

**The Cornerstone Trust, 5 Church Street, Whitehaven, Cumbria.**

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**Financial Statements for year ended 31 March 2022**

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Charity Registration Number: 507105

CHARITY COMMISSION  
FIRST CONTACT

15 DEC 2022

ACCOUNTS  
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**THE CORNERSTONE TRUST**

**Annual Accounts for the year ended 31 March 2022**

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# THE CORNERSTONE TRUST

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## Legal and Administrative Information

### Governing Instrument

Declaration of Trust dated 11 November 1977  
Charity Registration Number 507105

### Name of Trustees

Rev. Gary Brown  
Rev. Fergus Pearson  
Mr Ken Frazer  
Rev. Robert Jackson  
Mrs Suzanne Cooper

### Committee and Officers

|                                  |                  |
|----------------------------------|------------------|
| Rev. Gary Brown                  | Chairman         |
| Rev. Fergus Pearson              | Secretary        |
| Rev. Robert Jackson              | Trustee          |
| Mrs Suzanne Cooper               | Trustee          |
| Ms Caroline Lowman               | Bookshop Manager |
| Mr Ken Frazer                    | Treasurer        |
| Mr Colin Campbell<br>(June 2021) | Business Manager |

### Address of Trust

5 Church Street  
Whitehaven  
Cumbria  
CA28 7AY

### Advisors

Bankers : Barclays Bank Plc  
30 Main Street  
Cockermouth  
Cumbria  
CA139LQ

Solicitors : Brockbank, Curwen, Cain & Hall  
44 Duke Street  
Whitehaven  
Cumbria  
CA28 7RT

Auditors : Saint & Co  
Chartered Accountants &  
Registered Auditors  
12/13 Church Street  
Whitehaven  
Cumbria  
CA28 7AY

## THE CORNERSTONE TRUST

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### The Trustees' Report for the year ended 31 March 2022

The Trustees are pleased to present their report, together with the audited financial statements for the year ended 31 March 2022. The financial statements have been prepared on the accounting policies set out in note 1 to the financial statements and comply with the Charity's constitution, applicable law and the requirements of the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011 and administrative information set out on the previous page, forms part of this report.

The principal activity of the Trust is to operate a Christian Bookshop in Whitehaven with the objective of encouraging the advancement of the Christian faith in West Cumbria. The Trustees are appointed by a resolution of the meeting of Trustees in accordance with the Declaration of Trust and shall not be less than four nor more than six in number.

During a difficult year post COVID 19, the Trust has continued to make available through the Bookshop and the recent website; set up by our new Business Manager, a wide range of Christian literature to Whitehaven and now nationwide. It provides a comprehensive range of bibles, bible study aids, Christian teaching and devotional books, biography and fiction. The addition of the website has given us the ability to reach a wider audience and to continually introduce new releases. In addition, the shop stocks greeting cards, compact discs, DVDs, children's books and suitable giftware. However, due to the restrictions, bookstalls were only re-introduced later in the financial year.

The staff of the shop provides help and advice on the literature and materials available to those seeking information on the Christian faith. A conscious effort is made to provide a caring personal service to all customers.

The Bookshop is staffed by a part-time Manager who is supported by a team of trained voluntary assistants who serve in the shop Monday to Saturday.

The Trustees report that the distribution of Christian literature through the Bookshop and website has continued with a turnover of £26,692, an increase of 97.4% over the previous year. The gross profit was 34.5% of turnover and administrative expenses of 107.1% of turnover. A trading loss for the year of £16,271 is mainly due to additional salary costs for the Business Manager, and website charges, as well as a significant reduction in grants (last year profits of £11,155).

There were unrealised investment gains of £1,345 (2021 this was a gain of £3,106).

The radical changes to the business in 2021/2022, consisting of a Business Manager and website have, as yet, not produced the extra business anticipated. Hence the financial outlay has meant the business taking a substantial hit during the year. As a result of this, the Chairman of Trustees has written to all churches in Cumbria, asking for their support in using the bookshop and website, in order for us to keep our presence as a Christian Bookshop in Whitehaven.

