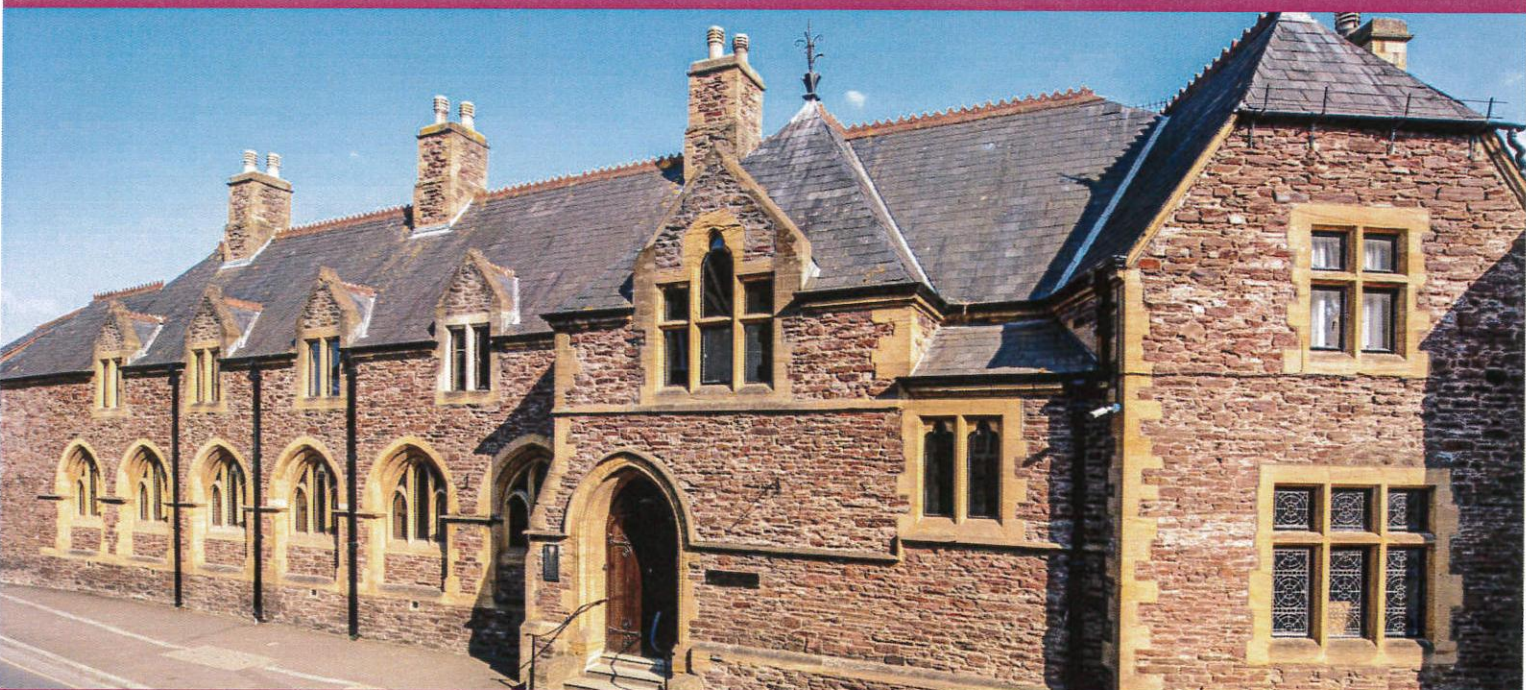


TAUNTON HERITAGE TRUST



ANNUAL REPORT AND ACCOUNTS 2022-2023

Registered CIO No: 1177162

Regulator of Social Housing No: 5059

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WHAT WE DO

Almshouse living enables older people, some of whom are vulnerable, to maintain their independence and dignity in a safe and secure environment which not only enhances their lives, but also assists wider society by offering a very special housing provision.





Message from the Chair

Dear Friends and Supporters,

Welcome to the Taunton Heritage Trust Annual Report and Accounts 2022-2023. I am pleased to share with you our progress and accomplishments over the past year.

Our commitment to provide for those in need remains steadfast, and together, we have continued to make a meaningful impact on the lives of our Almshouse Residents and Grant recipients this year.

We have managed to grow and innovate, despite a cost-of-living crisis and have persevered in our efforts to create a nurturing environment where Residents can find support in our communities. Through these connections we see how this reduces loneliness and improves wellbeing. Properties are highly maintained giving peace of mind to our Residents, who often come to us after experiencing challenges they didn't expect to face at this point in their lives. Our beautiful gardens provide opportunities to reflect - and our community rooms a warm safe place to enjoy time together.

Looking forward to the year ahead, we are hopeful that we can deliver more affordable social housing, that is much needed in the community.

Ambitions to build a new Almshouse for a further 13 Residents is a major aim of the Trust.

Training and development for Staff and Trustees continues as we invest in our people to take us forward in this next stage of exciting opportunities and growth.

As we look forward to another ambitious year, thank you to everyone who has made the last year a success.

