

Charity registration number 225290

HOLY ROOD COMMUNITY CHARITY
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

KENNETH EASBY LIMITED

CHARTERED ACCOUNTANTS

HOLY ROOD COMMUNITY CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	C R Clough The Venerable C J Hawthorn Rev P Wordsworth Mrs M Cooper Mrs E Allen Mr D J M Burchill
Custodian Trustee	The York Diocesan Board of Finance
Charity number	225290
Principal address	Joplings 19 Market Place Thirsk North Yorkshire YO7 3AE
Independent examiner	Deborah Fletcher-McVay ACA Kenneth Easby Limited Chartered Accountants Oak House, Market Place Bedale North Yorkshire DL8 1AQ
Bankers	Barclays Bank Plc 193 High Street Northallerton North Yorkshire DL7 8LJ
Solicitors	Mills & Reeve 1 City Square Leeds North Yorkshire LS1 2ES
Investment advisors	Smith & Williamson Investment Management 25 Moorgate London EC2R 6AY

HOLY ROOD COMMUNITY CHARITY

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HOLY ROOD COMMUNITY CHARITY

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their annual report and financial statements for the year ended 31 December 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

The charity's objects are to provide for the relief of persons who were previously Sisters of the Holy Rood, who are in conditions of need, hardship or distress. The Charity also seeks to further the religious and other charitable work of the Church of England in the Diocese of York. When planning our activities for the year we have considered the Charity Commission's guidance on Public Benefit. In particular we provide relief by making grants, providing or paying for items, services or facilities for the former sisters.

Where the value of the estate is less than the lower limit for means tested Pension Credit (currently set at £10,000), after the payment of debts and funeral expenses, the Trustees will not seek reimbursement of the funeral costs from the Personal Representatives unless the deceased died intestate.

In cases of intestacy and/or where the value of the estate falls within the lower and upper limits, the Trustees will determine to what extent the estate should be asked to contribute taking into account who will otherwise benefit.

Achievements and performance

Former Sisters of the Holy Rood

During the year there was one former Sister, living in accommodation which is the property of the Charity. We have continued distributing regular amounts to the former Sister on a monthly basis to meet her living requirements and where appropriate have, to alleviate hardship, provided funding for specific items and services.

Furthering of the charitable work of the Church of England

During the year the trustees approved a deed of grant for £125,000 to the Centre for Health and Pastoral Care. The grant was fulfilled by means of a reduction in the purchase price of Holy Rood House which the Centre acquired from the charity.

Financial review

The Trust's main source of income continues to derive from our investment portfolio which is held as part of the Endowment Fund.

The investment portfolio is managed on a discretionary basis by Smith & Williamson Investment Management Ltd, who report to a meeting of the trustees twice annually to review the portfolio's composition and performance together with the manager's proposed investment strategy.

The investment mandate is to secure a balance between income and long term capital growth with a medium risk profile. This is measured on a total return basis against agreed benchmarks, over any rolling five year period. It has been agreed that this strategy is best achieved through exposure to a wide range of assets including bonds, equities, property, alternative assets and cash.

Whilst seeking optimal investment performance the trustees consider that they should avoid investing in assets where the underlying activity is in conflict with the charity's objectives. Accordingly the investment managers are required to adhere to the guidance as set out by the Church of England Ethical Investment Management Forum, unless the trustees have signified their approval in advance of an asset's acquisition. There is currently one such exception to the guidance with investment in companies within the alcoholic beverages sector being permitted.

HOLY ROOD COMMUNITY CHARITY

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Unrestricted funds decreased by £74,391 in the year, comprising investment gains of £25,153 less net expenditure of £99,544. As at 31 December 2021 unrestricted reserves amounted to £510,486 (2020 - £584,877). Endowment funds increased by £165,296 in the year, comprising investment gains of £172,742 less net expenditure of £7,446. As at 31 December 2021 endowment fund reserves amounted to £2,673,575 (2020 - £2,508,279).

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level sufficient to support the needs of the remaining former Sister in the medium term allowing for the unpredictable nature of the potential costs. This level of reserves has been maintained throughout the year.

The trustees have a risk management strategy which comprises:

- an annual review of the risks the charity may face is normally carried out; in the unusual circumstances governing meetings in the year that was not achieved, but given the robust nature of the procedures in place that posed no significant risk to the Trust,
- the establishment of systems and procedures to mitigate those risks identified in the plan, and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The review highlighted only financial risks linked to investment performance and these risks are managed in conjunction with advice from the Charity's Investment Advisers.

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

Structure, governance and management

The charity was established by a charitable trust deed on 16 February 2000. The registered charity number is 225290 and its principal office is Joplings, 19 Market Place, Thirsk, North Yorkshire YO7 1HD.

