

Charity registration number 247190

**ST PETROCK AND HEAVITREE PARISH LANDS CHARITY**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Current Trustees</b>	Mr M Henderson (Chairman) Ms Charlotte Lambeth ( Vice Chairman) Mr G Murrin Ms G Harflett Rev'd S Swarbrick Mrs J Grainger Ms A Foreman Mr P Keeling Ms S Johnson Ms A Wiseman Mrs L Woodward	(Appointed 8 November 2021) (Appointed 21 July 2021) (Appointed 21 July 2021)   (Appointed 8 February 2022)
<b>Clerk to the Trustees</b>	Mrs L Woodward Mr A Hemmings	(Resigned 31 March 2022) (Appointed 1 April 2022)
	Simpkins Edwards LLP Michael House Castle Street Exeter EX4 3LQ	
<b>Charity number</b>	247190	
<b>Auditor</b>	Bush & Co Limited 2 Barnfield Crescent Exeter EX1 1QT	
<b>Bankers</b>	Natwest Exeter Bank Branch 59 High Street Exeter Devon EX4 3DL	
<b>Investment advisors</b>	Investec 16 Dix's Field Exeter EX1 1QA	

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# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

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# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 30 JUNE 2022**

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The trustees present their annual report and financial statements for the year ended 30 June 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, 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)" (effective 1 January 2019).

### **Objectives and activities**

The main objective of the Charity is to provide almshouse accommodation for poor people who are inhabitants of the City of Exeter. The Trustees must ensure that adequate funds are available to maintain and improve both the almshouses and the charity's investment properties.

Other objectives of the Charity, set out in their order of priority, are to:

- Provide financial assistance towards the cost of repairs to the Church of St Petrock, Exeter
- Provide financial assistance towards the cost of maintaining religious services in the Church
- Pay a stipend of £600 per year to the Minister responsible for services in the Church
- Apply funds for the benefit of the residents of the almshouses
- Provide financial assistance towards the cost of repairs to the Parish Church of St Michael and All Angels, Heavitree
- Augment the income of the Serle Charity

The income of the Serle Charity may be applied in relieving conditions of need or hardship generally or individually for persons living in the City of Exeter. In exceptional circumstances, the Trustees may apply this income to individuals outside the City of Exeter.

The Trustees have reviewed the Charity Commission's guidance on the requirement to report on public benefit. The Board is satisfied that the work of the charity, as described above, accords with its stated objects and provides tangible public benefit to a wide section and to those who live within the charity's area of benefit; the criteria used to assess those who may benefit are not unreasonably restrictive.

The Scheme authorises payment of grants as indicated in the objectives. It is the Trustees' policy to consider applications for assistance towards repairs to the Churches of St Petrock and St Michael and All Angels, Heavitree on the basis of the merits of the application and the funds available in the context of the total funds required. At present no religious services are held in St Petrock's Church and there is no minister responsible for holding such services. Thus payments of grants are not being made in respect of these activities. The policy regarding benefits for residents has been operated for many years and is to give each resident a small monetary gift at Christmas.

### **Achievements and performance**

The principal activities are the management of the charity's properties and investments so as to provide almshouse accommodation and to safeguard the future of the charity. The occupancy of both the investment properties and almshouses continues to be satisfactory.

During the year under review, investment income levels decreased by £12,729 to £226,247. At the year end the total portfolio valuation was £1,169,478. The Trustees are satisfied with the investment portfolio manager's report.

# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2022

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#### Financial review

The statement of financial activities shows that in the period to 30 June 2022 the charity received incoming resources of £596,736. The resources expended were £85,746 on the costs of raising funds, £271,147 on charitable activities and £14,487 on other costs.

The incoming resources recorded in the unrestricted funds column of the SOFA represent funds which can be used in the furtherance of any of the charity's objectives.

