

Charity number: 1076364
Housing Association number: A4273

PLYMOUTH CHARITY TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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PLYMOUTH CHARITY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

Trustees	Stephen Hole, Chairman Paul Northmore Ronald Brown Michael Foster (resigned 1 April 2021) James Lewis Thomas Roden David Marks (appointed 13 May 2020)
Charity registered number	1076364
Principal office	Charity Trust Office 41 Hele's Terrace Prince Rock Plymouth PL4 9LH
Housing corporation number	A4273
Senior Staff	Samantha Easton, Trust Manager Benita Merrin, Trust Administrator
Independent auditors	Bishop Fleming LLP Chartered Accountants Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN
Bankers	Nat West Plc Business Centre St Andrews Cross Plymouth
Solicitors	Roper James Solicitors 3 St Andrew Street Plymouth Devon PL1 2AH
Investment Advisor	John Wilkinson Investec Wealth & Investment Ltd The Plaza 100 Old Hall Street Liverpool L3 9AB

PLYMOUTH CHARITY TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their report with the financial statements for the year ended 31 March 2021.

OBJECTIVES AND ACTIVITIES

- The provision of housing accommodation for persons of good character resident in the City of Plymouth who are in need; and,
- The relief of persons resident in the City of Plymouth who are in need, hardship or distress.

Strategies for achieving objectives

The strategies employed to achieve the Charity's objectives are to:

- Provide and maintain to a high standard the two current groups of Almshouses (Hele's Terrace and Lanyon House) and any other stock, land, buildings, amenities and other assets which from time to time may be owned or controlled by Plymouth Charity Trust to ensure they are available for Plymothians in need.
- In exceptional cases the Trustees may decide to assist someone (who is otherwise qualified) who is resident outside the City of Plymouth or only temporarily resident in the City of Plymouth.
- Provide grants of money, goods, services or facilities to relieve persons in need or make grants of money to other persons or bodies who provide goods, services or facilities to those in need.

Value for Money

VFM Metric 1 – Reinvestment % - Result = 1%

This is a measure of spending on new and existing homes for Plymouth Charity Trust (PCT) as a percentage of the value of total properties held. No new accommodation has been added in the year, although works have been completed on existing accommodation.

	£
Cost of works on existing accommodation	39,489
Divided by	
Housing properties at cost	2,838,122
Result	1%

VFM Metric 2 – New Supply delivered % - Result = 0%

This is a measure of spending on new social and non-social housing units as a proportion of total social and non-social housing units owned at the period end. No new social or non-social housing units have been added in the year.

VFM Metric 3 – Gearing % - Result = 0%

The Charity has no debt.

VFM Metric 4 - Earnings before interest, tax, depreciation, amortisation, major repairs included interest cover % - Result – N/A

The EBITDA MRI interest cover measure is a key indicator for liquidity and investment capacity. It seeks to measure the level of surplus that a registered provider generates compared to interest payable; the measure avoids any distortions stemming from the depreciation charge.

The Charity has no interest payable, interest capitalised or financing costs, therefore a percentage cannot be computed.

VFM Metric 5 – Headline Social Housing cost per unit – Result £3,855 per unit

The unit cost metric assesses the headline social housing cost per unit as defined by the Regulator.

Management costs, routine maintenance costs, planned maintenance costs, capitalised major repairs expenditure for the period, other (social housing letting) costs = £277,533.

Divided by social housing units - 72

Result = £3,855 per unit

PLYMOUTH CHARITY TRUST

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

VFM Metric 6 – Operating margin %

The Operating Margin demonstrates the profitability of operating assets before exceptional expenses are taken into account.

