

**CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY
GUARANTEE)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	D Hancock S Burstow K Yeo J Rabey R Anderson A Smith O Johns M Mallett A Bown A Jenkins
Charity number	1071067
Company number	03524074
Principal address	Perran Bay Care Home St Pirans Road PERRANPORTH Cornwall TR6 OBH
Registered office	Perran Bay Care Home St Pirans Road PERRANPORTH Cornwall TR6 OBH
Auditor	RRL LLP Peat House Newham Road TRURO Cornwall TR1 2DP
Solicitors	Nalders LLP 12 Falmouth Road TRURO Cornwall TR1 2HX
Investment advisors	Brewin Dolphin Ltd Ashleigh Court Ashleigh Way Langage Business Park PLYMOUTH Devon PL7 5JX

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)

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CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

Charitable purpose

The purpose of the charity is to administer the Perran Bay Care Home, Perranporth, a home for the elderly, and to provide residential accommodation and day care facilities on a "not for profit" basis for persons who through age or infirmity need such care on terms appropriate to their needs.

Aims and intended impact

To continue providing residential accommodation and day care facilities on a "not for profit" basis for persons who through age or infirmity need such care on terms appropriate to their needs whilst maintaining a continuous programme of facility upgrading to meet forthcoming or anticipated regulatory requirements.

Objectives for the year

Operate Perran Bay Care Home in accordance with our charitable aims and CQC regulations.

Continue to follow Government guidelines throughout the Covid-19 pandemic.

Continue to ensure safety and wellbeing of all residents, staff and visitors during the pandemic.

Continue staff development in line with CQC.

Develop new and innovative ways of ensuring that our residents are physically and mentally stimulated.

Continue Safeguarding training for all staff and members.

Continue to work within the budgets.

Continue to develop the Home to ensure the safety and comfort of all residents.

Continue with aims to ensure that all resident's rooms have en-suite facilities.

Re-engage members with required training.

To conduct a feasibility study in respect of sheltered apartments for the elderly.

Strategies to achieve the year's objectives

Maintain strict financial control.

Regular training sessions for staff.

Provide space (Covid-19 safe) for member's training.

Monitor the building and development programme by regular meetings.

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake. In particular the trustees consider how planned activities will contribute to its aims and objectives.

Achievements and performance

The charity continued to operate as a residential care home for existing residents only during the coronavirus pandemic. In later months and only after rigorous controls, negative Covid tests and a recommended isolation period was followed were any new residents permitted to move into Perran Bay. No Respite or Day Care facilities were offered during this time.

We continue to improve our service to our residents and aim to achieve an outstanding CQC status.

Perran Bay continues to work with the NHS community practices and the local surgeries in providing residents' needs.

We have been extremely thankful that no cases of the Coronavirus have occurred with our residents at Perran Bay. Due diligence has been rigorously followed and the staff have maintained this throughout. Our residents have remained resolute and cheerful. All residents and staff have had both vaccines.

Our activities co-ordinator has been invaluable during the last year and we look forward to being able to give her the support of our members once they are permitted to return to the home.

Ongoing maintenance has taken place together with the construction of a new store to the rear of the home. This store was found to be the ideal area for socially distanced residents' visits by friends and family once they were permitted.

Plans for future periods

To look at the most beneficial way of providing improved room facilities for our residents. This is likely to be the improvement of the upper floor rooms (rather than re-construction) and to build three or four larger en-suite rooms above the annexe.

Discussions will also take place regarding the provision of sheltered apartments for the elderly in the village.

Financial review

The financial activities and results for the year are shown in the statement of financial activities on page 9.

Reserves policy

In order that the charity can meet its objectives of managing and operating a home for elderly people the Trustees have considered its resources and commitments. The charity is responsible for the maintenance of the home and its surroundings. The Trustees consider that significant reserves need to be accumulated in the event of any major maintenance being required. Furthermore, with regard to funding the annual charitable expenditure, the charity is reliant on obtaining full occupancy of its residential accommodation and must therefore establish reserves in the event that this is not achieved in any year. The charity's unrestricted general reserves currently stand at £624,615 which represents considerably less than a year's operating costs.

