

EXMOUTH CHURCH INSTITUTE

**REPORT OF THE TRUSTEES
FOR THE YEAR TO 31 DECEMBER 2020**

CHARITY NO 251170

**BICK ACCOUNTANTS LTD
CHARTERED ACCOUNTANTS
EXMOUTH**

EXMOUTH CHURCH INSTITUTE

FINANCIAL STATEMENTS FOR THE YEAR TO 31 DECEMBER 2020

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EXMOUTH CHURCH INSTITUTE

ANNUAL REPORT FOR THE YEAR TO 31 DECEMBER 2020

LEGAL AND CONSTITUTIONAL

The Exmouth Church Institute, The Parish Office, Rolle Road, Exmouth, is registered with the Charity Commissioners (No.251170) and constituted by Deed of Trust dated 19 May 1925 as extended by an order dated 12 March 1940.

TRUSTEES

Mr D J Gingell Esq
Mr M Goom (Ex-officio) from 21/10/20
Mr M C Haley (Ex-officio) from 21/10/20
Rev'd S C Jones (Ex-officio) from 17/06/20
Miss S Parnell
Mr R J Ward Esq
Mrs S Carrahar (Ex officio) until 21/10/20
Mrs S Stock (Ex-Officio) until 01/08/20
Vacancy (Co-opted) from 01/01/20

CLERK TO THE TRUSTEES

Mr V Eddy

BANKERS

National Westminster Bank Plc
Rolle Street
Exmouth, EX8 1HU

Central Board of Finance of the Church of England
Senator House, 85 Queen Victoria Street
London, EC4V 4ET

INDEPENDENT EXAMINER

James Bick, FCA
Bick Accountants Ltd
Chartered Accountants
18A Littleham Road
Exmouth, EX8 2QG

SOLICITORS

Every's
Magnolia House
Church Street
Exmouth, EX8 1HQ

ORGANISATION

The Church Institute Trust of Littleham cum Exmouth is a Trust governed by a scheme of the Charity Commissioners of 19 May 1925 as affected by various subsequent schemes, the most recent being 21 August 1981. The charity has voluntary staff but no paid employees. The area of benefit of the Trust is restricted to furthering the religious and other charitable work of the Church of England in the Ecclesiastical Parish of Littleham-cum-Exmouth.

The Trust's registered office is The Parish Office, Holy Trinity Church, Rolle Road, Exmouth, EX8 2RA.

TRUSTEES

The Scheme of Arrangement provides for there to be seven Trustees, three being ex-officio, namely the Rector and Churchwardens of the Ecclesiastical Parish of Littleham-cum-Exmouth, and four co-opted Trustees.

By virtue of the Vestry Meeting dated 19 March 2003 pursuant to the Churchwardens Measure 2001, there are now four Churchwardens. It has been decided by the Churchwardens for the time being that only two will represent the Churchwardens as ex-officio Trustees of this Trust.

RECRUITMENT AND APPOINTMENT OF TRUSTEES

At its meeting on 5th December 2017, in accordance with the guidance recommended in Charity Commission document CC30 (Feb. 17 Ed.), the Trustees adopted a statement of policy in regard to the recruitment and appointment of Trustees as set out in Appendix A of that meeting. The Statement of Policy was further amended and additions adopted at a meeting on 8th December 2020.

OBJECTIVES AND ACTIVITIES

The objects of the Charity are to further the religious and other charitable work of the Church of England in the ecclesiastical parish of Littleham with Exmouth. This includes the maintenance of Church buildings used for public worship and other buildings relating thereto. The Trustees have had due regard to the Charity Commission guidance on public benefit.

ACHIEVEMENTS AND PERFORMANCE

The Trustees continue to manage the assets of the Trust in order to enable maintenance of the real property and the performance of the financial assets to ensure a balance between capital appreciation and income so as to sustain current and future objectives.

The Trustees have continued to respond to applications for grant assistance from:-

The PCC of Littleham-cum-Exmouth

The Beacon C of E (VA) School

Littleham Junior and Infants School

Littleham Leisure Centre Management Committee (supported through the PCC)

The Open Door Project Exmouth

INVESTMENT POWERS AND POLICY WITH REGARD TO RESERVES

The Trustees are required to retain the permanent endowment, being the original property and the funds arising therefrom, and any interest earned on those funds which has been appropriated to capital. The Trustees, from time to time, ensure that the value attributed to the real property is professionally assessed and reflected in the balance sheet. Records available do not reveal any method or trail of decisions to prove the value of the permanent endowment. Consequently, there is no historic basis on which to agree a value. However, in 2014, in consultation with the Trust's Accountants and Independent Examiner, it was agreed that the value of the permanent endowment was fairly represented in the sum of £556,356. There have been no subsequent transfers between the general fund and the permanent endowment.

All assets, both real property and financial, are used for furthering the objectives of the Trust. Sums in excess of the permanent endowment continue to be held in the general fund from which all current expenditure on grants and administrative expenses are met.

