

THE METHODIST HOMESTEAD
(A company limited by guarantee)

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2022**

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

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(A company limited by guarantee)

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CONTENTS

1.	Legal and Administrative Details
2 – 3	Report of the Directors
4	Independent Examiners' Report
5.	Statement of Financial Activities
6.	Balance Sheet
7 – 12	Notes to the Financial Statements

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FOR THE YEAR ENDED 31st DECEMBER 2022**

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 Mrs E McAteer Vice chair Dr A M Dean – retired 24 th May 2022 Mrs K Brown Mrs S Dorman R K Harland – retired 22 nd August 2023 A Robinson J A Smith J Burditt – retired 20 th August 2023 Mrs M Cochran – retired 20 th August 2023 Mrs C Baldwin
COMPANY SECRETARY	A K Cochran – retired 15 th November 2022 Mrs J Talarek – appointed 15 th November 2022
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

REPORT OF THE DIRECTORS

The Directors present their annual report and financial statements of the Company for the year ended 31st December 2022

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

Independent living 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 independent living 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 £43,760 (2021 - £12,231).

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 22nd August 2023.

Mrs K Brown

J A Smith

Mrs S Dorman

Mr R K Harland has notified his 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 £245,766 at 31st December, 2022 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.

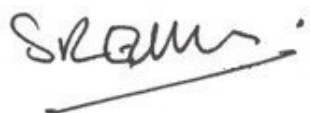
TRAINING OF DIRECTORS

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 22nd August 2023 and signed on their behalf by:-



S R Edmonds

Director



J A Smith

Director

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31st DECEMBER 2022

	Building and Equipment				Building and Equipment			
	General Fund	Fund Restricted	Capital Fund Designated	2022 total	General Fund	Fund Restricted	Capital Fund Designated	2021 total
	£	£	£	£	£	£	£	£
Income & Expenditure								
Income from:								
Donations and legacies	600			600	348			348
Charitable activities	150,827			150,827	131,666			131,666
Investments	6,567			6,567	4,249			4,249
Other	3			3	2			2
Total income	<u>157,997</u>	-	-	<u>157,997</u>	<u>136,265</u>	-	-	<u>136,265</u>
Expenditure on:								
Raising funds	-			-	-			-
Charitable activities	114,237			114,237	124,034			124,034
Other	-			-	-			-
Total expenditure	<u>114,237</u>	-	-	<u>114,237</u>	<u>124,034</u>	-	-	<u>124,034</u>
Net income/(expenditure)	43,760	-	-	43,760	12,231	-	-	12,231
Net gains/(losses) on investments			(27,724)	(27,724)			27,431	27,431
Transfer between funds	(10,472)	10,472		-	(56,511)	56,511		-
Net movement of funds	<u>33,288</u>	<u>10,472</u>	<u>(27,724)</u>	<u>16,036</u>	<u>(44,280)</u>	<u>56,511</u>	<u>27,431</u>	<u>39,662</u>
Reconciliation of funds				-				-
Total funds b/fwd	212,478	2,030,684	212,011	2,455,173	256,758	1,974,173	184,580	2,415,511
Total funds c/fwd	<u>245,766</u>	<u>2,041,156</u>	<u>184,287</u>	<u>2,471,209</u>	<u>212,478</u>	<u>2,030,684</u>	<u>212,011</u>	<u>2,455,173</u>

All income and expenditure derives from continuing activities.

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

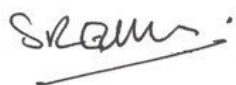
THE METHODIST HOMESTEAD

6

BALANCE SHEET AT 31ST DECEMBER 2022

		2022		2021	
	Note	£	£	£	£
Fixed Assets					
Tangible assets	2		2,041,156		2,030,684
Investments	3		184,287		212,011
			<u>2,225,443</u>		<u>2,242,695</u>
Current Assets					
Debtors & Accrued income	4	7,789		7,683	
Money on short notice	5	69,188		68,383	
Cash at bank and in hand	6	196,873		168,050	
		<u>273,850</u>		<u>244,116</u>	
Creditors: Amounts					
falling due within 1 year	7	(28,084)		(31,638)	
Net current assets			245,766		212,478
Net assets			<u>2,471,209</u>		<u>2,455,173</u>
Represented by:					
Unrestricted funds:					
General Fund	8		245,766		212,478
Designated funds:					
Capital Fund	8		184,287		212,011
Restricted funds:					
Permanent endowment	8		2,041,156		2,030,684
			<u>2,471,209</u>		<u>2,455,173</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 31st DECEMBER 2022**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 2022