Liz Fothergill - Chair of Trustees

WHO WE ARE

REFERENCE AND ADMINISTRATIVE DETAILS

The Board of Trustees

The Trustees are all members of the Board of Management

Appointed for four years expiring 05 April 2024

HUGH GREGORY

Appointed for four years expiring 30 June 2024

CHRIS CUTTING [2nd term]

JOHN WILLIAMS [2nd term]

**MIKE HELLINGS

Appointed for four years expiring 30 June 2025

JOHN RUFF [2nd term]

JEAN ALLGROVE [2nd term]

NORMAN CAVILL [2nd term]

Appointed for four years expiring 30 June 2026

LIZ FOTHERGILL [2nd term]

Appointed for four years expiring 06 June 2027

ANDY PRITCHARD [2nd term]

SUE BULLER [2nd term]

NATHAN BRASSINGTON resigned 18 August 2022

**Appointed by the Court Leet - term of four years

TRUST'S PATRON

MAYOR OF TAUNTON COUNCILLOR SUE LEES – until 01 April 2023

MAYOR OF TAUNTON COUNCILLOR NICK O'DONNELL – from 01 April 2023

ASSOCIATES

MARGARET NOTT

RACHEL PINDER

VIVIENNE STOCK- WILLIAMS

WHO WE ARE



For hundreds of years the enduring responsibility of the Board of Trustees for the overall governance and strategic direction of Taunton Heritage Trust has shaped a legacy of impactful preservation and community enrichment.



WHO WE ARE

Officers and Professional Advisers Advisors

Chief Officer

Karen White (until April 2023)
Ros Moreton (from March 2023)

Auditor

Albert Goodman
Chartered Accountants & Statutory Auditors
Goodwood House
Blackbrook Park Avenue
Taunton
Somerset TA1 2PX

Registered Office

Huish Homes, Magdalene Street, Taunton, Somerset TA1 1SG

Registered CIO No: 1177162

Regulator of Social Housing No: 5059

TRUSTEES REPORT

These accounts show the results for the period 01 July 2022 to 30 June 2023.

Objectives and Activities

The Trustees of Taunton Heritage Trust, a registered Charitable Incorporated Organisation (CIO) work within the terms of the Constitution approved by the Charity Commission on 14 February 2018 and amended by an order dated 02 October 2018.

The Trust is a Registered Social Landlord and operates within the guidance contained in the Regulator of Social Housing's Regulatory Framework and Guidance. The Trust's Charity number is 1177162 and its Social Housing Registration number is 5059. The Trust's principal address is Huish Homes, Magdalene Street, Taunton, TA1 1SG

The objects of the CIO are as follows:

- (a) To provide affordable, suitable and safe social housing in the form of almshouses for people in need aged 60 years and over with priority being given to inhabitants of the Borough of Taunton Deane ("area of benefit").
- (b) To provide relief in need for the Residents of the almshouses and other inhabitants of the area of benefit, (or in exceptional cases to persons resident immediately outside the area of benefit), by making grants of money for goods, services or facilities for the benefit of individuals or other charities or in such other ways as the CIO may see fit.
- (c) To provide annual grants to Bishop Fox's School and as part of the British School Fund, to other schools in order to further the education of children and young people in the area of benefit.

The objectives for the purpose of public benefit, require that the Trust provides affordable, suitable and safe accommodation for people on low incomes aged over 60 years and provides a grant giving scheme in order to assist individuals who are identified as in financial need. The Trustees have paid due regard to the Charity Commission's guidance in relation to the reporting of Public Benefit and believe that the main activities and who the Trust helps are described below.

To comply with the Trust's Constitution, almshouse residents must be in need and aged 60 years and over with priority being given to inhabitants of (the former) Taunton Deane. This is broadly defined as being on a low income, but need can also mean a requirement for the sheltered form of safe housing that the Trust is able to provide. The Trust has a robust process of Resident Appointment that includes an interview with Trustee presence before offering accommodation to ensure the person most in need at the time of a vacancy is offered the available flat.

The Trust's objectives in providing accommodation during the year were as follows:

- To provide affordable, suitable and safe accommodation for people in need aged over 60 years.
- To provide Warden assistance to encourage Residents to live their lives as independently as possible.
- To work to secure appropriate assistance for Residents from relatives and relevant support agencies.
- To provide a community environment which encourages social wellbeing through a range of activities and events.
- To maintain the Trust's almshouses to the highest standard practicable.

TRUSTEES REPORT

The Trust also provides a monthly grant giving scheme and the objectives of the grants scheme are as follows:

- To assist individuals who are resident in (the former) Taunton Deane and who are identified as in financial need.

Grant payments fall into two main categories:

1. Items of general need
2. Educational grants

All grant applications are considered against agreed criteria which are reviewed annually. There were no changes in activities during the year.

