

Charity number: 1097774

Company number: 0575567

**THE EPIPHANY TRUST (TRURO) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**THE EPIPHANY TRUST (TRURO) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

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**THE EPIPHANY TRUST (TRURO) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)  
LEGAL AND ADMINISTRATIVE INFORMATION**

**Charity number** 1097774

**Company registration number** 0575567

**Registered office** Epiphany House  
Kenwyn  
TRURO  
TR1 3DR

**Trustees** Revd L Attwood (Chair)  
Dr M Tedder (Vice Chair)  
Mr P Berry  
Revd D J Collins  
Rt Revd C Goldsmith (retired 4 July 2019)  
Mrs N Husain (retired 28 February 2020)  
Ms C A Lidgley  
Mrs D A Mitchell  
Mrs S A Piper (retired 26 September 2019)  
Mr R J A Robinson  
Mrs J Reynolds  
Mr A Starr  
Mr G Tate  
Revd B West

**Senior Management** Revd J Mullett (House Director)

**Independent Examiners** Bishop Fleming LLP  
Chy Nyverow  
Newham Road  
TRURO TR1 2DP

**Bankers** CAF Bank Limited  
25 Kings Hill Avenue  
West Mailing  
Kent  
ME19 4SQ  
  
Methodist Chapel Aid  
1 Telford Terrace  
Albermarle Road  
YORK  
YO24 1DQ

**THE EPIPHANY TRUST (TRURO) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)  
LEGAL AND ADMINISTRATIVE INFORMATION**

**Investment advisors**

Quilter Cheviot  
One Kingsway  
London  
WC2B 6AN

**Solicitors**

Foot Anstey LLP  
High Water House  
Malpas Road  
TRURO  
TR1 1QH

**THE EPIPHANY TRUST (TRURO) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)  
REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

The Trustees present their report and the financial statements for the year ended 31 December 2019.

Legal and administrative information set out on pages 1 and 2 forms part of this report.

The Trustees have adopted the provisions of the Charities SORP (FRS102) '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 (FRS102) (effective 1 January 2015)'.

**Structure, governance and management**

*Governance*

The Epiphany Trust (Truro) Limited (the "Trust") is constituted as a company limited by guarantee and was registered as a charity on 2 June 2003. It is governed by its Memorandum and Articles of Association.

The Articles of Association provide for a minimum of 3 Trustees and an ordinary resolution passed on 4 April 2003 limited the maximum to 12. In order to strengthen the range of skills available to the charity a resolution was approved at the 2014 Annual General Meeting to increase the number of Trustees to 14. The Trustees usually meet every 6-8 weeks.

Trustees may be appointed at any general meeting if retiring by rotation, or if they are recommended by the Trustees, or if notice is given by a member between 14 and 35 days before such meeting proposing a person for appointment.

In accordance with the Articles of Association, the Revd L Attwood, Miss C Lidgley and the Revd D Collins retire by rotation. These individuals being eligible offer themselves for re-election at the 2020 Annual General Meeting. Mrs Joy Reynolds also retires at this meeting but does not seek re-election. In addition Revd C Goldsmith, Mrs SA Piper and Mrs N Husain retired during the year and after the yearend.

As well as the full board, Trustees served on one sub-committee during the year, the Finance and Resources Group. This has at least four Trustees, with staff attending as necessary. Other ad hoc sub committees may be formed when required, for example to appoint a senior staff member or to manage a building project.

*Staff Management*

Janette Mullett is the House Director and undertakes the combined role of Programme Director and House Manager. She works on a full-time basis and is responsible for the general operation of the House and its programme of activities. The Trustees are delighted that Janette completed her training for ministry alongside her current role and was ordained deacon in June.

The House Director supervises a team of full-time and part-time staff. The year has been very busy and there has been exceptional disruption to routines caused by building works on our own site and on a neighboring site as well as by ongoing repair and maintenance work. The staff team led by Janette has shown remarkable resilience and good humor in ensuring that the normal work of the House continues. The activity of the House greatly benefits additionally from the support of many volunteers who give generously of their time for different purposes throughout the year.

The Board of Trustees is extremely grateful to all staff and volunteers for their commitment and support for the smooth running of Epiphany House. We are also very grateful to those who run and participate in the "Friends" organisation.

*Risk management*

The Board of Trustees annually reviews the major risks to which the Trust is exposed, in particular those related to the operations and finances, and is satisfied that systems are in place to mitigate the Trust's exposure to such risks and that procedures have been designed to minimise any potential impact on the Trust should any of these risks materialise.