Friends of Cornerstone continued to support the bookshop with donations of £3,185 for the year. The Trust Account also benefitted from payment of Gift Aid claimed for the last year, which resulted in receipt of £434. We will continue to promote Friends of Cornerstone and target an increase during 2022/2023.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The Trustees consider the Board of the Trustees and the shop manager as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All trustees give up their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in Note 3 to the Accounts.

The pay of the charity's manager is reviewed annually and assessed in accordance with average earnings. The remuneration is also bench-marked with charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

**Reserves policy**

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to about twelve months unrestricted expenditure plus an allowance for any forecast shortfall on project expenditure. This provides sufficient funds to cover management and administration and support costs. At 31<sup>st</sup> March 2021, the charity had reserves of £61,563.

**Risk Management**

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen the risks.

## THE CORNERSTONE TRUST

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### The Trustees' Report for the year ended 31 March 2022

#### **Statement of Trustees' Responsibilities**

The Charities Act 2011 together with the Trust Deed, require the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust as at the balance sheet date and of its financial activities for the year then ended. In preparing those financial statements, the Trustees are required to

- i) select suitable accounting policies and then apply them consistently;
- ii) make judgements and estimates that are reasonable and prudent;
- iii) state whether the policies adopted are in accordance with the appropriate SORP on accounting by Charities and the Accounting Regulations and with applicable accounting standards, subject to any material departures disclosed and explained;
- iv) prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Trust will continue in business.

The Trustees are responsible for keeping proper books of account such as are necessary to give a true and fair view of the Trust's state of affairs and to explain its financial transactions. The Trustees must also establish and maintain a satisfactory system of control of its books of account, its cash holdings and all its receipts and remittances, and hence are responsible for safeguarding the assets and taking reasonable steps for the prevention and detection of fraud and other irregularities.

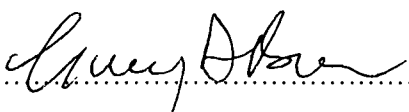
In so far as the trustees are aware:

there is no relevant audit information of which the charity's auditors are unaware; and

the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Gary Brown

Signed by the following on the 2<sup>nd</sup> day of December 2022

 ..... Reverend Gary Brown, Chairman.

**THE CORNERSTONE TRUST**

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**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE  
CORNERSTONE TRUST**

**YEAR ENDED 31 MARCH 2022**

I report on the accounts of the charity for the year ended 31 March 2022 set out on pages 6 to 16.

**Respective Responsibilities Of Trustees And Independent Examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's 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.

It is my responsibility to:

- examine the accounts (under section 145(1)(a) of the 2011 Act);
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5) of the 2011 Act); and
- to state whether particular matters have come to my attention.

**Basis Of Independent Examiner's Statement**

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 I do not express an audit opinion on whether the accounts present a 'true and fair view'.

**Independent Examiner's Statement**

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

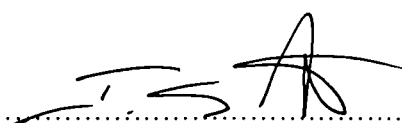
(1) which gives me reasonable cause to believe that in any material respect the trustees have not met the requirements to ensure that:

- proper accounting records are kept (in accordance with sections 130 and 131 of the Act); and
- accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Act; or

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

Ian Scott BA (Hons) FCA DChA  
Saint & Co Chartered Accountants  
Independent Examiner  
12/13 Church Street  
Whitehaven  
Cumbria  
CA28 7AY

Signature .....



