

# THE W.F.FABRY ESTATE

REGISTERED CHARITY no.272753

## TRUSTEES ANNUAL REPORT 2020-2021

### Constitution

The charity was established by the will of the late Walter Frank Fabry who died in 1974.

### Trustees

The charity is managed by three trustees who are:

David Grey  
Rev. Tim Keightley.  
Christine Lawrence.

The principal address of the Charity is the Baptist Holiday Apartments, 1, The Esplanade, Minehead, Somerset, TA24 5BE.

The correspondence address is 6 Bela Avenue, Milnthorpe, Cumbria, LA7 7QT.

### Trusteeship

Derek Shelmerdine retired from the trusteeship during the year. Sally Little retired the previous year.

### Recruitment and requirements of trustees.

The 3 remaining trustees have identified a new trustee to replace one of the recently retired trustees. The prospective trustee is currently living in Minehead. The desire for an incoming trustee to have a marketing background (which the current trustees do not have) has not gone away but is not considered a priority at the current time.

Upon being requested to serve, any prospective trustee will be asked to confirm that they are eligible to serve as a trustee.

In future, too, when a new trustee is to be appointed, he or she will be sent the Charity Commissioner introduction for new trustees booklet advising them of their role and responsibilities as trustees and a brief history of the trust and its current work.

There is no set number of trustees but the number is unlikely to exceed 5 and at one time was only two. In practice it is likely that there would usually be 3 or 4 trustees. New Trustees are selected by the continuing trustees and appointed to the trusteeship by invitation. The Trustees make and carry out all the decisions of the charity.

The legal ownership of the charity's property, bank accounts and stocks and shares are in the course of being transferred from the names of some of the previous trustees to the current trustees.

### Management of risk

The Trustees are mindful of the potential risks to the Charity inherent in managing a large aging building in a conservation area. The property stands in a prominent but exposed position on the seafront at Minehead, barely above sea level. There is a sea wall which was strengthened a few years ago but being so close to the sea is potentially at risk from sea water flooding.

The property is not open to the public at large but is open to guests, tenants, staff and visitors.

Building insurance and third party liability cover is reviewed annually.

The Trustees are aware of the need to ensure that the building complies with modern safety standards. Equipment such as the fire alarm system and the fire extinguishers are kept up to date and regularly serviced. A new fire escape door was put in (in Flat 12) four years ago.

### Object and Activities of the Charity for the public benefit.

The work of the charity is unchanged since it was established in 1974 which is to provide affordable holiday accommodation from its seafront premises in Minehead to Christians and the general public. The charity caters both for those just wanting a family holiday, possibly in company with like minded families in what is intended to be a relatively quiet and peaceful building. In the main though the majority of guests are more elderly and a few have special needs or requirements.

The Trustees have regard to the guidance provided by the Charity Commissioners in assessing public benefit and have the guidance in mind when reviewing their achievements and considering future needs and requirements.

It is the trustees' view holidays are a public benefit. Providing holiday accommodation which is affordable is therefore of obvious public benefit but in particular satisfies both of the key principles by which the Commission assess public benefit, i.e.

- i. An identifiable benefit: rest, relaxation, refreshment, reflection, to name just a few.
- ii. The benefit is to the public or a section of the public: those wishing to come for a holiday. They may or may not be from a Christian or religious background. It is not a stipulation that guest are from any faith or may have none but in practice the property is more likely to appeal to those wanting a quite and restful place in which to relax and unwind.

### Achievements and performance

The work of the Trust is exclusively centred on the seafront block of holiday flats it owns at Minehead. The charity neither owns nor rents any other premises.

The flats vary in size and offer accommodation suited to the needs of a variety of guests including the physically disabled, one parent families, families with a mentally or physically disabled child,

the emotionally drained, church ministers and families coming for a holiday. One flat on the ground floor is suitable for those with pets.

In cases of particular need, the trustees offer substantially reduced price accommodation as part of their charitable work. Regrettably though, the cost of maintaining the building, paying the staff wages and all the other expenses preclude the trustees from offering free holidays in the vast majority of cases.

