

**Report of the Trustees and  
Financial Statements for the Period 5 September 2019 to 2 September 2020  
for  
Hull Trinity House Charity**

**Hull Trinity House Charity**  
**Contents of the Financial Statements**  
**for the Period 5 September 2019 to 2 September 2020**

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**Hull Trinity House Charity**  
**Report of the Trustees**  
**for the Period 5 September 2019 to 2 September 2020**

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The trustees present their report with the financial statements of the charity for the period 5 September 2019 to 2 September 2020. 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**

The Trustees confirm that they have complied with the duty specified in the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission. The objects of the Charity, for the public benefit, as set out in the scheme are :-

**Hull Trinity House Charity**

- (1) The relief of persons who are in need, hardship or distress.
  - (a) The Trustees may relieve such persons in need by :-
    - (i) Making grants of money to them; or
    - (ii) Providing or paying for goods, services or facilities for them; or
    - (iii) Making grants of money to other persons or bodies who provide goods, services or facilities to those in need; or
    - (iv) Such other ways as the trustees think fit.
- (2) The provision of housing accommodation for such persons.
- (3) In selecting beneficiaries under sub clauses (1) and (2) above, the trustees must give preference:
  - (a) Firstly to brethren, seafarers, their spouses and dependants and spouses and dependants of deceased seafarers; and
  - (b) Secondly to other persons who are over 60 years of age.
- (4) Such charitable purposes for the benefit of residents as the trustees decide.
- (5) To further the objects of the charity known as the Hull Trinity House Academy.
- (6) In the interests of social welfare, to improve the conditions of life for young persons without distinction of political, religious or other opinions by the provision of facilities for training, recreational and leisure-time activity in sailing and other water sports.
- (7) The land identified in part 1 of the schedule to this scheme must be retained by the trustees for use for the objects of the charity specified in the table.

**Hull Trinity House Academy**

The object of the charity is the provision of items, services and facilities for the Academy.

**Hull Trinity House Academy Prize Fund**

- (1) The object of the charity is to further the education of pupils attending the Academy by the award of prizes (or other suitable reward).
- (2) The prizes must be awarded on the recommendation of the Academy Principal.

The trustees carry out these objects by :-

- providing financial grants on a quarterly basis;
- providing housing at the Rest Homes;
- providing financial and other support to Hull Trinity House Academy; and
- providing an educational facility at Welton Waters Adventure Centre

The trustees established these policies to achieve the charity's objects for the public benefit to improve the lives of persons who are in need, hardship or distress and as a means of assisting the Hull Trinity House Academy. Persons in need are invited to apply for the financial grants or housing and are awarded them, or not, based on the criteria set by the trustees.

**Hull Trinity House Charity**  
**Report of the Trustees**  
**for the Period 5 September 2019 to 2 September 2020**

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**ACHIEVEMENT AND PERFORMANCE**

**Achievements and Performance**

At 2nd September 2020 grants were being paid to 434 (2019: 442) retired mariners or their dependants. The number of residents in the Rest Homes at the same time was 69 (2019: 64). Nautical Charities are noticing a reduction in beneficiaries due to the contraction in maritime services over the past four to five decades.

Following the scheme dated 4th November 2010 the trustees are able to offer relief to persons who are not from a seafaring background, which has boosted occupancy in the Rest Homes.

Following agreement with the Local Council and the Local Education Authority concerning the expansion of Hull Trinity House School, which converted to an Academy in April 2012, under the Building Schools for the Future project, it has now relocated to a more modern building, which is still within the Hull city centre.

The future of the unoccupied rental properties is not helped by the current economic climate and general decline in retailing nationally. Also, it is felt that Hull has too many retailing outlets for its size but although enquiries are few some tenants have renewed their leases.