Dated ..... 7/12/2022

**THE CORNERSTONE TRUST**

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**Statement of Financial Activities for the year ended 31 March 2022**

|   | <u>Unrestricted</u><br><u>Funds</u> | <u>Restricted</u><br><u>Funds</u> | <u>Endowment</u><br><u>Funds</u> | <u>Total</u><br><u>2022</u> | <u>Total</u><br><u>2021</u> |
|---|-------------------------------------|-----------------------------------|----------------------------------|-----------------------------|-----------------------------|
| <u>Notes</u>  | <u>£</u>                            | <u>£</u>                          | <u>£</u>                         | <u>£</u>                    | <u>£</u>                    |
| <b><u>Incoming Resources</u></b>  |                                     |                                   |                                  |                             |                             |
| Incoming resources from generated funds:                                      |                                     |                                   |                                  |                             |                             |
| Voluntary income  | 3,619                               | -                                 | 5,334                            | 5,334                       | 5,334                       |
| Activities for generating funds:  |                                     |                                   |                                  |                             |                             |
| Bookshop Rent Receivable  |                                     |                                   |                                  |                             |                             |
| Income from Trading Activities 2  | -                                   | 26,692                            | -                                | 13,523                      | 13,523                      |
| Investment Income & Interest:   |                                     |                                   |                                  |                             |                             |
| Interest N/S Income Bond  |                                     |                                   |                                  |                             |                             |
| Grants  | -                                   | 2,667                             | -                                | 2,667                       | 20,169                      |
| Interest on Bank Account  |                                     |                                   |                                  | -                           | -                           |
| Investment Re-distribution  | -                                   | -                                 | 742                              | 742                         | 688                         |
| <b>Total Incoming Resources</b>   | <b>3,619</b>                        | <b>29,359</b>                     | <b>742</b>                       | <b>33,720</b>               | <b>39,714</b>               |
| <b><u>Resources Expended</u></b>  |                                     |                                   |                                  |                             |                             |
| Costs of generating funds:  |                                     |                                   |                                  |                             |                             |
| Expenditure from Trad.Activ.2   | -                                   | 4,5630                            | -                                | 45,630                      | 22,537                      |
| Building Maintenance  | 786                                 | -                                 | -                                | 786                         | -                           |
| Depreciation  | 400                                 | -                                 | -                                | 400                         | 400                         |
| Insurance   | 356                                 | -                                 | -                                | 356                         | 352                         |
| Investment Re-distribution  | -                                   | -                                 | -                                | -                           | -                           |
| Gifts   | -                                   | -                                 | -                                | -                           | -                           |
| <b>Total Resources Expended</b>   | <b>1,542</b>                        | <b>45,630</b>                     | <b>-</b>                         | <b>47,172</b>               | <b>22,389</b>               |
| <b><u>Net Incoming Resources before other recognised gains and losses</u></b> |                                     |                                   |                                  |                             |                             |
| Unrealised Gains/(Losses) on Investment Assets                                | 2,077                               | (16,271)                          | 742                              | (13,452)                    | 16,425                      |
| Transfer between Funds:   | -                                   | -                                 | 1,345                            | 1,345                       | 3,106                       |
| <b><u>Net movement in Funds:</u></b>  | <b>4,000</b>                        | <b>(4,000)</b>                    | <b>-</b>                         | <b>-</b>                    | <b>-</b>                    |
| <b><u>Reconciliation of funds:</u></b>  | <b>6,077</b>                        | <b>(20,271)</b>                   | <b>2,087</b>                     | <b>(12,107)</b>             | <b>19,531</b>               |
| Fund Balances brought forward at 1 April 2021                                 | 50,789                              | (13,666)                          | 36,547                           | 73,670                      | 54,139                      |
| <b>Fund Balances carried forward at 31 March 2022</b>                         | <b>56,866</b>                       | <b>(33,937)</b>                   | <b>38,634</b>                    | <b>61,563</b>               | <b>73,670</b>               |

There were no gains or losses in the year to 31 March 2022 other than those included above.  
All incoming resources and resources expended derive from continuing activities.