To assist guests generally and elderly or disabled guests in particular, the Trustees employ a manageress at the flats who is on call most of the time. The manageress usually meet guests on arrival. Guests know therefore that there is someone they can call upon in case of need and who have local knowledge to be able to provide any support which may be required. Furthermore and if needed, the managers can assist with washing clothes for guests, providing extra linen where necessary, getting shopping and advising on local amenities and places to visit. The Trustees view this as an important part of their management of the flats and an underlying reason for the charitable status of the trust. This level of support could not be provided (at an affordable price) if the holiday flats were run on a normal commercial basis i.e. to make a realistic return on the capital employed.

The presence of a manager on site distinguishes the Charity's flats from other holiday accommodation where a resident manageress is not available.

Two of the flats have stairlifts for the use of (physically) disabled guests and one of those flats has a wetroom instead of an ordinary shower.

The sea front premises are over 150 years old and require constant maintenance. Repairs and maintenance account for a significant percentage of the Trust's income (approx 30% in 2019-2020. Figures for 2020-21 are not comparable owing to coronavirus, lockdowns etc.) The trust have taken on a part time handyman to undertake all repairs save those which require professional assistance.

As has already been said, it is a priority for the Trustees to ensure that safety and regulatory requirements are complied with. These can present problems in old buildings which were not designed with modern safety requirements in mind. Such works are largely un-seen (e.g. fire precautions) with the effect that relatively large sums can be expended but with no visible benefit to the flats in terms of modernisation, upgrading or appearance.

The Trustees have long wanted to install a lift but on each occasion come back to the same difficulties, i.e. the lack of an obvious location, the expense of installation in an old building and the maintenance costs when installed. If a lift existed, the trustees do not doubt that it would be used but always come back to the view that there would seem to be little benefit in terms of more bookings but very considerable costs and disturbance to the building in so doing. In essence, the cost outweighs the benefit.

### Financial overview.

The Trustees became responsible for the management of the holiday flats in December 2006.

The flats could not remain open and provide holiday accommodation if this was a commercial venture. Only by virtue of the fact that the enterprise is a charity and not required to make a profit is

it sustainable. Having said that, no charity can sustain losses indefinitely. If one or more major expenses arose (which are always possible in a large old building), the financial viability of the charity would be brought into question.

There is no sinking fund account for major repairs and renewals. The money on deposit and in the bank accounts can be used for major repairs or renewals as they become necessary.

Financial issues are constantly in the minds of the Trustees at their meetings. The income from the holiday flats (both those let on assured shorthold tenancies and the holiday flats) is the primary source of income to the charity. The investment income (company dividends) covers the administration costs of the charity but is less than 10% of the total income. The charity does not receive (or seek) donations from the public.

The year under review has been unlike any other owing to the coronavirus pandemic which necessitated long periods of closure. The Government schemes have provided a lifeline to the charity: it might not have been possible to remain operational without them.

Any comparison with previous years would be meaningless. This has been an utterly unique year.

### The Managers

Angela and Peter Savory took over as the resident managers on 1<sup>st</sup> May 2013. Peter retired from the joint managership in April 2019 and Angela continues as manager, able assisted by Jean Armin in the office and Patrick Armin as a handyman/repair man.

The manageress is responsible for the day to day running of the holiday flats including promoting and advertising, bookings, organising repairs and renewals and general management of the main building (1 The Esplanade, Minehead) and the four flats which the charity owns in 2 The Esplanade.

### Stocks and Shares

The trust have holdings in only 3 quoted companies. The overall value of the holdings rose by about £4,000.00 to £120,826.00 over the 2020 –2021 financial year but the Trustees are well aware of the risk of a stock market crash and the value of the holdings being halved overnight.

The Trustees review their stock market investments at each AGM but have not sought to change their investments for several years.

### COIF charities deposit Fund

The deposit account was opened in January 2006 but in recent years the interest has been abysmally low which is in line with very low interest rates throughout the economy.

### Flats in 2 The Esplanade

The Trustees own 4 flats in the building adjoining their main building (1, The Esplanade). No. 2 The Esplanade is next door to it being the next property in the terrace. Fire doors interconnect the buildings on the 3<sup>rd</sup> and the 4<sup>th</sup> floors.

Flat A was bought in February 2002 and was subject to the life tenancy of the previous owner, The flat was returned to the trustees in September 2016 but after a void period was let in May 2017. Following the departure of the tenants, it has been up-graded over the 2020 2021 winter and is now let on an assured shorthold letting.

