



# **Hornsea Church Lands**

## **Unaudited Financial Statements**

**Financial statements - 31 December 2020**



SD-0201237-1-6



# Hornsea Church Lands

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# Hornsea Church Lands

## Reference and Administrative Details

*for the year ended 31st December 2020*

The Charity is administered by Representative Trustees appointed for a five year term and Co-optative Trustees appointed for life and comprising:

Ex officio

Rev. C. N. Minett Stevens (Chairman)

5 Co-optative Trustees

Mr. N. D. Stacey

Mr. T. B. Ellis

Mr. M. Bateman

Mr. R. G. Wallace

4 Representative Trustees

Mr. J. Moss (Secretary)

Mr. K. Twigg

Ms. J. Jones

Mrs. E. Harris

The Rev'd Minett Stevens accepted the position of Chairman of the Hornsea Church Lands Trust (as an ex officio member, a position which is usually held by the Vicar of Hornsea Church).

### PRINCIPAL ADDRESS

The Vicarage  
Newbegin  
Hornsea  
East Yorkshire  
HU18 1AB

### REGISTERED CHARITY NUMBER

257705

### INDEPENDENT EXAMINER

Smailes Goldie  
Chartered Accountants  
Regent's Court  
Princess Street  
Hull  
East Yorkshire HU2 8BA

### ADVISERS

Bankers  
HSBC Bank Plc, 1 King Street,  
Bridlington, YO15 2DL.

Stockbrokers  
J.M. Finn & Co, 4 Coleman Street,  
London, EC2R 5TA.

# Hornsea Church Lands

## Report of the Trustees

*for the year ended 31st December 2020*

The trustees present their report with the financial statements of the charity for the year ended 31st December 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).

### ACHIEVEMENT AND PERFORMANCE

#### Charitable activities

##### Property

Valuations were carried out on all the properties and land in 2016 and therefore these values remain unchanged this year.

##### Atwick Road Field

This field has now been registered with the Land Registry, including vesting the land in the official custodian for Charities as were the allotments in 2017.

##### Allotments

Rent remains set at £10 for a half plot per annum. There are 86 half plots of which 84 are available to rent because 2 half plots are not capable of being cultivated because of club root. The total income from the allotments this year was £730 from the rent of 73 half plots with 11 plots vacant. After deduction of £150 given to one of the Trustee Representatives who supervises activities and collects rents and costs of £230 for hedge cutting a surplus of £350 arose.

##### Rented Properties

Two of the flats had void rentals periods during the year, whilst the commercial premises were fully let. Due to COVID-19 rental collections have been delayed and arrears exist at the year end on one property. Quick and Clarke were instructed to take over the day to day management of the Commercial units and also carry out quarterly inspections of these and the Nursery at a fee of 10% of the monthly rent plus VAT.

Property costs have reduced from the previous year following the completion of fire safety works. Expenditure has been incurred on the refitting of carpets and remedying a pigeon infestation, although the latter was largely covered by insurance.

##### Application of Funds

The Trust paid for the Church building and contents insurance as in previous years. In addition the Trust paid for quinquennial review survey reports and related works in respect of the Church building. The £100,000 drawn from the Fabric Investment Fund into the Trust's bank account in 2019 in anticipation of work starting on the works identified for action in the 2015 quinquennial review remains largely unspent. The COVID-19 pandemic has caused further delays to the commencement of work so the funds lie awaiting action.

##### Investment performance

Our investments continue to be managed by JM Finn, Investment Managers, and we meet with their Head of Charities once a year. We receive the net income on our investments into our current bank account (after management and other charges have been deducted by Finns). This applies to both the General and the Fabric Fund. Investment income during the year has decreased by 37%, however the value of investment has risen by 1.0%.

### FINANCIAL REVIEW

#### Reserves policy

Cash reserves at 31st December 2020 are considered sufficient for anticipated needs for the forthcoming year.

# Hornsea Church Lands

## Report of the Trustees

*for the year ended 31st December 2020*

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing document**

The Hornsea Church Lands is registered with the Charity Commissioners as The Church Lands in the Parish of Hornsea and constituted by Charity Commission scheme dated 12 February 1932.

As stated in the Scheme approved by the Charity Commission on 12 February 1932, the two objectives are the provision of funds for the maintenance of the fabric of St. Nicholas Church, Hornsea, and the distribution of surplus income to the Parochial Church Council for general use as Church funds. With this in view, the Feoffees have historically maintained two funds, a Fabric Fund and a General Fund, and this division of funds has been maintained through the current year. The Trustees have considered the Commission's guidance on public benefit and are of the opinion that this is fulfilled by the charity's continued support of an establishment for the advancement of religion.

