

CHARITY NUMBER 1055846

CORFE CASTLE CHARITY
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

FLETCHER & PARTNERS
CHARTERED ACCOUNTANTS
SALISBURY

CORFE CASTLE CHARITY

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CORFE CASTLE CHARITY

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS for the year ended 31 March 2021

Trustees

Mrs K Anson (co-opted)

Mr K Batchelor (co-opted)

Mrs K Bennett (nominated)

Mr M J A Bond (nominated)

Mr J Coverdale, Chairman (co-opted)

Mr N Dragon (nominated)

Rev I Jackson (ex-officio)

Mrs G M Sellen (co-opted)

Mr R Swaine (nominated)

Charity registered number 1055846

Principal office

2 Battlemead, Corfe Castle, Wareham, BH20 5ER

Clerk to the Trustees

Mrs A Meaker

Property Managers

Mr B Rowlatt

East Boro Housing Trust, Faulkner House, 31 West Street, Wimborne, Dorset, BH21 1JS
(from 1 July 2020)

Auditor

Fletcher & Partners, Crown Chambers, Bridge Street, Salisbury, SP1 2LZ

Bankers

Lloyds Bank plc, Wareham, 3 South Street, Wareham, Dorset, BH20 4LX

Investment Managers

CCLA, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

Solicitors

Laceys Solicitors LLP, 5 Poole Road, Bournemouth, Dorset, BH2 5QL

Chartered Surveyors

Carter Jonas, Ailesbury Court, 3rd Floor, High Street, Marlborough, SN8 1AA
Sibbett Gregory, 3 Winchester Place, North Street, Poole BH15 1NX

CORFE CASTLE CHARITY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Trustees submit their annual report and the financial statements of Corfe Castle Charity (the Charity) for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies set out on pages 9 to 11 and comply with the Charity Commission Order, the Charities Act 2011 and the 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 (effective 1 January 2019) (Charities SORP FRS102) and the Financial Reporting Standard applicable in the UK and Republic of Ireland published in March 2018 (FRS102).

The Charity comprises the following permanent charitable trusts: The Charities of Robert Abbott, The Church Lands Charity, The Charity of Henry Dackombe (otherwise the Church Merrifield Charity), The Green's Acre Charity, The Charity of John Harden, The Charity of Sir Edmund Uvedale, The Woolgarston Lands Charity, The Charity known as The Almshouses, The Charity of Alice Augusta Gertrude Sotheran, The Charles Memorial Fund and The Hubbard Fund.

Constitution policies, objectives and activities

The Charity is constituted under a Charity Commission Scheme dated 15 February 1995 as amended by further schemes dated 30 March 2006 and 23 April 2018, and is a registered charity, number 1055846.

The principal objects of the Charity are to provide and maintain almshouse and affordable accommodation for the poor and needy people resident in the Parish of Corfe Castle, to provide relief to those in need, and to use surplus funds to support other charitable purposes in the Parish.

The Charity provides 16 units of almshouse accommodation and 15 units of affordable housing and makes grants to individuals and institutions within the Parish. The Charity also holds other properties and land which it lets on a commercial basis to provide additional funds to the Charity.

Organisational structure and decision making

The Charity is administered by a board of nine Trustees who meet on a monthly basis. The Trustees oversee the operation of the Charity's almshouses and social housing, approve all grants, and manage the Charity's assets.

The Charity's Trustees monitor the Charity's financial position through regular comparison of expenditure to budget, and the periodic review of investments.

The day to day operations of the Charity are carried out by the Clerk to the Trustees who oversees the many aspects of the running of the Charity, and the Property Manager who oversees the maintenance and upkeep of the charity's properties on behalf of the Trustees.

Method of appointment or election of Trustees

The Trustees comprise one ex-officio Trustee, four nominated Trustees and four co-opted Trustees.

The ex-officio Trustee is the Incumbent/Priest in Charge of the Parish of St Edward King and Martyr, Corfe Castle.