A. Social housing operating margin – Result = 40%

	£
Operating surplus	195,646
Loss on disposal of other fixed assets	275
	<hr/> 195,921
Divided by	
Turnover from social housing lettings	492,384
Result	40%

B. Overall operating margin – Result = 34%

	£
Operating surplus	178,527
Loss on disposal of other fixed assets	275
	<hr/> 178,802
Divided by	
Turnover	528,228
Result	34%

VFM Metric 7 – Return on Capital Employed – Result = 3%

This metric compares the operating surplus to total assets less current liabilities

	£
Operating surplus	178,527
Divided by	
Total assets less current liabilities	5,131,024
Result	3%

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Trust is registered with the Charity Commission under number 1076364 and is governed by a Scheme dated 11th June 1999. This new Scheme amalgamated several existing Charities including Hele's Almshouse Charity, Lanyon Almshouse Charity, Plymouth Workhouse Charity, Maddock & Baker Charity, Charity of William Rowe and Plymouth Relief in Need Charity, the oldest of which was established in 1690.

Appointment of Trustees

The Trust is run by a Board of voluntary Trustees. The Trust constitution states there should be 7 co-opted Trustees. The Trust has a policy to cover recruitment, which tries to ensure all required skills are covered. The Lord Mayor of Plymouth is the Patron.

Trustee induction and training

New Trustees undergo an orientation session to brief them on their legal obligations under Charity law and receive a copy of the governing document, Trust Policies and Procedures and recent financial statements, minutes etc. Trustees are encouraged to attend external training events where possible and to ensure they keep up to date with changes in law etc by reading newsletters issued by the Charity Commission and any other guidance notes that are relevant.

PLYMOUTH CHARITY TRUST

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

Staff

The Trust employs a full-time Manager (Samantha Easton) and one part-time Trust Administrator (Benita Merrin) to carry out the day to day running of the Trust and also deals with all aspects of Supporting People. There is also a full-time resident warden employed at Hele's Terrace.

Organisational structure and decision making

The board of Trustees administers the Charity. The board meets several times a year and at each meeting receives financial reports and there are Sub-committees covering day-to day finance, interviews and property and repairs. A Manager is appointed by the Trustees to manage the day-to-day operations of the Charity. To facilitate effective operations, the Manager has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, appointment of residents, employment, H & S matters and supervision of contractors and staff.

Related parties

The Charity has a close relationship with the City Council due to them carrying out the maintenance of Lanyon House.

RISK MANAGEMENT

The Trustees have a risk management strategy, which comprises:

- An annual review of the risks the Charity may face
- The establishment of systems and procedures to mitigate those risks identified in the plan and,
- The implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.

A key element in the management of financial risk is the setting of a reserves policy and its regular review by Trustees. The Trust also has a set of emergency plans to cover any disaster affecting either the Almshouses or the office.

COVID-19

Covid-19 outbreak has not affected the running of Plymouth Charity Trust a great deal due to the Trusts income not changing. No member of staff has had to have been furloughed during any period of the outbreak. The Trust Manager has been working from the office, which has been open but for shorter periods of time. The Trust has put risk assessments in place for staff and residents in order to keep everything running as smoothly as possible. To date, the Trust has not had any residents nor staff showing any symptoms of COVID. All emergency maintenance works have been carried out but non-emergency works have been put on hold.

The Trust has been able to meet all its commitments and preserve its investment position and the financial planning indicates that the Trust should be able to maintain that scenario. Trustees receive financial statements at each meeting. Plymouth Charity Trust has had a good performance from rentals with not much expenditure for maintenance.

ACHIEVEMENTS AND PERFORMANCE

The Trust made an operating surplus before investment gains of £197,473. There has been a gain this year of £201,080 on the investment portfolio.

Hele's and Lanyon Almshouses

The Trust was unable keep the losses through voids below the 10% for Lanyon House required but was successful with the 5% for Hele's Terrace. Plymouth Charity Trust have completed some redecoration works within void flats to make them more desirable to potential residents. These redecoration works consisted of painting and decorating as well as re-carpeting throughout the flats. The other issue we have always come across with prospective residents is that they prefer 1 bedroomed properties as oppose to studio flats which means they prefer to reside at Hele's Terrace.

PLYMOUTH CHARITY TRUST

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

There were no items brought to the Trust's attention regarding the recent Fire Risk Annual Assessment. The Trust scored 92% in its annual Health & Safety Audit.

