

The Gansey Charitable Trust

**End of Year Financial Statements
and Trustees' Report**

Year ending 31st March 2021

THE GANSEY CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr K Cubbon Mr A D Manuel Mr J J Matheson Mr A Q Rickard Mr D A Stewart Mrs E M Stewart
Secretary	Mrs E M Stewart
England & Wales Charity Commission number	801860
Principal address	Bowden Barn, Church Hill, Egguckland Plymouth Devon Great Britain PL6 5RB
Website	None
Bankers	CAF Bank Limited 25 Kings Hill Avenue, Kings Hill West Malling KENT ME19 4JQ Shawbrook Bank Limited Lutea House, Warley Hill Business Park, The Drive Great Warley, Brentwood Essex, CM13 3BE
Solicitors	Poole Alcock LLP Solicitors Lychgate Barn Tarporely Cheshire CW6 0AG
Independent examiner	Richard Bray ACA DChA 17 Thornhill Road Plymouth PL3 5NF

THE GANSEY CHARITABLE TRUST

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THE GANSEY CHARITABLE TRUST

TRUSTEES' REPORT

For the year ended 31 March 2021

The Trustees present their annual report and accounts for the year ended 31 March 2021.

The Charity

The Gansey Charitable Trust (TGCT) was established as a charitable trust by a deed executed on 6 July 1989 and which is subject to a supplemental trust deed dated 18 November 2013.

TGCT can use its capital and income for charitable purposes as The Trustees see fit within England and elsewhere.

Objectives & Activities

TGCT owns and maintains a property, called "Mallmore", in the Isle of Man. It has 22 bedrooms & a flat; and is registered as a hostel with the Isle of Man Department of Tourism.

During 2020-21, as in previous years, TGCT has worked in partnership with:

- The Port St Mary SU Beach Mission, providing a base for team accommodation and activities for children and young people
- Scripture Union Ministries Trust (SUMT) providing a base for a range of activities that benefit the community as a whole

Our focus is on Christian activities in the Isle of Man.

The Trustees reviewed the original 1989 Trust Deed during the year ending March 2013 in order to introduce a supplementary deed to provide a framework for updated best practice. Additionally, in 2013 The Trustees produced an "Aims and Ethos" document to more precisely identify the focus of TGCT. The aims and ethos document is:

The Gansey Charitable Trust seeks to support Christian mission and ministry predominantly in the Isle of Man. In particular, the Trust will:

- Provide facilities for the Port St Mary SU Beach Mission for up to one month every summer, as required
- Provide facilities for other Christian organisations, including those working with children and young people, or providing leadership training.

Mallmore is used as the base for activities for the annual Port St Mary SU Beach Mission, and storage is provided on the property for their equipment and resources. The Beach Mission typically runs for a fortnight every summer and is free and open to all. In recent years up to and including 2019, approximately 350 children and young people registered with the Beach Mission each summer, with a daily attendance of over 200 children and young people aged 0-17. A team of over 70 adults provided up to three sessions per day with children divided into seven age groups. Activities included games, sports, crafts, drama, music and interactive Bible teaching. Typically there were also three large family events. The Beach Mission works closely with the three local churches with team members participating in their Sunday services during the fortnight. Activities are open to all children, and provision is made for children with additional needs by team members who are experienced in this specialist area. The Beach Mission team also support local community initiatives whenever possible such as the local Lifeboat Day. In summer 2020 the island's borders were closed, although at that time the Island was Covid free. Therefore, in addition to an online programme, a small team of local team members ran a reduced "in person" Beach Mission programme, working with

around a hundred children and young people. Activities were all held outside, but the team members were able to use Mallmore as their base. In summer 2021 there were still some border restrictions, but a smaller than usual team were able to run a full programme of activities for one week, with about half of the regular number of children attending. Given the restrictions of the pandemic, the fact that the Beach Mission was able to continue using Mallmore as its base, provided significant support to the local community in terms of activity and in our opinion the overall mental health of the families of those attending.

TGCT has continued its partnership with SUMT which has contact with over 12,000 children and young people each year through their work in churches and schools. Mallmore was the base for SUMT providing accommodation, storage and office space for staff & volunteers; a venue for short residential events (mainly but not exclusively for young people); day time meetings and team accommodation. After 12 years of using Mallmore as its base, SUMT moved out of Mallmore at the end of August 2020. They no longer have a need for a permanent residential base, so now have office space in Douglas instead. However, they have continued to use Mallmore on a regular basis for their residential youth weekends plus consider using Mallmore for other purposes such as planning or housing volunteers from off-island.