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 2022
(CONTINUED)

2. FIXED ASSETS

	Freehold Land and Buildings £	Equipment £	Furniture and utensils £	Bungalow Fixtures £	Call Care System £	Garage/ workshop £	Total £
Cost or valuation							
At 1st January 2022	2,030,684	22,077	8,194	3,289	13,587	-	2,077,831
Additions	-	-	-	-	-	11,220	11,220
At 31 December 2022	<u>2,030,684</u>	<u>22,077</u>	<u>8,194</u>	<u>3,289</u>	<u>13,587</u>	<u>11,220</u>	<u>2,089,051</u>
Depreciation:							
At 1st January 2022	-	22,077	8,194	3,289	13,587	-	47,147
Charged for the year	-	-	-	-	-	748	748
At 31 December 2022	<u>-</u>	<u>22,077</u>	<u>8,194</u>	<u>3,289</u>	<u>13,587</u>	<u>748</u>	<u>47,895</u>
Net book amount:							
At 31 December 2022	<u>2,030,684</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,472</u>	<u>2,041,156</u>
At 31st December 2021	<u>2,030,684</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,030,684</u>

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

	2022			2021		
	No.Shares	Cost £	Valuation £	No.Shares £	Cost £	Valuation £
At commencement of year						
At 1st January 2022	36,623	41,514	212,011	36,623	41,514	184,580
Disposals	-	-	-	-	-	-
Realised gain	-	-	-	-	-	-
Unrealised (loss)/gain	-	-	(27,724)	-	-	27,431
At 31 December 2022	<u>36,623</u>	<u>41,514</u>	<u>184,287</u>	<u>36,623</u>	<u>41,514</u>	<u>212,011</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2022
(CONTINUED)

4. DEBTORS

	2022	2021
	£	£
Trade debtors	-	675
Prepayments	6,060	5,661
Accrued income	1,729	1,347
	<u>7,789</u>	<u>7,683</u>

5. MONEY ON SHORT NOTICE

	2022	2021
	£	£
Methodist Church Fund deposit		
CFB No. 1 account	978	967
CFB No. 2 account	57,306	56,639
CFB Building Fund account	10,904	10,777
	<u>69,188</u>	<u>68,383</u>

6. CASH AT BANK AND IN HAND

	2022	2021
	£	£
Current Account	196,773	167,950
Cash in hand	100	100
	<u>196,873</u>	<u>168,050</u>

7. CREDITORS:

Amounts falling due within one year	2022	2021
	£	£
Trade creditors	921	-
Accruals	27,163	31,638
	<u>28,084</u>	<u>31,638</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2022
(CONTINUED)

8. FUNDS MOVEMENT

	General Fund £	Building and Equipment Fund Restricted £	Capital Fund Designated £	Total £
Funds brought forward at 1st January 2022	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 2022	212,478	2,030,684	212,011	2,455,173
Funds brought forward at 1st January 2022	212,478	2,030,684	212,011	2,455,173
Additions in year	(10,472)	10,472		-
Net incoming/(outgoing) resources for the year	43,760			43,760
Net investment gains				
Realised				-
Unrealised			(27,724)	(27,724)
Funds carried forward at 31st December 2022	245,766	2,041,156	184,287	2,471,209

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

	General Fund £	Building and Equipment Fund Restricted £	Capital Fund Designated £	2022 £	2021 £
<u>Value held in:-</u>					
Tangible fixed assets		2,041,156		2,041,156	2,030,684
Fixed asset investment			184,287	184,287	212,011
Current assets	273,850			273,850	244,116
Current liability	(28,084)			(28,084)	(31,638)
Total value of funds	245,766	2,041,156	184,287	2,471,209	2,455,173

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2022
(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 (2021 - £484)

11 WAGES AND SALARIES

	2022	2021
	£	£
Wages and salaries	33,273	29,497
Pension contributions	988	365
	<u>34,261</u>	<u>29,862</u>

The average number of employees during the year was:-

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

12 INDEPENDENT EXAMINERS REMUNERATION

A provision for remuneration has been made within these financial statements amounting to £540 (2021 - £720)

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.