**Reserve Funds are as follows:**

<b>Endowment Fund</b>	17,397,048
<b>Restricted funds</b>	
- Prize funds and bequests	122,358
<b>Unrestricted funds</b>	
- Reserve fund	6,082,908
- Rest Homes fund	3,214,583
- Property repair fund	<u>6,781,417</u>
	<u><u>33,598,314</u></u>

**Hull Trinity House Charity**  
**Report of the Trustees**  
**for the Period 5 September 2019 to 2 September 2020**

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**ACHIEVEMENT AND PERFORMANCE**

**Financial Position**

The trustees have reviewed the reserves of the charity. Reserves are needed to maintain the Rest Homes, provide grants for the retired mariners and their dependants, protect and maintain the income producing properties and to support the Hull Trinity House Academy.

Expenditure on maintaining properties is high, particularly as most of the properties are listed buildings. Empty properties still need maintaining to some extent. Consequently, the reserves are kept at a high level although this is having no impact on the beneficiaries.

The surplus of income over expenditure has been credited to the reserves in the following ratio :-

Reserve Fund	40%
Rest Homes Fund	20%
Property Repair Fund	40%

The investment objective that the Investment Managers have to follow is that of achieving a balance between income and capital growth. There were no restrictions concerning countries or commercial activities that had to be considered.

The performance of the funds is reviewed on a monthly basis and twice a year the Investment Managers attend the Hull Trinity House and report on the previous six months.

The market value of the investments has decreased during the past year and the Trustees are satisfied with the level of investment income achieved recognising its contribution to the total overall income.

The value of the quoted investments decreased by £618,403 to £8,383,150. The commercial properties have been revalued at the year end, decreasing in value by £2,510,000 to £14,992,000 and there was also a decrease of £200,000 in the value of freehold land and buildings used by the charity, now valued at £8,400,000 compared to £8,600,000 in 2019.

Rental income decreased compared to the previous year comprising of reduced rents due to outgoing tenants, plus tenants asking for rents assistance due to the national lockdowns caused by the Covid-19 pandemic. There was also a decrease in investment income. Expenditure on grants decreased slightly, mainly due to a decrease in the support costs incurred. There was a decrease in the running costs of the Almshouses because of lower maintenance costs and lower administration costs. The expenditure on the Academy decreased as there were fewer events allowed in the year and support was given to fewer pupils using The Welton Waters Adventure Centre because of the lockdown. The Welton Waters Adventure Centre continued operating throughout the year but only when allowed to, providing a valuable educational resource for many local schools, colleges, businesses and charities as well as for members of the public.

The Corporation of the Trinity House in Kingston upon Hull contributed the sum of £4,897 towards the upkeep of Trinity House, a much lower figure than 2019.

**FUTURE PLANS**

Following the demolition of the redundant Hull Trinity House Academy building, work commenced in May 2015 to create "Zebedee's Yard" a Shoppers' Carpark and events space, which opened in late September 2015. It continues to grow in popularity as many bookings have already been confirmed for staging future events.

An ambitious residential conversion scheme has now been completed which has created 21 apartments in what was an unoccupied office complex. Occupancy currently stands at approximately 85% and every effort will continue to be made to achieve its full rental income.

Attempts to let the empty retailing and office units will continue but as previously stated the current economic climate, and general decline in retailing nationally, does not aid these ventures.

**Hull Trinity House Charity**  
**Report of the Trustees**  
**for the Period 5 September 2019 to 2 September 2020**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Charity is governed by three schemes which were sealed by the Charity Commission on 7th October 2005 and amended on 4th November 2010. The Trustees Board consists of not less than 10 and not more than 20 trustees.

The first Trustees were listed in the Scheme documents and those Trustees are responsible for appointing new Trustees. The maximum period a trustee can serve is four years, but they may put themselves forward for re-appointment. The Trustees meet very regularly, on average more than once each month as the business dictates. There are several advisory committees each consisting of three Members of the Board of Trustees. These committees proffer advice but all decisions are taken by the full Board. The implementation of those decisions is delegated to the Secretary and his staff. Certain levels of expenditure can be authorised by the Secretary and the Estates Manager as detailed in the Financial Procedures.