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

C R Clough
The Venerable C J Hawthorn
Rev P Wordsworth
Mrs M Cooper
Mrs E Allen
Mr D J M Burchill

The Custodian Trustee during the year was The York Diocesan Board of Finance.

Appointment of Trustees is governed by the Trust Deed of the Charity. The Board of Trustees is authorised to appoint new trustees to fill vacancies through resignation or death of an existing trustee. The Trustees meet on a regular basis to administer the charity's business. There are no decisions delegated elsewhere.

Approved by the trustees and signed on their behalf by:


.....
C R Clough
Chairman of Trustees, Holy Rood Community Charity

Date: 20 August 2022

HOLY ROOD COMMUNITY CHARITY

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF HOLY ROOD COMMUNITY CHARITY

I report to the trustees on my examination of the financial statements of Holy Rood Community Charity (the charity) for the year ended 31 December 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

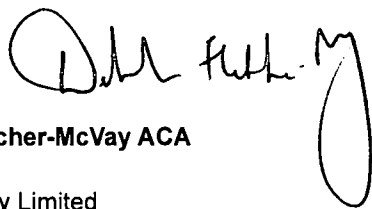
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



Deborah Fletcher-McVay ACA

Kenneth Easby Limited
Chartered Accountants
Oak House, Market Place
Bedale
North Yorkshire
DL8 1AQ

Dated: 4 August 2022

HOLY ROOD COMMUNITY CHARITY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Endowment funds 2021 £	Total Unrestricted funds 2021 £	Endowment funds 2020 £	Total 2020 £
Income and endowments from:						
Investments	2	53,330	-	53,330	55,474	55,474
Other income	3	-	-	-	77,818	77,818
Total income		53,330	-	53,330	133,292	133,292
Expenditure on:						
Raising funds	4	3,154	7,446	10,600	2,114	8,318
Charitable activities	5	149,720	-	149,720	128,704	128,704
Total expenditure		152,874	7,446	160,320	130,818	137,022
Net gains/(losses) on investments	9	25,153	172,742	197,895	14,262	343,880
Net movement in funds		(74,391)	165,296	90,905	16,736	340,150
Fund balances at 1 January 2021		584,877	2,508,279	3,093,156	568,141	2,753,006
Fund balances at 31 December 2021		510,486	2,673,575	3,184,061	584,877	3,093,156

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

All income and expenditure derive from continuing activities.

HOLY ROOD COMMUNITY CHARITY

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		45,838		46,730
Investment properties	11		-		1,000,000
Investments	12		3,102,574		1,895,184
			<u>3,148,412</u>		<u>2,941,914</u>
Current assets					
Debtors	13	1,236		1,809	
Cash at bank and in hand		38,626		152,973	
		<u>39,862</u>		<u>154,782</u>	
Creditors: amounts falling due within one year	14	(4,213)		(3,540)	
Net current assets			<u>35,649</u>		<u>151,242</u>
Total assets less current liabilities			<u><u>3,184,061</u></u>		<u><u>3,093,156</u></u>
Capital funds					
Endowment funds - general	15		2,673,575		2,508,279
Income funds					
Unrestricted funds			<u>510,486</u>		<u>584,877</u>
			<u><u>3,184,061</u></u>		<u><u>3,093,156</u></u>

The financial statements were approved by the Trustees on 28 April 2022

C R Clough
Trustee

HOLY ROOD COMMUNITY CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

Holy Rood Community Charity is an unincorporated charity.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of investments and investment properties. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Investment income, in the form of investment interest, dividends and rental income, is recognised when receivable by the charity.

1.5 Expenditure

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Costs of raising funds comprises the costs associated with the investment portfolio.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

HOLY ROOD COMMUNITY CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold Land and Buildings	2% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

2 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Rental income	3,750	11,250
Income from listed investments	49,375	44,175
Interest receivable	205	49
	<u>53,330</u>	<u>55,474</u>

HOLY ROOD COMMUNITY CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Other income

	Total	Unrestricted funds
	2021	2020
	£	£
Net gain on disposal of tangible fixed assets	-	77,818

4 Raising funds

	Unrestricted funds	Endowment funds	Total	Unrestricted funds	Endowment funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
<u>Investment management</u>	3,154	7,446	10,600	2,114	6,204	8,318
	<u>3,154</u>	<u>7,446</u>	<u>10,600</u>	<u>2,114</u>	<u>6,204</u>	<u>8,318</u>

5 Charitable activities

	Other costs	Grant funding	Total	Other costs	Grant funding	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Sisters maintenance and expenses	8,598	-	8,598	4,322	-	4,322
Depreciation	892	-	892	892	-	892
Property expenses	7,238	-	7,238	4,676	-	4,676
	<u>16,728</u>	<u>-</u>	<u>16,728</u>	<u>9,890</u>	<u>-</u>	<u>9,890</u>
Grant funding of activities (see note 6)	-	125,000	125,000	-	115,000	115,000
Share of support costs	7,992	-	7,992	3,814	-	3,814
	<u>24,720</u>	<u>125,000</u>	<u>149,720</u>	<u>13,704</u>	<u>115,000</u>	<u>128,704</u>

Support costs includes payments to the independent examiner of £1,920 (2020 - £1,440) for accountancy fees.