The nominated Trustees are appointed by Corfe Castle Parish Council for a term of four years.

The co-opted Trustees are selected and appointed by the body of Trustees for a term of five years. New trustees are trained by the Chairman and Clerk.

Key management personnel remuneration for the Clerk and Property Manager is reviewed by the trustees annually and normally increases in line with the Consumer Prices Index.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual 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 and 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 the incoming resources and application of resources of the Charity 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 applicable Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in operation.

CORFE CASTLE CHARITY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2021

The Trustees are responsible for keeping proper accounting records that 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. 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.

Reserves policy

The Trustees recognise their responsibility to utilise income as it is earned and not generate unnecessary reserves, but consider it necessary to retain sufficient funds to ensure that they are able to undertake their planned charitable activities and maintain the standard of the Charity's social housing.

The Trustees have a long term objective of acquiring property in the village which could be let as housing at affordable rents, which requires them to hold funds available to purchase suitable properties when they become available. At the year end the free reserves, excluding those invested in property, were a total of £662,862.

Risk management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems are in place to mitigate their exposure. The principal risks are in the performance of investments and operational risks from owning property and making effective grants and loans.

Investment policy and performance

The Trustees are required to invest all sums not needed for immediate working purposes by the Scheme. The Trustees have apportioned the investments between quoted investments and deposit accounts, to reflect their potential need for funds at short notice. The Trustees have a medium to low risk attitude and the return to the Charity is managed by investing in COIF Charities Investment Fund units, providing a mixture of capital appreciation and income growth. The market risk is mitigated by investment in professionally managed common investment funds operated by CCLA Investment Management.

Grant making policies

To achieve its objects for the public benefit, the Charity invites both organisations and needy individuals within the parish to apply for grants or loans. These can be for higher educational courses, meeting the needs of the disabled, sick and elderly as well as to mitigate hardship or distress.

Public Benefit

The Trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission. The Charity meets its public benefit remit by providing accommodation and financial assistance to needy persons and institutions within the Parish.

Review of activities and financial review

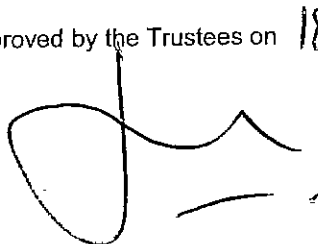
The Charity had incoming resources for the year of £284,090 (2020: £291,043).

The Trustees have continued to respond to cases of hardship within the community with grants and interest-free loans and have received numerous expressions of thanks from individuals whom they have helped during the year. The Charity made grants of £24,921 (2020: £37,534) and spent £91,955 (2020: £96,412) in providing both sheltered and reasonably priced housing. This excludes staff costs, depreciation and support costs. The Charity had net income for the year of £57,421 (2020: net income £45,827) before other recognised gains and losses.

Investments increased in value by £118,042 for the year (2020: decrease of £19,230). Investment properties were increased in value by £60,270 (2020: £nil).

At the year end, the Charity had total funds of £4,648,623 (2020: £4,412,890) of which £1,725,504 were endowed funds, £1,004,367 were designated funds and £1,918,752 were in general funds.

This report was approved by the Trustees on 18 09 2021 and signed on their behalf, by:
Mr J Coverdale
Chairman



CORFE CASTLE CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CORFE CASTLE CHARITY FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of Corfe Castle Charity (the "Charity") for the year ended 31 March 2021 which comprise the Statement of financial activities, Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- (i) give a true and fair view of the state of the Charity's affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- (ii) have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- (iii) have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

CORFE CASTLE CHARITY

INDEPENDENT AUDITOR'S REPORT (continued) TO THE TRUSTEES OF CORFE CASTLE CHARITY FOR THE YEAR ENDED 31 MARCH 2021

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- (i) the information given in the trustees report is inconsistent in any material respect with the financial statements;
- (ii) sufficient accounting records have not been kept;
- (iii) the financial statements are not in agreement with the accounting records and returns; or
- (iv) we have not received all the information and explanations we require for our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 2, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Fletcher & Partners is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

