

**THE METHODIST HOMESTEAD**  
(A company limited by guarantee)

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2021**

**COMPANY NO 8295082  
REGISTERED CHARITY NO. 1150018**

**THE METHODIST HOMESTEAD**  
(A company limited by guarantee)

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FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2021**

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# **THE METHODIST HOMESTEAD**

(A company limited by guarantee)

## **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2021**

**COMPANY NO 8295082  
REGISTERED CHARITY NO. 1150018**

### **LEGAL AND ADMINISTRATIVE DETAILS**

#### **LEGAL STATUS**

A Company limited by guarantee  
incorporated 15 November 2012. A  
Registered Charity Number 1150018  
appointed the sole Corporate Trustee of  
The Methodist Homestead (1929)  
Registered Charity Number 1150018-1

#### **DIRECTORS**

S R Edmonds Chair  
Dr A M Dean Vice chair  
M S Pearson – retired 24<sup>th</sup> August 2021  
Mrs K Brown  
Mrs S Dorman  
R K Harland  
A Robinson  
Mrs E McAteer  
J A Smith  
J Burditt  
Mrs M Cochran  
Mrs C Baldwin – appointed 16<sup>th</sup> November 2021

#### **COMPANY SECRETARY**

A K Cochran

#### **REGISTERED OFFICE**

14 The Methodist Homestead  
Homestead Way  
Northampton  
NN2 6JH

#### **BANKERS**

Barclays Bank plc  
Northampton Group  
P O Box 23  
Northampton  
NN1 4YD

#### **INDEPENDENT EXAMINERS**

CVS Northamptonshire  
32-36 Hazelwood Road  
Northampton  
NN1 1LN

#### **SOLICITORS**

Shoosmiths  
The Lakes  
Northampton NN4 7SH

## THE METHODIST HOMESTEAD

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### REPORT OF THE DIRECTORS

The Directors present their annual report and financial statements of the Company for the year ended 31<sup>st</sup> December 2021

#### OBJECTIVES OF THE CHARITY

To relieve poverty and advance the Christian Faith by providing homes in a caring, Christian environment primarily for:-

Members of Methodist Churches in the Northampton Circuit

Retired Methodist Ministers and their Spouses

Persons of limited means who are Christians of any denomination

#### PUBLIC BENEFIT STATEMENT

Sheltered housing accommodation is provided to elderly persons who have a financial or welfare need that can be met through occupancy of a single or double occupancy cottage at the Homestead.

#### REVIEW OF DEVELOPMENTS, ACTIVITIES AND ACHIEVEMENTS DURING THE YEAR

The Directors continued to run the Homestead in accordance with the objectives of the Charity, providing sheltered accommodation for its residents. Necessary decoration, refurbishment and improvement works have continued to be carried out during the year. The capital improvement programme of extending the older type of homes has continued during the year.

#### REVIEW OF THE CHARITY'S FINANCIAL ACTIVITIES

Residents contributions remained stable in comparison to the previous year.

The Directors continued the policy of focussing expenditure on necessary repairs, refurbishments and improvements including security to the homes and the estate. This is reflected in the level of expenditure on repairs and renewals and continued capital improvements. Other expenditure continued to be well controlled with Total Net Incoming Resources amounting to £12,231 (2020 - £55,499).

The Directors are satisfied with the level of net income generated for the year and are of the opinion that adequate funds are being maintained for the continued satisfactory operation of the Homestead.

#### DIRECTORS

Directors are recruited from time to time taking into account the profile of the Board and elected on the approval of Board members. No Directors are in receipt of any benefits from the charity.

The following Directors retire by rotation and seek re-election at the Annual General Meeting to be held on 24<sup>th</sup> May 2022.

R K Harland  
Mrs E McAteer  
Mrs S Dorman

Dr A M Dean has notified her retirement as a Director and will not be seeking reappointment.

#### STATEMENT OF DIRECTORS' RESPONSIBILITIES

Legislation requires the directors 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 financial activities for that period. In preparing those financial statements the directors are required to:

- a select suitable accounting policies and then apply them consistently;
- b make judgements and estimates that are reasonable and prudent;

REPORT OF THE DIRECTORS – CONTINUED

- c state where the policies adopted are in accordance with the Charities Act 2011 Statements of Recommended Practice and with applicable accounting standards, subject to any material departures disclosed and explained in those financial statements.
- d prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue to operate.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

**POLICY ON RESERVES**

The directors consider that the unrestricted fund of £212,478 at 31<sup>st</sup> December, 2021 is sufficient to sustain its operations should income generating activities be curtailed unexpectedly over the forthcoming year.