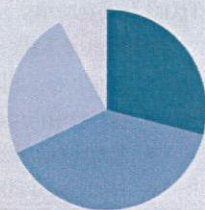
Taunton Heritage Trust

 **72 Residents**

Residents from 60 yrs to our eldest resident who is 95 yrs old



29% in their 60s
39% in their 70s
24% in their 80s
8% in their 90s



Resident Survey 2022

OVER **96%**

Of Residents were happy with their flats

and would recommend THT to a friend

98%

found staff approachable and helpful

"I can't think of anywhere better. I love it!"

Grants Scheme



2022-2023

13

Education Grants awarded

111

General Grants awarded

OVER



£37,000

awarded to people in need

"I just want to say such a big thank you to you all!! M is over the moon."

Many thanks for your support for this young man."

Governance



10 Trustees

3 Associates

1 Patron

Operations

7

Part time staff



65 Almshouse units



4 Community sites

2 Listed buildings

96.25%

average occupancy rate

"The Trust is very well thought of and seen as an important provider of sheltered independent living accommodation."

Market Research 2022

TRUSTEES REPORT

Achievement and Performance

Residents

The Taunton Heritage Trust offers sheltered accommodation to the over 60's who are in need. The sheltered nature of the accommodation enables Residents to maintain their independence for longer, living with dignity in a safe and secure environment.

The provision of part-time Warden assistance and a 24/7 piper alarm system means that Residents feel fully supported and do not become isolated. The events and activities during the period have been very well received and ensures a "community" feel. This has been well managed by the Trust's Wardens. The following is a list of events that took place during the reporting period for all Residents to enjoy –

LEYCROFT CLOSE

Trust led events

- Pimm's & strawberries afternoon - August 2022
- Fraud Talk – August 2022
- Fish and Chips evening – September 2022
- Barbeque – September 2022
- Trustees' coffee morning - October 2022
- Ploughman's Supper – December 2022
- New Year's Eve Party- December 2022
- Card Bingo – February 2023
- Fish and Chips evening – March 2023
- Card Bingo – April 2023
- Fish and Chips evening – May 2023
- Trustees' coffee morning - May 2023

Resident led events

- Coronation Celebrations – May 2023
- Barbeque- May 2023

BERNARD TAYLOR HOMES

Trust led events

- Fraud Talk – August 2022
- History Talk- August 2022
- Chicken and Chips evening -October 2022
- Trustees' coffee morning - October 2022
- History Talk – November 2022
- Christmas Party – December 2022
- Fish and Chips evening – January 2023
- Games evening - February 2023
- Games evening – March 2023
- History Talk – March 2023
- Easter tea party and egg hunt – April 2023
- Coronation celebrations – May 2023
- Quiz evening – May 2023
- Trustees' coffee morning - May 2023

Resident led events

- Barbecue – June 2023
- Barbecue - July 2023
- Day out to the donkey sanctuary – August 2023
- Craft afternoons every Thursday

The Trust also arranges and pays for each year, two events to enable the whole Resident community to come together. In the Summer this is a group outing to the seaside , that includes a wonderful meal and time at the beach or to explore the local town. At Christmas everyone is invited to a meal, which is catered for and includes a prize draw.

A quarterly Resident newsletter is produced by the Trust, that captures good news stories, Resident reminders and social events. Residents look forward to receiving this colourful publication put together by the staff team. Throughout the year Staff and Trustees drop by to the Residents weekly coffee morning. These informal events enable the Trust to connect with Residents and are good opportunities for informal feedback and evaluation.

TRUSTEES REPORT

Sofa surfing at seventy

Increasingly this past year, the Trust has housed people who have been without a home and sleeping on makeshift beds or sofas in friends or relative's homes. 'Sofa surfing' can be particularly distressing for people later in life, who have lost personal space and autonomy over their lives. The Trust was able to house our new Residents within weeks of their application, giving them a safe and private space to re-settle in.



Reducing isolation and loneliness

Data shows that isolation impacts all of us and is particularly linked to poor health and wellbeing, putting pressures on an already stretched health service.

The Trust is proud of the work our Wardens do to build and support the communities we have across all four sites in Taunton. Weekly visits help identify problems early on, with advice and support offered and we can link to agencies that provide more help if it is needed. The Wardens arrange regular events including an informal coffee morning each week that encourages those who may be feeling lonely to join in and connect with other people.

The Almshouse Association reported that the almshouse model can increase the quality and longevity of Resident's lives, which relieves some of the pressures in health and social care.

Saying goodbye

Sadly we have lost Residents this year, who were a large part of their communities. These changes affect Residents and Staff and we aim to be mindful and respectful at the Trust.

There is comfort in people coming together to remember Residents who we have had to say goodbye to. Residents have shared memories together in our community rooms and also planted a tree in the courtyard garden in remembrance.

The bond between Residents is part of the special offering of almshouse living.



TRUSTEES REPORT

Grants

The grants scheme enables people of all ages, who live in (the former) Taunton Deane and are in financial need, to benefit from assistance, often at short notice. Examples of items granted are school uniform for children, flooring and white goods, clothing and basics for people setting up a new home – i.e. out of prison or victims of domestic abuse. Equipment for new babies/children and respite care. The grant scheme fills a much-needed gap in the area of benefit to respond quickly and assist people who are genuinely in need and very often at a time when they have nowhere else to turn.