CORFE CASTLE CHARITY

INDEPENDENT AUDITOR'S REPORT (continued)
TO THE TRUSTEES OF CORFE CASTLE CHARITY
FOR THE YEAR ENDED 31 MARCH 2021

We ensured that the engagement team collectively had the appropriate competence and capabilities to recognise non-compliance with applicable laws and regulations;

We identified the laws applicable to the charity through discussions with trustees and management, and from our knowledge and experience of the charity and the sector; and

We ensured that the laws and regulations which we identified were communicated to the engagement team and that they remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material mis-statement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their assessment of the risk of fraud and their knowledge of actual or alleged fraud; and
- considering the effectiveness of internal controls to mitigate the risks of fraud and non-compliance with laws and regulations.

We addressed the risk of fraud through management bias and the over-ride of controls by assessing whether judgements and assumptions made by management were indicative of potential bias and by investigating the rationale behind significant or unusual transactions. In order to address the risk of irregularities we carried out procedures which included agreeing the financial statements to underlying documentation and enquiring of management as to actual and potential litigation and instances of non-compliance.

There are however inherent limitations in these audit procedures. The more removed that laws and regulations are from financial transactions, the less likely it is that we would be aware of non-compliance. Auditing standards also limit the procedures required to identify non-compliance to enquiry of management and inspection of relevant correspondence. Furthermore misstatements due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditors report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Fletcher & Partners

Fletcher & Partners (Chartered Accountants and Statutory Auditor)
Crown Chambers
Bridge Street
Salisbury
SP1 2LZ

20th October 2021

CORFE CASTLE CHARITY

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted Funds £	Endowment Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOME FROM:					
Donations and legacies	2	300	-	300	300
Investments	3	106,027	-	106,027	116,925
Charitable activities	4	177,763	-	177,763	171,943
Other	5	-	-	-	1,875
TOTAL INCOME		284,090	-	284,090	291,043
EXPENDITURE ON:					
Raising funds	6	16,463	-	16,463	19,634
Charitable activities	7	208,736	1,470	210,206	225,582
TOTAL EXPENDITURE		225,199	1,470	226,669	245,216
NET INCOME / (EXPENDITURE)		58,891	(1,470)	57,421	45,827
NET GAINS/(LOSSES) ON INVESTMENTS					
Realised Gains and losses on disposal of Investments		-	-	-	-
Unrealised Gains and losses on revaluation of Investment properties	13	47,374	12,896	60,270	-
Investments	14	88,477	29,565	118,042	(19,230)
TOTAL GAINS/(LOSSES) ON INVESTMENTS		135,851	42,461	178,312	(19,230)
NET MOVEMENT IN FUNDS FOR THE YEAR		194,742	40,991	235,733	26,597
Total funds at 1 April 2020		2,728,377	1,684,513	4,412,890	4,386,293
TOTAL FUNDS AT 31 MARCH 2021	18	£2,923,119	£1,725,504	£4,648,623	£4,412,890

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The notes on pages 9 to 18 form part of these accounts.

CORFE CASTLE CHARITY

BALANCE SHEET AS AT 31 MARCH 2021

	Note	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible assets	12		1,553,669		1,590,423
Investment properties	13		2,289,270		2,229,000
Other investments	14		655,901		537,859
			<u>4,498,840</u>		<u>4,357,282</u>
OTHER NON CURRENT ASSETS					
Loans to individuals	16		15,235		14,636
CURRENT ASSETS					
Stock	15	2,448		2,448	
Debtors	16	24,195		20,443	
Cash at bank and in hand		<u>140,542</u>		<u>58,426</u>	
		167,185		81,317	
LIABILITIES					
Creditors: amounts falling due within one year	17	<u>(32,637)</u>		<u>(40,345)</u>	
NET CURRENT ASSETS			134,548		40,971
NET ASSETS			<u>£4,648,623</u>		<u>£4,412,890</u>
THE FUNDS OF THE CHARITY					
Endowment funds	18		1,725,504		1,684,513
Unrestricted funds	18		2,923,119		2,728,377
TOTAL CHARITY FUNDS			<u>£4,648,623</u>		<u>£4,412,890</u>

The financial statements were approved by the Trustees on 18 OCT 2021 and signed on their behalf, by:

Mr J Coverdale
Chairman

The notes on pages 9 to 18 form part of these accounts.

