

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
LYME GREEN SETTLEMENT**

Heywood Shepherd
Chartered Accountants
1 Park Street
Macclesfield
Cheshire
SK11 6SR

LYME GREEN SETTLEMENT

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FOR THE YEAR ENDED 31 MARCH 2021**

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LYME GREEN SETTLEMENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives

The object of the Charity shall be the relief of persons suffering from paraplegia and/or severe disability, with a preference for those who have been employed in the Armed Forces of the Crown, in particular but not exclusively by:-

- 1 the erection, improvement, equipping and maintaining of the buildings at Lyme Green for the provision of care of such persons;
- 2 the erection, improvement and maintenance of bungalows or dwellings for the residence of such persons receiving such care and treatment, and if thought fit, members of their families.

The Charity has taken account of the Charity Commission's guidance on public benefit.

In this regard the Charity provides purpose-built accommodation for disabled people who are predominantly wheelchair dependent. Application to occupy any vacant property may be made by recommendation from medical and social organisations.

The accounts shown in the Financial Review section show the income sources and how that income is used in the ongoing management, maintenance and upgrading of the Lyme Green Settlement's property comprising 9.47 hectares with buildings thereon: - thirty dwellings, an administration office, hall, workshops, a bowling green, agricultural land. There is also an administrator. The hall, workshops, a two-storey house and the agricultural land are let at commercial rents. This provides an income stream to supplement the residential rents. As a result, the residential rents are held at a favourable level compared with the local rental levels for comparable properties

ACHIEVEMENT AND PERFORMANCE

Performance

Performance

The principal performance indicator is full occupancy with minimum turnaround when a property becomes empty. An ongoing indicator is the satisfaction and well-being of the residents. The principal financial indicator is the maintenance of a positive financial position balancing costs against income.

During this reporting period the Charity has maintained an occupancy level of 95% on the residential and 77% commercial properties. All properties continued to benefit from the attention of two gardeners/handyman and when necessary external maintenance/building contractors. As a result of a general increase in costs a rent increase of 2.0% was required at the review date of 1st April 2020. No increase was applied on the 1st April 2021 due to the pending sale of land to the west of London Road which will increase the Settlement's source of income once proceeds are received.

Over the last few years many changes in legislation have occurred and the needs and categories of applicants have also changed markedly from the inception of Lyme Green Settlement; there are fewer applicants who meet the strict criteria called for in the Trust's Objects.

The general economic climate has become increasingly difficult with the historically low interest rates and the onset of the Covid-19 pandemic adversely impacting investment values in the early part of the year. Local government funding, particularly in the area of housing benefits, is under continued pressure. Some of the residents have been adversely affected by these changes.

Residents' care needs continue to be provided by the external services of the NHS. In limited cases the extra medical needs of the war pensioners are being met, on request, with funding from the Veteran's Agency. The Residents Association continues to use the facilities in the Office block for meetings and other activities

Investment Policy

Our investments are managed by Brewin Dolphin Ltd under discretionary powers granted by the Charity. Detailed quarterly reports as well as daily online access to the investment portfolio and its performance are provided.

Our investment objectives are to achieve the best financial return within a moderate and acceptable level of risk. This will be measured against the relevant blend of indices relating to the risk category.

LYME GREEN SETTLEMENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

ACHIEVEMENT AND PERFORMANCE

Firm Plans

The current principal plan is to continue to meet the stated objects within a sound financial structure.

The Trustees will continue to monitor carefully the general economy and its impact on the Charity, particularly in the area of housing and disability benefits.

The Charity will continue to keep in mind the demands placed on the residents by Government economic austerity measures. It will be important to the Charity that the commercial properties, workshops, hall and the lodge, continue to be occupied thus generating income to further the objects of the charity.

On 7th December 2020 contracts were exchanged on the sale of the land it owns to the west of London Road. The contract is conditional on satisfactory planning permission being obtained. The agreed pending sale is expected to occur when planning permission is granted. The proceeds, once received, will be used for the furtherance of the Charity's Objects.