The Board keeps the skill requirement for the Trustee body under review and in the event that a new Trustee is appointed, an induction pack is provided. This contains documents such as the Charity's schemes, latest reports and accounts, Minutes of recent Trustee meetings and the Charity Commission booklet "The Essential Trustee: what you need to know" and "Charities and Public Benefit". A new Trustee meets the Secretary who explains how the charity operates, its finances, investments, the powers and responsibilities of the Board of the Trustees and the use of the advisory committees. By sitting in on a committee and Board meetings, a new Trustee soon amasses the knowledge necessary to contribute to the Charity.

All Trustees give their time freely and no Trustee remuneration is paid. Details of the Trustee expenses are disclosed in the accounts. Trustees are required to disclose all relevant interest and register them with the Secretary and, in accordance with the Charity's policy, would have to withdraw from any decision where a conflict of interest arose.

**Covid-19**

When the national lockdown was announced in March 2020 the Charity was unable to operate as normal. Welton Waters Adventure Centre was temporarily closed and all of its staff placed on furlough. All office, estates, maintenance and Almshouses staff were placed on furlough with the exception of a few members of staff who worked a reduced number of days to ensure that all essential administration and maintenance duties were still carried out. A number of commercial tenants contacted the Charity to ask for rent concessions in the form of rent free periods and/or rent holidays. The Charity did grant a number of these requests and has at all times made every effort to support all tenants, Almshouse residents and all members of staff.

Although Covid-19 has created nationwide economic uncertainty, the Trustees have considered the consequences of the pandemic and its impact on the Charity. They consider the pandemic to have no material impact on the beneficiaries of the Charity.

**Principle risks and uncertainties**

The Trustees have carried out an exercise to identify the major risks facing the Charity's operations and confirm that they are satisfied that systems exist to lessen exposure to those risks. Those risks are:

- loss of diminution in value of property assets
- market value of quoted investments and income therefrom
- market value of commercial properties and income therefrom
- market value of freehold land and buildings and income therefrom

**Hull Trinity House Charity**

**Report of the Trustees  
for the Period 5 September 2019 to 2 September 2020**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Address**

Trinity House  
Trinity House Lane  
Hull  
HU1 2JG

**The Trustees are:**

Captain C Adams  
Captain D H Atkin  
Captain J D Coggin, B.Sc. (Hons), B.A.  
Captain P J Cowing  
Captain S L Gamble  
Captain H V Goodrick  
Captain R J Hancock

Captain C B Middleton  
Captain B M Mitchell  
Captain J D Robinson  
Captain D M Shaw  
Captain J Tindall  
Captain P A Watts

**Secretary**

Mr P Shearsmith

**Bankers**

Barclays Bank PLC  
1 - 5 King Edward Street  
Hull  
HU1 3RL

**Solicitors**

Bridge McFarland Solicitors  
19 South St. Mary's Gate  
Grimsby  
DN31 1JE

**Investment Advisors**

SG Kleinwort Hambros Bank Limited  
5th Floor, 8 St. James's Square  
London  
SW1Y 4JU

**Auditors**

Harris Lacey and Swain incorporating Holdstock Nicholls Train & Co  
Chartered Accountants and Registered Auditors  
Suite 1, The Riverside Building  
Hessle  
HU13 0DZ

**TRUSTEES' RESPONSIBILITY STATEMENT**

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).

**Hull Trinity House Charity**  
**Report of the Trustees**  
**for the Period 5 September 2019 to 2 September 2020**

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**TRUSTEES' RESPONSIBILITY STATEMENT - 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.

The Trustees are required by charity law 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 surplus or deficit of the charity as at the end of the financial year.

The Trustees confirm that suitable accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the 52 weeks ended 2nd September 2020. The Trustees also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

In preparing these accounts, the Trustees are required to observe the methods and principles in 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 (FRS 102).

The Trustees are required to act in accordance with the Schemes approved by the Charity Commissioners and within the framework of trust law. They are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Hull Trinity House 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 Hull Trinity House 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 .....23.6.2021..... and signed on its behalf by:

  
.....  
Trustee

## **Report of the Independent Auditors to the Trustees of Hull Trinity House Charity**

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### **Opinion**

We have audited the financial statements of Hull Trinity House Charity (the 'charity') for the period ended 2 September 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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 2 September 2020 and of its incoming resources and application of resources, for the period 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **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 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.