The rent charged to SUMT was based on an independent valuation which was updated in September 2013 and represented a discount of around 25% of the market rate when taking into account provision by TGCT of additional items not included within the valuation. Rent was set at this level to support the work of SUMT whilst ensuring that TGCT had sufficient funds to maintain the property. TGCT entered into a formal lease with SUMT on 1st March 2012. The lease ran until 31st August 2020.

Following SUMT's departure in August 2020, it was difficult to develop the use of the building because of the restrictions of the Pandemic. SUMT continued with their residential weekends, and one local church also used the house for youth residential events. However, as restrictions began to ease, there have been additional bookings in the summer and autumn of 2021 including several church bookings and one booking by a local primary school. In particular The Trustees were delighted to be able to support the local school by providing Mallmore as a base when they were unable to go off island due to restrictions because of the pandemic. The Trustees are working towards increasing awareness of Mallmore's availability and hope to grow the number of bookings by churches, schools and other organisations.

Maintaining and improving Mallmore

Our strategy is to continually develop the building in order to upgrade the facilities for the organisations which use it, in line with our charitable objectives. £3,391 was spent in 2020-21 (year to 31 March 2020 - £8,441). Major maintenance work which had been planned for 2020 had to be postponed to summer 2021 because of the Pandemic restrictions. These projects, which were completed during 2021 included, provision of a tea bar in the dining room; full damp proofing and refurbishment of the basement flat; and painting and window repairs to the front exterior of the house. Final costs for some of these projects have still to be confirmed at time of writing, but will total in the region of £38,000.

Trustees and Governance

The activities of TGCT are administered by its Trustees with day to day running of Mallmore undertaken by SUMT who were our tenants until August 2020. Since then, The Trustees have taken a more active role in the management of the building, although the border restrictions made this difficult. We are, therefore, extremely grateful to Kevan Cubbon, our only Manx resident Trustee, and a number of local supporters for their time and effort in looking after the building during this time.

The Trustees serving from 1 April 2020 to the date this report was approved were:

Mr Kevan Cubbon Mr Andrew D Manuel Mr Jeremy J Matheson

Mr Andrew Q Rickard Mr David A Stewart Mrs Evelyn M Stewart

Mr A D Manuel continued as Chairman, Mrs E M Stewart as secretary & financial administrator during the year.

Typically, four Trustees' Meetings are held each year to review the work of TGCT and make plans for future developments. There are no sub-committees. New Trustees are appointed by a majority decision of the existing Trustees.

The Trustees are aware of the public benefit guidance issued by the Charity Commission in relation to section 4 of the Charities Act 2006. The Trustees are confident that the charity is providing public benefit by acting as a base for numerous activities including the Port St Mary Beach Mission as described above, which is free and open to all.

The Trustees have a broad range of experience which is relevant to the needs of the TGCT including experience on other trusts, business, management, training and development, engineering, finance and Manx Government practice.

We have previously referred to the "Hallmarks of an Effective Charity" and have now reviewed its replacement "The Charity Governance Code". Gansey is a niche charity with a very narrow remit, no paid staff and a small number of supporters with little fund raising. Much of what is suggested is not relevant to our situation. We have, however, worked on a number of the areas highlighted in the principles, and will continue to check our ethos and procedures annually against the good practice suggested in the document. In particular, as we look to recruit new Trustees we will seek to apply the suggestions in the document to our situation.

Financial Review

The attached financial statements set out on pages 9 to 12 show the current state of finances which the Trustees consider to be sound.

In the period there was an excess of receipts over payments of £30,033 (year to 31 March 2020 excess of receipts over payments of £20,804). The significant surplus reflected the reduction of expenditure and limited development work primarily because of the delays caused by the restrictions of the Pandemic.

Cash balances at 31 March 2021 amounted to £170,474 (31 March 2020 was £140,441). Expenditure on refurbishment and maintenance of Mallmore amounted to £3,391 (year to 31 March 2020 - £8,441). There is a rolling plan of refurbishment and maintenance work to ensure that Mallmore is maintained in good order, although, as mentioned above, some significant work was delayed by the Pandemic during 2020 and completed in summer 2021.