HOLY ROOD COMMUNITY CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Grants payable

	2021 £	2020 £
Grants to institutions:		
Centre for Health and Pastoral Care	125,000	15,000
Wydale Hall	-	20,000
Yo Yo	-	15,000
York Historical Churches Trust	-	25,000
York Diocesan Board of Finance	-	40,000
	<u>125,000</u>	<u>115,000</u>

7 Trustees

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

8 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	-	-

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

9 Net gains/(losses) on investments

	Unrestricted funds 2021 £	Endowment funds general 2021 £	Total 2021 £	Unrestricted funds 2020 £	Endowment funds general 2020 £	Total 2020 £
Revaluation of investments	41,065	157,648	198,713	14,684	42,795	57,479
Gain/(loss) on sale of investments	2,475	15,094	17,569	(422)	(13,177)	(13,599)
Revaluation of investment properties	-	-	-	-	300,000	300,000
Gain/(loss) on sale of investment properties	(18,387)	-	(18,387)	-	-	-
	<u>25,153</u>	<u>172,742</u>	<u>197,895</u>	<u>14,262</u>	<u>329,618</u>	<u>343,880</u>

HOLY ROOD COMMUNITY CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Tangible fixed assets

	Freehold Land and Buildings £
Cost	
At 1 January 2021	65,006
At 31 December 2021	65,006
Depreciation and impairment	
At 1 January 2021	18,276
Depreciation charged in the year	892
At 31 December 2021	19,168
Carrying amount	
At 31 December 2021	45,838
At 31 December 2020	46,730

11 Investment property

	2021 £
Fair value	
At 1 January 2021	1,000,000
Disposals	(1,000,000)
At 31 December 2021	-

HOLY ROOD COMMUNITY CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

12 Fixed asset investments

	UK Fixed Interest Equities £	Stocks £	Foreign Equities £	Cash in portfolio	Total £
Cost or valuation					
At 1 January 2021	1,209,244	211,338	409,804	64,798	1,895,184
Additions	337,918	88,129	309,476	372,069	1,107,592
Valuation changes	171,486	934	26,293	-	198,713
Disposals	(38,793)	(31,088)	(29,034)	-	(98,915)
At 31 December 2021	1,679,855	269,313	716,539	436,867	3,102,574
Carrying amount					
At 31 December 2021	1,679,855	269,313	716,539	436,867	3,102,574
At 31 December 2020	1,209,244	211,338	409,804	64,798	1,895,184

All investments are carried at their fair value. Investments in equities, fixed interest and other securities are all traded in quoted public markets for which market prices are readily available.

13 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	1,236	1,809

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	4,213	3,540

HOLY ROOD COMMUNITY CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

15 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. 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 assets form part of the fund.

	Movement in funds					Movement in funds					
	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at 31 December 2021
	£	£	£	£	£	£	£	£	£	£	£
Permanent endowments											
Endowment fund	2,184,865	-	(6,204)	-	329,618	2,508,279	-	(7,446)	-	172,742	2,673,575
	<u>2,184,865</u>	<u>-</u>	<u>(6,204)</u>	<u>-</u>	<u>329,618</u>	<u>2,508,279</u>	<u>-</u>	<u>(7,446)</u>	<u>-</u>	<u>172,742</u>	<u>2,673,575</u>

The endowment fund represents capital invested within an investment portfolio. The full proceeds from the sale of Holy Rood House in the year have been reinvested within the endowment investment portfolio.

HOLY ROOD COMMUNITY CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

16 Analysis of net assets between funds

	Unrestricted funds	Endowment funds	Total	Unrestricted funds	Endowment funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 December 2021 are represented by:						
Tangible assets	45,838	-	45,838	46,730	-	46,730
Investment properties	-	-	-	-	1,000,000	1,000,000
Investments	385,814	2,716,760	3,102,574	345,274	1,549,910	1,895,184
Current assets/ (liabilities)	78,834	(43,185)	35,649	192,873	(41,631)	151,242
	<u>510,486</u>	<u>2,673,575</u>	<u>3,184,061</u>	<u>584,877</u>	<u>2,508,279</u>	<u>3,093,156</u>

17 Related party transactions

There were no related party transactions during the year (2020 - none).