



Smales Goldie Group
CREATING ADVANTAGE

REGISTERED NUMBER: 257705
REGISTERED CHARITY NUMBER: 257705

Hornsea Church Lands

Unaudited Financial Statements

31st December 2021



SD-0206321-1-6

Hornsea Church Lands

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Hornsea Church Lands

Reference and Administrative Details

for the year ended 31st December 2021

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 (resigned December 2020)

Mr. M. Bateman

Mr. R. G. Wallace

Mr. K. Twigg

4 Representative Trustees

Mr. J. Moss

Ms. J. Jones

Mrs. E. Harris

Ms. H. Simms (appointed 18 October 2021)

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, 25 Copthall Avenue,
London, EC2R 7AH.

Hornsea Church Lands

Report of the Trustees

for the year ended 31st December 2021

The trustees present their report with the financial statements of the charity for the year ended 31st December 2021. 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 £750 (2021 £730) from the rent of 75 half plots with 9 plots vacant. After deduction of £150 given to one of the Trustee Representatives who supervises activities and collects rents and costs of £583 for new signage and other sundry costs a surplus in the year of £207 arose. With the surplus from the previous year of £390, there is cash available for future use of £407.

Rented Properties

One of the flats had void rentals periods during the year, whilst the commercial premises were fully let. Quick and Clarke have taken 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 increased from the previous year following the completion and renovation of a new bathroom at the vacant flat and new fencing, access hatches and the replacement of fire panels and old detectors for another flat. Expenditure has also been incurred on the refitting of carpets, although the latter was largely covered by insurance.

Application of Funds

The Trust paid for the inspection and architect fees in relation to the east window of the Church. In addition the Trust paid a further £30,000 for the maintenance of the Church. 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 13% (2021 37%), however the value of investment has risen by 9% (2021 1.0%).

FINANCIAL REVIEW

Reserves policy

Cash reserves at 31st December 2021 are considered sufficient for anticipated needs for the forthcoming year.

Hornsea Church Lands

Report of the Trustees

for the year ended 31st December 2021

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 19th October 2022 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 2021.

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

Date: 19th October 2022

Hornsea Church Lands

Statement of Financial Activities for the year ended 31st December 2021

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Investment income	2	<u>44,601</u>	<u>11,722</u>	<u>56,323</u>	<u>63,975</u>
EXPENDITURE ON					
Raising funds	3	<u>29,711</u>	<u>5,133</u>	<u>34,844</u>	<u>24,508</u>
Charitable activities					
Grants		<u>33,957</u>	<u>-</u>	<u>33,957</u>	<u>8,968</u>
Other		<u>2,130</u>	<u>-</u>	<u>2,130</u>	<u>1,602</u>
Total		<u>65,798</u>	<u>5,133</u>	<u>70,931</u>	<u>35,078</u>
Net gains on investments		<u>78,219</u>	<u>52,157</u>	<u>130,376</u>	<u>22,277</u>
NET INCOME		<u>57,022</u>	<u>58,746</u>	<u>115,768</u>	<u>51,174</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,340,252</u>	<u>546,176</u>	<u>1,886,428</u>	<u>1,835,254</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,397,274</u></u>	<u><u>604,922</u></u>	<u><u>2,002,196</u></u>	<u><u>1,886,428</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

Hornsea Church Lands

Balance Sheet

31st December 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Investments			
Investments	7	1,240,863	1,138,702
Investment property	8	565,000	565,000
		1,805,863	1,703,702
CURRENT ASSETS			
Debtors	9	1,442	1,792
Cash at bank and in hand		198,161	182,524
		199,603	184,316
CREDITORS			
Amounts falling due within one year	10	(3,270)	(1,590)
NET CURRENT ASSETS		196,333	182,726
TOTAL ASSETS LESS CURRENT LIABILITIES		2,002,196	1,886,428
NET ASSETS		2,002,196	1,886,428
FUNDS	12		
Unrestricted funds		1,397,274	1,340,252
Restricted funds		604,922	546,176
TOTAL FUNDS		2,002,196	1,886,428

The financial statements were approved by the Board of Trustees and authorised for issue on 19th October 2022 and were signed on its behalf by:


C N Minett Stevens - Trustee

Hornsea Church Lands

Notes to the Financial Statements

for the year ended 31st December 2021

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 2021

2. INVESTMENT INCOME

	2021 £	2020 £
Rental income received		
1 Market Place, Hornsea	2,125	3,000
3 Market Place, Hornsea	-	5,100
Flat 1, 5 Market Place, Hornsea	3,194	2,446
Flat 2, 5 Market Place, Hornsea	3,268	3,839
Flat 3, 5 Market Place, Hornsea	4,050	1,730
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	750	730
	<u>28,007</u>	<u>31,465</u>
Portfolio income	<u>28,316</u>	<u>32,510</u>
	<u>56,323</u>	<u>63,975</u>

3. RAISING FUNDS

	2021 £	2020 £
Portfolio management	14,695	12,910
Property repairs and expenses	15,185	7,213
Insurance	1,951	1,820
Property management	3,013	2,565
	<u>34,844</u>	<u>24,508</u>

4. GRANTS PAYABLE

	2021 £	2020 £
Grants	<u>33,957</u>	<u>8,968</u>
The total grants paid to institutions during the year was as follows:		
	2021 £	2020 £
Hornsea Parochial Church Council	<u>33,957</u>	<u>8,968</u>

Hornsea Church Lands

Notes to the Financial Statements - continued for the year ended 31st December 2021

5. SUPPORT COSTS

	Governance costs £
Other resources expended	<u>2,130</u>

Support costs, included in the above, are as follows:

	2021 Other resources expended £	2020 Total activities £
Book-keeping fees	450	-
Independent examiner's fees	<u>1,680</u>	<u>1,602</u>
	<u>2,130</u>	<u>1,602</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2021 nor for the year ended 31st December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2021 nor for the year ended 31st December 2020.

7. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1st January 2021	1,138,702
Additions	111,357
Disposals	(136,658)
Change in market value	<u>127,462</u>
At 31st December 2021	<u>1,240,863</u>
NET BOOK VALUE	
At 31st December 2021	<u>1,240,863</u>
At 31st December 2020	<u>1,138,702</u>

There were no investment assets outside the UK.

Cost or valuation at 31st December 2021 is represented by:

	Listed investment £
Cost	<u>1,240,863</u>

Hornsea Church Lands

Notes to the Financial Statements - continued for the year ended 31st December 2021

8. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1st January 2021	
and 31st December 2021	<u>565,000</u>
NET BOOK VALUE	
At 31st December 2021	<u>565,000</u>
At 31st December 2020	<u>565,000</u>

Historical cost at 31 December 2021 was £155,503. The property was valued by Leonards Chartered Surveyors on an open market basis in 2016.

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Rental income	1,185	1,185
Investment income	257	257
Allotment debtor	-	350
	<u>1,442</u>	<u>1,792</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other creditors	<u>3,270</u>	<u>1,590</u>

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
Investments	1,351,901	453,962	1,805,863	1,703,702
Current assets	48,643	150,960	199,603	184,316
Current liabilities	(3,270)	-	(3,270)	(1,590)
	<u>1,397,274</u>	<u>604,922</u>	<u>2,002,196</u>	<u>1,886,428</u>

Hornsea Church Lands

Notes to the Financial Statements - continued for the year ended 31st December 2021

12. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	1,340,252	57,022	1,397,274
Restricted funds			
Restricted (Fabric) Fund	546,176	58,746	604,922
TOTAL FUNDS	1,886,428	115,768	2,002,196

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	44,601	(65,790)	78,219	57,022
Restricted funds				
Restricted (Fabric) Fund	11,722	(5,133)	52,157	58,746
TOTAL FUNDS	56,323	(70,931)	130,376	115,768

Comparatives for movement in funds

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

Hornsea Church Lands

Notes to the Financial Statements - continued for the year ended 31st December 2021

12. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	51,618	(30,519)	27,399	48,498
Restricted funds				
Restricted (Fabric) Fund	12,357	(4,559)	(5,122)	2,676
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>63,975</u>	<u>(35,078)</u>	<u>22,277</u>	<u>51,174</u>

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2021.

