>	<u>12,387,830</u>

The investment property portfolio has been valued in line with the accounting policy in note 1.

Blanchminster Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2023**

11. FIXED ASSET INVESTMENTS - continued

	Property £	COIF £
Historical cost at 31 December 2023	<u>1,208,367</u>	<u>354,870</u>

COIF shares are allocated as follows:

	2023 £	2022 £
General fund	1,809,144	1,564,560
Endowment fund	37,123	125,875
	<u>1,846,267</u>	<u>1,690,435</u>

12. STOCKS

	2023 £	2022 £
Stock	114	10,279

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Rent debtors	7,221	9,217
Other debtors	8,043	35,958
Accrued investment income receivable	17,732	14,132
Prepayments	24,410	7,490
	<u>57,406</u>	<u>66,797</u>

14. CASH AT BANK

	2023 Total funds £	2022 Total funds £
Current account	183,896	237,569
Deposit account	435,000	685,000
Total	<u>618,896</u>	<u>922,569</u>

Blanchminster Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2023**

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Grants payable	1,905	5,096
Other creditors	81,273	26,800
Rents received in advance	34,521	33,411
Accruals	12,094	10,000
	<u>129,793</u>	<u>75,307</u>

16. MOVEMENT IN FUNDS

	At 1.1.23 £	Net movement in funds £	At 31.12.23 £
Unrestricted funds			
General fund	2,493,483	(53,287)	2,440,196
Endowment funds			
Endowment fund			
	10,910,649	(330,691)	10,579,958
TOTAL FUNDS	<u>13,404,132</u>	<u>(383,978)</u>	<u>13,020,154</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	546,684	(727,869)	127,898	(53,287)
Endowment funds				
Endowment fund	-	(1,320)	(329,371)	(330,691)
TOTAL FUNDS	<u>546,684</u>	<u>(729,189)</u>	<u>(201,473)</u>	<u>(383,978)</u>

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	At 31.12.22 £
Unrestricted funds			
General fund	2,725,643	(232,160)	2,493,483
Endowment funds			
Endowment fund	10,729,171	181,478	10,910,649
TOTAL FUNDS	<u>13,454,814</u>	<u>(50,682)</u>	<u>13,404,132</u>

Blanchminster Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

16. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	556,835	(606,095)	(182,900)	(232,160)
Endowment funds				
Endowment fund	-	(1,320)	182,798	181,478
TOTAL FUNDS	<u>556,835</u>	<u>(607,415)</u>	<u>(102)</u>	<u>(50,682)</u>

Endowment fund assets

	2023 £	2022 £
Freehold property (Blanchminster office)	82,360	83,680
Investment properties	10,460,475	10,701,094
COIF shares	37,123	125,875
Total	<u>10,579,958</u>	<u>10,910,649</u>

17. RELATED PARTY DISCLOSURES

Mr I Saltern, a trustee, was a director of Cornwall Grows until 12th March 2023, grants have been awarded to this company, as disclosed in note 5. Mr I Saltern, was excluded from the decision making process.

18. GOING CONCERN

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

19. TRUSTEES INDEMNITY INSURANCE

The main office insurance detailed in support costs includes trustees indemnity insurance.