**THE CORNERSTONE TRUST**

**Statement of Financial Position as at 31 March 2022**

|  | <u>Notes</u> | <u>Total<br/>2022</u><br>£ | <u>Total<br/>2021</u><br>£ |
|--|--------------|----------------------------|----------------------------|
| <b>FIXED ASSETS</b>                                    |              |                            |                            |
| Tangible Fixed Assets                                  | 5            | 10,815                     | 11,240                     |
| Investments  | 6            | <u>18,634</u>              | <u>16,547</u>              |
|  |              | 29,449                     | 27,787                     |
| <br><b>CURRENT ASSETS</b>                              |              |                            |                            |
| Stocks   | 9            | 31,697                     | 24,224                     |
| Debtors  | 10           | 56,419                     | 48,836                     |
| Investments  |              | -                          | -                          |
| Cash at Bank and in Hand                               | 11           | <u>9,364</u>               | <u>24,285</u>              |
|  |              | 97,480                     | 97,345                     |
| <b>CREDITORS</b> – amounts falling due within one year | 12           | 65,366                     | 51,462                     |
| <b>NET CURRENT ASSETS</b>                              |              | 32,114                     | 45,883                     |
|  |              | —————                      | —————                      |
| <b>NET ASSETS</b>                                      |              | 61,563                     | 73,670                     |
|  |              | =====                      | =====                      |
| <b>CAPITAL FUNDS</b>                                   |              |                            |                            |
| Recoupment Fund  | 8            | 18,634                     | 16,547                     |
| Endowment Fund   | 8            | <u>20,000</u>              | <u>20,000</u>              |
|  |              | 38,634                     | 36,547                     |
| <b>INCOME FUNDS</b>                                    |              |                            |                            |
| Restricted - Trust General Fund                        |              | 56,866                     | 50,789                     |
| Restricted - Bookshop Accumulated Fund                 |              | <u>(33,937)</u>            | <u>(13,666)</u>            |
|  |              | 22,929                     | 37,123                     |
|  |              | —————                      | —————                      |
|  |              | 61,563                     | 73,670                     |
|  |              | =====                      | =====                      |

Approved by the Board of Trustees on the 2<sup>nd</sup> day of December 2022  
and signed on its behalf by

.....  
  
 ..... Trustee  
**REVEREND GARY BROWN**

The notes on pages 8 to 16 form part of these accounts.

**Notes forming part of the Accounts for the year ended 31 March 2022**

**1. GENERAL INFORMATION**

The charity is registered in England and Wales and is unincorporated. The address of the principal office is The Cornerstone Trust, 5 Church Street, Whitehaven, CA28 7AY.

**2. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in compliance with FRS 102. The Financial Reporting Standard applicable in the UK and the Republic of Ireland, the 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) (Charities SORP FRS 102) and the Charities Act 2011.

**3. ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure. The financial statements are prepared in sterling, which is the functional currency of the entity. The trust meets the definition of a public benefit entity under FRS 102.

**Going concern**

There are no material uncertainties about the charity's ability to continue.

**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.

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**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 (other than those held for investment purposes).

**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.

**Fund Accounting:**

General funds are unrestricted 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.

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Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

### **Incoming resources:**

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Donations in a form other than cash have been ignored in the accounts unless they are considered significant when they would be introduced into the accounts at the estimated current value.

### **Resources expended:**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Costs in respect of generating funds relate to those costs incurred to purchase goods for resale for the bookshop and operating costs of the shop. Management and administration costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

### **Income Recognition:**

Investment income, including notational dividends on accumulation shares and bank interest is included in the Statement of Financial Activities when it is received.

### **Value Added Tax:**

The Trust is not registered for VAT.

### **Turnover:**

Turnover comprises the selling price of goods sold and after deducting any church, school or book agents' discounts.

### **Bookshop Profit:**

The profits of the bookshop shown in the accounts under Trading Activities are retained for the development of the Bookshop. Currently, no rent is charged on the Bookshop. No taxation is payable as profits are utilised for the objectives of the charity.

### **Fixed Assets and Depreciation:**

Fixed Assets are stated at valuation or cost less depreciation.