The funds for British School Fund were not taken up in 2022, and were re-directed, as agreed by the Board and in line with our Constitution.

The grant applications are completed on behalf of the individual by referring agencies. During the year some 20 referring agencies (25 the previous year) submitted applications. Detailed guidance notes for grant eligibility are regularly reviewed and updated and published on the Trust's website. These are also circulated to all referring agencies on a regular basis.

A Grant Referrers Coffee Morning was held in October 2022, to better understand the needs of grant applicants and discuss ways to support the community. It was a good opportunity to engage stakeholders and present the broad range of awards the Trust offers.

Grants during the year amounting to £37,636 were made as follows:

-	£35,532	Grants for general purposes
-	£ 2,084	Grants for educational purposes

The allocation of grants:	2022-2023	2021-2022
Education (uniforms, etc)	12	22
Furniture & household goods	17	14
White goods	42	31
Equipment for babies/children	1	0
Flooring	40	37
Clothing	0	3
Equipment for disability	7	2
Decoration/repairs	1	5
IT equipment	0	0
Playschemes	0	1
British School Fund	0	1
Bishop Fox's School Fund	1	1
Other	3	2
TOTAL	124	119

Grants Scheme



Thank you so much for all your help with this. The difference the grant will make to this family is incredible.

This is such a positive outcome, and very needed.

My client is very grateful indeed

TRUSTEES REPORT

Property Management and Maintenance

The Trust continued to meet its objectives during the period by undertaking the following –

Response Maintenance

During the budget year 2022/23 response maintenance works undertaken across all sites was at a normal level and the breakdown in percentages is as follows

1. Leycroft Close – 24%
2. Bernard Taylor Homes – 43%
3. Huish Homes – 13%
4. St James Close – 11%
5. Grays Almshouses – 6%

The remaining 3% was split over the Warden properties and the Office.

Works completed for residential sites were as follows:

- Boiler replacement in the Bernard Taylor Homes community room.
- Arboriculture report and works to the hedgerow boundary between Leycroft Close and Wordsworth Drive.
- Upgrade of communal lighting to Huish Homes and Bernard Taylor Homes for improved lux and energy efficiency.
- Upgrade and modernisation of CCTV system at Leycroft Close
- Fire risk assessment identified improvement works across all sites.
- Hot water distribution improvement works at St James Close
- Completion of works to upgrade the Tunstall Piper system across all sites to make it digital ready.
- Periodic testing completed on necessary sites (5 yearly)
- Portable Appliance Testing completed on all sites.
- Boiler servicing and gas safety checks all sites less Grays Almshouses.
- Windows and gutters have been cleaned on all sites.

Works completed for commercial sites were as follows:

- Corfield Hall site security to windows and doors
- Preparation works for pending roof replacement at 54-55 North Street, Taunton
- Works in preparation for the disposal of house at 24 St James Street, Taunton

Almshouse turnovers completed across sites:

Leycroft Close – 2

Bernard Taylor Homes – 4

Huish Homes – 0

St James Close – 2

Grays Almshouses – 3

TRUSTEES REPORT

Throughout the year the Trust managed 65 flats across five Almshouse sites. The Trust adjusted the portfolio to return an almshouse back to an onsite Warden's flat, replacing the Warden's house that was sold, resulting in reduction from 66 flats to 65 in September 2022.

Vacant flats were filled promptly following maintenance turnover. Promotion included advertising on site and in the local press and via social media. The Trust also placed adverts in several community and parish magazines within the area of benefit. At the time of each vacancy an assessment of eligibility is made, and flats are allocated to those considered to be most in need.

The average occupancy levels during the year were **96.25%** (96.75% previous reporting period). The Trust complies with all statutory requirements of the Charity Commission and the Regulator of Social Housing and ensures it complements the housing strategies of Somerset West and Taunton Council.

The Resident Sessions that had been introduced after the Satisfaction Survey in 2022, continued in 2023. Two sessions, in March 2023 were held on site to which all Residents were invited. The Chief Officer and Properties Manager talked through any concerns and clarified grey areas. These were very positive sessions.

The Trustees review the requirements of the beneficiary group through the Committee structure and seek to develop appropriate services to meet identified need. A review of charges relating to almshouse lettings is carried out on an annual basis following Homes England and the Almshouse Association guidelines.

The Trust continues to receive annual income from its investments and rental income from commercial properties. During recent years both sectors have hit turbulent times but with the guidance and support of the Trust's professional advisers, these have been well managed. The income from the commercial properties provides the basis for budget management in terms of the grant giving role. Due to the reduction in this income over the previous financial year, the granting budget had already been reduced and was managed during this period on a reduced budget. Monthly Grant Panel meetings were held to scrutinise each application, to ensure that every worthy applicant was able to benefit from the scheme.

The criteria for the provision of grants is reviewed at Committee level and the guidance notes and application form are updated accordingly and shared with the relevant referring agencies. These documents are available to download on the Trust's website.