#### **Recruitment and appointment of new trustees**

The power of appointment of new Trustees to the Trust lies with the Parochial Church Council, who appoint Representative Trustees, and existing trustees who appoint Co-optative Trustees. New trustees are appointed with a view to the board of trustees providing the complimentary mix of skills necessary to perform the trustees' function.

#### **Induction and training of new trustees**

Trustees are encouraged to obtain training so as to increase their skills, such training to be organised and funded by the charity.

Approved by order of the board of trustees on 20th October 2021 and signed on its behalf by:



Rev C N Minett Stevens - Trustee

# **Independent Examiner's Report to the Trustees of Hornsea Church Lands**

## **Independent examiner's report to the trustees of Hornsea Church Lands**

I report to the charity trustees on my examination of the accounts of Hornsea Church Lands (the Trust) for the year ended 31st December 2020.

### **Responsibilities and basis of report**

As the charity trustees of the Trust 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 Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all 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 Trust 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.



S. Bramall BSc, FCA  
Smailes Goldie  
Chartered Accountants  
Regent's Court  
Princess Street  
Hull  
East Yorkshire HU2 8BA

20th October 2021

# Hornsea Church Lands

## Statement of Financial Activities

for the year ended 31st December 2020

	Notes	Unrestricted fund £	Restricted fund £	2020 Total funds £	2019 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Investment income	2	51,618	12,357	63,975	87,768
<b>EXPENDITURE ON</b>					
Raising funds	3	19,949	4,559	24,508	33,095
<b>Charitable activities</b>					
Grants		8,968	-	8,968	27,211
Other		<u>1,602</u>	<u>-</u>	<u>1,602</u>	<u>1,590</u>
<b>Total</b>		<b>30,519</b>	<b>4,559</b>	<b>35,078</b>	<b>61,896</b>
Net gains/(losses) on investments		<u>27,399</u>	<u>(5,122)</u>	<u>22,277</u>	<u>128,097</u>
<b>NET INCOME</b>		<b>48,498</b>	<b>2,676</b>	<b>51,174</b>	<b>153,969</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>1,291,754</u>	<u>543,500</u>	<u>1,835,254</u>	<u>1,681,285</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>1,340,252</u></u>	<u><u>546,176</u></u>	<u><u>1,886,428</u></u>	<u><u>1,835,254</u></u>

### CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.



# Hornsea Church Lands

## Balance Sheet

31st December 2020

	Notes	2020 £	2019 £
<b>FIXED ASSETS</b>			
<b>Investments</b>			
Investments	6	1,138,702	1,126,926
Investment property	7	<u>565,000</u>	<u>565,000</u>
		<b>1,703,702</b>	<b>1,691,926</b>
<b>CURRENT ASSETS</b>			
Debtors	8	1,792	1,441
Cash at bank		<u>182,524</u>	<u>143,477</u>
		<b>184,316</b>	<b>144,918</b>
<b>CREDITORS</b>			
Amounts falling due within one year	9	<u>(1,590)</u>	<u>(1,590)</u>
<b>NET CURRENT ASSETS</b>		<u><b>182,726</b></u>	<u><b>143,328</b></u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><b>1,886,428</b></u>	<u><b>1,835,254</b></u>
<b>NET ASSETS</b>		<u><b>1,886,428</b></u>	<u><b>1,835,254</b></u>
<b>FUNDS</b>	11		
Unrestricted funds		1,340,252	1,291,754
Restricted funds		<u>546,176</u>	<u>543,500</u>
<b>TOTAL FUNDS</b>		<u><b>1,886,428</b></u>	<u><b>1,835,254</b></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 20th October 2021 and were signed on its behalf by:



C N Minett Stevens - Trustee



J. Moss (Secretary) - Trustee

# Hornsea Church Lands

## Notes to the Financial Statements

*for the year ended 31st December 2020*

### 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.

#### **Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to reserves.

#### **Taxation**

The charity is exempt from tax on its charitable activities.

#### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

#### **Investment income**

Stocks and shares quoted on a recognised stock exchange are included in the balance sheet at their mid-market value at the year end. The variances between market value and the original cost or annual revaluation of the investments are shown as unrealised investment gains or losses in other charitable funds.

Each year the movement, as adjusted for additions, is transferred through the statement of financial activities to other charitable funds. The differences between the original cost or annual valuation and the proceeds of investments disposed of are shown as a gain/(loss) in the statement of financial activities.

Bank interest is included in the income and expenditure account on an accruals basis.