**THE EPIPHANY TRUST (TRURO) LIMITED  
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REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

*Risk Management(continued)*

The market value of our investments can be volatile. We continue to receive good advice from Duncan Gwyther at Quilter Cheviot. In order to fund the building of the House's new residential accommodation some of the charity's investments were sold during the year and further disposals will be made in 2020 to fund any remaining building costs not covered by grants or donations.

The Covid-19 epidemic has had a major impact on the operation of the charity. By the end of March 2020 almost all bookings had been cancelled therefore the Trustees had no option but to close the House with effect from 20 March. With the benefit of the announced government support the Trustees were able to furlough rather than lay off the employees involved in house operations with the intention of them returning to work once the crisis has passed. The building work was also put on hold but resumed during May.

During this difficult period the trustees are satisfied that sufficient free reserves are available to support the period of disruption and the charity's future activities

**Objectives and activities**

*Charitable objects and public benefit*

The objects of the Trust are described in its Memorandum of Association. They are set out below, together with a listing of typical activities taking place at the House that show a clear public benefit. The table has been compiled in response to guidance in the Charity Commission paper, *The Advancement of Religion for the Public Benefit*.

OBJECTS OF TRUST	PUBLIC BENEFITS
The advancement of the Christian faith and the promotion of its practice	<p>Christianity has an identifiable moral and ethical framework which impacts on society in a beneficial way. It gives meaning to followers' lives and contributes to their spiritual well-being. This offers benefits to wider society as people of faith are motivated to assist their fellow humans. Public benefit from the activities of the Trust derives from:</p> <ul style="list-style-type: none"> <li>- provision of space and time for quiet days for contemplation, prayer and study, available to individuals and church groups;</li> <li>- organising and holding long or short stay retreats;</li> <li>- organising and holding, or hosting conferences and retreats promoting the study of religious teachings and practices, including courses for those preparing for or who are employed within Christian ministry;</li> <li>- facilitating the practice of spiritual direction, whereby individuals seek discernment and companionship from suitably trained others;</li> <li>- enabling meetings and training of ministers to benefit the working of individual or groups of local churches;</li> <li>- enabling inter-faith meetings to promote understanding between different religious traditions;</li> <li>- continuing long-established practices of being a house of prayer, notably through the activity of the Epiphany House Prayer Community.</li> </ul> <p>While eligibility for some activities is restricted to particular users, many are open to anyone who is interested. To ensure that income does not impede access, the Trust makes rooms available to selected church, charity and individual users at reduced rates or free of charge.</p>

**THE EPIPHANY TRUST (TRURO) LIMITED  
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REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

The relief of those who are old or poor or sick	The Trust is not directly involved in providing services to the old or poor or sick as distinct groups of people. However, our premises are valued and used by public bodies and other groups that are involved in the care of those less able to meet their own needs. Public benefit is provided through giving space for: - meetings of statutory bodies and charitable organisations that are health or social care providers; - individual counselling for people with disparate emotional needs; - respite stays during the day or for longer periods for groups such as family carers.
The reforming of those who shall have led or be in danger of leading immoral lives	Some users of the House are directly involved with young people and others at risk of falling into crime or leading chaotic lifestyles. We provide a sympathetic space for meetings of local authority children's services; police, youth offending teams and drug agencies; counsellors; self-help groups.
The advancement of education	The House programme offers quiet days and informal study opportunities in theological and spiritual matters. We host courses of formal theological education and training and retreats to support professional formation and spiritual growth. We host programmes of staff training and professional development for local authority agencies, health providers, Falmouth University, APAC and other public organisations.
The undertaking of any other project which is charitable according to the laws of England	Other public benefits are provided through: - maintaining, with free access for the community, the attractive grounds thus preserving a green space that protects a diverse wildlife environment for bees, badgers, deer, bats and birds; - maintaining the historic listed building of Epiphany House; - allowing public access to the garden and grounds; - maintaining the graves of the Sisters of the Community of the Epiphany in Kenwyn churchyard.

In pursuance of these aims the Trust makes rooms available to selected church, charity and individual users at reduced rates or free of charge

**Achievements and performance**

*Income and Expenditure*

The income from visitors rose from £137,335 in 2018 to £154,089 in 2019. These totals were made up as follows (2018 in brackets): room/house lettings for meetings, retreats and accommodation 75% (68%); meals and refreshments 25% (32%).