During the 2020-21 financial year, until August 2020 TGCT received a significant proportion of its income from its tenants, SUMT. The rent was based on an independent valuation carried out in 2013. SUMT received a 16% discount on this valuation. However when taking into account provision by TGCT of additional items not included within the valuation the overall discount provided to SUMT was in the region of 25%. The Beach Mission occupies Mallmore rent free. It supports TGCT where it is able but with only minimal activities taking place in summer 2020, there was no donation for the 2019-20 year (year to 31 March 2019 - £500)

One charitable donation of £10,000 was made during 2020-21 (year to 31 March 2020 - £nil). This was a donation of £10,000 to SUMT following their request for support since their income had been significantly affected by the cancellation of TT and the Manx Grand Prix during the Pandemic, meaning that they were unable to off-set their rental costs with income from guests. The other major expenditure in the year related to the insurance of Mallmore which cost £3,125 (year to 31 March 2020 - £3,483).

TCGT was advised in 2019 that it would be in receipt of a legacy from the estate of the late Miss Irene Dixon that could lead to income of close to £40,000. £35,000 was received in August 2020 with the remaining balance of £3,292 being received in September 2021. Under the terms of the will this is provided towards meeting the expenses of the Port St Mary Beach Mission. This legacy has been added to the Legacy Development Fund, and will be allocated to some of the Mallmore Development costs. Since the primary purpose of TGCT is to provide accommodation for the PSM Beach Mission, it is the view of the Trustees all spending on Mallmore is for the benefit of the Beach Mission.

A key change that happened in August 2020 is that SUMT vacated Mallmore and stopped using Mallmore as their residential base and office. SUMT are continuing to book accommodation at Mallmore for residential events for young people and other ad hoc meetings. The Trustees have therefore developed & implemented their topline strategy during 2021 to safeguard the financial position of TGCT. The increased levels of bank balances, including reserves and designated funds, are primarily as a result of the limitations on development work caused by the Pandemic. In addition, the Trustees will continue to take a cautious approach to expenditure until a new way of operating, which meets the Trust's charitable objectives following SUMT's departure, is well established. The Trustees are confident that TGCT remains a going concern.

Covid 19 has had an impact on the charity's finances. For a number of years, rooms have been let out in Mallmore to guests during the International TT Races and The Manx Grand Prix. Previously, with the approval of TGCT, the income from this supported SUMT with their costs as tenants of Mallmore. Since SUMT have moved out, income from TT and the Manx Grand Prix is a key part of our plan to ensure the ongoing financial viability of TGCT, enabling us to make the building available for youth work throughout the rest of the year at an affordable cost.

Unfortunately, TT and the Manx Grand Prix were cancelled in May and August 2020 respectively and again in 2021. This has resulted in lost income of circa £20,000 over the two years. Fortunately, TGCT has sufficient reserves to weather this storm with total bank balances at 31 December 2021 of £133,210. The Trustees think it highly unlikely that TT and The Manx Grand Prix will be cancelled again in 2022. The Trustees will continue to review expenditure in light of the current uncertainty, however they are confident of the long term viability of the charity.

The Trustees are grateful to many people who have made donations over the year, both financial and of time, without which the development and activities at Mallmore would not have been possible.

Risk Management

The Trustees consider the major risks to TGCT. It was previously recognised that a key risk was the financial impact of SUMT vacating Mallmore. TGCT developed a "Survival Budget" to show that TGCT could operate without the SUMT income by only spending on essential activity. This survival budget relied to a large extent on income from TT which as indicated earlier was cancelled for 2020 & 2021 causing loss of circa £20K of income. Despite this, TGCT remains financially viable due to the cautious approach of the Trustees and receiving additional unexpected income from legacies and from rental income from individuals. In the opinion of the Trustees TGCT consequently remains financially secure.

Value of Mallmore

The owners of Dublin House, next door to Mallmore, submitted a planning application in January 2020 for a substantial rear extension. TGCT Trustees submitted a challenge to the plans on the grounds of reduced light to several of Mallmore's rooms. In April 2020, Planning Permission was approved, so the Trustees then submitted an appeal which regrettably has not been upheld. The Trustees are of the opinion that the Dublin House extension will not have a significant impact on the current usage of Mallmore, but could have an impact on the value of the property should TGCT decide to sell the property in the future. This is not envisaged in the foreseeable future.

Reserves policy

TGCT reserve policy for covering unexpected emergency repairs for the property is to hold at least £25,000. This amount is shown as a designated fund in the accounts.