Investment policy

The Trustees have considered the most appropriate policy for investing funds and believe that the current arrangements, of investing in low risk deposit-based accounts, are satisfactory.

The Trustees appointed Brewin Dolphin Financial Advisors during the previous year to manage funds and investments on a low/medium risk basis.

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Risk management

The trustees have considered the major strategic business and operational risks to which the charity is exposed and systems have been established to mitigate those risks. The trustees are responsible for monitoring risk strategies for their specific area and risk plans are reviewed periodically. Two trustees have been appointed to monitor the two key areas of risk, business and care. These trustees constantly monitor and review these activities and report back to the full Board at meetings throughout the year.

Structure, governance and management

The charity is a company limited by guarantee governed by its Memorandum and Articles of Association and registered with the Charity Commission. There are 29 (2019: 29) members, each of whom agree to contribute £1 in the event of winding up the charity.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

D Hancock
S Burstow
K Yeo
J Rabey
R Anderson
A Smith
O Johns
M Mallett
A Bown
A Jenkins

Appointment of Trustees

The charity is managed by the Trustees who may at any time appoint further Trustees from the membership either to fill a casual vacancy or as an additional Trustee.

Trustee induction and training

Newly appointed Trustees are provided with copies of the charity accounts, brochure and Memorandum and Articles of Association. Guidance on the charity's ethos and activities is provided by the Chairman, Secretary and Treasurer.

Organisation

The charity is governed by the Trustees who meet regularly and consider all aspects of the Home's affairs. The Trustees are responsible for the management of the Home and delegate the day to day running of the Home to the Care Home Manager.

Pay policy for senior staff

The directors consider the board of directors, who are the charity's trustees, and the senior management team comprise the key management personnel of the charity, to be in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give of their time freely and no director received any remuneration in the year. Details of the directors' expenses and related party transactions are disclosed in notes 11 and 28 to the financial statements.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the directors benchmark against pay levels in other similar organisations.

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE YEAR ENDED 31 DECEMBER 2020***

Related parties

None of the trustees receive remuneration or other benefit from their work with the charity.

Any connection between a trustee or senior staff member with a resident or supplier of the charity is disclosed to the board of Trustees in the same way as any other contractual relationship with a related party.

In the current year no such related party transactions were reported, other than those disclosed in note 28.

Auditor

In accordance with the company's articles, a resolution proposing that RRL LLP be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

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Trustee

Dated:

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees, who are also the directors of Cornwall Old People's Housing Society (Limited by Guarantee) for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 judgements 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 charity will continue in operation.

The trustees are responsible for keeping adequate 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 Companies Act 2006. 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.

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)

Opinion

We have audited the financial statements of Cornwall Old People's Housing Society (Limited by Guarantee) (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 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 twelve 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

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 directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, 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 the trustees 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)

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 specific procedures for this engagement and the extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- Obtain a understanding of the legal and regulatory frameworks applicable to the charity and the sector in which they operate. We determined that the following laws and regulations were most significant: the Charities Act 2011, the Companies Act 2006 and the Care Quality Standards;
- Review of the disclosures in the financial statements and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiries of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing minutes of trustee meetings and correspondence with regulators;
- Performing audit work in connection with the risk of management override of controls, including testing journal entries for reasonableness and evaluating the business rationale of significant transactions outside the normal course of business.

We also communicate relevant identified laws and regulations and potential fraud risk to all engagement team members and remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

(Senior Statutory Auditor)
for and on behalf of RRL LLP

Chartered Accountants
Statutory Auditor

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Peat House
Newham Road
TRURO
Cornwall
TR1 2DP