All the properties comply with the government's "Decent Homes Standard".

The City Council has honoured the majority its obligations to carry out repairs at Lanyon House. Plymouth Charity Trust has recently been advised that Plymouth City Council will be replacing fire alarm system at Lanyon House. This will be part funded by Plymouth Charity Trust once the design has been finalised and both parties agree.

With the efficient work of the Trust's Administrator (Benita Merrin), the Supporting People programme continues to run smoothly and efficiently.

Future Development

The Trust previously purchased an additional property, The Friary, within a location close to the hub of Plymouth Charity Trust. The aim is to demolish the existing building and erect purpose-built flats with an aim to cater for elderly residents with disabilities (ie, use of wheelchairs) but are still able to live independently. The Trust hopes that this project will be fully underway within the next 3 years. Plymouth Charity Trust has recently placed a planning permission application for this development.

Donations

Due to Plymouth Charity Trust not receiving any donation requests from families of school age children the Trustees decided to put the donation budget towards items that are in need by the local schools. This year Plymouth Charity Trust gave a donation to Prince Rock School to enable them to purchase one of the two much needed projectors for the school hall.

Financial Review

The Trust continued to set an annual budget and receive quarterly reports on income and expenditure. The budget was set taking into account an allowance for specific sums to be set aside for cyclical and extraordinary repair funds. The allowances were based on guideline figures issued by the National Almshouse Association. The level of weekly upkeep contribution for the Almshouses was based on the budget and set at a level to allow all budget commitments to be fulfilled. The rent level for both Almshouses is well under the rent officer's assessment and takes into account Housing Corporation rent restructuring guidelines as well as Plymouth Charity Trust's rent policy. Rents are the same for both sets of Almshouses, with the exception of an extra £30 a week Service Charge at Lanyon House for utilities.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Investment powers and policy

Under the Memorandum and Articles of Association, the Charity has the power to invest in any way the Trustees wish. The Trust has always adopted a very cautious approach to investments using a mix of 70% cautious and 30% balanced.

The Trustees have operated a policy of keeping available funds for day-to-day expenses only in a current bank account and a third of reserves in high interest Charity deposit accounts. The remaining two thirds are invested as detailed above.

Reserves Policy

The Trustees have established the level of reserves (that is those funds that are freely available) that the Charity ought to have and this situation is reviewed annually. Target free reserves are between 3-6 months' worth of

PLYMOUTH CHARITY TRUST

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

expenditure, which equates to £75,000 - £149,000. The current level of free reserves is £123,288. Funds are designated for cyclical maintenance and future opportunities.

PLANS FOR FUTURE PERIODS

The Trust has a regular review of its properties to ensure it holds sufficient money in its designated repair funds to continue to maintain and improve the Almshouses together with a reserve to respond to Donation requests. The Trust has recently purchased the Friary Social Club with a view of transforming it into additional flats for the elderly poor of Plymouth. At present there is a mast situated upon the social club which is due to be removed within the next two years. Until this time, the Trust rents the property to a management company for a fee of £1 per month which then means that the Trust does not have to employ security to look after the premises nor pay utility bills. Once the mast has been removed, it is hoped that the property will be demolished and a new self-build to house the elderly poor will be put in its place.

PUBLIC BENEFIT

The Trustees have paid due regard to the Charity Commission's guidance on public benefit in deciding what activities the Charity should undertake. The Trustees consider that their Charitable activities fall within the descriptions of charitable purposes set out in the Charities Act and are for the public benefit.

The Charity satisfies the public benefit test in the provision of housing accommodation for persons of good character resident in the City of Plymouth who are in need and the relief of persons resident in the City of Plymouth who are in need, hardship or distress.

The Trustees have considered the matter of detriment and harm and are content that neither arises from the Trusts charitable activities.