FINANCIAL REVIEW

Financial position

The Charity had a surplus of £55K for the year which includes unrealised/realised gains on the revaluation of our investments of £41.9K. The year's actual surplus compares with a budgeted deficit of £18.8K. Excluding the book gain from investments, income at £214K was in-line with budget. Expenditure at £200K was £32K below budget due to less than expected bungalow upgrades.

The value of the investment portfolio as at March 31st 2021 stood at £195.3K compared to £155K as at March 31st 2020. The increase in value was attributable to the improvement in markets after the significant reduction in market values at March 2020 due to the impact of Covid-19 on global markets.

On the 1st April 2014, the land and buildings were professionally valued at £5M and were transferred from the old unincorporated Charity number 209267 to the new CIO as a gift. In the Land Registry Proprietorship Register, Lyme Green Settlement CIO is shown as the owner of the land and buildings. This transfer took place with the full knowledge of the Charity Commission (CC). We later discovered that the CC had changed their view on the status of the land and were now of the opinion that it had permanent endowment status. A CIO cannot legally own Permanently Endowed Land, which, therefore, still belongs to the old Lyme Green Settlement Trust. With assistance from the CC, a new scheme was established in March 2018 appointing the CIO as the sole and Corporate Trustee of the old Lyme Green Settlement Trust. The CIO and the old trust were linked on the CC register and only one set of annual accounts is required. The property is shown separately in the accounts under Endowed Funds.

Principal funding sources

The majority of our income is received from rentals of our 29 bungalows, one two storey house, four workshops, a building adapted for use as a children's day nursery and land around the Settlement rented out to a local farmer for grazing.

Other smaller sources of income are from interest and dividends on our investments and one donation amounting to £300 per annum (including gift-aid). All the income received is utilised in property maintenance and support costs to enable us to achieve our charitable objectives.

A major risk facing the Charity is a sudden and unexpected loss of rental income, for example several bungalows becoming vacant at the same time or losing one of our commercial tenants. As there will always be some upgrade work or decorating required in the property, there will be some delay before the new tenant is able to move in.

The loss of a commercial tenant would present more of a problem. During the year a commercial tenant vacated their premises. At the year end the premises have not been re-let.

Reserves policy

Liquid funds stand at £369K (net current assets £174K and investments £195K). It is our policy to upgrade properties to our current specification when they become vacant (if they have not already been upgraded). An upgrade costs around £40K per property. From our cash reserves alone, we could upgrade four bungalows without having to realise any of our investments. Of our 29 bungalows, 17 have been fully upgraded at the year end. The two-storey house has also been upgraded.

The trustees main concern is the Settlement's infrastructure. Our site has not been adopted by the local authority, Cheshire East Council. We regularly have potholes appearing in our roads. These are repaired by our maintenance staff but ideally, we need to get all our roads resurfaced. This will cost a considerable amount of money.

We are also responsible for the water supply pipes. There is only one meter for the whole site and this is located at the entrance. The water utility company is only responsible for pipework up to this meter but beyond it is our responsibility. Fairly frequently, we do have burst pipes and these are repaired.

LYME GREEN SETTLEMENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

FUTURE PLANS

The Trustees best course of action to fully support the furtherance of the charity's objects was to sell the land to the west of London Road. Once the proceeds of the sale are received, the Trustees intend to start attending to aspects of the settlement's infrastructure whilst ensuring that other aspects of the Charity's objectives are not ignored. All discussions that take place have the continued welfare of the existing tenants at the heart of our deliberations.

LYME GREEN SETTLEMENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The governing document of the Lyme Green Settlement Charity is the Trust Deed for the Lyme Green Settlement for Paraplegics dated 8th July 1946 and subsequent amendments dated 9th March 1979, 15th September 1997, 7th July 2003 and 21st March 2018.

The governing document of the Lyme Green Settlement CIO is the Constitution dated 31st March 2014 and amended 1st September 2015

(subsequently further amended July 1st, 2019 and February 17th, 2020).