It is the intention of the Trustees to ensure that, after making suitable cash reserves for demands that are known or may be expected to arise, the balance of funds not held as property should be invested for capital growth within the requirements of the current scheme subject to any amendments agreed by the Trustees.

Following the 2014 review of investments the Trust is currently able to generate at least £35,000 per annum and currently holds a General Fund Reserve of £261,142. This may alter from year to year due to the impact of market changes on investment income and changes in rental income following periodic lease renewals. Apart from insurance and governance costs the balance annually is available for the provision of grants and the cost of any maintenance works to the premises over and above those for which the lessees of 33-35 Rolle Street are responsible under the terms of the current lease. During 2018 the Trustees considered a more specific split in the allocation of reserves by opening a Buildings Reserve Fund to receive annual contributions of £8,500.

To that end, the Trust's investment portfolio is managed by CCLA Investment Management Ltd and is held in a number of CBF Church of England Funds as shown in the annual balance sheet. The current portfolio was last reviewed by CCLA in May 2014 when substantial cash holdings were transferred into new investment accounts. The Trustees are aware that future reviews need to be undertaken on a regular basis.

RISK REVIEW

The Trustees regularly review the risk element of the various investments including the following aspects:-

1. That any tenant of the property owned by the Trust could encounter financial difficulties.
2. That any tenant may at any time give notice, within the terms of the lease, to terminate the lease.
3. That investments in the various Church Of England Funds may go down as well as up.

FUTURE FINANCIAL PROJECTS

The likely change in income or expenditure, subject to the risk elements identified above, may include:-

Any increase in rent received following a rent review;
Any increase or decrease in interest rates or dividends;
Any increase or decrease in the value of property or invested assets;
Any change in the above which will affect the income that the Trustees will be available for distribution.

SAFEGUARDING

The Trustees are aware of the need to observe good practice on safeguarding. Under its present Scheme of Arrangement the Trust's objects and activities do not bring the Trustees or Officers in the conduct of their duties on behalf of the Trust into unattended contact with children or vulnerable adults.

CORONAVIRUS PANDEMIC

The Trust was, to a limited degree, affected by the national lock-down which was put in place by the Government on 16th March 2020 to protect the UK population against infection by the coronavirus Covid-19. The negative affects were:-

- a. Initially there was a loss of rent on the premises at 33-35 Rolle Street, Exmouth for a period of three months. However, government funding schemes enabled the tenants to repay the overdue rent, in full, by 30th June 2020 and thereafter the rent was paid in full for the rest of the year.
- b. The restrictions had a negative effect upon the national economy resulting in a small reduction in the Trust's investment income as set out in the annual Statement of Accounts attached. Although investment income reduced slightly for the rest of the year, the impact did not affect the budgeted programme for 2020.
- c. The Trustees have set a cautious budget for 2021 and will continue to monitor changes in the economy for the future to ensure a balance between maintaining its grant funding while protecting its assets.

For and on behalf of the Trustees


.....
Chair of the Trustees

9th August 2021
.....
Date

EXMOUTH CHURCH INSTITUTE

INDEPENDENT EXAMINERS' REPORT

Independent Examiners' Report to the Trustees of the Exmouth Church Institute

I report on the accounts of the Exmouth Church Institute for the year ended 31 December 2020 which are set out on pages 6-9.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.



James Bick FCA
Independent Examiner
Bick Accountants Ltd
18A Littleham Road
Exmouth
EX8 2QG

Date 16/8/21

EXMOUTH CHURCH INSTITUTE

ACCOUNTS FOR THE YEAR TO 31 DECEMBER 2020

RECEIPTS AND PAYMENT ACCOUNT

	Note	General Fund £	Restricted Fund £	Designated Fund £	Total 2020 £	Total 2019 £
Receipts						
Rent received	3	20,000	-	-	20,000	20,000
Insurance premiums received	4	692	-	-	692	2,914
Interest received	5	200	-	-	200	353
Investment income	6	16,083	-	-	16,083	17,273
Total receipts for the year		36,975	-	-	36,975	40,540
Payments						
Direct charitable expenditure	7	59,082	-	-	59,082	35,519
Property insurance	8	2,198	-	-	2,198	2,178
Professional Fees	9	0	-	-	-	627
Governance costs	9	870	-	-	870	840
Office costs	9	48	-	-	48	-
Building repairs and maintenance		-	-	1,037	1,037	6,088
Total payments for year		62,198	-	1,037	63,235	45,252
Net receipts/(payments) for the year		(25,223)	-	(1,037)	(26,260)	(4,712)
Realised gain on investments		1,344			1,344	-
Net movement in funds		(23,879)	-	(1,037)	(24,916)	(4,712)
Transfers between funds		(8,500)	-	8,500	-	-
Realised reserves at 1 January 2020		65,284	556,356	5,885	627,525	632,237
Realised reserves at 31 December 2020		32,905	556,356	13,348	602,609	627,525
Unrealised movement on revaluations						
Unrealised reserves at 1 January 2020		206,572	-	-	206,572	148,606
Gain on investments		21,665	-	-	21,665	57,966
Gain on revaluation of property		-	-	-	-	-
Unrealised reserves at 31 December 2020		228,237	-	-	228,237	206,572
Total reserves at 31 December 2020		261,142	556,356	13,348	830,846	834,097