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Income from:							
Donations and legacies	3	68,330	300	68,630	2,245	7,770	10,015
Charitable activities	4	1,479,974	-	1,479,974	1,474,935	-	1,474,935
Other trading activities	5	2,512	-	2,512	488	-	488
Investments	6	7,955	-	7,955	10,532	-	10,532
Total income		1,558,771	300	1,559,071	1,488,200	7,770	1,495,970
Expenditure on:							
Raising funds	7	2,108	-	2,108	2,538	-	2,538
Charitable activities	8	1,540,969	-	1,540,969	1,444,318	5,488	1,449,806
Total resources expended		1,543,077	-	1,543,077	1,446,856	5,488	1,452,344
Net gains/(losses) on investments	13	2,298	-	2,298	41,517	-	41,517
Net movement in funds		17,992	300	18,292	82,861	2,282	85,143
Fund balances at 1 January 2020		1,913,289	5,716	1,919,005	1,830,428	3,434	1,833,862
Fund balances at 31 December 2020		1,931,281	6,016	1,937,297	1,913,289	5,716	1,919,005

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)**BALANCE SHEET****AS AT 31 DECEMBER 2020**

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	14	1,424,876		1,472,249	
Investments	15	309,024		299,341	
		<u>1,733,900</u>		<u>1,771,590</u>	
Current assets					
Stocks	17	5,500		3,600	
Debtors	18	56,081		117,617	
Cash at bank and in hand		680,710		540,403	
		<u>742,291</u>		<u>661,620</u>	
Creditors: amounts falling due within one year	20	(132,148)		(132,528)	
Net current assets		<u>610,143</u>		<u>529,092</u>	
Total assets less current liabilities		<u>2,344,043</u>		<u>2,300,682</u>	
Creditors: amounts falling due after more than one year	21	(406,746)		(381,677)	
Net assets		<u><u>1,937,297</u></u>		<u><u>1,919,005</u></u>	
Income funds					
Restricted funds	23	6,016		5,716	
<u>Unrestricted funds</u>					
Designated funds:					
Fair value reserve		52,092		47,446	
Other designated funds		<u>1,254,574</u>		<u>1,331,762</u>	
	24	<u>1,306,666</u>		<u>1,379,208</u>	
General unrestricted funds		<u>624,615</u>		<u>534,081</u>	
		<u>1,931,281</u>		<u>1,913,289</u>	
		<u><u>1,937,297</u></u>		<u><u>1,919,005</u></u>	

These financial statements are prepared in accordance with special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual financial statements required by the Companies Act 2006 and are for circulation to the members of the company.

The financial statements were approved by the Trustees on

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Trustee

Company Registration No. 03524074

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 DECEMBER 2020**

		2020		2019	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	29		129,837		(1,128)
Investing activities					
Purchase of tangible fixed assets		(19,915)		(67,100)	
Purchase of investments		(92,852)		(120,399)	
Proceeds on disposal of investments		85,467		110,458	
Interest received		7,955		10,532	
Net cash used in investing activities			(19,345)		(66,509)
Financing activities					
Repayment of bank loans		29,815		(20,515)	
Net cash generated from/(used in) financing activities			29,815		(20,515)
Net increase/(decrease) in cash and cash equivalents			140,307		(88,152)
Cash and cash equivalents at beginning of year			540,403		628,555
Cash and cash equivalents at end of year			680,710		540,403

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 2020**

1 Accounting policies

Charity information

Cornwall Old People's Housing Society (Limited by Guarantee) is a private company limited by guarantee incorporated in England and Wales. The registered office is Perran Bay Care Home, St Pirans Road, PERRANPORTH, Cornwall, TR6 OBH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's memorandum and articles, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income including grants received are recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes the items listed in note 7 to the financial statements; and
- Other expenditure represents those items not falling into the category above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	50 years - buildings only
Plant and machinery	40 years
Furniture and equipment	3 - 20 years
Office Equipment	4 years
Motor vehicles	4 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****2 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Donations and gifts	1,400	-	1,400	2,245	-	2,245
Grants receivable	66,930	300	67,230	-	7,770	7,770
	<u>68,330</u>	<u>300</u>	<u>68,630</u>	<u>2,245</u>	<u>7,770</u>	<u>10,015</u>
	<u><u>68,330</u></u>	<u><u>300</u></u>	<u><u>68,630</u></u>	<u><u>2,245</u></u>	<u><u>7,770</u></u>	<u><u>10,015</u></u>
Grants receivable for core activities						
Government grants	66,126	-	66,126	-	-	-
Workforce Development Grant	-	300	300	-	7,770	7,770
Other	804	-	804	-	-	-
	<u>66,930</u>	<u>300</u>	<u>67,230</u>	<u>-</u>	<u>7,770</u>	<u>7,770</u>
	<u><u>66,930</u></u>	<u><u>300</u></u>	<u><u>67,230</u></u>	<u><u>-</u></u>	<u><u>7,770</u></u>	<u><u>7,770</u></u>

HMRC - grants have been received totalling £10,751 (2019:Nil) to help with the furloughed staff whilst in a nationwide lockdown due to COVID-19.