Day to day operations, decision making, financial management and trust governance are all conducted in accordance with a set of policies which are subject to review and approval every two years. During this review process, the charity trustees give consideration to the major risks to which the charity is exposed and satisfies themselves that systems or procedures are established in order to manage those risks

The Charity is Lyme Green Settlement CIO, registered charity number 1155679. It is located at The Office, Lyme Green Settlement, London Rd, Macclesfield, Cheshire SK11 0LD

The Trustee body comprises up to 10 positions with the trustees being recruited locally; vacant positions being advertised by word of mouth from existing trustees, by local advertising and by the use of CVS Cheshire East. Applicants are interviewed by existing trustees who, in their appointment process, seek to ensure a complimentary mix of skills to meet the needs of the Charity.

The Trustees as at March 31st, 2021 were:

Mrs Pat McMillan (Chairman)

Dr Sylvia Brough (Operations)

Mr Robert Masters

Mr Ian Hayes (Property)

Mr Michael R Elsom

Mr Alan Benzie (Deputy Chairman)

Mr William Lounds

Mr I Goalen (Finance)

As stated in Land Registry records, title absolute of the land and estate is held by Lyme Green Settlement CIO (Reg No. 1155679) - [see above under the heading of Financial Position].

All other assets of the CIO are held in the CIO's name with the exception of its stocks and shares which are held in the name of our stockbrokers' nominee company to save dealing and administrative cost in accordance with modern practice.

The organisational structure comprises the board of trustees (all volunteers with one selected as chairperson), an Administrator and two full-time gardeners/handymen.

The trustees meet at four full board meetings during the year. All major policy, financial and operational decisions are decided by a majority of the trustees. The Constitution covers the structure and voting requirements. As necessary, further full trustee meetings are called in keeping with the provisions of the Constitution.

The smaller meetings, as required, review related topics and formulate proposals for consideration and approval at full trustee meetings.

A trustee is delegated to oversee Finance matters. That trustee and the Administrator monitor and administer the Trust's finances closely during the year and ensure, as far as possible, that the Settlement has remained on budget. In the management of Investments, the trustees continue to take a cautious approach and assess the situation on a frequent and regular basis with the Charity's stockbrokers.

A trustee is delegated to oversee Property matters. That trustee and the Administrator ensure that the programme of bungalow modernisation continues on schedule and on budget and that routine maintenance is done properly and promptly.

All other operational matters are delegated to the appropriate trustee, based on their field of expertise.

The chairperson maintains an oversight of all activities, meeting with the Administrator on a weekly basis and sitting in on the smaller meetings as necessary.

LYME GREEN SETTLEMENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Administration

Julie Broadhurst was promoted to the Administrator position on April 1st 2020 and now manages the day to day activities of the Settlement working within the guidelines laid down by the board of trustees. However, any major concerns must firstly be relayed to the chairperson who may then require a view from all trustees.

Financial mandates are laid down in accordance with good accounting practice.

The remuneration package for the Administrator is set in accordance with levels applicable to a professional office worker in Macclesfield. The Charity operates a pension scheme for all eligible employees.

Risk management

Throughout the year to 31st March 2021 the Charity has operated whilst a national and global pandemic (Covid-19) has existed. As with all charities, this has posed risks to the ongoing performance of the Charity which have been addressed by the Trustees. The main risks identified were:

- Loss of commercial property income
- Health and safety of tenants
- Health and safety of employees

The Trustees mitigated these risks by:

- Permitting rent deferral to commercial tenants during the period. By the year end all deferred rent had been recovered.
- Tenants were informed that the Trusts employees would not be entering the premises of tenants unless specifically requested. Assistance was offered in respect of collection of shopping.
- Employees of the Trust were provided with PPE together with instruction which would include adherence to the Government Guidelines which included remote working where applicable.
- The Trustees conducted formal business by remote means using Zoom conference facilities.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1155679

Principal address

The Office
Lyme Green Settlement
London Road
Macclesfield
Cheshire
SK11 OLD

Trustees

Dr S Brough
Mrs P McMillan
Mr R Masters (resigned 14.5.21)
Mr I Hayes
Mr M R Elsom
Mr B Lounds
Mr A Benzie
Mr I Goalen (appointed 1.3.21)

Auditors

Heywood Shepherd
Chartered Accountants
1 Park Street
Macclesfield
Cheshire
SK11 6SR