CORFE CASTLE CHARITY
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

1. ACCOUNTING POLICIES

1.1 Basis of Preparation of Financial Statements

The financial statements of the Charity are prepared in accordance with the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by 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 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities Act 2011 and applicable regulations.

Corfe Castle Charity meets the definition of a public benefit entity under FRS 102. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. In this assessment the trustees have considered the impact of COVID-19. The trustees have made no significant judgement in the application of accounting policies. The key assumption and source of estimation uncertainty existing at the year end is that the carrying amount of investment properties will not be subject to a significant fall in property values.

1.2 Charity status

The charity is constituted by trust registered with the Charity Commission for England and Wales. The principal office is 2 Battlemead, Corfe Castle, Wareham, BH20 5ER.

1.3 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.

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.

The endowment fund represents those assets which must be held permanently by the Charity. Income arising on the endowment fund can be used in accordance with the objects of the Charity and is included as unrestricted income. Any realised or unrealised capital gains or losses arising on the investments form part of the fund.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Income

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

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

1.6 Expenditure on Raising Funds

Expenditure on raising funds comprises costs in relation to the investment properties held by the Charity.

CORFE CASTLE CHARITY

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2021

1. ACCOUNTING POLICIES (continued)

1.7 Expenditure on Charitable Activities

The charitable activities of the Charity comprise making grants and gifts to those in need, providing almshouse accommodation and providing affordable housing.

Grants payable are payments to third parties in furtherance of the charitable objects of the trust, which 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.

Costs of Charitable Activities include direct expenditure on the charitable activities and an apportionment of support costs as shown in note 7.

1.8 Support costs

Support costs comprise of governance costs and other support costs.

Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to legal fees, and audit/independent examination together with a portion of Clerk's salary costs relating to governance. Other support costs comprise a remainder of Clerk's salary costs and office expenses. All support costs are allocated equally across charitable activities they support.

1.9 Tangible Fixed Assets and Depreciation

All assets costing more than £1,000 are capitalised and valued at historical cost. Certain endowment properties for which no cost was known are included at a previous revalued amount as at the date of transition to FRS102, (1 April 2015) and such values are now treated as deemed cost.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their

Freehold Land	-	0%	not depreciated
Freehold Buildings	-	2%	straight line
Fixtures & Fittings	-	20%	straight line
Housing Equipment	-	10%	straight line

Additions to freehold buildings are depreciated over the remaining life of the building concerned. Where the recoverable amount of a tangible asset is found to be below its net book value, the asset is written down to its recoverable amount and the loss on impairment is charged to the relevant expenditure category of the Statement of Financial Activities.

1.10 Investments

Investments are a form of basic financial instrument and initially recognised at their transaction value. Subsequently they are stated at fair (bid) value at the balance sheet date. All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between the sale proceeds and opening fair value (or purchase date if later). Unrealised gains and losses are calculated as the difference between the fair value at the year end and opening fair value (or purchase date if later).

1.11 Investment Properties

Investment properties are included in the Balance Sheet at their fair value as at the balance sheet date and are not depreciated. This is in accordance with Generally Accepted Accounting Practice for investment properties.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between the sale proceeds and opening market value (or purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

CORFE CASTLE CHARITY

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2021

1.12 Stock

Stock is valued at the lower of cost and net realisable value. Cost comprises direct costs of production.