### **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.

**Report of the Independent Auditors to the Trustees of  
Hull Trinity House Charity**

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**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, 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.

**Our responsibilities for the audit of the financial statements**

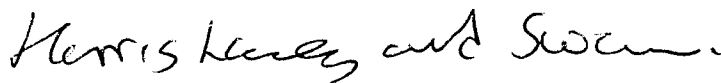
We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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](http://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.



Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Date: 23/6/21

**Hull Trinity House Charity**  
**Statement of Financial Activities**  
**for the Period 5 September 2019 to 2 September 2020**

				Period 5.9.19 to 2.9.20 Total funds £	Period 7.9.18 to 4.9.19 Total funds £
	Notes	Unrestricted funds £	Restricted fund £	Endowment fund £	
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	18,530	-	-	18,530
Other trading activities	3	1,152,109	-	-	1,152,109
Investment income	4	<u>261,007</u>	<u>3,325</u>	<u>-</u>	<u>264,332</u>
<b>Total</b>		1,431,646	3,325	-	1,434,971
<b>EXPENDITURE ON</b>					
Raising funds	5	38,354	-	-	38,354
<b>Charitable activities</b>	6				
Grants payable		343,760	-	-	343,760
Running costs, HTH Academy management & admin & invest property repairs		<u>1,006,659</u>	<u>-</u>	<u>-</u>	<u>1,006,659</u>
<b>Total</b>		1,388,773	-	-	1,388,773
Net gains/(losses) on investments		<u>(394,551)</u>	<u>2,704</u>	<u>(3,128,848)</u>	<u>(3,520,695)</u>
<b>NET INCOME/(EXPENDITURE)</b>		(351,678)	6,029	(3,128,848)	(3,474,497)
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>16,430,585</u>	<u>116,329</u>	<u>20,525,896</u>	<u>37,072,810</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>16,078,907</u>	<u>122,358</u>	<u>17,397,048</u>	<u>33,598,313</u>
				<u>33,598,313</u>	<u>37,072,810</u>

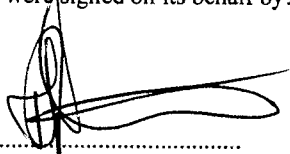
The notes form part of these financial statements


Hull Trinity House Charity

Statement of Financial Position  
2 September 2020

		2020 Total funds £	2019 Total funds £
<b>FIXED ASSETS</b>	Notes		
Tangible assets	11	8,402,052	8,605,177
<b>Investments</b>			
Investments	12	9,858,675	10,388,617
Investment property	13	<u>14,992,000</u>	<u>17,502,000</u>
		33,252,727	36,495,794
<b>CURRENT ASSETS</b>			
Debtors	14	104,966	171,103
Cash at bank and in hand		<u>436,954</u>	<u>587,784</u>
		541,920	758,887
<b>CREDITORS</b>			
Amounts falling due within one year	15	(196,334)	(181,871)
<b>NET CURRENT ASSETS</b>		<u>345,586</u>	<u>577,016</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		33,598,313	37,072,810
<b>NET ASSETS</b>		<u>33,598,313</u>	<u>37,072,810</u>
<b>FUNDS</b>	16		
Unrestricted funds		16,078,907	16,430,585
Restricted funds		122,358	116,329
Endowment funds		<u>17,397,048</u>	<u>20,525,896</u>
<b>TOTAL FUNDS</b>		<u>33,598,313</u>	<u>37,072,810</u>

The financial statements were approved by the Board of Trustees and authorised for issue on .....23.6.2021.....  
and were signed on its behalf by:

  
.....  
Trustee

  
.....  
Trustee

The notes form part of these financial statements

**Hull Trinity House Charity**  
**Statement of Cash Flows**  
**for the Period 5 September 2019 to 2 September 2020**

		Period 5.9.19 to 2.9.20 £	Period 7.9.18 to 4.9.19 £
	Notes		
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>(134,374)</u>	<u>(228,921)</u>
Net cash used in operating activities		<u>(134,374)</u>	<u>(228,921)</u>
 <b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		-	(3,015)
Purchase of fixed asset investments		(1,089,492)	(2,362,991)
Purchase of investment property		(245,557)	(101,077)
Sale of fixed asset investments		1,142,756	2,438,644
Interest received		2,545	7,289
Dividends received		<u>261,752</u>	<u>293,465</u>
Net cash provided by investing activities		<u>72,004</u>	<u>272,315</u>
 <b>Change in cash and cash equivalents in the reporting period</b>		 <u>(62,370)</u>	 <u>43,394</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>1,974,847</u>	<u>1,931,453</u>
 <b>Cash and cash equivalents at the end of the reporting period</b>		 <u><u>1,912,477</u></u>	 <u><u>1,974,847</u></u>

The notes form part of these financial statements

Hull Trinity House Charity

Notes to the Statement of Cash Flows  
for the Period 5 September 2019 to 2 September 2020

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Period 5.9.19 to 2.9.20 £	Period 7.9.18 to 4.9.19 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(3,474,497)	(193,141)
Adjustments for:		
Depreciation charges	3,125	10,055
Losses on investments	3,520,695	233,701
Interest received	(2,545)	(7,289)
Dividends received	(261,752)	(293,465)
Decrease in debtors	66,137	29,357
Increase/(decrease) in creditors	<u>14,463</u>	<u>(8,139)</u>
Net cash used in operations	<u>(134,374)</u>	<u>(228,921)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 5.9.19 £	Cash flow £	At 2.9.20 £
Net cash			
Cash at bank and in hand	587,784	(150,830)	436,954
Investments – designated bank deposits	<u>1,387,063</u>	<u>88,460</u>	<u>1,475,523</u>
	<u>1,974,847</u>	<u>(62,370)</u>	<u>1,912,477</u>

The notes form part of these financial statements

**Hull Trinity House Charity**  
**Notes to the Financial Statements**  
**for the Period 5 September 2019 to 2 September 2020**

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**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 under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**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 cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**Tangible fixed assets**

**Fixed assets - office equipment and pontoons**

Depreciation is calculated by reference to cost after the deduction of estimated residual value at a rate estimated to write off the relevant asset over its expected useful life, taking into account normal commercial and technical obsolescence.

**The expected useful life is:**

Pontoons	5 years
Computer equipment	3 years
Other equipment	5 years

Individual fixed assets costing £500 or more are capitalised at cost.

**Fixed assets - freehold land and buildings for own use and investment properties**

Freehold properties both for own use and investment properties have been valued by Messrs PPH Commercial and Messrs Leonards, both qualified Chartered Surveyors, on an open market value basis. Freehold properties for own use are valued every 5 years but due to the fluctuation in the market valuations it was decided to revalue at this year-end. Investment properties are revalued annually.

The valuations were undertaken in accordance with the Royal Institution of Chartered Surveyors Appraisal and Valuation Manual.

Freehold land is not depreciated.

Depreciation is charged by equal annual instalments commencing with the year of acquisition for a period of 50 years being an estimate of the expected useful lives of the buildings, except for the investment properties which are not depreciated.

The following properties are not held for investment purposes.

## Hull Trinity House Charity

### Notes to the Financial Statements - continued for the Period 5 September 2019 to 2 September 2020

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#### 1. ACCOUNTING POLICIES - continued

##### **Tangible fixed assets**

###### **Offices, Workshop and Chapel**

These front onto Trinity House Lane and on the north side of Posterngate and are used for the general administration of the House.

###### **Rest Homes, Anlaby High Road**

These are occupied by the persons in need who meet the criteria set by the Trustees.

###### **The Welton Waters Adventure Centre**

This property has been used by the Charity in accordance with the powers for such use.