Solicitors

Brabners LLP

Advisers

Brewin Dolphin Securities Ltd

LYME GREEN SETTLEMENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

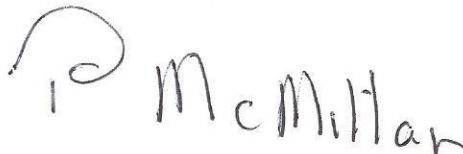
The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees 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, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Approved by order of the board of trustees on 27 September 2021 and signed on its behalf by:

Mrs P McMillan - Trustee

A handwritten signature in black ink, appearing to read 'P McMillan'. The signature is written in a cursive, flowing style.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF LYME GREEN SETTLEMENT

Opinion

We have audited the financial statements of Lyme Green Settlement (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 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 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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 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.

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 Report of the Trustees 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF LYME GREEN SETTLEMENT

Our responsibilities for the audit of the financial statements

We have been appointed as auditors 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 a Report of the Independent Auditors 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:

Our approach to identifying and assessing the risks of material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

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

We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Charities SORP FRS102, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation);

We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and

Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatements, including obtaining an understanding of how fraud might occur, by:

Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override controls, we:

Performed analytical procedures to identify any unusual or expected relationships;

Investigate the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

agreeing financial statement disclosures to underlying supporting documentation;

reading minutes of meetings of those charged with governance;

enquiring of management as to actual potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from errors as they may involve deliberate concealment or collusion.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
LYME GREEN SETTLEMENT**

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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Heywood Shepherd
Chartered Accountants
1 Park Street
Macclesfield
Cheshire
SK11 6SR

27 September 2021

LYME GREEN SETTLEMENT

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted fund £	Restricted fund £	Endowment fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies		239	-	-	239	267
Charitable activities						
Accommodation Provision		209,906	-	-	209,906	217,605
Investment income	2	3,228	-	-	3,228	4,655
Other income		1	-	-	1	1,020
Total		213,374	-	-	213,374	223,547
EXPENDITURE ON						
Raising funds	3	2,551	-	-	2,551	2,070
Charitable activities						
Accommodation Provision		197,675	-	-	197,675	261,962
Other		-	-	-	-	-
Total		200,226	-	-	200,226	264,032
Net gains/(losses) on investments		41,855	-	-	41,855	(14,635)
NET INCOME/(EXPENDITURE)		55,003	-	-	55,003	(55,120)
RECONCILIATION OF FUNDS						
Total funds brought forward		317,630	-	5,000,000	5,317,630	5,372,750
TOTAL FUNDS CARRIED FORWARD		372,633	-	5,000,000	5,372,633	5,317,630

The notes form part of these financial statements

LYME GREEN SETTLEMENT

BALANCE SHEET 31 MARCH 2021

	Notes	Unrestricted fund £	Restricted fund £	Endowment fund £	2021 Total funds £	2020 Total funds £
FIXED ASSETS						
Tangible assets	7	3,232	-	5,000,000	5,003,232	5,004,309
Investments	8	195,317	-	-	195,317	155,006
		<u>198,549</u>	<u>-</u>	<u>5,000,000</u>	<u>5,198,549</u>	<u>5,159,315</u>
CURRENT ASSETS						
Debtors	9	6,433	-	-	6,433	6,997
Cash at bank and in hand		182,669	-	-	182,669	181,853
		<u>189,102</u>	<u>-</u>	<u>-</u>	<u>189,102</u>	<u>188,850</u>
CREDITORS						
Amounts falling due within one year	10	(15,018)	-	-	(15,018)	(30,535)
NET CURRENT ASSETS		<u>174,084</u>	<u>-</u>	<u>-</u>	<u>174,084</u>	<u>158,315</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>372,633</u>	<u>-</u>	<u>5,000,000</u>	<u>5,372,633</u>	<u>5,317,630</u>
NET ASSETS		<u>372,633</u>	<u>-</u>	<u>5,000,000</u>	<u>5,372,633</u>	<u>5,317,630</u>
FUNDS	11					
Unrestricted funds					372,633	317,630
Endowment funds					5,000,000	5,000,000
TOTAL FUNDS					<u>5,372,633</u>	<u>5,317,630</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 27 September 2021 and were signed on its behalf by:

Mrs P McMillan - Trustee




Mr I Goalen - Trustee

The notes form part of these financial statements

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Financial reporting standard 102 - reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 3.17(d);
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Land and Buildings Policy

Land - not depreciated
Buildings - not depreciated

The charity elected to use the Fair value of the buildings at the transition date to FRS 102. Where that value is not lower than the residual value, the trustees have elected not to depreciate the buildings.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Endowed Funds. The Lyme Green Settlement Trust holds the property in a permanently endowed trust. This charity is linked to the Lyme Green Settlement CIO who are the corporate trustee for the original trust. As such the CIO manages the income and expenditure derived from the property in furtherance of the charitable objectives of the endowed trust which are also the objectives of the CIO.

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

LYME GREEN SETTLEMENT**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****1. ACCOUNTING POLICIES - continued****Pension costs and other post-retirement benefits**

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. INVESTMENT INCOME

	2021	2020
	£	£
Investment income	3,177	4,438
Deposit account interest	51	217
	<u>3,228</u>	<u>4,655</u>

3. RAISING FUNDS**Investment management costs**

	2021	2020
	£	£
Portfolio management	2,551	2,070
	<u>2,551</u>	<u>2,070</u>

4. AUDITORS' REMUNERATION

	2021	2020
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	2,500	2,400
Auditors' remuneration for non audit work	4,578	3,048
	<u>4,578</u>	<u>3,048</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

6. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	86,999	82,112
Social security costs	4,110	3,800
Other pension costs	5,438	4,175
	<u>96,547</u>	<u>90,087</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Administration	1	2
Maintenance	2	2
	<u>3</u>	<u>4</u>

No employees received emoluments in excess of £60,000.

LYME GREEN SETTLEMENT

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

7. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 April 2020 and 31 March 2021	<u>5,000,000</u>	<u>10,752</u>	<u>5,388</u>	<u>5,016,140</u>
DEPRECIATION				
At 1 April 2020	-	7,992	3,839	11,831
Charge for year	-	690	387	1,077
At 31 March 2021	-	<u>8,682</u>	<u>4,226</u>	<u>12,908</u>
NET BOOK VALUE				
At 31 March 2021	<u>5,000,000</u>	<u>2,070</u>	<u>1,162</u>	<u>5,003,232</u>
At 31 March 2020	<u>5,000,000</u>	<u>2,760</u>	<u>1,549</u>	<u>5,004,309</u>

The property is held by a permanently endowed trust, Lyme Green Settlement and as such is separate to Lyme Green Settlement CIO.

In accordance with FRS 102, the charity has elected to use fair values at the date of transition as the deemed cost for Freehold Land and Buildings.

The Land and Buildings were revalued on transition by a professional valuer, Hallams Chartered Surveyors, with recent experience in the location and category of property valued. The transition date valuation was based on a market valuation.

No depreciation has been charged since transfer, on the buildings, as the trustees are of the opinion that residual value is not materially lower than the fair value at that date.

The Charity Commission have confirmed that the property should not be held by the CIO and as such should not be included in the Balance Sheet of the CIO and remains under constructive trust for the original trust of The Lyme Green Settlement.

The CIO is the Corporate Trustee of the original trust and the property is therefore included in these accounts as an endowed fund.

8. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2020	155,006
Additions	81,430
Disposals	(82,974)
Revaluations	41,855
At 31 March 2021	<u>195,317</u>
NET BOOK VALUE	
At 31 March 2021	<u>195,317</u>
At 31 March 2020	<u>155,006</u>

LYME GREEN SETTLEMENT**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****8. FIXED ASSET INVESTMENTS - continued**

	2021	2020
UK Bonds	24,626	29,049
Overseas Bonds	3,383	-
UK Equities	50,309	43,008
North American Equities	48,692	31,224
European Equities	9,334	7,408
Japanese Equities	6,401	4,867
Asia Pacific Equities	14,030	6,426
Emerging Market Equities	3,749	2,668
Global Investments	15,660	14,210
Absolute Return	13,879	10,560
Property	5,254	5,586
	<u>195,317</u>	<u>155,006</u>

The historic cost of investments held at 31st March 2021 was £164,822 (2020 - £153,398).