During the year the Trust's Risk Register was under constant review to acknowledge and mitigate against fast moving changes and challenging economic environment.

TRUSTEES REPORT

The Trust recognises that many of its buildings have significant historical value and historic fabric, the integrity of which needs to be maintained and protected



TRUSTEES REPORT



National Heritage Open Days

As part of the national Heritage Open Days, Taunton Heritage Trust opens Gray's Almshouse and Chapel each year, and it was held on 17 September in 2022. This event offers a unique insight into Taunton in the 1600s, as the Grade I Listed building is the home of the original chapel with its beautiful painted ceiling. Grays Almshouses date from 1635 and were founded by Robert Gray, a London merchant, born in Taunton in 1570. The Almshouses were built to accommodate ten poor women, six poor men and a Reader. The Reader was employed to read prayers twice a day, and to teach ten children to read and write.

Visitors get to see the gardens, chapel and are given a tour of the building's interior. Sometimes there is the chance to see inside our current flats, as our Resident's often open their doors enabling visitors to spot the marks of history that can still be seen. Staff and Trustees volunteer their time to give a flavour of the history of the Taunton Heritage Trust and explain how we still provide accommodation today.

The day is very well attended with visitor numbers over 125 in September 2022.

TRUSTEES REPORT

Financial Review

Financial management

The Trust is self-funding deriving income from its properties and portfolio of stocks and shares. As a registered housing provider, the Trust complies with Homes England's formula when setting weekly maintenance contribution levels.

There is an agreed system of budgetary control with a detailed budget being agreed by the Board of Trustees in advance of the financial year. Snapshot reports are produced monthly and detailed reports, on a quarterly basis. These procedures are reviewed at least annually. Rowan Dartington are the Trust's Investment Managers. Quarterly reports are received from Rowan Dartington and the agreed procedures for the transactions have been followed. Both of the Trust's commercial properties (1/1A St James Street and 54/55 North Street) were fully occupied during the financial year. Although the agreed rental income has significantly reduced over recent years, the arrangement is deemed to be as good as it can be in the present economic climate and with many vacant shops in the town centre.

Investment policy and returns

The objectives of the Trust in investing its funds are as follows:

- The investments are held as a long-term reserve against any future shortfall in income against expenditure.
- The Taunton Heritage Trust's investment objective is to maintain and, if possible, enhance the real value of the reserves represented by its investments while producing an income.
- The Trustees investment time horizon is ten plus years.
- The Trustees assessed attitude to risk, ie the risk profile for the Charity's portfolio is medium/high risk.

The Taunton Heritage Trust's strategic investment policy involves a broadly diversified spread of assets, including UK and overseas equities, government and non-government bonds and pooled funds to cover more specialist areas of investment.

The Trustees' policy is to invest in freehold property as well as in a listed managed portfolio with Rowan Dartington. The investment properties which made up 29.7% of invested funds at 30 June 2023 generated a gross return 4.9% (2022: 4%). The listed managed portfolio produced an income return of 3.62% (2022 3.1%) and a loss on revaluation of 1.67% (2022: loss 10.7%). Overall, the return on listed investments was 1.95% (2022: loss 8.5%). The Trust's policy with regard to investments is to aim to achieve a 3.5% return on reserves, this figure was not achieved during the year due to a number of factors including most obviously the continued impact of rising inflation and in turn rising interest rates.

TRUSTEES REPORT

Reserves Policy and Reserves

Need for reserves

The principal risks that impact on the need for reserves have been assessed to include:

- Occupancy rate of the almshouses, current and anticipated
- Occupancy of the commercial properties which have historically provided the income for the Trust's grant making role
- Costs of staffing at the correct level, current and future pension provision and employer's liabilities
- Unexpected costs on any of the buildings
- Other committed or unplanned expenditure
- Future needs, opportunities, contingencies or risks, the effects of which are unlikely to be met out of future income
- The ongoing additional costs of legal compliance regarding legionella, fire risk, health & safety etc.

Level of reserves

The Trust's policy with regard to level of reserves is to maintain six months operating costs. This is in the region of £300,000. Unrestricted reserves are maintained at a level considered to be adequate to cover day to day working capital and all foreseeable emergencies relating to the properties.

The reserves as at 30 June 2023 totalled £7,347,183 of which £803,122 were endowment funds and £515,800 restricted funds. Unrestricted funds of £6,028,261 are made up of £4,285,786 held as commercial property, functional property or other fixed assets. A further £1,350,835 of fixed asset investments held as long-term investments to generate income. This left £391,640 of free reserves available to the CIO.

TRUSTEES REPORT

On 30 June 2023, the Trust held a designated roof replacement fund totalling £250,000 and a further repair fund for extraordinary repairs in excess of £250,000. We have a designated fund for a possible future development of almshouses of £1 million. £100,000 has been earmarked to address the dilapidations at the commercial property on North Street, which are now required as part of the update to the property ready for the new tenant. These designated funds are held within the investment portfolio.

The available cash reserves achieve the level in the Trust's policy above. The free reserves are below this level but additional sums held as reserves could be converted to cash as necessary.