With the inclusion of the legacy received from the estate of the late Irene Dixon, the Legacy Development Fund stood at £62,906 at 31 March 2021. Some of this will be allocated to the major development work which has taken place in summer/autumn 2021.

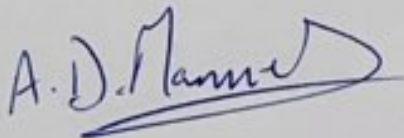
Bank balances at 31 March 2021 totalled £170,474 (at 31 March 2020 - £140,441). As mentioned previously bank balances as of 31 December 2021 were £133,210 which reflects the development work undertaken since March. The Trustees believe it is prudent to maintain a significant balance of funds until our new mode of operating to fulfil our charitable objectives is well established.

Registering TGCT as a Charity in the Isle of Man

The Trustees have reviewed legislation for charities in the IOM and believe it is appropriate that TGCT register as a charity in the IOM. This process has now begun, although it is still at an early stage. TGCT will also remain registered as a charity with the England & Wales Charity Commission.

Public Benefit

Despite covid the Trustees are pleased that TGCT has continued to provide significant public benefit as outlined above. In particular through the Beach Mission which still functioned despite the pandemic, the use of the premises for a number of church groups and providing a base to help out a local school when they were unable to take the children off-island for their annual residential event.



On behalf of the Board of Trustees

A D Manuel, Trustee.

Dated:

17/1/2022

Independent Examiner's Report to the Trustees of The Gansey Charitable Trust

I report to the Trustees on my examination of financial statements of The Gansey Charitable Trust (The Trust) for the year to 31 March 2021.

Respective responsibilities of trustees and examiner

As The Trustees of the Trust you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act')

I report in respect of my examination of the Trust's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by The Charity Commission given by the Charity Commission under section 145 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 examination giving me cause to believe that in any material aspect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements 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 financial statements to be reached.



Name: Richard Bray

Relevant professional qualifications: ACA DChA

Address: 17, Thornhill Road, PLYMOUTH PL3 5NF

Date: 19th January 2022

The Gansey Charitable Trust
Receipts and Payments
for the year to 31 March 2021

	Note	2021 Total Funds £	2020 Total Funds £
Receipts			
Donations		3,695	11,415
Gift Aid received for prior year		771	780
Interest received		650	754
Rent received		9,313	21,750
AirBnB		631	-
Other bookings		998	-
Legacies		35,000	-
Total receipts		<u>51,058</u>	<u>34,699</u>
Payments			
Routine maintenance		3,391	4,275
Property refurbishment work	2	-	300
Improvement expenditure for property	2	-	3,866
Total development and maintenance costs		<u>3,391</u>	<u>8,441</u>
Fixtures, fittings and equipment	2	1,726	1,639
Insurance		3,125	3,483
Cleaning		84	-
Utilities		2,314	-
Planning appeal costs		285	-
Sundries		31	44
Trustee expenses	5	-	228
Donations		10,000	-
Bank charges		69	60
Total payments		<u>21,025</u>	<u>13,895</u>
Excess of receipts over payments		30,033	20,804
Cash funds at 1 April		140,441	119,637
Cash funds at 31 March		<u>170,474</u>	<u>140,441</u>

All funds received and paid during the period were unrestricted

The attached notes on pages 12 and 13 form part of these financial statements

The Gansey Charitable Trust
Statement of assets and liabilities
as at 31 March 2021


	Note	2021	2020
		£	£
Cash funds			
Current account		1,792	5,909
Deposit account		38,682	54,532
60 Day notice account		100,000	50,000
12 Month fixed rate saver		30,000	30,000
		170,474	140,441
Other monetary assets			
Gift Aid due for period		671	771
Oil delivered on 30/03/2021		395	
Balance due on legacy from Irene Dixon		3,292	
Deposit with Manx Utilities		120	
		4,478	771
Assets maintained for the Charity's own use (note 2)			
Mallmore improvements at cost	2	178,159	178,159
Fixtures, fittings & equipment	2	12,593	10,866
		190,752	189,025
Liabilities			
Manx Utilities (electricity) for January - April		660	
Elan Vannin Fuels (oil) delivered 31st March		395	
		1,055	

The attached notes on pages 12 and 13 form part of these financial statements

The financial statements were approved by The Trustees on 17th January 2022
and signed on their behalf by:


Trustee

Andrew D Manuel


Trustee

Evelyn M Stewart

The Gansey Charitable Trust

Notes to the financial statements

1. Basis of financial statements

The financial statements have been prepared on the receipts and payments basis as permitted by S133 Charities Act 2011

2. Assets maintained for the Charity's own use

TGCT owns the freehold of Mallmore a property and former guesthouse at Port St Mary on the Isle of Man. The property was gifted to TGCT on 29 April 1997.

