

LANGLEY CHARITABLE TRUST

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

LANGLEY CHARITABLE TRUST

CONTENTS

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1
Trustees' report	2 - 4
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 15

LANGLEY CHARITABLE TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2019

Trustees	Sylvia Gilmour John Gilmour
Charity registered number	280104
Principal office	Wheatmoor Farm 301 Tamworth Road Sutton Coldfield B75 6JP
Accountants	MHA MacIntyre Hudson Chartered Accountants Rutland House 148 Edmund Street Birmingham B3 2FD
Bankers	Barclays Bank PLC
Solicitors	Garner Canning 11 Aldergate Street Tamworth B79 7DL
Investment Manager	Aviva Investors Saint Helen's 1 Undershaft London EC3P 3DQ

LANGLEY CHARITABLE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The Trustees present their annual report together with the financial statements of the Charity for the year 1 January 2019 to 31 December 2019.

Objectives and activities

● Policies and objectives

The principal activity of the trust is to advance the gospel of Jesus Christ and Christianity and the general welfare of humanity in its creation, nurturing and development of Christian outreach in varied dimensions. The trust does not support projects that do not directly benefit or help people.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

● Grant-making policies

The trustees meet on a regular basis to review requests for grants and to consider projects under development.

● Correspondence for grant applications

The trustees only reply where they require further information. No telephone calls or correspondence will be entered into concerning any proposed or declined applications.

All correspondence should be addressed to: The Trustees, Wheatmoor Farm, 301 Tamworth Road, Sutton Coldfield, West Midlands, B75 6JP.

Achievements and performance

● Review of activities

The statement of financial activities is shown on page 6. During the year the trustees made grants totalling £27,500 (2018: £1,050). Details of all grants made are shown in note 4.

Following on from the investment in 2016 in a property which is being leased to an unrelated registered charity, Adventure Plus whose activities are in line with those of the trust, the trustees have made a further purchase of surrounding fields. This transaction was completed at the end of the previous financial year and a similar lease has been put in place on a peppercorn rent to the same charity. The trustees consider this to be an effective way of fulfilling the charitable purposes of the trust by supporting likeminded organisations.

The net income of funds for the year was £175,879 (2018: net expenditure £40,365) including a £196,685 surplus on revaluation of investments (2018: deficit of £51,310).

Financial review

● Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

LANGLEY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Financial review (continued)

- **Reserves policy**

The trustees have accumulated reserves with a view to providing ongoing financial support to new projects as well as providing one off grants. The trustees have currently adopted a policy to accumulate reserves as part of a longer term vision for a project which will require significant capital investment.

Current free reserves (net current assets) are £1,012,014 (2018: £938,323).

Structure, governance and management

- **Constitution**

The Langley Charitable Trust is an unincorporated body which was established as a grant making trust on 24 January 1980 and registered as a charity on 19 March 1980.

The charity was established under a trust deed that established the objects and powers of the trust. Mr J P Gilmour and Mrs S S Gilmour have held office as trustees since the creation of the trust to date and have complete discretion over the use of the charity's funds and consider allocation of grants and applicable of funds for charitable purposes on a regular basis.

- **Methods of appointment or election of Trustees**

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

- **Organisational structure and decision-making policies**

The charity is managed by the trustees.

- **Financial risk management**

The trustees believe that the charity is not exposed to significant external risk. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charity. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

Plans for future periods

The trust has considered the impact of the global pandemic that is Covid-19 which has arisen since the year end. The main area of impact is the volatility of investments and any associated income streams. Operationally the trust is continuing to support its beneficiary charities and to that end has agreed a temporary loan repayment holiday with NAYC.

The trust continues to support a number of initiatives and projects in line with the charity's principal objective of Christian outreach to benefit and help people. The trustees are continuing to support Adventure Plus and NAYC in their purposes. The trustees are prayerfully considering the direction that the Lord would have them take in deciding upon further projects to support.

LANGLEY CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:

John Gilmour
Trustee

Date: 18 November 2020

LANGLEY CHARITABLE TRUST

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

Independent examiner's report to the Trustees of Langley Charitable Trust ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2019.

Responsibilities and basis of report

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

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no 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 2011 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.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Helen Blundell

Dated: 25 November 2020

LLB FCA FCIE DChA

MHA MacIntyre Hudson

Chartered Accountants
Rutland House
148 Edmund Street
Birmingham
B3 2FD

LANGLEY CHARITABLE TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:				
Donations and legacies		613	613	-
Investments	3	35,864	35,864	37,759
Other income		15,242	15,242	1,975
Total income		51,719	51,719	39,734
Expenditure on:				
Investment management and legal costs		25,202	25,202	20,045
Charitable activities	5	47,323	47,323	8,744
Total expenditure		72,525	72,525	28,789
Net gains/(losses) on investments		196,685	196,685	(51,310)
Net movement in funds		175,879	175,879	(40,365)
Reconciliation of funds:				
Total funds brought forward		5,602,596	5,602,596	5,642,961
Net movement in funds		175,879	175,879	(40,365)
Total funds carried forward		5,778,475	5,778,475	5,602,596

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 8 to 15 form part of these financial statements.