The incoming resources shown in the restricted funds column of the SOFA can only be used for the purposes specified by the Scheme for each of the four individual restricted funds. In some cases the Scheme also specifies that a minimum annual transfer be made to the fund. All of these Scheme requirements have been complied with during the year under review.

Net current assets amounted to £170,557.

The balance sheet shows the sound financial stewardship that the charity has shown to date.

The restricted funds may only be used for the purposes specified by the Scheme. They are essential reserves which enable the charity to pay for expenditure which occurs at irregular or infrequent intervals. The year end balances on the restricted funds were:

• Property Extraordinary Repair Fund:	£358,996
• Church of St Petrock ERIF:	£71,768
• Cyclical Maintenance Fund:	£380,674
• Reserve Fund:	£120,780

The charity's policy is to maintain sufficient general funds to enable the trustees to maintain the charity's day to day activities, whilst being in a position to react to any unexpected non-repair expenditure. The trustees consider it appropriate to hold unrestricted funds equal to at least six months operations (£173,552 based on the 2022 financial statements). Over the last few years the charity has also been managing unrestricted funds to enable it to fund the redevelopment of Elizabeth Gardens, Whipton Barton Road.

At 30 June 2022, the free reserves of the charity totalled £407,816, as against a reserves policy requirement (see above) of £173,552. The charity is taking a prudent approach until it has substantially reduced the long-term loan that was taken out to fund the development of Elizabeth Gardens. Beyond that the trustees have expressed an aim of establishing a 'Way Forward' committee to consider utilisation of the surplus should it be maintained in the future. This aspiration has been curtailed to some extent by the pandemic which has impacted mainly on the investment property rental income.

#### Risk Management

The Trustees have reviewed the major risks to which the charity is exposed. They are satisfied that the Charity's procedures adequately address the risk and mitigate the potential effects.

Clearly, during the current year the Coronavirus pandemic has had an impact. This has mainly been to threaten the rental income of the investment properties due to the impact on some of the tenants. The charity has been able to maintain cash flow at reasonable levels despite this issue.

The Trustees' investment policy aims to safeguard the capital value of the Trust's investments whilst also generating income. In this way the Trustees are able to keep charges made to almshouse residents to levels below those charged by non-charitable landlords. The contributions made by the almshouse residents are intended to cover the basic costs of maintaining and servicing the almshouses. Thus the investment portfolio managers have been instructed to invest on a long term basis with a view to capital appreciation.

# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 JUNE 2022**

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### Structure, governance and management

The Charity is a Trust established by a scheme dated 7 April 1994 ("The Scheme") which the Charity Commissioners agreed be deemed to have commenced on 25 June 1993. The Charity is a Registered Charity (number 247190). The Scheme and any subsequent amending Schemes are the governing documents of the Charity.

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

Mr M Henderson (Chairman)	
Ms Charlotte Lambeth ( Vice Chairman)	
Mrs B Pillidge	(Resigned 19 July 2021)
Mr G Murrin	
Ms G Harflett	
Rev'd S Swarbrick	
Mrs J Grainger	
Ms A Foreman	(Appointed 8 November 2021)
Mr P Keeling	(Appointed 21 July 2021)
Ms S Johnson	(Appointed 21 July 2021)
Ms A Wiseman	
Mrs L Woodward	(Appointed 8 February 2022)

The body of Trustees, when complete, comprises eleven co-opted Trustees, two Trustees nominated by the PCC of Central Exeter and one Trustee nominated by the PCC of St Michael & All Angels, Heavitree. The first eleven co-opted Trustees can hold office for life. Future co-opted Trustees are appointed by resolution of the Trustees and hold office for five years. Nominated Trustees are also appointed by resolution of the Trustees and hold office for four years.

The Trustees meet on a regular quarterly basis, but special meetings can be called if necessary. Since the start of the pandemic all meetings have been held virtually.