1.13 Debtors

Debtors are measured at the amounts the Charity anticipates it will receive from a debt or the amount it has paid in advance for goods or services. Loans to individuals are concessionary loans made to advance charitable purposes for the benefit of the charity's beneficiaries. Loans are initially recognised and measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments or further loans made. No interest is charged.

1.14 Cash at bank and in hand

Cash at bank and in hand includes cash and cash on deposit.

1.15 Liabilities

Liabilities are measured at the amounts the Charity anticipates it will pay to settle a debt or the amount it has received as an advance payment for goods or services it must provide.

1.16 Financial Instruments

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. They are initially recognised at transaction value and subsequently measured at their settlement value, except for investments, which are shown at fair value (see note 1.10).

1.17 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.18 Taxation

The Charity is registered for VAT and is partially exempt. Irrecoverable VAT is not separately analysed and is charged to the Statement of Financial Activities when the expenditure to which it relates is incurred and is allocated as part of the expenditure to which it relates.

2. INCOME FROM DONATIONS

	Unrestricted Funds	
	2021	2020
	£	£
Donations	<u>£300</u>	<u>£300</u>

3. INCOME FROM INVESTMENTS

	Unrestricted Funds	
	2021	2020
	£	£
Rent from investment properties	93,495	106,705
Income from listed investments	12,530	10,216
Interest receivable	2	4
	<u>£106,027</u>	<u>£116,925</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	
	2021	2020
	£	£
Maintenance contributions from almshouses	73,441	73,439
Rents from affordable housing	104,322	98,504
	<u>£177,763</u>	<u>£171,943</u>

5. OTHER INCOME

	Unrestricted Funds	
	2021	2020
	£	£
Book sales and associated donations	-	75
Sundry income	-	1,800
	<u>-</u>	<u>£1,875</u>

CORFE CASTLE CHARITY

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

6. EXPENDITURE ON RAISING FUNDS

Unrestricted Funds

	<u>2021</u>	<u>2020</u>
	£	£
Investment properties' expenses	9,912	11,833
Letting agents' fees	5,843	6,101
Legal fees	-	1,653
Staff costs	708	-
Book printing and associated costs (adjusted for stock)	-	47
	<u>£16,463</u>	<u>£19,634</u>

7. EXPENDITURE ON CHARITABLE ACTIVITIES

2021	Direct costs			Support costs	Total
	Other direct costs	Staff costs	Depreciation and disposals	(Note 8)	
	£	£	£	£	<u>2021</u> £
Grants and gifts (Note 11)	24,921	-	-	10,608	35,529
Almshouses	50,613	9,903	19,567	10,608	90,691
Affordable Housing	41,342	3,537	28,501	10,606	83,986
	<u>£116,876</u>	<u>£13,440</u>	<u>£48,068</u>	<u>£31,822</u>	<u>£210,206</u>

2020	Direct costs			Support costs	Total
	Other direct costs	Staff costs	Depreciation and disposals	(Note 8)	
	£	£	£	£	<u>2020</u> £
Grants and gifts (Note 11)	37,534	-	-	10,155	47,689
Almshouses	48,640	-	18,791	10,155	77,587
Affordable Housing	47,771	14,236	28,145	10,154	100,306
	<u>£133,946</u>	<u>£14,236</u>	<u>£46,936</u>	<u>£30,464</u>	<u>£225,582</u>

Of the total expenditure on charitable activities, £208,736 (2020: £224,112) was expenditure from unrestricted funds and £1,470 (2020: £1,470) was expenditure from endowment funds.