Monitoring and review

The level of reserves is reviewed annually, as part of the budget setting process in order to ensure sufficient but not excessive reserves are maintained. The Trustees are of the opinion that on a fund-by-fund basis, the Trust's assets are available and adequate to enable it to fulfil its obligations.

Financing and treasury management

The Trust does not have any borrowings, needing repayment as at 30 June 2023 and the Trustees believe that all current plans will be met from existing funds with the exception of the Corfield Hall development project where loan and grant funding may be sought.

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 including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and 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 Trust and of the income and expenditure of the Trust for that year.

In preparing these financial statements, the Board is required to:

- Select suitable accounting policies and then apply them consistently;
- Observe methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the financial statements comply with the Charities Act 2011, part 2 of the Housing & Regeneration Act 2008 the Accounting Direction for Social Housing in England from January 2019, the Charity (Accounts and Reports) regulations 2008 and the governing document. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

TRUSTEES REPORT



Almshouse living has been around for centuries and can provide benefits such as shared resources, social support, and a sense of belonging. The model is based on genuine affordability, independent living and Residents' wellbeing. There is a greater need today for these homes, than ever before

TRUSTEES REPORT

Structure, Governance and Management

The Trustees are all members of the Board of Management. Liz Fothergill served as Chair for the period with Norman Cavill serving as Vice Chair. Due to a change to a one tier local authority in April 2023, the nominated council Trustees terms came to an end, as the Borough council ceased to exist. The appointments from the local authority would be actioned later in 2023. Sue Buller and Andy Pritchard's terms of office came to an end during the year, and they were reappointed for a further four-year term as Trustees. Nathan Brassington resigned in August 2022.

Councillor Sue Lees served as the Trust's Patron until April 2023, thereafter Councillor Nick O'Donnell served as Trust Patron.

Day to day responsibility for running the Trust and overseeing all its activities is delegated to the Chief Officer who is considered to be the Trust's key management personnel. The Chief Officer is supported by the Officers and Wardens, operating within the policies, guidelines and directions given by the Trustees, all of which are minuted. The Chief Officer reports to the Trustees on at least a quarterly basis at Board Meetings. Other Officers report quarterly to Trustees via the relevant committee, as do the Wardens.

Strategic direction and guidance as well as review of operating policies and procedures is carried out by the Board of Trustees. When setting the pay and remuneration of the Trust's key management personnel, the Trustees consider the remuneration levels of equivalent officers in other similar almshouse charities and the National Joint Council pay scales.

Policy for the recruitment, appointment, induction and training of new Trustees

The Trust operates under the terms of its Constitution dated 14 February 2018 and this provides for the body of Trustees to consist of not less than nine Trustees, to include three Trustees who are nominated, with a minimum quorum of five Trustees at a meeting. If there is a requirement for new Trustees, these would be identified and appointed by the remaining Trustees. During the year, no new Trustees were appointed.

The Chief Officer is responsible for the induction of any new Trustee. The process includes visits to the office, meetings with Staff and visits to each almshouse site, as well as "shadowing" opportunities with the Wardens. A detailed induction pack is provided which includes information relating to Trustees' responsibilities, a copy of the Constitution and most recent audited accounts. It also contains the Strategic Business Plan and the most recent annual report from the Chief Officer as well as any other relevant background information.

Operations

As part of the annual Development Day Trustees started a Board Framework review. This was carried forward by the Governance, Strategy and Policies Committee, taken to the AGM in December and resulted in the Trustees moving responsibilities across two Committees that feed into the quarterly Board. The Trust's aim is to improve communication, hasten decision-making, and focus on core priorities. This restructuring does not compromise health and safety, or safeguarding, as the Committees continue to scrutinise these areas, reporting regularly back to the Board. The changes will be reviewed to ensure ongoing alignment with the Trust's objectives and to ensure effectiveness.

The Trust introduced the role of Honorary Treasurer at the December AGM.

TRUSTEES REPORT

The following meetings were held during the year:

Board Meetings – 4

AGM - 1

Finance & Properties Committee- 5

Governance, Strategy & Policy Committee – 5

Grants Committee - 1

Grants Panel - 12

Appointments Committee – 1

Residents Committee – 1

Health & Safety Committee – by email exchange

All Trustee meetings were quorate, apart from the Appointments Committee, where no decisions were taken and were deferred.

Two working parties were set up during the year comprising of a combination of Trustees, Associates and Staff. One was to focus on a Staffing restructure, the other was to review an element of the Trust's Educational Grants scheme. Both working parties made recommendations to the Board and the work was completed during the year.

The Charity Commission and Homes England annual returns were completed within the prescribed deadlines.

Monitoring of performance

The Trustees work within the parameters of the Charity Governance Code for smaller charities and monitor performance based on the code. The code sets the principles and recommended practice for good governance, helping charities develop high standards.

The Trustees receive written reports from the Wardens, Finance Manager and Properties Manager at quarterly meetings. The Board approves the annual budget. The Finance & Properties Committee receives quarterly reports and oversees all planned maintenance and scheduled developments.