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	(1,228)	324
Prepayments and accrued income	7,661	6,673
	<u>6,433</u>	<u>6,997</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	7,451	22,558
Taxation and social security	2,412	1,843
Other creditors	5,155	6,134
	<u>15,018</u>	<u>30,535</u>

11. MOVEMENT IN FUNDS

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

12. RELATED PARTY DISCLOSURES

In respect of the year ended 31st March 2020, there were two trustees on the board of the charity in accordance with constitutional requirement.

They represent The Order of St John who are connected by the legal constitution of Lyme Green Settlement.

As from 09/07/19 The Order of St John have decided not to nominate members in the future with the two serving Trustee representatives both resigning in July 2019 and March 2020 respectively.

In the accounts there are donations received of £240 which were given to the charity by a Trustee's family,

LYME GREEN SETTLEMENT

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

13. LYME GREEN SETTLEMENT PERMANENT ENDOWED TRUST

Lyme Green Settlement charity number 209267, was the original charity set up under trust deed 1946.

It was agreed that on the 1 April 2014 all the assets and liabilities held by the original charity should be transferred to the new CIO at their market value. The transfer of those assets were treated as a donation to the new CIO. The original charity was subsequently dissolved by the Charity Commission in April 2015.

Under the current legislation CIO's cannot legally hold permanently endowed property and as such the permanently endowed property had been excluded from these accounts in 2017. This transaction is shown under exceptional items 'other' in the SOFA.

The permanently endowed property is registered to Lyme Green Settlement CIO at the land registry and is held under constructive trust for the original Lyme Green Settlement charity.

The Charity Commission have set up a scheme dated March 2018 whereby the original trust which holds the permanently endowed property was reinstated but is linked to the CIO. The CIO is the corporate trustee of that endowed fund. The property has therefore been included in these accounts again this year but separately under endowed funds and exceptional items under 'other' in the SOFA.

LYME GREEN SETTLEMENT

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

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations and legacies	239	267
Investment income		
Investment income	3,177	4,438
Deposit account interest	51	217
	<u>3,228</u>	<u>4,655</u>
Charitable activities		
Rental income bungalows	165,549	167,281
Rental income other	40,071	47,569
Recharges	4,286	2,755
	<u>209,906</u>	<u>217,605</u>
Other income		
Other income	1	-
Polling station fees	-	1,020
	<u>1</u>	<u>1,020</u>
Total incoming resources	213,374	223,547
EXPENDITURE		
Investment management costs		
Portfolio management	2,551	2,070
Charitable activities		
Wages	86,999	82,112
Social security	4,110	3,800
Pensions	5,438	4,175
Rates and water	11,861	12,967
Insurance	8,505	8,049
Light and heat	889	1,886
Telephone	951	766
Postage and stationery	500	664
Sundries	926	1,565
Property and grounds repairs	38,641	93,746
Motor and travel	1,234	1,023
Safety clothing	990	706
Lifeline fees & clinic expense	1,297	1,486
Life assurance	60	60
Cleaning and laundry	339	1,064
Office equipment maintenance	1,171	2,069
Donations and grants given	90	520
Plant and machinery	690	920
Motor vehicles	387	516
	<u>165,078</u>	<u>218,094</u>

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LYME GREEN SETTLEMENT**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
Support costs		
Finance		
Bank charges	197	217
Governance costs		
Auditors' remuneration	2,500	2,400
Auditors' remuneration for non audit work	4,578	3,048
Legal fees	25,322	38,031
Subscriptions	-	172
	<u>32,400</u>	<u>43,651</u>
Total resources expended	<u>200,226</u>	<u>264,032</u>
Net income/(expenditure) before gains and losses	13,148	(40,485)
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>41,855</u>	<u>(14,635)</u>
Net income/(expenditure)	<u>55,003</u>	<u>(55,120)</u>

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