**RISK MANAGEMENT**

The directors have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems are in place to mitigate our exposure to the major risks.

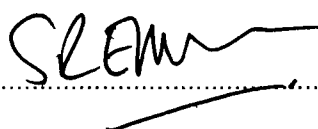
**TRAINING OF DIRECTORS**

Directors undergo an induction when they are first appointed to the Board. Directors are kept up to date throughout the year with notifications from the Charity Commission by the Company Secretary

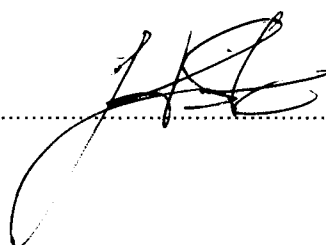
**INDEPENDENT EXAMINERS**

A resolution in accordance with Section 144 of the Charities Act 2011 to appoint CVS Northamptonshire will be put to the directors at the Annual General Meeting.

This report was approved by the directors on 24<sup>th</sup> May 2022 and signed on their behalf by:-



S R Edmonds Director



J A Smith Director



## **Independent Examiner's Report to the Trustees of: THE METHODIST HOMESTEAD**

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**Registered Charity Number: 1150018**

I report on the accounts of the company for the year ended 31<sup>st</sup> December 2021, which are set out on the attached pages 5 to 12.

### **Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2006 (the Act) and that an independent examination is needed.

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

- examine the accounts under section 145(1) of the Act:
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Act, as amended; and
- state whether particular matters have come to my attention.

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

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

### **Independent Examiner's statement**

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

1. which gives me reasonable cause to believe that in any material respect, the requirements:
  - to keep accounting records in accordance with the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities.

have not been met; or

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

*Brenda Peers-Ross*

Brenda Peers-Ross FMAAT, ACIE  
5<sup>th</sup> November 2022

**THE METHODIST HOMESTEAD**

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**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31st DECEMBER 2021**

	Building and Equipment				Building and Equipment			
	General Fund	Fund Restricted	Capital Fund Designated	2021 total	General Fund	Fund Restricted	Capital Fund Designated	2020 total
	£	£	£	£	£	£	£	£
<b>Income &amp; Expenditure</b>								
<b>Income from:</b>								
Donations and legacies	348			348	2,370			2,370
Charitable activities	131,666			131,666	134,326			134,326
Investments	4,249			4,249	2,983			2,983
Other	2			2	4			4
<b>Total income</b>	<u>136,265</u>	-	-	<u>136,265</u>	<u>139,683</u>	-	-	<u>139,683</u>
<b>Expenditure on:</b>								
Raising funds	-			-	-			-
Charitable activities	124,034			124,034	84,184			84,184
Other	-			-	-			-
<b>Total expenditure</b>	<u>124,034</u>	-	-	<u>124,034</u>	<u>84,184</u>	-	-	<u>84,184</u>
<b>Net income/(expenditure)</b>	<b>12,231</b>	-	-	<b>12,231</b>	<b>55,499</b>	-	-	<b>55,499</b>
<b>Net gains/(losses) on investments</b>			27,431	27,431			1,868	1,868
Transfer between funds	(56,511)	56,511		-	(32,676)	32,676		-
<b>Net movement of funds</b>	<u>(44,280)</u>	<u>56,511</u>	<u>27,431</u>	<u>39,662</u>	<u>22,823</u>	<u>32,676</u>	<u>1,868</u>	<u>57,367</u>
<b>Reconciliation of funds</b>				-				-
Total funds b/fwd	256,758	1,974,173	184,580	2,415,511	233,935	1,941,497	182,712	2,358,144
<b>Total funds c/fwd</b>	<u><b>212,478</b></u>	<u><b>2,030,684</b></u>	<u><b>212,011</b></u>	<u><b>2,455,173</b></u>	<u><b>256,758</b></u>	<u><b>1,974,173</b></u>	<u><b>184,580</b></u>	<u><b>2,415,511</b></u>

All income and expenditure derives from continuing activities.