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to Charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Schedule 1 to the Housing Act 1996, the Accounting Requirements for Registered Social Landlords General Determination 2006 and the Statement of Recommended Practice "Accounting by registered social Landlords". 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.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Auditors

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

This report was approved by the Trustees, on 29 September 2021 and signed on their behalf by:



Stephen Hole, Chairman

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF PLYMOUTH CHARITY TRUST

OPINION

We have audited the financial statements of Plymouth Charity Trust (the 'Charity') for the year ended 31 March 2021 set out on pages 10 to 25. 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).

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

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

In our opinion the financial statements:

- 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;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF PLYMOUTH CHARITY TRUST

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

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements 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 Charity or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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:

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF PLYMOUTH CHARITY TRUST

- We have considered the nature of the industry and sector, control environment, and financial performance;
- We have considered the results of enquiries with management and the Trustees in relation to their own identification and assessment of the risks of irregularities within the entity;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation; and,
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included FRS 102, the Accounting Direction for private registered providers of social housing in England, the Housing Statement of Recommended Practice, Charities Act 2011, the Housing and Regeneration Act 2008 and UK tax legislation.

In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or avoid a material penalty, including landlord health and safety laws and regulations covering fire risks, gas safety, water hygiene, electrical safety and asbestos.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures 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;
- Enquiring of management in relation to actual and potential claims or litigation;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Performing detailed transactional testing and analytical review in relation to the recognition of revenue with a particular focus around year-end cut off; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in the financial statements or non-compliance with regulation, will be detected by us. This risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one-off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' report.

PLYMOUTH CHARITY TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF PLYMOUTH CHARITY TRUST

USE OF OUR REPORT

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Nathan Coughlin FCA
For and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: 5th October 2021

Bishop Fleming LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

PLYMOUTH CHARITY TRUST

STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Turnover	3	509,282	492,372
Operating costs	4	(330,755)	(276,357)
Operating surplus		178,527	216,015
Investment income	2	21,898	17,240
Movement in fair value of financial assets	8	201,080	(76,089)
Surplus for the year		<u>401,505</u>	<u>157,166</u>

The financial statements were approved by the Board on 29th September 2021.



Stephen Hole
Chairman

The activities in the year related wholly to the continuing operations of the Trust.

PLYMOUTH CHARITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:				
Charitable activities	3	509,282	509,282	492,372
Investments	4	21,898	21,898	17,240
TOTAL INCOME		<u>531,180</u>	<u>531,180</u>	<u>509,612</u>
EXPENDITURE ON:				
Charitable activities	5	330,755	330,755	276,357
TOTAL EXPENDITURE		<u>330,755</u>	<u>330,755</u>	<u>276,357</u>
Net (losses)/gains on investments		201,080	201,080	(76,089)
NET MOVEMENT IN FUNDS		<u>401,505</u>	<u>401,505</u>	<u>157,166</u>
RECONCILIATION OF FUNDS:				
Total funds brought forward	13	3,380,601	3,380,601	3,223,435
Net movement in funds	13	401,505	401,505	157,166
TOTAL FUNDS CARRIED FORWARD		<u>3,782,106</u>	<u>3,782,106</u>	<u>3,380,601</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 27 form part of these financial statements.

PLYMOUTH CHARITY TRUST

**BALANCE SHEET
AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	7	2,984,008	2,957,139
Investments	8	1,351,436	940,165
		<u>4,335,444</u>	<u>3,897,304</u>
CURRENT ASSETS			
Debtors	9	33,307	27,504
Investments	10,16	672,292	721,739
Cash at bank and in hand	16	135,706	118,200
		<u>841,305</u>	<u>867,443</u>
Creditors: amounts falling due within one year	11	(45,725)	(35,228)
NET CURRENT ASSETS		795,580	832,215
TOTAL ASSETS LESS CURRENT LIABILITIES		5,131,024	4,729,519
Creditors: amounts falling due after more than one year	12	(1,348,918)	(1,348,918)
TOTAL NET ASSETS		<u>3,782,106</u>	<u>3,380,601</u>
CHARITY FUNDS			
Restricted funds	13	-	-
Unrestricted funds	13	3,782,106	3,380,601
TOTAL FUNDS		<u>3,782,106</u>	<u>3,380,601</u>

The financial statements were approved and authorised for issue by the Trustees on 29th September 2021 and signed on their behalf by:



Stephen Hole, Chairman

The notes on pages 16 to 27 form part of these financial statements.