Sub-committees of Trustees have been set up to deal with financial matters, building maintenance and admission of new residents. These sub-committees have been delegated specific responsibilities but always report to meetings of the full Board of Trustees.

The Clerk is responsible for the day to day running of the Charity and deals with such matters as collection of almshouses contributions and investment property rents, arranging essential works and payments of bills, producing management accounts, etc. However, their authority to incur expenditure is strictly limited to £1,000, with requirements to seek estimates and further authorisation for higher levels of expenditure.

Trustees are either co-opted or nominated. In either case they are invited to attend a meeting to meet the existing Trustees and to discuss their appointment. The following documents are provided to assist in their new role as Trustees:

1. The Almshouse Association publication called Standards of Almshouse Management.
2. Charity Commission publications providing information with respect to Trustees responsibilities
3. A copy of the last financial statements.
4. A copy of the Charity's scheme.
5. A copy of the last set of minutes.

# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 JUNE 2022**

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The trustees' report was approved by the Board of Trustees.



Mr M Henderson (Chairman)

**Trustee**

Date: 24/4/23

# **ST PETROCK AND HEAVITREE PARISH LANDS CHARITY**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 30 JUNE 2022***

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

The law applicable to charities in England and Wales 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 of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and 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.



# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

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#### Opinion

We have audited the financial statements of St Petrock and Heavitree Parish Lands Charity (the 'charity') for the year ended 30 June 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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 30 June 2022 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 *Auditor's 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

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#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they 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 cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor 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 an auditor's report 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.

- Enquiry of management, those charged with governance and review of legal and professional costs around actual and potential litigation and claims.
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Other matters**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "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) 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.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

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#### 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 auditor's 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.

Bush & Co

**Bush & Co Limited**  
**Chartered Accountants**  
**Statutory Auditor**

25 April 23

2 Barnfield Crescent  
Exeter  
EX1 1QT

# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
<b>Income from:</b>						
Charitable activities	3	361,846	-	361,846	339,736	339,736
Other trading activities	4	8,643	-	8,643	8,940	8,940
Investments	5	219,900	6,347	226,247	233,685	238,976
<b>Total income</b>		<b>590,389</b>	<b>6,347</b>	<b>596,736</b>	<b>582,361</b>	<b>587,652</b>
<b>Expenditure on:</b>						
Raising funds	7	80,827	4,919	85,746	102,669	113,072
Charitable activities	6	251,790	19,357	271,147	253,778	299,453
Other costs	9	14,487	-	14,487	12,456	12,456
<b>Total expenditure</b>		<b>347,104</b>	<b>24,276</b>	<b>371,380</b>	<b>368,903</b>	<b>424,981</b>
Net gains/(losses) on investments	11	(45,660)	(40,570)	(86,230)	91,158	166,162
<b>Net incoming/(outgoing) resources before transfers</b>		<b>197,625</b>	<b>(58,499)</b>	<b>139,126</b>	<b>304,616</b>	<b>328,833</b>
Gross transfers between funds		(130,550)	130,550	-	(132,902)	-
<b>Net movement in funds</b>		<b>67,075</b>	<b>72,051</b>	<b>139,126</b>	<b>171,714</b>	<b>328,833</b>
Fund balances at 1 July 2021		6,186,537	860,168	7,046,705	6,014,823	6,717,872
<b>Fund balances at 30 June 2022</b>		<b>6,253,612</b>	<b>932,219</b>	<b>7,185,831</b>	<b>6,186,537</b>	<b>7,046,705</b>

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

All income and expenditure derive from continuing activities.

# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	24		35,533		(81,955)
<b>Investing activities</b>					
Purchase of investments		(312,941)		(395,597)	
Proceeds from disposal of investments		317,974		401,286	
Investment income received		226,247		238,976	
<b>Net cash generated from investing activities</b>			231,280		244,665
<b>Financing activities</b>					
Repayment of borrowings		(50,000)		-	
Repayment of bank loans		(189,885)		(45,343)	
<b>Net cash used in financing activities</b>			(239,885)		(45,343)
<b>Net increase in cash and cash equivalents</b>			26,928		117,367
Cash and cash equivalents at beginning of year			234,977		117,610
<b>Cash and cash equivalents at end of year</b>			261,905		234,977

# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## BALANCE SHEET

AS AT 30 JUNE 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	13	3,367,822		3,383,989	
Investment properties	14	2,750,297		2,750,298	
Investments	15	1,169,478		1,260,741	
		<u>7,287,597</u>		<u>7,395,028</u>	
<b>Current assets</b>					
Debtors	16	75,062		67,431	
Cash at bank and in hand		261,905		234,977	
		<u>336,967</u>		<u>302,408</u>	
<b>Creditors: amounts falling due within one year</b>	17	<u>(166,410)</u>		<u>(140,943)</u>	
Net current assets			170,557		161,465
<b>Total assets less current liabilities</b>			7,458,154		7,556,493
<b>Creditors: amounts falling due after more than one year</b>	19		(272,323)		(509,788)
<b>Net assets</b>			<u>7,185,831</u>		<u>7,046,705</u>
<b>Income funds</b>					
Restricted funds	21	932,219		860,168	
Unrestricted funds		6,253,612		6,186,537	
		<u>7,185,831</u>		<u>7,046,705</u>	

The financial statements were approved by the Trustees on .....



Mr M Henderson (Chairman)  
Trustee



Ms Charlotte Lambeth ( Vice Chairman)  
Trustee

# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 JUNE 2022**

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### **1 Accounting policies**

#### **Charity information**

St Petrock and Heavitree Parish Lands Charity is an unincorporated charity (charity number 247190) governed by trust deed. Its principal place of business is Michael House, Castle Street, Exeter EX4 3LQ.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

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 financial statements have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. 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.

The Scheme gives details of four restricted funds as follows:

##### **Property Extraordinary Repair Fund**

The establishment and operation of this fund is required by and specified in the Scheme.

The fund represents amounts set aside to provide for the extraordinary repair, improvement or rebuilding of the buildings, other than the almshouses, owned by the charity.

An annual transfer is made to the fund, from the general income and expenditure account, of not less than 15% of the gross rents of the properties belonging to the Charity and known as 44 to 53 Queen Street, Exeter and 53/54 Richmond Road, Exeter. In addition any income attributable to the fund is retained as part of the fund balance.

##### **Church of St Petrock Extraordinary Repair and Improvement Fund**

The establishment and operation of this fund is required by and specified in the Scheme.

The fund represents amounts set aside to provide for the extraordinary repair, improvement or rebuilding of the Church of St Petrock.

An annual transfer is made to the fund, from the general income and expenditure account, of £150 or such other sum as is deemed sufficient for the purposes of the fund. In addition any income attributable to the fund is retained as part of the fund balance.

# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

### 1 Accounting policies

(Continued)

#### Cyclical Maintenance Fund

The establishment and operation of this fund is authorised by the Scheme. It is treated as a restricted fund as it was established by funds identified within the predecessor charities.

The fund represents amounts set aside to provide for those items of ordinary maintenance and repair, of the almshouses belonging to the Charity, which recur at infrequent intervals.

An annual transfer is made to the fund, from the general income and expenditure account, of such a sum as is deemed sufficient for the purposes of the fund. In addition any income attributable to the fund is retained as part of the fund balance.

#### Reserve Fund

The establishment and operation of this fund is required by and specified in the Scheme.

The fund represents amounts set aside to provide for the extraordinary repair, improvement or rebuilding of the Almshouses of the Charity.

Following agreement with the Charity Commission the trustees now have the power to transfer surplus balances from the above funds to the general fund.

An annual transfer is made to the fund, from the general income and expenditure account, of such a sum as is deemed sufficient for the purposes of the fund. In addition any income attributable to the fund is retained as part of the fund balance.