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

**THE METHODIST HOMESTEAD**

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**BALANCE SHEET AT 31ST DECEMBER 2021**

		2021		2020	
	Note	£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	2		2,030,684		1,974,173
Investments	3		212,011		184,580
			<u>2,242,695</u>		<u>2,158,753</u>
<b>Current Assets</b>					
Debtors & Accrued income	4	7,683		5,515	
Money on short notice	5	68,383		68,376	
Cash at bank and in hand	6	<u>168,050</u>		<u>215,487</u>	
		<u>244,116</u>		<u>289,378</u>	
<b>Creditors: Amounts</b>					
falling due within 1 year	7	<u>(31,638)</u>		<u>(32,620)</u>	
Net current assets			212,478		256,758
<b>Net assets</b>			<u><u>2,455,173</u></u>		<u><u>2,415,511</u></u>
<b>Represented by:</b>					
<b>Unrestricted funds:</b>					
General Fund	8		212,478		256,758
<b>Designated funds:</b>					
Capital Fund	8		212,011		184,580
<b>Restricted funds:</b>					
Permanent endowment	8		2,030,684		1,974,173
			<u><u>2,455,173</u></u>		<u><u>2,415,511</u></u>

For the Financial Year ended 31st December 2021 the Company was entitled to exemption from Audit under Section 477 of the Companies Act 2006 . The members have not required the Company to obtain an Audit in accordance with Section 476 of the Companies Act 2006 .  
These financial statements were approved by the Directors on 24th May 2022.  
and signed on their behalf by:-



- S R Edmonds – Director



- J A Smith – Director

The notes on pages 7 to 12 form part of these financial statements



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2021**1. ACCOUNTING POLICIES****Accounting convention**

The financial statements of the Charitable Company, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Companies Act 2006, and the Statement of Recommended Practice SORP (FRS102) issued on 1st October 2019, applicable UK Accounting Standards and the Charities Act 2011.

**Linked Charity**

The Methodist Homestead is the Sole Corporate Trustee of the Methodist Homestead (1929) charity registered number 1150018-1. The Charity Commission have confirmed that the two charities can be treated as Linked Charities for accounting purposes. The Methodist Homestead (1929) is dormant and its sole purpose is to hold the Permanent Endowment represented by the Freehold Land and Buildings for the benefit of the activities of the Methodist Homestead.

**Depreciation**

Depreciation is provided on tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:-

Freehold land and buildings	Depreciation is not charged because the assets have a very long useful life and the estimated residual value is not materially different from the carrying value.
Equipment	25% straight line per annum
Furniture and utensils	20% straight line per annum
Bungalow fixtures	6.67% straight line per annum
Call care system	12.5% straight line per annum

Expenditure is capitalised when it is truly of a capital nature and only if it exceeds £5,000.

**Incoming Resources**

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**Donations and legacies**

Donations, legacies and voluntary income are included in the Statement of Financial Activities as they are received. The value of voluntary help is not included in the financial statements.

**Investment Income**

Interest on investment funds and cash on deposit is included in the Statement of Financial Activities when received, at an amount which includes any tax credits recoverable from the Inland Revenue.

**Cashflow Statement**

The financial statements do not include a cashflow statement because the Charity, as a small reporting entity is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

**1. ACCOUNTING POLICIES (cont.)****Pensions**

Current members of staff are enrolled in a Workplace Pension Scheme, with an employer's contribution of 5%.

**Investments**

These are included in the balance sheet at the value ruling on the balance sheet date and are stated at the average of the bid and offer price as at that date.

**General Fund**

Sums of cash at any time belonging to the charity and not needed for immediately working purposes shall be invested in the name of the charity, whilst the general fund consists of all the working capital used for the day to day running of the charity.

**Designated Funds**

These are amounts which have been set aside at the discretion of the directors for specific, but not legally binding purposes.

**Restricted Fund**

The restricted fund is the permanent endowment of the linked charity the Methodist Homestead (1929) Registered Charity Number 110018-1 and is only available for the specific use as defined by the permanent endowment.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2021**  
**(CONTINUED)**

**2. FIXED ASSETS**

	Freehold Land and Buildings £	Equipment £	Furniture and utensils £	Bungalow Fixtures £	Call Care System £	Total £
<b>Cost or valuation</b>						
At 1st January 2021	1,973,152	22,077	8,194	3,289	13,587	2,020,299
Additions	57,532	-	-	-	-	57,532
At 31 December 2021	2,030,684	22,077	8,194	3,289	13,587	2,077,831
<b>Depreciation:</b>						
At 1st January 2021	-	21,056	8,194	3,289	13,587	46,126
Charged for the year	-	1,021	-	-	-	1,021
At 31 December 2021	-	22,077	8,194	3,289	13,587	47,147
<b>Net book amount:</b>						
At 31 December 2021	2,030,684	-	-	-	-	2,030,684
At 31st December 2020	1,973,152	1,021	-	-	-	1,974,173

The freehold land and buildings are a permanent endowment of the linked charity the Methodist Homestead (1929) Registered Charity Number 1150018-1, and as a restricted fund are therefore only available for the specific use as defined by the permanent endowment.