The total income, including investment income as well as grants and donations, increased from £223,158 in 2018 to £296,045 in 2019. Total expenditure increased by £7,519. The overall result, therefore, was a surplus of £51,057.

The Board has noted the following achievements that continue our work from previous years:

- Provision of a programme of retreats, quiet days and half-days for individuals and groups;
- Provision of facilities conducive to personal counselling and spiritual guidance;
- Provision of rooms and equipment for residential and non-residential ordination training as well as for in-service professional development of clergy and other professional workers;
- Provision of training facilities for public sector organisations and for private trainers;
- Provision of a location with an ethos that is sensitive to the needs of participants in public inquests;

**THE EPIPHANY TRUST (TRURO) LIMITED  
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REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)  
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**Achievements and performance (continued)**

- Provision of an outdoor theatre venue in Truro (this year it enabled performances of Miracle Theatre's 'A Perfect World');
- Provision of a collection point for the Christmas Box Appeal that supplies food hampers to families in need through Cornwall Council's Social Services;
- Maintenance of a Grade 2 listed building and its gardens;
- Maintenance of the communications capacity of the House with a monthly e-Newsletter and social media activity as well as a biannual printed Newsletter for Friends and Members.

In 2019, a lease was finally signed for the use of adjoining land owned by Truro Cathedral School Trust Ltd. The land had not been maintained for many years and a start has been made to clearing undergrowth so the land can be put to better use.

The year's most significant development has been that work started on the 'Restore and Renew' Project to extend and improve our residential accommodation. Working with our advisers to finalise the plans and following a tender process, Cathedral Builders were appointed as contractors and construction of the first phase started in October. The Board is grateful for the donations they have received towards the funding of this work, including a grant of £35,000 offered by the Joseph Rank Foundation.

**Wych Elms**

Wych Elms is generally let on a shorthold basis to tenants and rent was received in the year. An arrangement is in place with the St Petroc's Society to let the property for use by some of the homeless it supports.

**Financial review**

*Reserves*

The Board of Trustees believe that the Trust has adequate funds to fulfil its principal activities for the foreseeable future. The unrestricted free reserves at 31 December 2019 stand at £855,576. The adequacy of reserves is reviewed annually as part of the Board of Trustees' formal budgeting process, they consider it to be important to maintain a high level of reserves to ensure that funds are available to meet any costs that will arise if it becomes necessary to update facilities at the house to meet the requirements of its users. Also in view of the Trustees responsibility to maintain a listed building there continues to be the potential to incur significant repair costs at any time. Taking these two factors into account the Trustees have set a target reserve figure of £750,000 until such time as there is any change in these priorities.

*Investments*

Under the Memorandum and Articles of Association, the Trust has the power to make any investment which the Board of Trustees see fit. The Board engages Quilter Cheviot to manage the Trust's investment portfolio on a day to day basis. The Trust's main priority is to achieve a level of income that is consistent with preserving the real value of the capital. The market value of the investments has increased as a result of market fluctuations.

**Plans for future periods**

On the completion of Phase One of the building work, the trustees plan to bring the additional accommodation into operation as soon as possible to meet the needs of House users. Efforts will continue to be made to raise further grants and donations to fund the current building phase and enable subsequent phases of the work to progress.

**Statement as to disclosure of information to Independent Examiners**

In so far as the Trustees are aware:

- there is no relevant information of which the charitable company's independent examiners are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant financial information and to establish that the independent examiners are aware of that information.



**THE EPIPHANY TRUST (TRURO) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)  
REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**Statement of Trustees' responsibilities**

The Trustees (who are also directors of The Epiphany Trust (Truro) Limited for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law 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 charitable company and of the income and application of resources, including the income and expenditure, of the charitable company 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 in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Investment advisors**

A resolution to re-elect Quilter Cheviot as investment advisors to the Trust will be submitted at the Annual General Meeting.

**Solicitors**

A resolution to re-elect Foot Anstey as solicitors of the Trust will be submitted at the Annual General Meeting.

**Independent Examiner**

Having resolved at the 2014 AGM that an independent examination rather than an audit is to be undertaken in relation to the company's accounts Bishop Fleming were appointed to this role. A resolution for their re-election will be proposed at the 2020 Annual General Meeting.