##### **Fixed Assets - quoted securities**

The quoted securities are valued at market value, based on the mid-point of the quotation in the Stock Exchange Daily Official list or similar recognised market value. Realised and unrealised gains and losses on sale or revaluation of investments are taken to the Statement of Financial Activities in the period in which they arise.

##### **Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

##### **Taxation**

The charity is exempt from tax on its charitable activities.

##### **Fund accounting**

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or by the Scheme approved by the Charity Commission. The aim and use of each restricted fund is set out in the notes to the financial statements.

The Endowment fund represents those assets which must be held permanently. Income generated by the Endowment fund is unrestricted.

Investment income and gains/(losses) are allocated to the appropriate fund.

##### **Pension costs and other post-retirement benefits**

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

##### **Resource expended**

All expenditure, including any irrecoverable VAT, is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

##### **Grants payable**

Grants payable including the amounts paid to retired mariners and their dependants are accounted for in full as liabilities of the charity when approved by the Trustees and accepted by the beneficiaries.

# Hull Trinity House Charity

## Notes to the Financial Statements - continued for the Period 5 September 2019 to 2 September 2020

### 1. ACCOUNTING POLICIES - continued

#### Support Costs

Support costs comprise the direct costs, including staff, attributable to charitable activities. Support costs have been apportioned on the basis of staff time.

#### Governance costs

Governance costs include expenditure on administration of the Charity and compliance with constitutional and statutory requirements, including audit and legal fees.

### 2. DONATIONS AND LEGACIES

	Period 5.9.19 to 2.9.20 £	Period 7.9.18 to 4.9.19 £
Donations	<u>18,530</u>	<u>138</u>

### 3. OTHER TRADING ACTIVITIES

	Period 5.9.19 to 2.9.20 £	Period 7.9.18 to 4.9.19 £
Rental income	<u>1,152,109</u>	<u>1,405,372</u>

### 4. INVESTMENT INCOME

	Period 5.9.19 to 2.9.20 £	Period 7.9.18 to 4.9.19 £
Income from quoted investments	261,681	293,465
Bank and other deposit interest	<u>2,651</u>	<u>7,289</u>
	<u>264,332</u>	<u>300,754</u>

Hull Trinity House Charity

Notes to the Financial Statements - continued  
for the Period 5 September 2019 to 2 September 2020

5. RAISING FUNDS

Investment management costs

	Period 5.9.19 to 2.9.20 £	Period 7.9.18 to 4.9.19 £
Portfolio management	<u>38,354</u>	<u>35,643</u>

6. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 7) £	Support costs (see note 8) £	Totals £
Grants payable	<u>343,689</u>	<u>71</u>	<u>343,760</u>

7. GRANTS PAYABLE

	Period 5.9.19 to 2.9.20 £	Period 7.9.18 to 4.9.19 £
Grants payable	<u>343,689</u>	<u>434,014</u>

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

	Period 5.9.19 to 2.9.20 £	Period 7.9.18 to 4.9.19 £
Grants to institutions	<u>500</u>	<u>500</u>

**Hull Trinity House Charity**

**Notes to the Financial Statements - continued  
for the Period 5 September 2019 to 2 September 2020**

**8. SUPPORT COSTS**

	Management £	Other £	Governance costs £	Totals £
Other resources expended	892,668	113,991	-	1,006,659
Grants payable	<u>(38,347)</u>	<u>25,279</u>	<u>13,139</u>	<u>71</u>
	<u>854,321</u>	<u>139,270</u>	<u>13,139</u>	<u>1,006,730</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the period ended 2 September 2020 nor for the period ended 4 September 2019.

**Trustees' expenses**

During the year, there were expenses paid to the trustees of £3,935 (2019: £5,417).