The trustees consider that the following minimum balances need to be maintained in order to meet the trustees responsibilities with respect to the maintenance of the almshouse and St Petrock's Church:

Property Extraordinary repair fund:	£200,000
Church at St Petrock ERIF:	£50,000
Reserve fund:	£65,000
Cyclical maintenance fund:	£73,000

### 1.4 Incoming resources

Almshouse contributions and investment property rents are recognised in the period in which they accrue.

Income from listed investments is accounted for when the net income is receivable.

Interest receivable is recognised in the period to which it relates.

All other income is recognised upon receipt.

Capital grants are deferred and the income recognised in line with the depreciation policy of the asset to which they relate.

Deferred income relates to capital grants that are deferred and recognised in line with the income policy.



# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

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### 1 Accounting policies

(Continued)

#### 1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

The Scheme requires that the income of the charity is applied in the following ways and in the following order of priority:

- In meeting the cost of maintaining the property of the Charity and all other charges and outgoings payable in respect thereof and all proper costs, charges and expenses of and incidental to the administration and management of the charity
- In maintaining the Property Extraordinary Repair Fund
- In or towards the cost of repairs to the fabric of the Church of St Petrock
- In maintaining the Church of St Petrock Extraordinary Repair and Improvement Fund
- In or towards the cost of maintaining religious services in the Church of St Petrock
- In paying a stipend of £600 to the officiating minister
- In maintaining the Cyclical Maintenance Fund and the Reserve Fund
- For the benefit of the residents in the charity's almshouses
- Subject to the foregoing the yearly income is applied in either or both of the following ways:
  - i) In or towards the cost of repairs to the fabric of the Parish Church of St Michael and All Angels, Heavitree
  - ii) In augmentation of the income of the Serle Charity

All such expenditure is recognised in the statement of financial activities as soon as it is incurred and is analysed under the following headings:

Raising funds  
Charitable activities  
Other costs

Costs of raising funds are sub-divided into expenditure on maintenance and other costs of the investment properties and investment portfolio management fees.

Charitable activities is sub-divided into grants payable and almshouse expenses. Grants comprise payments made to, or for the benefit of, persons or entities authorised under the Scheme. Almshouse expenses comprise maintenance and other costs incurred in respect of the almshouses.

# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

### 1 Accounting policies

(Continued)

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially and then subsequently measured at cost, net of depreciation.

All assets costing more than £500 are capitalised.

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	Buildings at straight line over 50 years
Leasehold land and buildings	Buildings at straight line over 50 years
Fixtures and fittings	straight line over 5 years
Solar panels	straight line over 20 years

Depreciation is only provided on tangible fixed assets with an expected useful life of less than 50 years.

Depreciation of freehold and leasehold buildings is calculated as 2% per annum on the difference between the cost or valuation less the expected residual value in 50 years time. As the charity operates a continuing programme of refurbishment and maintenance of its buildings, the expected residual value is not expected to be less than cost and hence any depreciation charge will be immaterial.

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 net income/(expenditure) for the year.

#### Housing Properties

The housing properties consist of:

- 48 almshouses together with the landlords' fixtures, fittings and equipment installed therein which are stated at cost.
- The Whipton Barton Road redevelopment (Elizabeth Gardens) which consists of 22 almshouses.

The initial costs of the original almshouses to the Charity were the values at which the properties had been included on the 24 June 1993 balance sheets of the five Charities which were amalgamated to form the St Petrock and Heavitree Parish Lands Charity effectively on 25 June 1993. At that date the records of the Charities no longer included any information relating to the apportionment of the costs of the almshouses between land and buildings. Improvements to the properties carried out since that date are stated at cost.

The cost of developing the new almshouses consists of the cost of original acquisition of the property together with the costs of redevelopment.