**Small company provisions**

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

On behalf of the board

**Revd L Attwood  
Chairman**

**Date: 16 July 2020**



# **THE EPIPHANY TRUST (TRURO) LIMITED (A COMPANY LIMITED BY GUARANTEE)**

## **Independent Examiners Report to the Trustees of The Epiphany Trust (Truro) Limited**

I report on the financial statements of the company for the year ended 31 December 2019, which are set out on pages 10 to 20.

This report is made solely to the Trust's Trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the Trust'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 Trust and the Trust's Trustees as a body, for my work or for this report.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing the accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued in 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

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.

### **Respective responsibilities of Trustees and Examiner**

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

### **Basis of independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**THE EPIPHANY TRUST (TRURO) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**Independent Examiner's Report to the Trustees of The Epiphany Trust (Truro) Limited  
(continued)**

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare financial statements which accord with the accounting records, Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS102) and in other respects comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the statement of Recommended Practice: Accounting and Reporting by Charities.

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

A Oliver FCA  
For and on behalf of  
Bishop Fleming LLP  
Chartered Accountants  
Chy Nyvernow  
Newham Road  
TRURO  
TR1 2DP

Date: 17/08/2020

**THE EPIPHANY TRUST (TRURO) LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES** (incorporating Income and Expenditure Account)

**FOR THE YEAR ENDED 31 DECEMBER 2019**

		2019 Restricted £	2019 Unrestricted £	2019 Total £	2018 Total £
Income from	Notes				
Donations and legacies	2	50,337	8,079	58,416	6,962
Income from investments	3	-	45,674	45,674	46,754
Income from charitable activities	4	20,100	172,215	192,315	169,442
<b>Total Income</b>		<u>70,437</u>	<u>225,968</u>	<u>296,405</u>	<u>223,158</u>
<b>Expenditure</b>					
Expenditure on charitable activities	5	<u>(730)</u>	<u>(244,618)</u>	<u>(245,348)</u>	<u>237,829</u>
<b>Total Expenditure</b>		<u>(730)</u>	<u>(244,618)</u>	<u>(245,348)</u>	<u>237,829</u>
<b>Net income(expenditure)</b>					
before gains and losses on investments		69,707	(18,650)	51,057	(14,671)
Net (losses)/gains on investments	6		145,163	145,163	(109,887)
<b>Net movement in funds</b>		<u>69,707</u>	<u>126,513</u>	<u>196,220</u>	<u>(124,558)</u>
<b>Funds at 1 January 2019</b>		4,175	3,091,544	3,905,719	3,220,277
<b>Funds at 31 December 2019</b>		<u>73,882</u>	<u>3,218,057</u>	<u>3,291,939</u>	<u>3,095,719</u>

The comparatives for each fund are shown in the notes to the accounts

**THE EPIPHANY TRUST (TRURO) LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2019**

	Notes	2019		2018	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		1,651,700		1,496,945
Investments	12		1,304,320		1,541,162
			<u>2,956,020</u>		<u>3,038,107</u>
<b>Current assets</b>					
Debtors	13	32,165		15,088	
Short term deposits	14	99,818		2,381	
Cash at bank and in hand		245,161		52,666	
		<u>377,144</u>		<u>70,135</u>	
<b>Creditors: amounts falling due within one year</b>	15	(41,225)		(12,523)	
<b>Net current assets</b>			<u>335,919</u>		<u>57,612</u>
<b>Net assets</b>	16		<u>3,291,939</u>		<u>3,095,719</u>
<b>Restricted Funds</b>	17		<u>73,882</u>		<u>4,175</u>
<b>Unrestricted Funds</b>	18				
Property fabric fund			135,104		138,226
Tangible asset reserve			518,397		428,086
Revaluation reserve			1,708,980		1,692,853
General funds			855,576		832,379
<b>Total funds</b>			<u>3,291,939</u>		<u>3,095,719</u>

The Trustees consider that the Trust is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the Trust to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the Trust as at 31 December 2019 and of its net resources expended for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Trust.

The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the board on 16 July 2020  
and signed on its behalf by

Revd L Attwood  
Chairman

*L Attwood*

**THE EPIPHANY TRUST (TRURO) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

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

**1. Accounting policies**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

**1.1. Basis of preparing the financial statements**

The financial statements of the charitable company, 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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified for the revaluation of fixed assets and investments.

Financial reporting standard 102 – reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':  
- the requirements of Section 7 Statement of Cash Flows.