PLYMOUTH CHARITY TRUST

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash inflow from operating activities (Note 15)	228,568	264,880
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible fixed assets	(60,509)	(29,725)
Purchase of fixed asset investments	(200,000)	-
NET CASH USED IN INVESTING ACTIVITIES	(260,509)	(29,725)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR	(31,941)	235,155
Cash and cash equivalents at the beginning of the year	839,939	604,784
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	807,998	839,939

The notes on pages 16 to 27 form part of these financial statements

**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 have been prepared under the historical cost convention with items recognised at cost or transaction value unless stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2019. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008.

Plymouth Charity Trust constitutes a public benefit entity as defined by FRS 102.

1.2 TURNOVER

Turnover comprises revenue recognised by the Charity in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.3 INCOME

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

1.4 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 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 of the financial statements.

1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Freehold land is not depreciated. The buildings element of freehold property is considered by the Trustees to have a high residual value and long useful economic life to render the annual and cumulative depreciation charge immaterial. The Trustees review the freehold properties for impairment at the end of each reporting period.

All assets costing more than £500 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

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

Office equipment and property improvements - Useful economic life of between 4 and 10 years

1.7 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/ (losses) on investments' in the Statement of financial activities. these are categorised as fixed assets (rather than current) as they are held as a long term investments to deliver capital growth and interest returns.

1.8 INTEREST RECEIVABLE

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

1.9 DEBTORS

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

1.10 CASH AT BANK AND IN HAND

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

1.11 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 FINANCIAL INSTRUMENTS

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

1.13 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.

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

1.14 CAPITAL GRANTS

Grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities to match the depreciation charged on those grant funded assets

1.15 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However the nature of estimation means that actual outcomes could differ from those estimates. There are no significant estimates or judgements within these financial statements.

2. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Dividends from listed investments	21,611	21,611	16,894
Bank interest received	287	287	346
	<u>21,898</u>	<u>21,898</u>	<u>17,240</u>
Total 2020	<u>17,240</u>	<u>17,240</u>	

3. TURNOVER

	2021 £	2020 £
Rent receivable	491,696	474,330
Supporting people	31,041	28,520
Rent losses from voids	(18,258)	(13,701)
Other income	<u>4,803</u>	<u>3,223</u>
Total	<u>509,282</u>	<u>492,372</u>

PLYMOUTH CHARITY TRUST

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

4. DIRECT COSTS

	Total 2021 £	Total 2020 £
Management expenses	4,505	2,566
Service costs	72,020	88,777
Finance and administration	91,164	42,628
Staff costs	129,701	115,684
Depreciation	33,365	26,702
	<u>330,755</u>	<u>276,357</u>

5. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets:		
- owned by the Charity	33,365	26,702
Auditors' remuneration - audit	5,295	4,726
Auditors' remuneration - other services	1,905	1,700
Trustees' indemnity insurance	<u>1,254</u>	<u>636</u>

During the year, no Trustees received any remuneration (2020: £Nil)

During the year, no Trustees received any benefits in kind (2020: £Nil).

During the year, one Trustee received £313 for reimbursement of expenses (2020: £300).

PLYMOUTH CHARITY TRUST

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

6. STAFF COSTS

	2021 £	2020 £
Wages and salaries	119,375	103,882
Social security costs	8,260	-
Other pension costs	2,066	11,802
	<u>129,701</u>	<u>115,684</u>

The average number of persons employed by the Charity during the year was as follows:

	2021 No.	2020 No.
All staff	<u>3</u>	<u>3</u>

No employee received remuneration amounting to more than £60,000 in either year.

The Charity consider key senior management to be the Board of Trustees. In the year the aggregate benefits received by key management personnel for their services to the Charity was £Nil (2020: £Nil).