LANGLEY CHARITABLE TRUST

**BALANCE SHEET
AS AT 31 DECEMBER 2019**

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	7	1,510,297	1,510,297
Investments	8	2,265,826	2,091,319
Social investments	9	990,338	1,062,657
		<u>4,766,461</u>	<u>4,664,273</u>
Current assets			
Debtors	10	6,888	7,981
Cash at bank and in hand		1,008,126	934,442
		<u>1,015,014</u>	<u>942,423</u>
Creditors: amounts falling due within one year	11	(3,000)	(4,100)
Net current assets		<u>1,012,014</u>	<u>938,323</u>
Total net assets		<u><u>5,778,475</u></u>	<u><u>5,602,596</u></u>
Charity funds			
Unrestricted funds		5,778,475	5,602,596
Total funds		<u><u>5,778,475</u></u>	<u><u>5,602,596</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

John Gilmour
Trustee

Date: 18 November 2020

The notes on pages 8 to 15 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. General information

Langley Charitable Trust is a charitable trust registered in England and Wales. The address of its registered office is Wheatmoor Farm, 301 Tamworth Road, Sutton Coldfield, B75 6JP, which is also the address of its principal place of business. The principal activity of the trust is supporting organisations which are aligned with the Trust's objectives.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Langley Charitable Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.5 Tangible fixed assets and depreciation

Freehold land and buildings are held primarily as a programme related investment in furtherance of charitable objectives and are accounted for as tangible fixed assets.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less estimated residual value, over their expected useful lives.

The Trustees consider that the residual value of the buildings is such that there is no depreciation charged. The property is reviewed for impairment on an annual basis.

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.7 Programme related investments

Programme related investments held as fixed assets represent long term loans and advances, sometimes on terms that are interest free, to assist in the acquisition and development of property and projects for charitable purposes by third parties.

The loans are initially measured at fair value, being the amount advanced, and subsequently measured at amortised cost using the effective interest rate method, less impairment.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

LANGLEY CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

3. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Rental income	284	284	2,277
Loan interest on programme related investments	27,803	27,803	23,912
Bank interest	7,777	7,777	11,570
	<u>35,864</u>	<u>35,864</u>	<u>37,759</u>

4. Analysis of grants

	Grants to Institutions 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Grants Payable	27,500	27,500	1,050
	<u>27,500</u>	<u>27,500</u>	
<i>Total 2018</i>	<u>1,050</u>	<u>1,050</u>	

The Charity has made the following grants to institutions during the year:

	2019 £	2018 £
Name of institution		
Northamptonshire Association of Youth Clubs	20,000	50
Maple Hayes Foundation for Education	-	1,000
Upper Moreton Rural Activities	2,000	-
United Christian Broadcasters	5,000	-
Daventry Area Community Transport	500	-
	<u>27,500</u>	<u>1,050</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

5. Analysis of expenditure by activities

	Grant funding of activities 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Charitable activities	27,500	19,823	47,323	8,744
<i>Total 2018</i>	<i>1,050</i>	<i>7,694</i>	<i>8,744</i>	

Analysis of support costs

	Total funds 2019 £	Total funds 2018 £
Secretarial	1,914	2,479
Postage and stationery	321	173
Bank charges/interest	110	779
Independent examiner's fees/Auditors remuneration	2,933	4,206
Insurance	860	57
Repairs	13,685	-
	19,823	7,694

6. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2018 - £NIL).

During the year ended 31 December 2019, no Trustee expenses have been incurred (2018 - £NIL).

The trust does not have any employees and therefore there is no one earning more than £60,000 per annum.

LANGLEY CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

7. Tangible fixed assets

	Freehold property £
Cost or valuation	
At 1 January 2019	1,510,297
At 31 December 2019	<u>1,510,297</u>
Net book value	
At 31 December 2019	<u>1,510,297</u>
<i>At 31 December 2018</i>	<u>1,510,297</u>

Included in land and buildings is freehold land at cost of £860,297 (2018: £860,297). The estimated residual value of the buildings is considered to be at least equal to the cost and therefore no depreciation charge arises.

8. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2019	2,091,319
Additions	556,066
Disposals	(575,507)
Revaluations	193,948
At 31 December 2019	<u>2,265,826</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

9. Social investments

	Programme related investments £	Total £
Cost or valuation		
At 1 January 2019	1,062,657	1,062,657
Repayments	(72,319)	(72,319)
	<u> </u>	<u> </u>
At 31 December 2019	<u>990,338</u>	<u>990,338</u>

During the year the loans to NAYC were renegotiated to amalgamate the two existing loans into one loan with an interest rate of 2.85% above base repayable in monthly instalments. The loan is repayable by 2 January 2027.

10. Debtors

	2019 £	2018 £
Due within one year		
Accrued income	6,888	7,981
	<u>6,888</u>	<u>7,981</u>

11. Creditors: Amounts falling due within one year

	2019 £	2018 £
Accruals	<u>3,000</u>	<u>4,100</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

12. Related party transactions

Programme related investments, in the form of loans, have been made to Northamptonshire Association of Youth Clubs ("NAYC"), a charity of which both trustees are board members.

At the year end £990,338 (2018: £1,062,657) was due from NAYC. The trust holds a legal charge over a property owned by NAYC as security. Interest of £27,803 (2018: £23,912) was received in connection with the interest bearing loans.

During the financial year donations of £20,000 (2018: £50) were made to NAYC.

During the year rental income of £Nil (2018: £713) was receivable from the James Gilmour Partnership, of which one trustee is a partner.