**1.2. Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the Trust's charitable objectives. Unrestricted funds include a fund designated by the Trustees, known as the Property Fabric Fund, to provide for the long term maintenance of the fabric of Epiphany House together with a fixed asset reserve representing the cost of the Charity's fixed assets and therefore funds not available to support the Charity's day to day activities.

The Revaluation Reserve represents the difference between valuation and cost of the fixed assets.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Trust for particular purposes. The costs of raising and administering such funds are borne by General Funds. The aim and use of each restricted fund is set out in the notes to the financial statements.

**1.3. Incoming resources**

All income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Donations and legacies are received by way of general grants, donations and gifts and are included in full in the statement of financial activities when receivable. Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included. Income from visitors for the use of the premises and facilities at Epiphany House is accounted for in the period in which the service is provided.

Income from investments is included in the year in which it is receivable.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

**THE EPIPHANY TRUST (TRURO) LIMITED  
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**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**1.4. Expenditure**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Epiphany House expenditure principally includes the costs of maintaining Epiphany House and providing facilities for its visitors.

All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

**1.5. Tangible fixed assets and depreciation**

Tangible fixed assets are held for direct charitable purposes or as an investment to secure rental income to support the Charity. Freehold land and buildings are held at valuation with any significant additions at cost. No depreciation is provided on freehold land or buildings. Building work progress is recorded under a separate heading at cost until the construction phase has been completed. The Trust has a policy and practice of regular maintenance and repair such that its buildings are kept in a continual state of sound repair. Accordingly, the Trustees consider that the useful economic lives of these assets are so long and their residual values are so high, that their depreciation would not be material. Expenditure on fixtures, fittings and equipment is charged in the year in which it is incurred.

**1.6. Investments**

Stockmarket investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the statement of financial activities.

**1.7. Pensions costs**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting year in accordance with FRS102

**1.8. Debtors**

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

**1.9. Cash at bank and in hand**

Cash at bank and cash 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.

**1.10. Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**THE EPIPHANY TRUST (TRURO) LIMITED  
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NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**2. Donations and legacies**

	2019 Total	2018 Total
	£	£
Donations and Friends subscriptions (£50,337 restricted)	<u>58,416</u>	<u>6,962</u>

**3. Income from investments**

	2019 Total	2018 Total
	£	£
Dividends from fixed asset investments	<u>45,674</u>	<u>46,754</u>

**4. Income from charitable activities**

	2019 Total	2018 Total
	£	£
Grants received (all restricted in 2019) ((£4,185 restricted in 2018)	20,100	7,270
Visitors income	154,089	137,335
Other income	2,411	5,043
Rental income	11,180	10,320
Insurance Claim	4,535	9,474
	<u>192,315</u>	<u>169,442</u>



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**5. Expenditure on charitable activities**

	2019	2018
	Total	Total
	£	£
Wages and salaries	117,232	105,953
Retreat Leaders and other programme costs (restricted £730)	2,727	875
Employer's NIC	2,657	2,181
Pension costs	3,898	3,877
Staff training, recruitment and expenses	1,125	106
Cleaning	2,359	1,895
Irrecoverable VAT	7,529	11,019
Water charges and business rates	4,780	3,104
Heat, light and power	9,564	6,340
Equipment, repairs and replacements (including staff flat refurbishment £21,122) (new central heating boilers £25,800 in 2018)	40,274	43,958
Insurance	5,915	4,394
Advertising	90	—
Fundraising costs	7,739	—
Garden expenses	929	2,956
Telephone costs	659	621
Printing, postage and stationery	2,305	2,097
General expenses (£300 restricted 2018)	761	1,036
Catering expenses	20,482	17,079
Accountancy Fees	2,500	1,531
Independent examiners remuneration	1,200	1,300
Legal and other professional fees	1,257	1,125
Investment management fees	9,081	4,831
Preliminary property development costs (£7,260 restricted 2018)	—	21,551
Investment property costs	285	—
	<u>245,348</u>	<u>237,829</u>

**6. Net gains/(losses) on investments**

	2019	2018
	Total	Total
	£	£
Realised (gains)/losses on disposal of investment assets	24,647	(1,984)
Gains/(losses) on revaluation of investment assets	120,516	(107,903)
	<u>145,163</u>	<u>(109,887)</u>

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**7. Employees**

Employment costs	2019 £	2018 £
Wages and salaries	117,232	105,953
Social security costs (net of relief)	2,657	2,181
Pension costs	<u>3,898</u>	<u>3,877</u>
	<u>123,787</u>	<u>112,011</u>

No employee received emoluments of more than £60,000 (2018: None).