HMRC - grants have been received totalling £51,449 (2019:Nil) to help support adult social care providers whilst in a nationwide lockdown due to COVID-19.

Cornwall Council - a grant has been received for £4,730 (2019: Nil). The local restrictions support grant has been issued to help businesses during the national lockdown and COVID-19 outbreak.

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****4 Charitable activities**

	2020	2019
	£	£
Residents fees	1,420,423	1,366,283
Respite fees	56,807	92,877
Day care income	2,744	15,775
	<u>1,479,974</u>	<u>1,474,935</u>

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Trading activity income: other	2,512	488
	<u>2,512</u>	<u>488</u>

6 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Income from listed investments	6,963	7,331
Interest receivable	992	3,201
	<u>7,955</u>	<u>10,532</u>

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
<u>Investment management</u>	2,108	2,538
	<u>2,108</u>	<u>2,538</u>

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****8 Charitable activities**

	2020	2019
	£	£
Staff costs	1,194,030	1,111,787
Depreciation and impairment	67,286	64,853
Training and other staff costs	13,220	11,308
Home registration fee	5,677	5,332
Repairs and maintenance	34,951	33,215
Rates (council tax)	1,621	1,543
Fuel, light, heat and water	57,774	55,367
Insurance	3,923	4,050
Provisions	69,942	65,280
Domestic supplies and equipment	8,077	2,543
Laundry and cleaning	24,341	21,956
Activities and amenities	1,137	6,903
Chiropody	505	786
Professional fees	11,598	6,477
Loan interest and charges	16,050	17,942
Motor expenses	1,949	4,100
Office expenses	21,271	23,036
Bad debts written off	719	4,488
	<u>1,534,071</u>	<u>1,440,966</u>
Governance costs (see note9)	6,898	8,840
	<u>1,540,969</u>	<u>1,449,806</u>
Analysis by fund		
Unrestricted funds	<u>1,540,969</u>	
	<u>1,540,969</u>	
For the year ended 31 December 2019		
Unrestricted funds		1,444,318
Restricted funds		5,488
		<u>1,449,806</u>

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****9 Support costs**

	Support costs	Governance costs	2020	Support costs	Governance costs	2019	Basis of allocation
	£	£	£	£	£	£	
Staff costs	-	-	-	-	2,000	2,000	Actual
Audit fees	-	3,564	3,564	-	3,492	3,492	Actual
Legal and professional	-	2,929	2,929	-	2,941	2,941	Actual
Other financial costs	-	405	405	-	407	407	Actual
	<u>-</u>	<u>6,898</u>	<u>6,898</u>	<u>-</u>	<u>8,840</u>	<u>8,840</u>	
Analysed between							
Charitable activities	-	6,898	6,898	-	8,840	8,840	
	<u>-</u>	<u>6,898</u>	<u>6,898</u>	<u>-</u>	<u>8,840</u>	<u>8,840</u>	

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020**

10 Net movement in funds	2020	2019
	£	£
Net movement in funds is stated after charging/(crediting)		
Fees payable to the company's auditor for the audit of the company's financial statements	3,564	3,492
Depreciation of owned tangible fixed assets	67,286	64,853
	<u> </u>	<u> </u>

Fees payable to the company's auditor for other services totalled £2,880 (2019: £2,778).

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. None of the trustees were reimbursed for any expenses during the year (2019: None).