Expenditure on replacement fixtures, fittings and equipment in the original 48 almshouses is regarded as part of the routine maintenance of the properties and as such is not capitalised. The charity operates a continuing programme of refurbishment and maintenance and consequently the lives of the properties and their residual values are such that any depreciation charge would be immaterial. Initial expenditure on fixtures, fittings and equipment intended to fit out the completed Elizabeth Gardens development has been capitalised and will be depreciated over five years.

The finance committee carry out an annual review of the almshouses for any indication of impairment.

#### 1.7 Investment properties

The investment properties consist of freehold commercial properties situated in Queen Street, Exeter. The properties are included in the financial statements at fair (market) value. The properties were externally valued as at 24 June 2016 on the basis of the capitalised value of the annual income and the revaluation has been incorporated into the 2017 financial statements. The Board of Trustees have considered the current valuation of the investment properties at 30 June 2022, and do not consider that there have been any material changes in their valuation since the revaluation.

# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

### 1 Accounting policies

(Continued)

#### 1.8 Fixed asset investments

Fixed asset investments are a form of basic financial instrument and are included in the financial statements at fair value using the quoted market price. All changes in value, whether arising upon disposal or upon revaluation, are reported in the statement of financial activities for the year in which the change occurs.

#### 1.9 Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

##### *Basic financial assets*

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

##### *Basic financial liabilities*

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 normally recognised at their settlement amount after allowing for any trade discounts due.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Charitable activities

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Contributions from Almshouse residents	361,846	339,736

# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

### 4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Solar panel income	8,643	8,940

### 5 Investments

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021
	£	£	£	£	£
Rental income	210,040	-	210,040	-	225,718
Interest and dividends	9,860	6,347	16,207	5,291	13,258
	219,900	6,347	226,247	5,291	238,976

# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

### 6 Charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Depreciation and impairment	12,192	-	12,192	12,192	-	12,192
Service costs	123,785	-	123,785	106,197	-	106,197
Insurance	9,046	-	9,046	8,191	-	8,191
Property repairs	28,172	19,357	47,529	45,182	45,675	90,857
Legal and professional	5,968	-	5,968	891	-	891
Clerk's fees	51,084	-	51,084	49,998	-	49,998
Other expenses	4,931	-	4,931	3,509	-	3,509
Loan interest	13,162	-	13,162	19,218	-	19,218
	<u>248,340</u>	<u>19,357</u>	<u>267,697</u>	<u>245,378</u>	<u>45,675</u>	<u>291,053</u>
Grant funding of activities (see note 8)	3,450	-	3,450	8,400	-	8,400
	<u>251,790</u>	<u>19,357</u>	<u>271,147</u>	<u>253,778</u>	<u>45,675</u>	<u>299,453</u>
<b>Analysis by fund</b>						
Unrestricted funds	251,790	-	251,790	253,778	-	253,778
Restricted funds	-	19,357	19,357	-	45,675	45,675
	<u>251,790</u>	<u>19,357</u>	<u>271,147</u>	<u>253,778</u>	<u>45,675</u>	<u>299,453</u>

### 7 Raising funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Service costs	12,791	-	12,791	13,845	-	13,845
Insurance	13,151	-	13,151	12,134	-	12,134
Legal and professional fees	1,522	-	1,522	-	-	-
Clerk's fees	18,576	-	18,576	18,181	-	18,181
Depreciation and impairment	3,975	-	3,975	3,975	-	3,975
	<u>50,015</u>	<u>-</u>	<u>50,015</u>	<u>48,135</u>	<u>-</u>	<u>48,135</u>

# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

### 7 Raising funds

(Continued)

Property repairs	12,375	-	12,375	37,255	6,180	43,435
Queen Street management fee	12,000	-	12,000	12,000	-	12,000
	<u>24,375</u>	<u>-</u>	<u>24,375</u>	<u>49,255</u>	<u>6,180</u>	<u>55,435</u>
Investment management fees	6,437	4,919	11,356	5,279	4,223	9,502
	<u>80,827</u>	<u>4,919</u>	<u>85,746</u>	<u>102,669</u>	<u>10,403</u>	<u>113,072</u>