The Trustees consider the following:

- Actual expenditure against budget for the current year on a quarterly basis and proposed budgets for the forthcoming year on an annual basis
- Annual Accounts and Audit report as presented by the Trust's accountants.
- All operating policies and procedures on a rolling three-year programme.

The Trust is always liable for inspection by Homes England and the Charity Commission.

The Chief Officer reports to the Trustees on performance at Committee and Board level as outlined below:

- Organisational performance against an agreed set of annual priorities, on an at least six-monthly basis
- Grant cashflow on a quarterly basis
- Occupancy levels across the residential properties on a quarterly basis
- Collection of Residents weekly maintenance contributions and any arrears on a quarterly basis
- Capital spending on building development on a quarterly basis
- Any issues regarding response to repairs and maintenance requests on a quarterly basis
- Any Residents' or other stakeholder issues or complaints and their resolution, through the Trust's complaints procedure on a quarterly basis.

TRUSTEES REPORT

Management development

A joint Trustee and Staff Development Day was held in September 2022 which was externally facilitated. These included attendees discussing, the responsibilities of a charity in line with Charity Commission guidance and the Almshouse Movement with guest speaker Nick Philips, Chief Executive from the

Almshouse Association. The Chair introduced options for a Board Framework review whilst the Staff refreshed their understanding of professional boundaries. All who attended agreed the session encouraged joint working between Staff and Trustees.

During the year work was undertaken at Committee level to develop further a Governance Self-Assessment Plan for the Trust which is now in place as a tool to assess the quality of governance assurance. The Almshouse Association have developed a comprehensive library of training Webinars and Staff and Trustees have signed up to some of these during the year.

The Trust's Strategic Plan continues to be followed and a timeline of the plan is regularly reviewed, as part of the work of the committees. A Trustees' review of the performance of the Trust was coordinated by the Chair of Trustees in 2023 with recommendations being taken forwards during the year.

Risk management

The Trustees manage risk via a Risk Register. These risks have been identified under the following sections:

- Financial
- Management
- Property
- People
- Health Safety & Wellbeing
- Governance

The Risk Register is overseen by the Governance, Strategy & Policy Committee and is reviewed on a quarterly basis.

The Trustees review the major risks which the Trust faces on a regular basis and believe that maintaining free reserves at the levels stated on page 20, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The results for the last two years confirm that. The Trustees have also examined other operational and business risks and confirm that they have established systems and procedures to mitigate the significant risks. These include matters relating to Trustees, Staff, Residents, external stakeholders and property.

Fundraising activities

The Trust does not actively undertake any direct fundraising activities and does not engage anyone to undertake such activities on its behalf. Some grant funding is expected to be sought in relation to developing the Corfield Hall project and it is expected that this work will be undertaken inhouse.

TRUSTEES REPORT

Plans for Future Years

Almshouses: The Trust plans to increase its almshouse provision for people in the local community, addressing the growing housing needs of an aging population. We aim to provide quality accommodation that enables people to live independently, with the right support when needed.

Our primary aim is to deliver Corfield Hall, a new almshouse in the centre of Taunton. Planning delays have hindered progress to date. However, we finally obtained planning approval in June 2023, subject to conditions and phosphate mitigations. This long-awaited approval means we can proceed in delivering thirteen new almshouses. The Board agreed to progress the Corfield Hall development in October 2023.



As we move forward, building our new almshouses, sustainability and energy efficiency will be vital to future proof our provision for the next generations.

In view of the fact THT's property portfolio includes three listed buildings, the Board also continues to review energy efficiency within our older buildings, particularly with Residents facing a cost-of-living crisis.

People: Investing in our Staff and Trustees is key to ensure a diverse and skilled workforce. Recognising as we grow, we need the resources and expertise to support this. In the past year the Trust has employed two new staff and promoted within the existing staff team. Raising our profile to attract the new Trustees will commence and with a training and development audit underway, plans will be rolled out over the next year to ensure new and existing Staff and Trustees are offered a package of training that supports their role at the Trust.

Public Benefit: Through stakeholder engagement, we look to enhance services for Residents and improve outcomes for Grant recipients. Resident wellbeing and satisfaction will be reviewed as part of the regular cycle of feedback and data analysis.

Technology: Embracing ways to be more efficient and environmentally impactful. The Trust will continue to develop ways of working in line with the Strategic Plan. Trustees are now able to access information from the THT Intranet site [SharePoint] for better data protection and collaborative working.

Finance: Ensuring financial stability is always a priority for the Trust. The Board and Committees continue to scrutinise their investment portfolio, commercial holdings and will review their reserve policy as part of their governance self-assessment cycle.

TRUSTEES REPORT

Governance: The Trusts will pursue a “Charity of Excellence” status through its ongoing governance self-assessment. Recent changes to the Board Framework will be reviewed. The annual Trust Development Day will bring together discussion and aspirations to shape the Strategic Plan, moving forwards. Trustee appraisals later mid-year give further feedback around the charity’s plans and outcomes.