PLYMOUTH CHARITY TRUST

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

7. TANGIBLE FIXED ASSETS

	Freehold property £	Office equipment £	Total £
COST OR VALUATION			
At 1 April 2020	2,838,122	281,252	3,119,374
Additions	-	60,509	60,509
Disposals	-	(2,064)	(2,064)
At 31 March 2021	<u>2,838,122</u>	<u>339,697</u>	<u>3,177,819</u>
DEPRECIATION			
At 1 April 2020	-	162,235	162,235
Charge for the year	-	33,365	33,365
On disposals	-	(1,789)	(1,789)
At 31 March 2021	<u>-</u>	<u>193,811</u>	<u>193,811</u>
NET BOOK VALUE			
At 31 March 2021	<u>2,838,122</u>	<u>145,886</u>	<u>2,984,008</u>
At 31 March 2020	<u>2,838,122</u>	<u>119,017</u>	<u>2,957,139</u>

8. FIXED ASSET INVESTMENTS

	Listed securities £
MARKET VALUE	
At 1 April 2020	940,165
Additions	425,437
Disposals	(215,246)
Revaluation gains/(losses)	201,080
AT 31 MARCH 2021	<u><u>1,351,436</u></u>

PLYMOUTH CHARITY TRUST

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

9. DEBTORS

	2021 £	2020 £
DUE WITHIN ONE YEAR		
Trade debtors	11,781	7,189
Prepayments and accrued income	21,526	20,315
	<u>33,307</u>	<u>27,504</u>

There were no provisions for bad or doubtful debts at the year end.

10. CURRENT ASSET INVESTMENTS

	2021 £	2020 £
General fund		
CAF Gold Account	164,941	144,842
Cyclical Maintenance Fund (Hele's)		
CAF Gold Account	205,273	295,105
Extraordinary Repair Fund (Hele's)		
CAF Gold Account	<u>302,078</u>	<u>281,792</u>
	<u>672,292</u>	<u>721,739</u>

PLYMOUTH CHARITY TRUST

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

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	5,741	778
Other taxation and social security	3,120	2,407
Other creditors	201	559
Accruals and deferred income	36,663	31,484
	<u>45,725</u>	<u>35,228</u>

DEFERRED INCOME

Deferred income at 1 April 2020	16,000
Resources deferred during the year	21,679
Amounts released from previous years	<u>(16,000)</u>
Deferred income at 31 March 2021	<u>21,679</u>

The deferred income balance relates to sheltered housing income received in advance.

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £	2020 £
Deferred income	<u>1,348,918</u>	<u>1,348,918</u>

Deferred income represents capital grants, deferred to match the life of the assets.

PLYMOUTH CHARITY TRUST

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

13. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
DESIGNATED FUNDS						
Extraordinary Repair Fund	281,792	-	-	20,286	-	302,078
Cyclical Maintenance Fund	295,105	-	-	(89,832)	-	205,273
Opportunities fund	1,085,007	-	-	230,290	201,080	1,516,377
Fixed assets	1,608,221	-	-	26,869	-	1,635,090
	<u>3,270,125</u>	<u>-</u>	<u>-</u>	<u>187,613</u>	<u>(201,080)</u>	<u>3,658,818</u>
GENERAL FUNDS						
General Funds	<u>110,476</u>	<u>531,180</u>	<u>(330,755)</u>	<u>(187,613)</u>	<u>-</u>	<u>123,288</u>
Total Unrestricted funds	<u>3,380,601</u>	<u>531,180</u>	<u>(330,755)</u>	<u>-</u>	<u>(201,080)</u>	<u>3,782,106</u>
Total of funds	<u>3,380,601</u>	<u>531,180</u>	<u>(330,755)</u>	<u>-</u>	<u>(201,080)</u>	<u>3,782,106</u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
DESIGNATED FUNDS						
Extraordinary Repair Fund	101,615	-	-	180,177	-	281,792
Cyclical Maintenance Fund	114,938	-	-	180,167	-	295,105
Opportunities fund	1,249,001	-	-	(87,905)	(76,809)	1,085,007
Fixed assets	1,605,198	-	-	3,023	-	1,608,221
	<u>3,070,752</u>	<u>-</u>	<u>-</u>	<u>275,462</u>	<u>(76,089)</u>	<u>3,270,125</u>
GENERAL FUNDS						
General Funds	<u>152,683</u>	<u>509,612</u>	<u>(276,357)</u>	<u>(275,462)</u>	<u>-</u>	<u>110,476</u>
Total Unrestricted funds	<u>3,223,435</u>	<u>509,612</u>	<u>(276,357)</u>	<u>-</u>	<u>(76,089)</u>	<u>3,380,601</u>
Total of funds	<u>3,223,435</u>	<u>509,613</u>	<u>(276,357)</u>	<u>-</u>	<u>(76,089)</u>	<u>3,380,601</u>