### 8 Grants payable

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Grants to institutions:		
St Petrock's Centre	-	5,000
Grants payable to residents	3,450	3,400
	<u>3,450</u>	<u>8,400</u>

### 9 Other costs

	Unrestricted funds 2022 £	Unrestricted funds 2021
Clerk's fees	7,740	7,575
Audit	5,000	3,900
Legal, professional and bank fees	1,747	981
	<u>14,487</u>	<u>12,456</u>

### 10 Trustees

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

The key management personnel of the charity comprise the trustees and the Clerk to the Trustees. The Clerk to the Trustees is a partner of Simpkins Edwards LLP, which provides bookkeeping and administrative services to the charity.

The fees of the Clerk to the Trustees during the year were £77,400 (2021: £75,754).

# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

### 11 Net gains/(losses) on investments

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021
	£	£	£	£	£
Revaluation of investments	(46,424)	(40,797)	(87,221)	90,231	165,319
Gain/(loss) on sale of investments	764	227	991	927	843
	<u>(45,660)</u>	<u>(40,570)</u>	<u>(86,230)</u>	<u>75,004</u>	<u>166,162</u>

### 12 Employees

There were no employees during the year.

### 13 Tangible fixed assets

	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Solar panels	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 July 2021	2,971,436	338,207	60,945	76,585	3,447,173
At 30 June 2022	2,971,436	338,207	60,945	76,585	3,447,173
<b>Depreciation and impairment</b>					
At 1 July 2021	-	-	30,266	32,918	63,184
Depreciation charged in the year	-	-	12,192	3,975	16,167
At 30 June 2022	-	-	42,458	36,893	79,351
<b>Carrying amount</b>					
At 30 June 2022	2,971,436	338,207	18,487	39,692	3,367,822
At 30 June 2021	2,971,436	338,207	30,679	43,667	3,383,989

### 14 Investment property

	2022
	£
<b>Fair value</b>	
At 1 July 2021 and 30 June 2022	<u>2,750,297</u>

The investment properties were revalued on 11 January 2017 by Haarer Goss, commercial property consultants. The trustees do not believe that the value has changed materially since that date.

# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

### 15 Fixed asset investments

	Listed investments £
At 1 July 2021	1,260,741
Additions	312,941
Valuation changes	(86,239)
Changes in bank cash holdings	10,065
Disposals	(328,030)
At 30 June 2022	1,169,478
<b>Carrying amount</b>	
At 30 June 2022	1,169,478
At 30 June 2021	1,260,741

### 16 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Other debtors	55,859	53,450
Prepayments and accrued income	19,203	13,981
	75,062	67,431

### 17 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans	18	57,861	60,281
Trade creditors		17,162	13,167
Other creditors		27,875	27,875
Accruals and deferred income		63,512	39,620
		166,410	140,943



# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

### 18 Loans and overdrafts

	2022 £	2021 £
Bank loans	208,899	398,784
Other loans	-	50,000
	<u>208,899</u>	<u>448,784</u>
Payable within one year	57,861	60,281
Payable after one year	151,038	388,503
	<u>151,038</u>	<u>388,503</u>
Amounts included above which fall due after five years:		
Payable by instalments	-	125,242
	<u>-</u>	<u>125,242</u>

The long-term loans are secured by fixed charges over the charity's investment properties.

### 19 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans	18	151,038	338,503
Other borrowings		-	50,000
Deferred income	20	121,285	121,285
		<u>272,323</u>	<u>509,788</u>

### 20 Deferred income

	2022 £	2021 £
Arising from deferred grant income	121,285	121,285
	<u>121,285</u>	<u>121,285</u>

Deferred income is composed of Social Housing (£115,185) and Conservation Grants (£6,100), received in respect of the charity's Almshouses. The grant income is recognised in line with the charity's depreciation policy for the properties to which they relate.

## ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

#### 21 Restricted funds

The income funds of the charity include restricted funds comprising the following balances held on trust for specific purposes:

	Balance at 1 July 2020	Incoming resources	Movement in funds			Balance at 1 July 2021	Incoming resources	Movement in funds			Balance at 30 June 2022
	£	£	Resources expended	Transfers	Revaluations, gains and losses	£	£	Resources expended	Transfers	Revaluations, gains and losses	£
Property ERF	277,351	2,252	(8,639)	33,858	39,243	344,065	3,511	(2,643)	31,506	(17,441)	358,998
St Petrock's Church ERF	64,058	485	(406)	-	13,660	77,797	519	(859)	-	(5,689)	71,768
Cyclical Maintenance Fund	270,891	1,495	(3,679)	56,876	12,826	338,409	1,292	(3,882)	56,876	(12,021)	380,674
Reserve Fund	90,749	1,059	(43,354)	42,168	9,275	99,897	1,025	(16,892)	42,168	(5,419)	120,779
	<u>703,049</u>	<u>5,291</u>	<u>(56,078)</u>	<u>132,902</u>	<u>75,004</u>	<u>860,168</u>	<u>6,347</u>	<u>(24,276)</u>	<u>130,550</u>	<u>(40,570)</u>	<u>932,219</u>

Details of the four restricted funds may be found in the Accounting Policies note.

# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

### 22 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Fund balances at 30 June 2022 are represented by:						
Tangible assets	3,367,822	-	3,367,822	3,383,989	-	3,383,989
Investment properties	2,750,297	-	2,750,297	2,750,297	-	2,750,297
Investments	666,711	502,767	1,169,478	712,496	548,245	1,260,741
Current assets/(liabilities)	(258,895)	429,452	170,557	(150,457)	311,923	161,466
Long term liabilities	(272,323)	-	(272,323)	(509,788)	-	(509,788)
	<u>6,253,612</u>	<u>932,219</u>	<u>7,185,831</u>	<u>6,186,537</u>	<u>860,168</u>	<u>7,046,705</u>

### 23 Related party transactions

#### Transactions with related parties

In the year under review, Reverend S Swarbrick was trustee of both the Parish Land Charity and of the Ecclesiastical Parish of Central Exeter which includes St Petrock's Church.

In the accounting period under review, Mrs S Mutton and Ms A Foreman were trustees of both the Parish Land Charity and members of the Parochial Church Council of the Ecclesiastical Parish of the Heavitree Team Ministry.

In the accounting period under review, Ms G Harlett was a trustee of the Parish Land Charity and of The Parochial Church Council of the Ecclesiastical Parish of St David with St Michael and All Angels Exeter.

# ST PETROCK AND HEAVITREE PARISH LANDS CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

24	Cash generated from operations	2022 £	2021 £	
	Surplus for the year	139,126	328,833	
	Adjustments for:			
	Investment income recognised in statement of financial activities	(226,247)	(238,976)	
	Gain on disposal of investments	(991)	(843)	
	Fair value gains and losses on investments	87,221	(165,319)	
	Depreciation and impairment of tangible fixed assets	16,167	16,167	
	Movements in working capital:			
	(Increase)/decrease in debtors	(7,630)	34,707	
	Increase/(decrease) in creditors	27,887	(56,524)	
	Cash generated from/(absorbed by) operations	35,533	(81,955)	
25	Analysis of changes in net funds/(debt)			
		At 1 July 2021 £	Cash flows £	At 30 June 2022 £
	Cash at bank and in hand	234,977	26,928	261,905
	Loans falling due within one year	(60,281)	2,420	(57,861)
	Loans falling due after more than one year	(388,503)	237,465	(151,038)
		(213,807)	266,813	53,006