Pension contributions of £772 were unpaid at the yearend (2018: £1,093)

The employee benefit received by key management personnel was £29,789 (2018 £29,229)

**Number of employees**

The average monthly head count was 12

The average monthly numbers of employees (excluding the Trustees) during the year, calculated on the basis of full time equivalents, was 6 persons analysed as follows:

	2019 Number	2018 Number
Administration	2	2
Guest services	2	2
Spiritual	0.5	0.5
Premises	<u>1.5</u>	<u>1.5</u>

**8. Taxation**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**9. Financial Commitments**

During the year the charity entered into a building contract to convert part of the House into additional residential accommodation. At 31 December 2019 there was a commitment to pay £664,000 in respect of future building costs and professional fees.

In addition the trust has been offered a grant by the Joseph Rank Organisation of £35,000 which is conditional on the completion of the building work and is payable thereafter.

**10. Post balance Sheet Event**

As referred to in the Trustees report as a result of the Covid19 epidemic the House was closed to the public on 20 March and has yet to re-open. All but one employee has been furloughed. The House will start to operate again once it is allowed to by the Government.

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11. Tangible fixed assets	Freehold property			
	Building work In progress £	Epiphany House £	Fixtures, fittings and equipment £	Total £
<b>Cost or valuation</b>				
At 1 January 2019	---	1,416,945	80,000	1,496,945
Addition in year	<u>154,755</u>	<u>---</u>	<u>---</u>	<u>154,755</u>
At 31 December 2019	<u>154,755</u>	<u>1,416,945</u>	<u>80,000</u>	<u>1,651,700</u>
<b>Net book values</b>				
At 31 December 2019	<u>154,755</u>	<u>1,416,945</u>	<u>80,000</u>	<u>1,651,700</u>
At 31 December 2018	<u>---</u>	<u>1,416,945</u>	<u>80,000</u>	<u>1,496,945</u>

Epiphany House was revalued on 4 March 2010 by Vickery Holman, Chartered Surveyors, to depreciated replacement cost. Wych Elms was also revalued by Vickery Holman on 4 March 2010. As a result, both properties have been disclosed in the accounts at their revalued amounts together with subsequent additions at cost. The historic cost of the freehold land and buildings at 31 December 2019 is £514,374 (2018: £359,619). It is not possible to ascertain from the charity's records the historic cost of fixtures, fittings and equipment, therefore they have been included at a valuation provided by Vickery Holman, Chartered Surveyors, in 1992. The Trustees have considered the valuation of Epiphany House and believe this represents a reasonable representation of its current value, however a new revaluation will be commissioned once the redevelopment process has been fully completed. The building work in progress is valued at cost.

**12. Fixed asset investments**

	Listed Investments	Freehold Property	Total
<b>Valuation</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January 2019	1,256,162	285,000	1,541,162
Additions	70,215	---	70,215
Disposals	(427,573)	---	(427,573)
Revaluation	<u>120,516</u>	<u>---</u>	<u>120,516</u>
At 31 December 2019	<u>1,019,320</u>	<u>285,000</u>	<u>1,304,320</u>
Historical cost as at 31 December	<u>664,198</u>	<u>68,467</u>	<u>1,732,665</u>

All fixed asset investments are held within the United Kingdom.

Wych Elms was valued by Vickery Holman on 4 March 2010 as referred to above. The Trustees consider this figure still represents a reasonable representation of the current value.

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**12.1. Holdings of 5% or more**

The following investments each represent more than 5% by value of the portfolio:

	Value £
Mercantile Investment Trust Ord 25p	145,410
2% Treasury 2025	61,908
Alliance Trust	63,840
Charities Property Fund	54,096
Murray International Trust	59,220
Scottish Mortgage	57,032

**13. Debtors**

	2019 £	2018 £
Income Tax recoverable	9,810	490
Other debtors	22,354	14,598
	<u>32,164</u>	<u>15,088</u>

**14. Short term deposits**

	2019 £	2018 £
Quilter capital account	14,818	2,381
Deposit with Methodist Chapel Aid	85,000	0
	<u>99,818</u>	<u>2,381</u>