8. SUPPORT COSTS

Unrestricted Funds

	<u>2021</u>	<u>2020</u>
	£	£
GOVERNANCE COSTS		
Accountancy fees:		
Audit	3,489	3,380
Accounts preparation	2,654	2,577
Payroll and auto-enrolment	690	712
Vat Returns and assistance	1,527	1,489
Trustees' liability insurance	877	866
Staff costs	<u>5,634</u>	<u>5,360</u>
	14,871	14,384
OTHER SUPPORT COSTS		
Staff costs	16,901	16,080
Office expenses	50	-
Total	<u>£31,822</u>	<u>£30,464</u>

CORFE CASTLE CHARITY

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2021

9. STAFF COSTS

	Total 2021 £	Total 2020 £
Wages and salaries	36,208	35,231
Pension costs	475	446
	<u>£36,683</u>	<u>£35,677</u>

Staff costs comprised of:

- a) Clerk's salary costs classed as support costs and allocated to activities they support based on time apportionment.
- b) Property Manager's salary costs classed as direct costs shared between Raising Funds and Charitable activities based on time apportionment.

The average number of employees during the year was 2 (2020: 2). No employee received remuneration in excess of £60,000 and no Trustee received any remuneration, benefits in kind or reimbursed expenses (2020: Nil).

The Trustees, the Clerk to the Trustees and the Property Manager are considered to be the key management personnel of the charity. The total cost of the key management personnel during the year was £36,683 (2020: £35,677).

10. RELATED PARTY TRANSACTIONS

During the year, one grant of £2,000 was paid to a relative of a trustee. The trustee was not involved in the decision to make the grant.

11. GRANTS AND GIFTS

	Total 2021 £	Total 2020 £
To individuals	20,344	28,759
To institutions	4,577	8,775
	<u>£24,921</u>	<u>£37,534</u>

Grants to Individuals	Number of grants	Total 2021 £	Number of grants	Total 2020 £
General grants	34	5,190	34	7,645
Educational grants	11	15,154	13	21,114
	<u>45</u>	<u>£20,344</u>	<u>47</u>	<u>£28,759</u>

Educational grants include 4 half-termly grants to the Corfe Castle Community Pre-School to support pre-school, after-school and holiday club provision for a number of children from needy families.

Grants to Institutions	Number of grants	Total 2021 £	Number of grants	Total 2020 £
	<u>4</u>	<u>£4,577</u>	<u>3</u>	<u>£8,775</u>

Two grants totalling £3,627 were made to Corfe Castle Community Pre-School. The balance of institutional grants made was £950.

CORFE CASTLE CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021**

12. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Furniture fittings and equipment £	Housing equipment £	Total £
COST OR VALUATION				
At 1 April 2020	2,109,901	11,428	179,114	2,300,443
Additions	-	-	11,314	11,314
Disposals	-	-	-	-
At 31 March 2021	<u>2,109,901</u>	<u>11,428</u>	<u>190,428</u>	<u>2,311,757</u>
DEPRECIATION				
At 1 April 2020	579,072	10,876	120,072	710,020
Charge for the year	29,918	276	17,874	48,068
Written back on disposals	-	-	-	-
At 31 March 2021	<u>608,990</u>	<u>11,152</u>	<u>137,947</u>	<u>758,089</u>
NET BOOK VALUE				
At 31 March 2021	<u>£1,500,911</u>	<u>£276</u>	<u>£52,482</u>	<u>£1,553,669</u>
At 31 March 2020	<u>£1,530,829</u>	<u>£552</u>	<u>£59,042</u>	<u>£1,590,423</u>

13. INVESTMENT PROPERTIES

	Freehold property £
VALUATION	
At 1 April 2020	2,229,000
Additions at cost	-
Revaluation	60,270
At 31 March 2021	<u>£2,289,270</u>

The fair value of the investment properties were subject to a desktop review by Carter Jonas, Chartered Surveyors, as at 31 March 2021, as a result of which values were increased as above.

14. FIXED ASSET INVESTMENTS

	Charitable Common Investment Funds £
MARKET VALUE	
At 1 April 2020	537,859
Additions at cost	-
Disposals at opening market value	-
Revaluations	118,042
At 31 March 2021	<u>£655,901</u>

The historic cost of fixed asset investments at 31 March 2021 was £295,481 (2020: £295,481).