PLYMOUTH CHARITY TRUST

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

Designated funds

Under the Almshouses Management Rules cash is transferred to separate designated investment funds each year to meet future requirements for major, cyclical and extraordinary repairs.

The fixed assets designated fund represents the net book value of fixed assets after deduction of grant creditors to reflect that this income is not available to spend immediately.

The opportunities designated fund represents funds set aside for future developments, including the recently purchased Friary Social Club. Further details of this are included in the Future Developments section in the Trustees' Report.

SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Designated funds	3,270,125	-	-	187,613	201,080	3,658,818
General funds	110,476	531,180	(330,755)	(187,613)	-	123,288
	<u>3,380,601</u>	<u>531,180</u>	<u>(330,755)</u>	<u>-</u>	<u>201,080</u>	<u>3,782,106</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2019 £
Designated funds	3,070,752	-	-	275,462	(76,089)	3,270,125
General funds	152,683	509,612	(276,357)	(275,462)	-	110,476
	<u>3,223,435</u>	<u>509,612</u>	<u>(276,357)</u>	<u>-</u>	<u>(76,089)</u>	<u>3,380,601</u>

PLYMOUTH CHARITY TRUST

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

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	2,984,008	2,984,008
Fixed asset investments	1,351,436	1,351,436
Current assets	841,305	841,305
Creditors due within one year	(45,725)	(45,725)
Creditors due in more than one year	(1,348,918)	(1,348,918)
TOTAL	<u>3,782,106</u>	<u>3,782,106</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	2,957,139	2,957,139
Fixed asset investments	940,165	940,165
Current assets	867,443	867,443
Creditors due within one year	(35,228)	(35,228)
Creditors due in more than one year	(1,348,918)	(1,348,918)
TOTAL	<u>3,380,601</u>	<u>3,380,601</u>

PLYMOUTH CHARITY TRUST

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

15. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	401,505	157,166
Adjustment for:		
Depreciation charges	33,365	26,702
Loss on sale of fixed assets	275	-
Dividends, interest and rents from investments	(211,271)	68,836
Decrease/(increase) in debtors	(5,803)	2,800
Increase in creditors	10,497	9,376
Net cash provided by operating activities	228,568	264,880

16. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand	135,706	118,200
Notice deposits (less than 3 months)	672,292	721,739
Total	807,998	839,939

17. HOUSING STOCK

There were 72 general needs social housing accommodation units under management excluding wardens' accommodation and one office unit at 31 March 2021 (at 1 April 2020 – 72 accommodation units excluding wardens' accommodation and one office unit).

18. PENSIONS

The Charity operates a defined contribution scheme. The charge for the year was £2,066 (2020: £11,802). The assets of the scheme are held separately from those of the Trust. The annual contributions payable are charged to the statement of financial activities.

19. RELATED PARTY TRANSACTIONS

During the year, fees of £2,000 (2020: £Nil) were paid to a Company that is controlled by a Trustee of Plymouth Charity Trust. At the year end Plymouth Charity Trust owed £Nil (2020: £Nil) to the Company.

20. CONTROLLING PARTY

The Charity is controlled by the Board of Trustees.