**15. Creditors: amounts falling due  
within one year**

	2019 £	2018 £
Other taxes and social security	3,981	3,147
Other creditors	3,180	5,810
Accruals and deferred income	34,064	3,566
	<u>41,225</u>	<u>12,523</u>
<b>Deferred Income included above</b>		
Balance at 1 January 2019	1,191	1,574
Deferred in year	—	—
Allocated to income in year	(185)	(383)
	<u>1,006</u>	<u>1,191</u>
Balance at 31 December 2019		

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**16. Analysis of net assets between funds**

Unrestricted Fund balances at 31 December 2019 are represented by:

	Restricted funds £	General funds £	Tangible asset reserve £	Revaluation reserve £	Property fabric fund £	Total funds £
Tangible fixed assets	64,443	—	449,930	1,137,327	—	1,651,700
Investment assets	—	664,200	68,467	571,653	—	1,304,320
Net Current assets	9,439	191,376	—	—	135,104	335,919
	<u>73,882</u>	<u>855,576</u>	<u>518,397</u>	<u>1,708,980</u>	<u>135,104</u>	<u>3,291,939</u>

17. Restricted Funds	At 1 Jan 2019 £	Income £	Expenditure £	At 31 Dec 2019 £
Development Fund	—	64,443	—	64,443
Disabled access and lift	3,000	3,400	—	6,400
Defibrillator fund	445	1,194	—	1,639
Carers Refresh days	<u>730</u>	<u>1,400</u>	<u>730</u>	<u>1,400</u>
	<u>4,175</u>	<u>70,437</u>	<u>730</u>	<u>73,882</u>

The Development Fund relates to funding the current development of the House. The Disabled access and lift grants will be used in conjunction with the planned development. The funds for a defibrillator and Carers Refresh days will be utilized in 2020.

18. Unrestricted funds	At 1 January 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2019 £
General funds	832,379	225,968	(244,618)	17,200	24,647	855,576
Revaluation reserve	1,692,853	—	—	(104,389)	120,516	1,708,980
	<u>2,525,232</u>	<u>225,968</u>	<u>(244,618)</u>	<u>(87,189)</u>	<u>145,163</u>	<u>2,564,556</u>

The transfer between General funds, the Revaluation reserve and designated funds represents realised gains on disposals together with movements on the Property fabric fund

**Unrestricted Designated funds**

	At 1 January 2019 £	Transfers IN £	OUT £	At 31 December 2019 £
Tangible asset reserve	428,086	90,311	—	518,397
Property fabric fund	<u>138,226</u>	<u>18,000</u>	<u>(21,222)</u>	<u>135,104</u>
	<u>566,312</u>	<u>108,311</u>	<u>(21,222)</u>	<u>653,501</u>

**Purposes of designated funds**

The tangible asset reserve represents the cost of tangible fixed assets which are held for use in the ongoing operation of the Charity and cannot readily be converted into cash.

The property fabric fund has been set aside by the directors out of general funds for a designated purpose, to provide for the long term maintenance of the fabric of Epiphany House.

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**19. Comparatives for the statement of financial activities**

	2018 Restricted £	2018 Unrestricted £	2018 Total £
<b>Income from</b>			
Donations and legacies		6,962	6,962
Income from investments	-	46,754	46,754
Income from charitable activities	4,185	165,257	169,442
	<u>4,185</u>	<u>218,973</u>	<u>169,442</u>
<b>Total Income</b>	<u>4,185</u>	<u>218,973</u>	<u>169,442</u>
<b>Expenditure</b>			
Expenditure on charitable activities	7,560	230,269	237,829
<b>Total Expenditure</b>	<u>7,560</u>	<u>230,269</u>	<u>237,829</u>
<b>Net income(expenditure)</b>			
before gains and losses on investments	(3,375)	(11,296)	(14,671)
Net losses/gains on investments		(109,887)	(109,887)
	<u>(3,375)</u>	<u>(121,183)</u>	<u>(124,558)</u>
<b>Net movement in funds</b>	<u>(3,375)</u>	<u>(121,183)</u>	<u>(124,558)</u>
<b>Funds at 1 January 2018</b>	7,550	3,212,727	3,220,277
	<u>4,175</u>	<u>3,091,544</u>	<u>3,095,719</u>
<b>Funds at 31 December 2018</b>	<u>4,175</u>	<u>3,091,544</u>	<u>3,095,719</u>

**20. Company limited by guarantee**

The Epiphany Trust (Truro) Limited is a company limited by guarantee and accordingly does not have any share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £10 per member to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.