Depreciation is calculated on the written down value each year at the following rates:-

|  |                  |
|--|------------------|
| Freehold Property  | 2% straight line |
| Bookshop Display Units and Bookshop  | 15%              |
| Catering Equipment, Kitchen Equipment, Hardware<br>and Crockery, Bookshop Cassette Player and Office Equipment | 20%              |
| Other Fixed Assets   | 25%              |
| Computer   | 33%              |

## THE CORNERSTONE TRUST

### **Building Valuation:**

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The building is stated at market value at 31 March 1981. The valuation was undertaken by Tiffen King Nicholson, Chartered Surveyors. The property is depreciated at 2% per annum straight line.

### **Bookshop Stock Valuation:**

The Bookshop stock has been valued at the lower of the cost and net realisable value.

## 2) NET INCOME FROM TRADING ACTIVITIES

### **Cornerstone Christian Bookshop**

#### **Profit and Loss Account**

|                     | <u>2022</u>                  | <u>2021</u>  |
|---------------------|------------------------------|--------------|
| Turnover            | 26,692                       | 13,523       |
| Cost of Sales       | 17,486                       | 8,678        |
| <b>Gross Profit</b> | <b>9,206</b>                 | <b>4,845</b> |
|                     | <b>34.5 % (2021 : 35.8%)</b> |              |

#### **Administrative Expenditure:**

|  |                        |                      |
|--|------------------------|----------------------|
| Salary                                   | 21,512                 | 14,926               |
| Pension Costs                            | 486                    | 634                  |
| Website Charges                          | 762                    | -                    |
| Printing and Stationery -                | 56                     | -                    |
| Postages and Return Carriage             | 174                    | 70                   |
| Telephone                                | 531                    | 900                  |
| Repairs and Renewals                     | 181                    | 644                  |
| Xero Fees (Accountancy package)          | 270                    | 94                   |
| Rates & Water Charges                    | 267                    | 264                  |
| Lighting and Heating                     | 1,382                  | 1,257                |
| Cleaning                                 | 108                    | 95                   |
| Depreciation                             | 25                     | 25                   |
| Insurance                                | 356                    | 352                  |
| Audit & Accountancy Fees                 | 2,040                  | 2,007                |
| Bank Charges & Interest plus Credit Card | 627                    | 494                  |
| Training Costs                           | 199                    | -                    |
| Travelling Expenses                      | -                      | -                    |
| EPOS System                              | 432                    | -                    |
| Refreshments                             | 223                    | -                    |
| Miscellaneous Expenses                   | 23                     | 37                   |
|  | <u>29,654</u>          | <u>21,799</u>        |
| Miscellaneous Income                     |                        |                      |
| CAP rent                                 | 600                    | 600                  |
| Furlough                                 | 910                    | 7,340                |
| Grants                                   | 2,667                  | 20,169               |
| <b>Net Profit for the year</b>           | <u><u>(16,271)</u></u> | <u><u>11,155</u></u> |

All incoming resources from operating activities relate to activities in furtherance of the Charity's objects.

## THE CORNERSTONE TRUST

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### Notes forming part of the Accounts for the year ended 31 March 2022 (continued)

#### 3) EMPLOYEE'S REMUNERATION

The Bookshop Manager received a salary based upon 112 hours per four week period. The employment contract provides for additional hours worked without pay when required for the efficient running of the Bookshop, although exceptional circumstances allow additional payment. All other staff and officers give their time on a voluntary basis without any remuneration except travelling expenses where this is warranted. Following the relaxation of COVID restrictions, a Christmas function was held for the voluntary Bookshop staff in 2021.

The Business Manager received a salary based on 40 hours per month, following an initial 420 hours for the first three months. These hours were needed to set up suppliers, and provide the necessary details for the website.