The manageress and her husband reside in Flat B. They do not pay rent: the accommodation is provided because it is necessary to live their for the efficient performance of her duties.

Flat D is let under a long term letting agreement to the owners of the adjoining property, Foxes Academy which is a training hotel for young people with learning difficulties.

#### Reserves policy

Owning a large old property in a relatively exposed seaside location only a few feet above sea level is an obvious building risk. The need for major repairs can arise at any time. At present the reserves are deemed sufficient but the Trustees consider it prudent to ensure that so far as possible and whilst ensuring that the flats remain affordable, the flats achieve a profit each year in order to try to maintain the reserves. As has been stated, this year marked the first for the past seven years when a more realistic profit was made but as has also been said, the loss incurred over the past seven years exceeds the profits made in that period so that it has not been possible to increase the reserve fund. Indeed it has diminished by the amount of the loss.

#### Future

A new web site for the flats which was set up in July 2018 has proven successful.

The Trustees are optimistic that the current emphasis on holidaying within the UK will lead to more bookings for the holiday flats.

It remains a concern to the Trustees that the cost of major repairs which might come along would be greater than the Charity could manage. Subject to that point though, the Trustees are hoping that bookings and occupancy rates will improve which would enable them to continue to run the building to provide holidays at affordable prices for Christians and others for the foreseeable future.

Approved by the Trustees by e-mail on 23<sup>th</sup> October 2021 and signed on their behalf by David Grey (Trustee).

A handwritten signature in black ink, appearing to read 'D. J. Grey', on a light-colored background.

## Receipts and payments accounts

CC16a

For the period  
from

Period start date  
1st April 2020

To

Period end date  
31st March 2021

### Section A Receipts and payments

	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Last year
	to the nearest £	to the nearest £	to the nearest £	to the nearest £	to the nearest £
<b>A1 Receipts</b>					
Holiday lettings	33,891	-	-	33,891	59,110
Rental income	32,749	-	-	32,749	20,275
Company dividends inc. special dividend	5,084	-	-	5,084	8,790
Deposit account interest	122	-	-	122	629
Baptist Union donation (refund of discounts)	3,754	-	-	3,754	6,291
Miscellaneous receipts	487	-	-	487	559
Coronavirus support	41,057	-	-	41,057	-
<b>Sub total (Gross income for AR)</b>	<b>117,144</b>	<b>-</b>	<b>-</b>	<b>117,144</b>	<b>95,654</b>
<b>A2 Asset and investment sales, (see table).</b>					
	-	-	-	-	-
	-	-	-	-	-
<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total receipts</b>	<b>117,144</b>	<b>-</b>	<b>-</b>	<b>117,144</b>	<b>95,654</b>
<b>A3 Payments</b>					
Advertising	1,067	-	-	1,067	2,003
Wages	27,924	-	-	27,924	33,224
Gas, electricity telephone/internet	17,240	-	-	17,240	15,981
Cleaning and waste	4,093	-	-	4,093	4,508
Insurance	9,261	-	-	9,261	6,907
Repairs and renewals	22,661	-	-	22,661	25,644
Other expenses	4,294	-	-	4,294	6,961
Trustees administration expenses	1,909	-	-	1,909	1,609
<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>88,449</b>	<b>-</b>	<b>-</b>	<b>88,449</b>	<b>96,837</b>
<b>A4 Asset and investment purchases. (see table)</b>					
	-	-	-	-	-
	-	-	-	-	-
<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total payments</b>	<b>88,449</b>	<b>-</b>	<b>-</b>	<b>88,449</b>	<b>96,837</b>
<b>Net of receipts/(payments)</b>	<b>28,695</b>	<b>-</b>	<b>-</b>	<b>28,695</b>	<b>- 1,183</b>
<b>A5 Transfers between funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>A6 Cash funds last year end</b>	<b>132,350</b>	<b>-</b>	<b>-</b>	<b>132,350</b>	<b>133,533</b>
<b>Cash funds this year end</b>	<b>161,045</b>	<b>-</b>	<b>-</b>	<b>161,045</b>	<b>132,350</b>