15. STOCK

	<u>2021</u> £	<u>2020</u> £
Stock of books "The Penny Loaves of Corfe Castle"	<u>£2,448</u>	<u>£2,448</u>

CORFE CASTLE CHARITY

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

16. DEBTORS

AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2021</u>	<u>2020</u>
	£	£
Trade debtors	11,488	8,417
Loans to individuals	2,640	3,070
Prepayments and accrued income	10,067	8,956
	<u>£24,195</u>	<u>£20,443</u>

AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<u>2021</u>	<u>2020</u>
	£	£
Loans to individuals	<u>£15,235</u>	<u>£14,636</u>

The loans have been made on an interest-free basis to individual households that have encountered serious financial difficulty, and are being repaid by monthly instalments. One loan balance of £3,825 (2020: £4,425) is secured on the property owned by the borrower upon which the Charity holds a second charge. The other balances are unsecured.

Total Loans to individuals

	<u>2021</u>	<u>2020</u>
	£	£
Balance at 1 April 2020	17,706	25,201
New loans authorised in year	2,519	-
Amounts repaid in the period	<u>(2,350)</u>	<u>(7,495)</u>
Balance at 31 March 2021	<u>£17,875</u>	<u>£17,706</u>

17. CREDITORS:

AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2021</u>	<u>2020</u>
	£	£
Rent deposits	6,439	4,563
VAT, Social security and other taxes	3,951	2,497
Other creditors	5,277	12,017
Accruals and deferred income	16,875	12,869
Accruals for grants payable	95	8,400
	<u>£32,637</u>	<u>£40,345</u>

Deferred income

	<u>2021</u>	<u>2020</u>
	£	£
Balance at 1 April 2020	7,454	13,491
Amounts released to incoming resources	<u>(7,454)</u>	<u>(13,491)</u>
Amounts deferred in the period	11,295	7,454
Balance at 31 March 2021	<u>£11,295</u>	<u>£7,454</u>

Deferred income comprises the portion of rent that relates to periods after the balance sheet date.

Accruals for grants payable

	<u>2021</u>	<u>2020</u>
	£	£
Grant commitments recognised as at 1 April 2020	8,400	-
New grant commitments charged to the SOFA in year	24,921	37,534
Grants paid during the year	<u>(33,226)</u>	<u>(29,134)</u>
Grant commitments recognised as at 31 March 2021	<u>£95</u>	<u>£8,400</u>

CORFE CASTLE CHARITY

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2021

18. THE FUNDS OF THE CHARITY

	Brought Forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried Forward £
ENDOWMENT FUNDS					
Endowed Funds	1,684,513	-	(1,470)	42,461	1,725,504
UNRESTRICTED FUNDS					
General Fund	1,705,176	284,090	(206,365)	135,851	1,918,752
Designated Property Fund	1,023,201	-	(18,834)	-	1,004,367
	<u>2,728,377</u>	<u>284,090</u>	<u>(225,199)</u>	<u>135,851</u>	<u>2,923,119</u>
TOTAL FUNDS	<u>£4,412,890</u>	<u>£284,090</u>	<u>£(226,669)</u>	<u>£178,312</u>	<u>£4,648,623</u>

The permanent Endowment Funds comprise assets gifted to the Charity for it to use to provide benefits to the local community. The income arising is unrestricted.

The General Fund exists to provide relief either generally or individually to persons resident in the parish of Corfe Castle who are in conditions of need, hardship or distress, including the provision of almshouses.

The Designated Property Fund represents the net book value of properties purchased and built to provide social housing in the parish of Corfe Castle. The Trustees have designated this fund to distinguish it from resources freely available to fund future projects.