#### 4) PURCHASE ANALYSIS

|                                | Cost Price    |              | Selling Price |               |
|--------------------------------|---------------|--------------|---------------|---------------|
|                                | 2022          | 2021         | 2022          | 2021          |
| Books and Bibles               | 10,260        | 4,678        | 16,062        | 7,585         |
| Recorded Stationery and Crafts | 2,898         | 1,700        | 3,621         | 2,581         |
| Cards and Posters              | 4,153         | 2,050        | 6,834         | 3,197         |
| Stamps & Vouchers              | 175           | 160          | 175           | 160           |
|                                | <u>17,486</u> | <u>8,678</u> | <u>26,692</u> | <u>13,523</u> |

#### 5) TANGIBLE FIXED ASSETS

| Trust General and Endowment Funds: | Land and<br>Buildings<br>£ | Catering<br>Equipment<br>£ | Domestic<br>Equipment<br>£ | Total<br>£    |
|------------------------------------|----------------------------|----------------------------|----------------------------|---------------|
| <b>Cost:</b>                       |                            |                            |                            |               |
| Balance at 1 April 2021            | 20,000                     | 1,011                      | 1,784                      | 22,795        |
| Additions                          | -                          | -                          | -                          | -             |
| Balance at 31 March 2022           | <u>20,000</u>              | <u>1,011</u>               | <u>1,784</u>               | <u>22,795</u> |
| <b>Accumulated Depreciation:</b>   |                            |                            |                            |               |
| Balance at 1 April 2021            | 8,800                      | 1,011                      | 1,784                      | 11,595        |
| Charge for year                    | 400                        | -                          | -                          | 400           |
| Balance at 31 March 2022           | <u>9,200</u>               | <u>1,011</u>               | <u>1,784</u>               | <u>11,995</u> |
| <b>Net Book Value 2022</b>         | <u>10,800</u>              | <u>-</u>                   | <u>-</u>                   | <u>10,800</u> |
| <b>Net Book Value 2021</b>         | <u>11,200</u>              | <u>-</u>                   | <u>-</u>                   | <u>11,200</u> |

## THE CORNERSTONE TRUST

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### Notes forming part of the Accounts for the year ended 31 March 2022 (continued)

5) **TANGIBLE FIXED ASSETS** (continued)

| <b>Bookshop Fund:</b>            | Display<br>Units<br>£ | Office<br>Equipment<br>£ | Computer<br>Equipment<br>£ | Total<br>£    |
|----------------------------------|-----------------------|--------------------------|----------------------------|---------------|
| Cost                             |                       |                          |                            |               |
| Balance at 1 April 2021          | 1,217                 | 1,417                    | 552                        | 3,186         |
| Additions                        | -                     | -                        | -                          | -             |
| Balance at 31 March 2022         | <u>1,217</u>          | <u>1,417</u>             | <u>552</u>                 | <u>3,186</u>  |
| <b>Accumulated Depreciation:</b> |                       |                          |                            |               |
| Balance at 1 April 2021          | 1,191                 | 1,403                    | 552                        | 3,146         |
| Charge for year                  | 14                    | 11                       | -                          | 25            |
| Balance at 31 March 2022         | <u>1,205</u>          | <u>1,414</u>             | <u>552</u>                 | <u>3,171</u>  |
| <b>Net Book Value 2022</b>       | <u>12</u>             | <u>3</u>                 | <u>-</u>                   | <u>15</u>     |
| Net Book Value 2021              | <u>26</u>             | <u>14</u>                | <u>-</u>                   | <u>40</u>     |
| <b>Total Net Book Value 2022</b> |                       |                          |                            | <u>10,815</u> |
| Net Book Value 2021              |                       |                          |                            | <u>11,240</u> |

6) **FIXED ASSET INVESTMENT**

**Investment Share Dividends**

The Notional Dividend on the Accumulated Shares has been used to increase the amount available for investment in the portfolio thereby increasing the value of the Fund and Accumulation Shares.

The Notional Dividends received during the year were as follows:

|  | <u>2022</u><br>£ | <u>2021</u><br>£ |
|--|------------------|------------------|
| Charinco Accumulation Shares – cashed April 2013 | -                | -                |
| Charifund Accumulation Shares                    | <u>742</u>       | <u>688</u>       |

## THE CORNERSTONE TRUST

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### Notes forming part of the Accounts for the year ended 31 March 2022 continued)

#### 6) FIXED ASSET INVESTMENT (continued)

##### **Permanent Endowment Funds**

A permanent endowment was established by the purchase of the original buildings of 5 and 6 Church Street, Whitehaven on 11 November 1977.