**3. INVESTMENTS**

	No.Shares	<b>2021</b>		No.Shares	<b>2020</b>	
		Cost £	Valuation £		Cost £	Valuation £
At commencement of year						
At 1st January 2021	36,623	41,514	184,580	36,623	41,514	182,712
Disposals	-	-	-	-	-	-
Realised gain	-	-	-	-	-	-
Unrealised (loss)/gain	-	-	27,431	-	-	1,868
At 31 December 2021	36,623	41,514	212,011	36,623	41,514	184,580

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2021**  
**(CONTINUED)**

**4. DEBTORS**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade debtors	675	-
Prepayments	5,661	4,707
Accrued income	1,347	808
	<u>7,683</u>	<u>5,515</u>

**5. MONEY ON SHORT NOTICE**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Methodist Church Fund deposit		
CFB No. 1 account	967	967
CFB No. 2 account	56,639	56,633
CFB Building Fund account	10,777	10,776
	<u>68,383</u>	<u>68,376</u>

**6. CASH AT BANK AND IN HAND**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Current Account	167,950	215,037
Cash in hand	100	450
	<u>168,050</u>	<u>215,487</u>

**7. CREDITORS:**

Amounts falling due within one year	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade creditors	-	836
Accruals	31,638	31,784
	<u>31,638</u>	<u>32,620</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2021**  
**(CONTINUED)**

**8. FUNDS MOVEMENT**

	<b>General Fund £</b>	<b>Building and Equipment Fund Restricted £</b>	<b>Capital Fund Designated £</b>	<b>Total £</b>
Funds brought forward at 1st January 2021	233,935	1,941,497	182,712	2,358,144
Additions in year	(32,676)	32,676		-
Net incoming/(outgoing) resources for the year	55,499			55,499
Net investment gains				
Realised				-
Unrealised			1,868	1,868
Funds carried forward at 31st December 2021	<u>256,758</u>	<u>1,974,173</u>	<u>184,580</u>	<u>2,415,511</u>
Funds brought forward at 1st January 2021	256,758	1,974,173	184,580	2,415,511
Additions in year	(56,511)	56,511		-
Net incoming/(outgoing) resources for the year	12,231			12,231
Net investment gains				
Realised				-
Unrealised			27,431	27,431
Funds carried forward at 31st December 2021	<u>212,478</u>	<u>2,030,684</u>	<u>212,011</u>	<u>2,455,173</u>

The general fund represents the free funds of the charity which are not designated for particular purposes.

The Building and Equipment Fund has been set up to assist in identifying the restricted fund of the permanent endowment of the linked Charity, and it represents the net book value of the tangible fixed assets.

**9. VALUE OF FUNDS BY CATEGORY**

	<b>General Fund £</b>	<b>Building and Equipment Fund Restricted £</b>	<b>Capital Fund Designated £</b>	<b>2021 £</b>	<b>2020 £</b>
<u>Value held in:-</u>					
Tangible fixed assets		2,030,684		2,030,684	1,974,173
Fixed asset investment			212,011	212,011	184,580
Current assets	244,116			244,116	289,378
Current liability	(31,638)			(31,638)	(32,620)
Total value of funds	<u>212,478</u>	<u>2,030,684</u>	<u>212,011</u>	<u>2,455,173</u>	<u>2,415,511</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2021**  
(CONTINUED)

**10 DIRECTORS REMUNERATION AND REIMBURSED EXPENSES**

The Directors were not paid any remuneration from the charity during the year. No expenses were reimbursed to the Directors during the year. The charity paid Directors indemnity insurance being £484 (2020 - £484)

**11 WAGES AND SALARIES**

	2021 £	2020 £
Wages and salaries	29,497	24,388
Pension contributions	365	-
	<u>29,862</u>	<u>24,388</u>

The average number of employees during the year was:-

	No.	No.
Warden	1	1
Gardener	<u>1</u>	<u>1</u>

**12 INDEPENDENT EXAMINERS REMUNERATION**

A provision for remuneration has been made within these financial statements amounting to £720 (2020 - £650)

**13 CONTROLLING PARTY**

The charity is controlled by the Directors of the charity.

**14 PROVISIONS AVAILABLE FOR SMALL ENTITIES**

In common with many other charities of our size and nature, we use our auditor to assist us with the preparation of the final statements.