### Section B Statement of assets and liabilities at the end of the period

## Categories

### B1 Cash funds

Details	Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
Cash at Royal Bank of Scotland	13,797	-	-
Cash at Trustee Savings Bank	43,808	-	-
COIF Deposit account	103,440	-	-
<b>Total cash funds</b>	<b>161,045</b>	<b>-</b>	<b>-</b>
(agree balances with receipts and payments account(s))	OK	OK	OK

### B2 Other monetary assets

Details	Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-

### B3 Investment assets

Details	Fund to which asset belongs	Cost (optional)	Current value (optional)
Shares (3 blue chip companies)	unrestricted	-	120,826
		-	-
		-	-
		-	-
		-	-

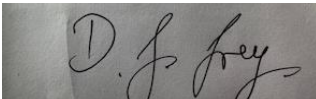
### B4 Assets retained for the charity's own use

Details	Fund to which asset belongs	Cost (optional)	Current value (optional)
1 The Esplanade, Minehead TA24 5BE		25,000	-
Flat A, 2 The Esplanade		100,000	-
Flat B, 2 The Esplanade		185,000	-
Flat C, 2, The Esplanade		103,000	-
Flat D, 2, The Esplanade		46,000	-
		-	-
		-	-
		-	-
		-	-

### B5 Liabilities

Details	Fund to which liability relates	Amount due (optional)	When due (optional)
		-	
		-	
		-	
		-	
		-	

Signed by one or two trustees on behalf of all the trustees

Signature	Print Name	Date of approval
	David Grey	23/10/2021

**THE TRUST OF W F FABRY ESTATE**  
**SCHEDULE of ASSETS AS AT 31<sup>st</sup> March 2021**

1. 1 The Esplanade, Minehead

Purchased June 1976 £25,000. Current re-building sum insured £3,170,000.00 but this is not a guide to the market value. Contents £129,000.00.

2. Four flats in 2 The Esplanade. Building cover £2,085,891.00 but this is for the whole building and will not reflect the market value

Flat A

Purchased June 2002 for £100,000.00 but initially subject to the lifetime tenancy of Mrs.Nina Ferguson. Flat vacated and released to the Trustees 1<sup>st</sup> September 2016. Insurance premium 7/32 of total for 2 The Esplanade. Currently occupied by 6 month tenant paying £700.00 per month.

Flat B

Purchased December 2013 for £185,000.00. In excess of £20,000.00 spent on re-furbishing this flat and Flat B in Spring 2016. Flat now occupied by the manageress, Angela Savory and her husband Peter.

Flat C

Purchased September 2001 for £103,000.00. Insurance premium 3/16ths of total for 2 The Esplanade. Released for letting from Spring 2016 when the manager moved down to Flat B.

Flat D

Purchased September 1988 for £46,000. Insurance premium 3/16ths of total for 2 The Esplanade. Let long term to the Foxes Academy producing £700.00 per month.

3. Stocks and Shares (31st March 2021)

		<u>Value</u>	<u>Last Year</u>
		£	
540 Ordinary Astra-Zeneca	£72.47	£39,133.80	£38,966.40
1,160 Ordinary Rio Tinto Zinc (RTZ)	£55.50	£64,380.00	£51,747.60
1,292 Royal Dutch Shell class B	£13.40	£17,312.80	£31,369.76
		<b><u>£120,826.60.</u></b>	<b><u>£116,246.96</u></b>

4. Cash Royal Bank of Scotland

Current account	<b><u>£13,797.17</u></b>	<b><u>£16,551.44</u></b>
-----------------	--------------------------	--------------------------

5. Cash Charities official investment fund (COIF)

Account opened with £200,000.00 January 2006.	200,000.00
Accrued interest to 31 <sup>st</sup> March 2021	<u>44,939.93</u>
	244,939.93
Less total withdrawals	<u>141,500.00</u>
Balance at 31 <sup>st</sup> March 2021	<b><u>£103,439.93</u></b>



# W F FABRY TRUST

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

### FOR THE YEAR ENDED 31 MARCH 2021

---

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on the Charity Commission's receipts and payments accounts form CC16a.

#### **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').

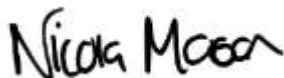
I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **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.

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.



.....  
N Mason FCA, DChA  
MHA Moore and Smalley  
Richard House  
Winckley Square  
Preston  
PR1 3HP

Date: 16 December 2021