**10. STAFF COSTS**

	Period 5.9.19 to 2.9.20 £	Period 7.9.18 to 4.9.19 £
Wages and salaries	644,445	754,019
Social security costs	52,386	62,414
Other pension costs	<u>59,425</u>	<u>63,768</u>
	<u>756,256</u>	<u>880,201</u>

The number of employees whose emoluments, excluding pension contributions, fell within the following ranges:

	Period 5.9.19 to 2.9.20	Period 7.9.18 to 4.9.19
£60,000 to £70,000	1	-

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

	Period 5.9.19 to 2.9.20	Period 7.9.18 to 4.9.19
Rest homes	5	5
Support staff	<u>29</u>	<u>28</u>
	<u>34</u>	<u>33</u>

Hull Trinity House Charity

Notes to the Financial Statements - continued  
for the Period 5 September 2019 to 2 September 2020

11. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST OR VALUATION</b>					
At 5 September 2019	8,600,000	125,458	27,063	35,841	8,788,362
Revaluations	<u>(200,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(200,000)</u>
At 2 September 2020	<u>8,400,000</u>	<u>125,458</u>	<u>27,063</u>	<u>35,841</u>	<u>8,588,362</u>
<b>DEPRECIATION</b>					
At 5 September 2019	-	123,369	27,063	32,753	183,185
Charge for year	<u>-</u>	<u>1,043</u>	<u>-</u>	<u>2,082</u>	<u>3,125</u>
At 2 September 2020	<u>-</u>	<u>124,412</u>	<u>27,063</u>	<u>34,835</u>	<u>186,310</u>
<b>NET BOOK VALUE</b>					
At 2 September 2020	<u>8,400,000</u>	<u>1,046</u>	<u>-</u>	<u>1,006</u>	<u>8,402,052</u>
At 4 September 2019	<u>8,600,000</u>	<u>2,089</u>	<u>-</u>	<u>3,088</u>	<u>8,605,177</u>

12. FIXED ASSET INVESTMENTS

	Listed investments £	Cash and settlements pending £	Totals £
<b>MARKET VALUE</b>			
At 5 September 2019	9,001,553	1,387,064	10,388,617
Additions	1,089,492	88,461	1,177,953
Disposals	(1,337,894)	-	(1,337,894)
Revaluations	<u>(370,001)</u>	<u>-</u>	<u>(370,001)</u>
At 2 September 2020	<u>8,383,150</u>	<u>1,475,525</u>	<u>9,858,675</u>
<b>NET BOOK VALUE</b>			
At 2 September 2020	<u>8,383,150</u>	<u>1,475,525</u>	<u>9,858,675</u>
At 4 September 2019	<u>9,001,553</u>	<u>1,387,064</u>	<u>10,388,617</u>

Hull Trinity House Charity

Notes to the Financial Statements - continued  
for the Period 5 September 2019 to 2 September 2020

12. FIXED ASSET INVESTMENTS - continued

**Regional Breakdown**

**Extraordinary Repair Fund**

UK	40%
North America	39%
Europe	8%
Japan	3%
Rest of the World	10%

**Endowment Fund**

UK	42%
North America	36%
Europe	8%
Japan	4%
Rest of the World	10%

**Reserve Fund**

UK	40%
North America	40%
Europe	8%
Japan	3%
Rest of the World	9%

13. INVESTMENT PROPERTY

	£
<b>FAIR VALUE</b>	
At 5 September 2019	17,502,000
Revaluation	<u>(2,510,000)</u>
At 2 September 2020	<u>14,992,000</u>
<b>NET BOOK VALUE</b>	
At 2 September 2020	<u>14,992,000</u>
At 4 September 2019	<u>17,502,000</u>

Hull Trinity House Charity

Notes to the Financial Statements - continued  
for the Period 5 September 2019 to 2 September 2020

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	28,387	35,453
Other debtors	19,339	74,087
Prepayments	57,240	61,563
	<u>104,966</u>	<u>171,103</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	34,844	34,187
Taxation and social security	81,531	63,080
Other creditors	79,959	84,604
	<u>196,334</u>	<u>181,871</u>