12 Employees

The average monthly number of employees during the year was:

	2020	2019
	Number	Number
Residential home staff	62	60
Administration	2	2
	<u> </u>	<u> </u>
Total	64	62
	<u> </u>	<u> </u>

Employment costs	2020	2019
	£	£
Wages and salaries	1,082,597	1,014,556
Social security costs	75,483	64,220
Other pension costs	35,950	35,011
	<u> </u>	<u> </u>
	1,194,030	1,113,787
	<u> </u>	<u> </u>

There were no employees whose annual remuneration was £60,000 or more.

**CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY
GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

13 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Revaluation of investments	4,646	33,985
Gain/(loss) on sale of investments	(2,348)	7,532
	<u>2,298</u>	<u>41,517</u>

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****14 Tangible fixed assets**

	Freehold land and buildings £	Plant and machinery £	Furniture and equipment £	Office Equipment £	Motor vehicles £	Total £
Cost						
At 1 January 2020	1,603,884	128,728	303,705	28,492	16,800	2,081,609
Additions	-	893	14,567	4,455	-	19,915
	<u>1,603,884</u>	<u>129,621</u>	<u>318,272</u>	<u>32,947</u>	<u>16,800</u>	<u>2,101,524</u>
At 31 December 2020	1,603,884	129,621	318,272	32,947	16,800	2,101,524
Depreciation and impairment						
At 1 January 2020	340,619	4,889	237,932	21,722	4,200	609,362
Depreciation charged in the year	31,052	3,879	23,850	4,305	4,200	67,286
	<u>371,671</u>	<u>8,768</u>	<u>261,782</u>	<u>26,027</u>	<u>8,400</u>	<u>676,648</u>
At 31 December 2020	371,671	8,768	261,782	26,027	8,400	676,648
Carrying amount						
At 31 December 2020	<u>1,232,213</u>	<u>120,853</u>	<u>56,490</u>	<u>6,920</u>	<u>8,400</u>	<u>1,424,876</u>
At 31 December 2019	<u>1,263,265</u>	<u>123,840</u>	<u>65,774</u>	<u>6,770</u>	<u>12,600</u>	<u>1,472,249</u>

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****14 Tangible fixed assets (Continued)**

Included in freehold land and buildings is land at cost of £51,266 which is not depreciated.

15 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2020	299,341
Valuation changes	4,646
Additions	92,852
Disposals	(87,815)
	<hr/>
At 31 December 2020	309,024
	<hr/>
Carrying amount	
At 31 December 2020	309,024
	<hr/>
At 31 December 2019	299,341
	<hr/>

The cost of the above investments at 31 December 2020 was £265,797 (2019: £251,895).

All fixed asset investments are held in the United Kingdom.

16 Financial instruments	2020 £	2019 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	309,024	299,341
	<hr/>	<hr/>
17 Stocks	2020 £	2019 £
Consumables	5,500	3,600
	<hr/>	<hr/>

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****18 Debtors**

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	54,938	114,705
Other debtors	1,143	406
Prepayments and accrued income	-	2,506
	<u>56,081</u>	<u>117,617</u>

19 Loans and overdrafts

	2020	2019
	£	£
Bank loans	420,302	390,487
	<u>420,302</u>	<u>390,487</u>
Payable within one year	25,557	20,811
Payable after one year	394,745	369,676
	<u>420,302</u>	<u>420,302</u>
 Amounts included above which fall due after five years:		
Payable by instalments	308,554	281,026
	<u>308,554</u>	<u>281,026</u>

The above bank loans are secured on property owned by Cornwall Old People's Housing Society and by a fixed and floating charge over the assets of the company.

20 Creditors: amounts falling due within one year

	2020	2019
	£	£
	Notes	
Bank loans	19	20,811
Other taxation and social security		13,755
Trade creditors		14,105
Other creditors		23,691
Accruals and deferred income		60,166
	<u>132,148</u>	<u>132,528</u>

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****21 Creditors: amounts falling due after more than one year**

	Notes	2020 £	2019 £
Bank loans	19	394,745	369,676
Other creditors		12,001	12,001
		<u>406,746</u>	<u>381,677</u>

Included in other creditors is a loan of £12,001 granted by Cornwall County Council in 1948 and is interest free with no fixed date for repayment.