In the Trustees' opinion, the resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds 2021 £	Endowment Funds 2021 £	Total Funds 2021 £
2021			
Tangible fixed assets	1,326,371	227,298	1,553,669
Investment properties	963,451	1,325,819	2,289,270
Fixed asset investments	483,514	172,387	655,901
Long term loans receivable	15,235	-	15,235
Stock	2,448	-	2,448
Debtors	24,195	-	24,195
Cash at bank and in hand	140,542	-	140,542
Liabilities	(32,637)	-	(32,637)
	<u>£2,923,119</u>	<u>£1,725,504</u>	<u>£4,648,623</u>
	Unrestricted Funds 2020 £	Endowment Funds 2020 £	Total Funds 2020 £
2020			
Tangible fixed assets	1,361,655	228,768	1,590,423
Investment properties	916,077	1,312,923	2,229,000
Fixed asset investments	395,037	142,822	537,859
Long term loans receivable	14,636	-	14,636
Stock	2,448	-	2,448
Debtors	20,443	-	20,443
Cash at bank and in hand	58,426	-	58,426
Liabilities	(40,345)	-	(40,345)
	<u>£2,728,377</u>	<u>£1,684,513</u>	<u>£4,412,890</u>

CORFE CASTLE CHARITY

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2021

20. CAPITAL COMMITMENTS

At 31 March 2021 there were no capital expenditure commitments (2020: £nil).

21. PENSION COMMITMENTS

The charity contributes to a defined contribution pension scheme with NEST and had 1 active member in the scheme. During the year the contributions were £475 (2020: £446) and contributions of £340 (2020: £334) were outstanding at the balance sheet date.

22. COVID-19 PANDEMIC

The lockdown restrictions imposed during the year as a result of the COVID 19 pandemic had some negative impact on the charity's activities and income. The Trustees decided to defer rental increases on certain residential properties for 12 months and to waive one quarter's rent on let commercial properties due to social distancing measures forcing the tenants to close their businesses for several months.

Social distancing measures and restrictions are now beginning to ease and businesses are beginning to recover, and despite the downturn in the economic situation, most residents and tenants have continued to be able to pay their rent with a small number of exceptions. As such, the charity's income during the year suffered a loss of some £13,440 as a result.

The Trustees do not anticipate that the pandemic will adversely affect the charity's long-term ability to continue as a going concern as it holds sufficient free reserves to continue to undertake its charitable activities and maintain the standard of its social housing.

CORFE CASTLE CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

23. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY FOR YEAR ENDED 31 MARCH 2020

	Note	Unrestricted Funds £	Endowment Funds £	Total Funds 2020 £	Total Funds 2019 £
INCOME FROM:					
Donations and legacies	2	300	-	300	300
Investments	3	116,925	-	116,925	104,791
Charitable activities	4	171,943	-	171,943	165,876
Other	5	1,875	-	1,875	1,061
TOTAL INCOME		<u>291,043</u>	<u>-</u>	<u>291,043</u>	<u>272,028</u>
EXPENDITURE ON:					
Raising funds	6	19,634	-	19,634	20,025
Charitable activities	7	224,112	1,470	225,582	257,288
TOTAL EXPENDITURE		<u>243,746</u>	<u>1,470</u>	<u>245,216</u>	<u>277,313</u>
NET INCOME / (EXPENDITURE)		47,297	(1,470)	45,827	(5,285)
NET GAINS/(LOSSES) ON INVESTMENTS					
Realised Gains and losses on disposal of Investments		-	-	-	1,469
Unrealised Gains and losses on revaluation of Investment properties	13	-	-	-	-
Investments	14	(14,584)	(4,646)	(19,230)	37,613
TOTAL GAINS/(LOSSES) ON INVESTMENTS		<u>(14,584)</u>	<u>(4,646)</u>	<u>(19,230)</u>	<u>39,082</u>
NET MOVEMENT IN FUNDS FOR THE YEAR		32,713	(6,116)	26,597	33,797
Total funds at 1 April 2019		2,695,664	1,690,629	4,386,293	4,352,496
TOTAL FUNDS AT 31 MARCH 2020	18	<u>£2,728,377</u>	<u>£1,684,513</u>	<u>£4,412,890</u>	<u>£4,386,293</u>