16. MOVEMENT IN FUNDS

	At 5.9.19 £	Net movement in funds £	At 2.9.20 £
<b>Unrestricted funds</b>			
Reserve fund	16,430,585	(351,678)	16,078,907
<b>Restricted funds</b>			
Prize funds and bequests	116,329	6,029	122,358
<b>Endowment funds</b>			
Endowment fund	20,525,896	(3,128,848)	17,397,048
<b>TOTAL FUNDS</b>	<u>37,072,810</u>	<u>(3,474,497)</u>	<u>33,598,313</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
Reserve fund	1,431,646	(1,388,773)	(394,551)	(351,678)
<b>Restricted funds</b>				
Prize funds and bequests	3,325	-	2,704	6,029
<b>Endowment funds</b>				
Endowment fund	-	-	(3,128,848)	(3,128,848)
<b>TOTAL FUNDS</b>	<u>1,434,971</u>	<u>(1,388,773)</u>	<u>(3,520,695)</u>	<u>(3,474,497)</u>

Hull Trinity House Charity

Notes to the Financial Statements - continued  
for the Period 5 September 2019 to 2 September 2020

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 7.9.18 £	Net movement in funds £	At 4.9.19 £
<b>Unrestricted funds</b>			
Reserve fund	16,226,177	204,408	16,430,585
<b>Restricted funds</b>			
Prize funds and bequests	106,976	9,353	116,329
<b>Endowment funds</b>			
Endowment fund	20,932,798	(406,902)	20,525,896
<b>TOTAL FUNDS</b>	<u>37,265,951</u>	<u>(193,141)</u>	<u>37,072,810</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
Reserve fund	1,703,663	(1,665,703)	166,448	204,408
<b>Restricted funds</b>				
Prize funds and bequests	2,601	-	6,752	9,353
<b>Endowment funds</b>				
Endowment fund	-	-	(406,902)	(406,902)
<b>TOTAL FUNDS</b>	<u>1,706,264</u>	<u>(1,665,703)</u>	<u>(233,702)</u>	<u>(193,141)</u>

	Tangible fixed assets £	Investments £	Net current assets £	Total £
Endowment fund	8,400,000	16,896,368	(7,899,320)	17,397,048
<b>Restricted funds</b>				
Prize funds and bequests	-	122,358	-	122,358
<b>Unrestricted funds</b>				
Reserve fund	2,052	2,524,992	3,555,865	6,082,909
Rest home funds	-	1,758,842	1,455,741	3,214,583
Property repair funds	-	3,548,115	3,233,300	6,781,415
	<u>8,402,052</u>	<u>24,850,675</u>	<u>345,586</u>	<u>33,598,313</u>

**Hull Trinity House Charity**

**Notes to the Financial Statements - continued  
for the Period 5 September 2019 to 2 September 2020**

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**17. RELATED PARTY DISCLOSURES**

There were no related party transactions for the period ended 2 September 2020.

**18. ENDOWMENT FUND**

The fund is implied by the Schemes approved by the Charity Commissioners and was initially equivalent to the value of the originating investments.

The capital cannot be used except under a special Scheme approved by the Charity Commissioners, but the income can be used for general purposes.

The endowment fund represents those assets which must be held permanently, principally the freehold properties both for investments and own use. Income arising can be used in accordance with the objects of the Charity. Any capital surpluses or losses arising on the investments form part of the fund.

**19. RESTRICTED FUNDS - PRIZE FUNDS AND BEQUESTS**

These funds represent donations and bequests to provide annual prizes for the pupils at the Hull Trinity House School out of Capital and/or income.

**20. UNRESTRICTED FUNDS - RESERVE FUND**

This fund was set up under the Schemes approved by the Charity Commissioners, being the accumulations of income from earlier years to which additions have been made out of later income surpluses.

The capital and income can be used for general purposes.

The reserve fund represents the free reserves of the Charity which are not designated for particular purposes.

**21. UNRESTRICTED FUNDS - REST HOMES FUND AND PROPERTY REPAIR FUND**

These designated funds are subject to the Schemes approved by the Charity Commissioners.

The capital and income can be used for the designated purposes.

The funds are maintained to ensure that an appropriate level of resources are retained to meet the costs of the extraordinary repairs, improvements or rebuilding of the Rest Homes and the other property of the charity.