22 Retirement benefit schemes**Defined contribution schemes**

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £35,950 (2019 - £35,011).

23 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Balance at 1 January 2019	Income	Expenditure	Balance at 1 January 2020	Income	Balance at 31 December 2020
	£	£	£	£	£	£
Comic Relief Grant - iCareiMove	3,434	-	(750)	2,684	-	2,684
Workforce Development Fund	-	7,770	(4,738)	3,032	300	3,332
	<u>3,434</u>	<u>7,770</u>	<u>(5,488)</u>	<u>5,716</u>	<u>300</u>	<u>6,016</u>

The Comic Relief Grant is in regards to the iCareiMove Programme, which has been developed to provide a health and wellbeing digital platform specifically designed for the adult social care sector.

The Workforce Development Fund is funded by the Department of Health & Social Care to assist social care employers with the cost of developing their workforce and ensuring that workers have the right skills and knowledge to be confident and competent in their roles.

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****24 Designated funds**

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2019	Expenditure	Transfers	Revaluations, gains and losses	Balance at 1 January 2020	Expenditure	Transfers	Revaluations, gains and losses	Balance at 31 December 2020
	£	£	£	£	£	£	£	£	£
Future Building Reserve	250,000	(33,215)	33,215	-	250,000	(34,951)	34,951	-	250,000
Capital Fund	1,059,000	(64,853)	87,615	-	1,081,762	(67,286)	(9,902)	-	1,004,574
Fair value reserve	44,623	-	-	2,823	47,446	-	-	4,646	52,092
	<u>1,353,623</u>	<u>(98,068)</u>	<u>120,830</u>	<u>2,823</u>	<u>1,379,208</u>	<u>(102,237)</u>	<u>25,049</u>	<u>4,646</u>	<u>1,306,666</u>

The Future Building Reserve Fund is to cover the cost of potential future repairs, renewals and capital projects.

The Capital Fund represents the net book value of fixed assets less any related borrowing.

The Fair Value Reserve represents the market value of investments held in excess of cost.

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****25 Analysis of net assets between funds**

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:						
Tangible assets	1,424,876	-	1,424,876	1,472,249	-	1,472,249
Investments	309,024	-	309,024	299,341	-	299,341
Current assets/ (liabilities)	604,127	6,016	610,143	522,626	6,466	529,092
Long term liabilities	(406,746)	-	(406,746)	(381,677)	-	(381,677)
	<u>1,931,281</u>	<u>6,016</u>	<u>1,937,297</u>	<u>1,912,539</u>	<u>6,466</u>	<u>1,919,005</u>

26 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	609	609
Between two and five years	456	1,065
	<u>1,065</u>	<u>1,674</u>

27 Related party transactions**Remuneration of key management personnel**

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	<u>98,721</u>	<u>87,018</u>

The son of a trustee controls Sharkfin Media Limited. During the year the charitable company paid Sharkfin Media Limited £780 (2019: £840) for website services. £60 (2019: £Nil) was outstanding at the year end.

CORNWALL OLD PEOPLE'S HOUSING SOCIETY (LIMITED BY GUARANTEE)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2020****28 Analysis of changes in net funds**

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	540,403	140,307	680,710
Loans falling due within one year	(20,811)	(4,746)	(25,557)
Loans falling due after more than one year	(369,676)	(25,069)	(394,745)
	<u>149,916</u>	<u>110,492</u>	<u>260,408</u>

29 Cash generated from operations

	2020 £	2019 £
Surplus for the year	18,292	85,143
Adjustments for:		
Investment income recognised in statement of financial activities	(7,955)	(10,532)
Loss/(gain) on disposal of investments	2,348	(7,532)
Fair value gains and losses on investments	(4,646)	(33,985)
Depreciation and impairment of tangible fixed assets	67,286	64,853
Movements in working capital:		
(Increase)/decrease in stocks	(1,900)	2,000
Decrease/(increase) in debtors	61,536	(55,490)
(Decrease) in creditors	(5,124)	(45,585)
Cash generated from/(absorbed by) operations	<u>129,837</u>	<u>(1,128)</u>