When 6 Church Street was sold the remaining building was represented by a sum of £20,000 held as part of the General Fund. This amount has now been transferred to a Permanent Endowment Fund so that the amount can be properly identified as being a proportion of the Trust's funds which cannot be disposed of and which are to be treated as a permanent endowment.

The arrangements made to preserve the funds represented by the sale of 6 Church Street are covered by the Recoupment order described more fully below.

##### **Terms of Recoupment Order**

The Recoupment Fund relates to the capital sum which is required to stand as a Capital Investment in order to preserve the original endowment following the sale of No. 6 Church Street.

##### **Statement of Investments represented by the Recoupment Fund**

| <u>Units</u>   | <u>Cost</u><br>£ | <u>Market Value</u><br>£ |
|--|------------------|--------------------------|
| 471.899 Merrill Lynch:<br>Charinco Accumulation Shares     | 4,278            | -                        |
| 175.000 M & G Securities:<br>Charifund Accumulation Shares | <u>4,278</u>     | <u>18,634</u>            |
|  | <u>£8,556</u>    | <u>16,547</u>            |

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**Notes forming part of the Accounts for the year ended 31 March 2022 continued)**

**Statement of Fixed Asset Investments**

|   | <u>2022</u>   | <u>2021</u>   |
|---|---------------|---------------|
|   | <u>£</u>      | <u>£</u>      |
| Market Value 1 April 2021               | 16,547        | 12,753        |
| Dividends Reinvested                    | 742           | 688           |
| Net Unrealised Investment               | -             | -             |
| Gains/(Losses)                          | 1,345         | 3,106         |
| Funds Redistributed                     | -             | -             |
| Withdrawals                             | -             | -             |
| <b>Market Value 31 March 2022</b>       | <u>18,634</u> | <u>16,547</u> |
| <b>Historical Cost at 31 March 2022</b> | <u>4,278</u>  | <u>4,278</u>  |

7) **ANALYSIS OF NET ASSETS BY FUNDS**

|                                       | <u>Unrestricted</u> | <u>Restricted</u> | <u>Endowment</u> | <u>Total</u>  |
|---------------------------------------|---------------------|-------------------|------------------|---------------|
|                                       | <u>Funds</u>        | <u>Funds</u>      | <u>Funds</u>     | <u>Funds</u>  |
|                                       | <u>£</u>            | <u>£</u>          | <u>£</u>         | <u>£</u>      |
| <b>Fund Balances at 31 March 2022</b> |                     |                   |                  |               |
| <b>are represented by:</b>            |                     |                   |                  |               |
| Tangible Fixed Assets                 | (9,200)             | 15                | 20,000           | 10,815        |
| Investments                           |                     |                   | 18,634           | 18,634        |
|                                       | <u>(9,200)</u>      | <u>15</u>         | <u>38,634</u>    | <u>29,449</u> |
| <b>Current Assets:</b>                |                     |                   |                  |               |
| Stock                                 |                     | 31,697            | -                | 31,697        |
| Debtors                               | 55,696              | 723               | -                | 56,419        |
| Investments                           | -                   | -                 | -                | -             |
| Cash at Bank and in Hand              | 3,502               | 5,862             | -                | 9,364         |
|                                       | <u>59,198</u>       | <u>38,282</u>     | <u>-</u>         | <u>97,480</u> |
| <br>                                  |                     |                   |                  |               |
| Current Liabilities                   | -                   | 65,366            | -                | 65,366        |
| Transfers between Fund                | 4,000               | (4,000)           | -                | -             |
| <br>                                  |                     |                   |                  |               |
| <b>Total Net Assets</b>               | <u>53,998</u>       | <u>(31,069)</u>   | <u>38,634</u>    | <u>61,563</u> |