EXMOUTH CHURCH INSTITUTE

ACCOUNTS FOR THE YEAR TO 31 DECEMBER 2020

BALANCE SHEET

	Note	2020		2019	
		£	£	£	£
Freehold property investments	10				
33 Rolle Street		179,480		179,480	
35 Rolle Street		<u>100,520</u>		<u>100,520</u>	
			280,000		280,000
Other investments					
Central Board of Finance Investments	11	<u>491,077</u>		<u>499,571</u>	
			491,077		499,571
Bank balances					
National Westminster Bank Plc	12	41,338		6,096	
Central Board of Finance	13	<u>18,431</u>		<u>48,430</u>	
			59,769		54,526
Total Assets of Trust			<u>830,846</u>		<u>834,097</u>
REPRESENTED BY:					
General fund					
At 1 January 2020			65,284		72,408
Net receipts/(payments) for the year			(25,223)		1,376
Realised gain on investment			1,344		-
Transfers (to)/from Buildings Fund			(8,500)		(8,500)
At 31 December 2020			<u>32,905</u>		<u>65,284</u>
Endowed (restricted) fund					
At 1 January 2020			556,356		556,356
Net receipts for the year			-		-
(Depreciation)/appreciation in property valuation			-		-
At 31 December 2020			<u>556,356</u>		<u>556,356</u>
Buildings (designated) Fund					
At 1 January 2020			5,885		3,473
Net receipts/(payments) for the year			(1,037)		(6,088)
Transfers (to)/from General Fund			8,500		8,500
At 31 December 2020			<u>13,348</u>		<u>5,885</u>
Revaluation reserve					
At 1 January 2020			206,572		148,606
Net unrealised gains for the year			21,665		57,966
At 31 December 2020			<u>228,237</u>		<u>206,572</u>
Total reserve funds			<u>830,846</u>		<u>834,097</u>

EXMOUTH CHURCH INSTITUTE

ACCOUNTS FOR THE YEAR TO 31 DECEMBER 2020

NOTES TO THE ACCOUNTS

1. Basis of Accounting

The Accounts have been prepared on the "receipts and payments basis" in accordance with the Charities Act 2011 section 133.

2. Freehold property investment valuations

The properties were revalued by independent chartered surveyors on 27 September 2017, these values have been used in the accounts. The properties are revalued every 5 years.

	2020 £	2019 £
3. Rents received		
33 and 35 Rolle Street	20,000	20,000
4. Insurance premiums received		
33 and 35 Rolle Street	692	2,914
5. Interest received		
National Westminster Bank plc	-	-
Central Board of Finance Deposit Fund	200	353
	<u>200</u>	<u>353</u>
6. Investment income received		
Central Board of Finance Funds		
(1) Fixed Interest Fund	304	1218
(2) Investment Fund 1	4503	4372
(3) Investment Fund 2	6866	6665
(4) Property Fund	4,410	5,018
	<u>16,083</u>	<u>17,273</u>
7. Direct charitable expenditure		
Littleham-cum-Exmouth PCC	56,582	33,019
Open Door Centre	2,500	2,500
	<u>59,082</u>	<u>35,519</u>
8. Property insurance	2198	2,178

EXMOUTH CHURCH INSTITUTE

ACCOUNTS FOR THE YEAR TO 31 DECEMBER 2020

NOTES TO THE ACCOUNTS (CONTINUED)

	2020 £	2019 £
9. Miscellaneous payments		
Independent examiners fee	870	840
Printing, Stationery & Postage	48	-
Professional Fees	-	627
	<u>918</u>	<u>1467</u>
10. Freehold Property Investments		
Professional valuation at 27 September 2017		
33 Rolle Street	179,480	179,480
35 Rolle Street	100,520	100,520
	<u>280,000</u>	<u>280,000</u>
11. C.B.F investments		
(3) Fixed interest Units - at market value		
At cost - £30,000	-	30,159
(4) Investment Funds Units - at market value		
At cost - £70,000	160,453	150,089
(5) Investment Funds - at market value		
At cost - £153,000	244,587	228,789
(6) Property Funds - at market value		
At cost - £80,000	86,037	90,534
	<u>491,077</u>	<u>499,571</u>
12. National Westminster Bank		
Current Account	41,338	6,096
	<u>41,338</u>	<u>6,096</u>
13. Central Board of Finance		
Deposit account	18,431	48,430
	<u>18,431</u>	<u>48,430</u>