# Hornsea Church Lands

## Notes to the Financial Statements - continued for the year ended 31st December 2020

### 2. INVESTMENT INCOME

	2020 £	2019 £
Rental income received		
1 Market Place, Hornsea	3,000	3,000
3 Market Place, Hornsea	5,100	6,190
Flat 1, 5 Market Place, Hornsea	2,446	5,250
Flat 2, 5 Market Place, Hornsea	3,839	2,982
Flat 3, 5 Market Place, Hornsea	1,730	3,271
7 Market Place, Hornsea	4,800	4,800
9 Market Place, Hornsea	4,730	4,730
Cheeseman's Farm - Clark	5,090	5,090
Allotments	730	720
	<b>31,465</b>	<b>36,187</b>
Portfolio income	<b>32,510</b>	<b>51,581</b>
	<b>63,975</b>	<b>87,768</b>

### 3. RAISING FUNDS

	2020 £	2019 £
Portfolio management	12,910	13,742
Property repairs and expenses	7,213	14,551
Insurance	1,820	1,764
Property management	2,565	3,038
	<b>24,508</b>	<b>33,095</b>

### 4. GRANTS PAYABLE

	2020 £	2019 £
Grants	<b>8,968</b>	<b>27,211</b>
The total grants paid to institutions during the year was as follows:		
	2020 £	2019 £
Hornsea Parochial Church Council	<b>8,968</b>	<b>27,211</b>

# Hornsea Church Lands

## Notes to the Financial Statements - continued for the year ended 31st December 2020

### 5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2020 nor for the year ended 31st December 2019.

#### Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2020 nor for the year ended 31st December 2019.

### 6. FIXED ASSET INVESTMENTS

	Listed investments £
<b>MARKET VALUE</b>	
At 1st January 2020	<b>1,126,926</b>
Additions	<b>186,209</b>
Disposals	<b>(253,780)</b>
Change in market value	<b><u>79,347</u></b>
At 31st December 2020	<b><u>1,138,702</u></b>
<b>NET BOOK VALUE</b>	
At 31st December 2020	<b><u>1,138,702</u></b>
At 31st December 2019	<b><u>1,126,926</u></b>

There were no investment assets outside the UK.

### 7. INVESTMENT PROPERTY

	£
<b>FAIR VALUE</b>	
At 1st January 2020 and 31st December 2020	<b><u>565,000</u></b>
<b>NET BOOK VALUE</b>	
At 31st December 2020	<b><u>565,000</u></b>
At 31st December 2019	<b><u>565,000</u></b>

Historical cost at 31 December 2019 was £155,503. The property was valued by Leonards Chartered Surveyors on an open market basis in 2016.

# Hornsea Church Lands

## Notes to the Financial Statements - continued for the year ended 31st December 2020

### 8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Rental income	1,185	1,185
Investment income	257	256
Allotment debtor	350	-
	<u>1,792</u>	<u>1,441</u>

### 9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Other creditors	<u>1,590</u>	<u>1,590</u>

### 10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted fund	2020 Total funds	2019 Total funds
	£	£	£	£
Investments	1,289,974	413,728	1,703,702	1,691,926
Current assets	51,868	132,448	184,316	144,918
Current liabilities	<u>(1,590)</u>	<u>-</u>	<u>(1,590)</u>	<u>(1,590)</u>
	<u>1,340,252</u>	<u>546,176</u>	<u>1,886,428</u>	<u>1,835,254</u>

### 11. MOVEMENT IN FUNDS

	At 1.1.20	Net movement in funds	At 31.12.20
	£	£	£
<b>Unrestricted funds</b>			
General fund	1,291,754	48,498	1,340,252
<b>Restricted funds</b>			
Restricted (Fabric) Fund	543,500	2,676	546,176
<b>TOTAL FUNDS</b>	<u>1,835,254</u>	<u>51,174</u>	<u>1,886,428</u>

# Hornsea Church Lands

## Notes to the Financial Statements - continued for the year ended 31st December 2020

### 11. MOVEMENT IN FUNDS - continued

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>				
General fund	51,618	(30,519)	27,399	48,498
<b>Restricted funds</b>				
Restricted (Fabric) Fund	12,357	(4,559)	(5,122)	2,676
<b>TOTAL FUNDS</b>	<u>63,975</u>	<u>(35,078)</u>	<u>22,277</u>	<u>51,174</u>

### Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
<b>Unrestricted funds</b>			
General fund	1,209,122	82,632	1,291,754
<b>Restricted funds</b>			
Restricted (Fabric) Fund	472,163	71,337	543,500
<b>TOTAL FUNDS</b>	<u>1,681,285</u>	<u>153,969</u>	<u>1,835,254</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>				
General fund	54,600	(51,381)	79,413	82,632
<b>Restricted funds</b>				
Restricted (Fabric) Fund	33,168	(10,515)	48,684	71,337
<b>TOTAL FUNDS</b>	<u>87,768</u>	<u>(61,896)</u>	<u>128,097</u>	<u>153,969</u>

# **Hornsea Church Lands**

## **Notes to the Financial Statements - continued** *for the year ended 31st December 2020*

### **12. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31st December 2020.