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**Notes forming part of the Accounts for the year ended 31 March 2022 (continued)**

8) **ENDOWMENT FUNDS ANALYSIS**

|                          | <b>Balance</b>           | <b>MOVEMENT OF FUNDS</b> |                          |                                      | <b>Balance</b>           |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------------------|--------------------------|
|                          | <b>31 March<br/>2021</b> | <b>Dividends</b>         | <b>Gains/<br/>Losses</b> | <b>Re-dist.<br/>With<br/>drawals</b> | <b>31 March<br/>2022</b> |
|                          | £                        | £                        | £                        | £                                    | £                        |
| Permanent Endowment Fund | 20,000                   |                          |                          |                                      | 20,000                   |
| Recoupment Fund          | 16,547                   | 742                      | 1,345                    |                                      | 18,634                   |
|                          | <u>36,547</u>            | <u>742</u>               | <u>1,345</u>             |                                      | <u>38,634</u>            |

9) **STOCK**

|                                 | <b><u>2022</u></b> | <b><u>2021</u></b> |
|---------------------------------|--------------------|--------------------|
|                                 | £                  | £                  |
| Books and Bibles                | 20,092             | 11,471             |
| Tapes, Videos and Compact Discs | 862                | 994                |
| Crafts                          | 4,502              | 4,678              |
| Cards                           | 6,241              | 7,081              |
| Stamps                          | -                  | -                  |
|                                 | <u>31,697</u>      | <u>24,224</u>      |

10) **DEBTORS**

| <b>Trust Accounts</b>   | <b><u>2022</u></b> | <b><u>2021</u></b> |
|-------------------------|--------------------|--------------------|
|                         | £                  | £                  |
| Due from HMRC           | 434                | 450                |
| Due from the Bookshop   | 55,262             | 48,262             |
|                         | <u>55,696</u>      | <u>48,712</u>      |
| <b>Bookshop Account</b> |                    |                    |
| Trade Debtors           | 723                | 124                |
| Prepayments             | -                  | -                  |
|                         | <u>723</u>         | <u>124</u>         |
| <b>Total</b>            | <u>56,419</u>      | <u>48,836</u>      |

**THE CORNERSTONE TRUST**

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**Notes forming part of the Accounts for the year ended 31 March 2022 (continued)**

11) **CASH AT BANK AND IN HAND**

| <b>Bookshop</b> | <b><u>2022</u></b>  | <b><u>2021</u></b>   |
|-----------------|---------------------|----------------------|
|                 | <b>£</b>            | <b>£</b>             |
| Cash at Bank    | 5,682               | 16,087               |
| Cash Float      | 30                  | 30                   |
| Cash in Hand    | -                   | -                    |
| Petty Cash      | <u>150</u>          | <u>150</u>           |
|                 | <u>5,862</u>        | <u>16,267</u>        |
| <b>Trust</b>    | <b><u>3,502</u></b> | <b><u>8,018</u></b>  |
| <b>Total</b>    | <b><u>9,364</u></b> | <b><u>24,285</u></b> |

12) **LIABILITIES – AMOUNTS FALLING DUE WITHIN ONE YEAR**

| <b>Trust Account</b>    | <b><u>2022</u></b>   | <b><u>2021</u></b>   |
|-------------------------|----------------------|----------------------|
|                         | <b>£</b>             | <b>£</b>             |
| Accruals                | -                    | -                    |
|                         | -                    | -                    |
|                         | <u>      </u>        | <u>      </u>        |
| <b>Bookshop Account</b> |                      |                      |
| Trade Creditors         | 5,892                | 816                  |
| Sundry Creditors        | 47                   | 70                   |
| Inland Revenue          | 882                  | 811                  |
| Due to the Trust        | 55,262               | 48,262               |
| Accruals                | 3,282                | 1,503                |
| <b>Total</b>            | <b><u>65,365</u></b> | <b><u>51,462</u></b> |

13) **COMMITMENTS**

At 31 March 2022 there were no contracted commitments for capital expenditure.