In 2006 the property was valued by The Trustees at £635,000. The valuation was based on a formal market valuation on 6 January 2004 as subsequently updated informally in 2006.

Fixtures and fittings at the property were valued by The Trustees at £35,000 at a similar time.

Subsequent improvements to the property

These are as follows:

	2021	2020
	£	£
Year to 31 March 2008	25,100	25,100
Year to 31 March 2009	15,852	15,852
Year to 31 March 2010	23,219	23,219
Year to 31 March 2011	28,672	28,672
Year to 31 March 2012	4,447	4,447
Year to 31 March 2013	45,968	45,968
Year to 31 March 2014	7,254	7,254
Year to 31 March 2015	16,183	16,183
Year to 31 March 2016	3,040	3,040
Year to 31 March 2017	-	-
Year to 31 March 2018	1,843	1,843
Year to 31 March 2019	2,715	2,715
Year to 31 March 2020	3,866	3,866
Year to 31 March 2021	-	-
	178,159	178,159

Fixtures, fittings and equipment

Year to 31 March 2015	3,095	3,095
Year to 31 March 2016	1,858	1,858
Year to 31 March 2017	1,127	1,127
Year to 31 March 2018	2,221	2,221
Year to 31 March 2019	927	927
Year to 31 March 2020	1,639	1,639
Year to 31 March 2021	1,726	-
	12,593	10,866

Payments in the current year consisted of:

Improvements to property:

New windows and cladding in attic	-	3,866
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Property refurbishment costs:

Water proofing of front steps	-	300
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Fixtures, fittings & equipment:

Fridge/Freezer	-	249
Beds & Mattresses	450	1,390
Oil tank & radiators	1,001	-
Microwave	276	-
	1,726	1,639

The Gansey Charitable Trust

Notes to the financial statements

3. Contingent liability

On 14 August 2007 a grant of £8,582 was received from the Isle of Man Government's Department of Tourism and Leisure to finance part of the cost of replacement of windows at Mallmore under the Visitor Facility Improvement Scheme 2007. Grant, plus related interest, will have to be repaid if Mallmore ceases to be used as tourist premises or if the property is sold before 14 August 2022. The full grant is repayable within the first 10 years and then on a sliding scale thereafter. The Department of Tourism and Leisure has a mortgage debenture over the property for this amount.

4. Funds

Designated funds

	Emergency repairs	Legacy Development Fund	
	£	£	£
At 1 April 2020	25,000	27,906	52,906
Arising in period	-	35,000	35,000
Utilised in period	-	-	-
At 31 March 2021	25,000	62,906	87,906

General fund

	£
At 1 April 2020	87,535
Transfers from general fund to designated funds	-
Excess of receipts over payments in period	30,033
At 31 March 2021	82,568
Total funds at 31 March 2021	170,474

The Trustees have designated reserves of £57,906 to a legacy development fund. This represents a legacy received from the late Mrs Fay Rickard in the year to 31 March 2016, and £35,000 from the late Irene Dixon in August 2021. The intention of The Trustees is to spend these funds on a specific project or projects to develop Mallmore.

5. Trustee Expenses

In the year to 31 March 2021, no Trustees received expenses (year to 31 March 2020, one Trustee received expenses of £228 in respect of travelling and subsistence costs).

6. Related party transactions

In the year to 31 March 2021 the following related party transactions took place involving The Trustees:

Mr DA Stewart is a Trustee of SUMT:

- * SUMT leased Mallmore from TGCT until August 2020, for an annual rent of £21,750 per annum. The rent received in the year to 31 March 2021 was £5,438 (year to 31 March 2020 - £21,750)
- * During the year TGCT made a donation to SUMT of £10,000 to support it financially in view of the loss of income of SUMT due to the impact of the pandemic (year to 31 March 2020 - £nil)
- * SUMT used Mallmore for accommodation for which it was charged £440 in the year to 31 March 2021 (year to 31 March 2020 - £nil)

Mr DA Stewart, Mrs EM Stewart, Mr JJ Matheson and Mr AQ Rickard are leaders of The Port St Mary Beach Mission which uses Mallmore rent free in August each year.