Over the next year, the Trust seeks to balance its historical past with future needs and to maintain its role as a vital community housing provider.

TRUSTEES REPORT

Professional Advisors

Bankers – Barclays Bank, 46 North Street, Taunton TA1 1LZ

Bankers - Skipton Bank, The Bailey, Skipton, BD23 1DN

Bankers – Charity Bank Ltd, Fosse House, 182 High Street, Tonbridge, TN9 1BE

Solicitors – Porter Dodson, The Quad, Blackbrook Park Avenue, Taunton, TA1 2PX

Investment Managers – Rowan Dartington, Aintree House, Blackbrook Park Avenue, Taunton TA1 2PX

Chartered Surveyors – Hatfield White, Victoria House, Victoria Street, Taunton TA1 3AF

Auditors – Albert Goodman, Goodwood House, Blackbrook Park Avenue, Taunton TA1 2PX

Auditors

An auditor's review in Autumn 2022 resulted in Albert Goodman auditing the Trust's accounts from January 2023

By Order of the Trustees



LIZ FOTHERGILL
CHAIR OF TRUSTEES



Mr N CAVILL
CHAIR OF FINANCE & PROPERTIES COMMITTEE

Date: 5th December 2023.

Opinion

We have audited the financial statements of the Taunton Heritage Trust (the 'charity') for the year ended 30 June 2023, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2023, 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and 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 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 financial statements is inconsistent in any material respect with the trustees' report;
- sufficient accounting records have not been kept;
- 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 Trustees' Responsibilities Statement set out on page 21 the trustees are responsible for the preparation of 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Charities Act 2011, s. 144 and report in accordance with regulations made under 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud.

Our approach to identifying and assessing the risks of material misstatement 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 charity through discussions with management, and from our commercial 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 charity, including the Charities Act 2011, the Housing and Regeneration Act 2008, the Accounting Direction for Registered Social Housing in England, Housing legislation including the guidance contained in the Regulator of Social Housing's Regulatory Framework and Guidance, anti-bribery and data protection legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal 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 charity's financial statements to material misstatement, 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; and
- 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 of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated 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 the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation, claims and breaches of relevant legislation; and
- reviewing correspondence with the Charity Commission and other relevant regulators including the charity's legal advisors and insurers.

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.

Taunton Heritage Trust
Independent Auditors' Report
For the Year Ended 30 June 2023

Material misstatements that arise due to fraud can be harder to detect than those that arise from error 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 auditor's report.

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 auditor's 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.



.....
Albert Goodman LLP
Statutory Auditor
Goodwood House
Blackbrook Park Avenue
Taunton
TA1 2PX

Date: 05/12/2023.....

Albert Goodman LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Taunton Heritage Trust

Statement of Financial Activities (including Income and Expenditure Account)

For the Year Ended 30 June 2023

	Notes	Unres- tricted £	Res-tricted £	Endowment fund £	2023 Total £	2022 Total £
Income:						
Donations & legacies		65	-	-	65	50
Charitable activities	2	616,913	-	-	616,913	572,673
Investment Income	3	130,082	14,755	-	144,837	117,152
Other income	4	205,887	-	-	205,887	900
Total income		952,947	14,755	-	967,702	690,775
Expenditure:						
Raising funds						
Investment manager fees		6,661	3,824	7,344	17,829	18,638
Charitable activities						
Almhouse letting	2	534,772	-	-	534,772	554,465
Grants & donations	5	37,616	-	-	37,616	34,838
Other expenditure		5,661	-	-	5,661	4,084
Total expenditure		584,710	3,824	7,344	595,878	612,025
Net income / (expenditure) before other recognised gains and losses		368,237	10,931	(7,344)	371,824	78,750
Net gain / (loss) on investments	10	(40,873)	(17,692)	(52,434)	(110,999)	(279,430)
Net income before transfers		327,364	(6,761)	(59,778)	260,825	(200,680)
Transfers	13	-	-	-	-	-
Net movement in funds for the year		327,364	(6,761)	(59,778)	260,825	(200,680)
Reconciliation of funds						
Total funds brought forward		5,700,897	522,561	862,900	7,086,358	7,287,038
Total funds carried forward		6,028,261	515,800	803,122	7,347,183	7,086,358

The statement of financial activities has been prepared on the basis that all operations are continuing operations. There were no gains or losses arising in the year that are not shown above.

The statement of financial activities incorporates the income and expenditure account.

Taunton Heritage Trust
Balance Sheet
As at 30 June 2023

		2023		2022	
		£	£	£	£
	Notes				
Fixed assets					
Housing properties	8	3,263,749		3,437,899	
Tangible fixed assets	9	7,037		9,152	
Investments	10	3,687,642		3,447,795	
			6,958,428		6,894,846
Current assets					
Debtors	11	116,914		7,888	
Cash at bank and in hand		314,895		260,579	
		431,809		268,467	
Liabilities:					
Creditors falling due within one year	12	(43,054)		(76,955)	
Net current assets			388,755		191,512
Total net assets			7,347,183		7,086,358
The funds of the charity:					
Unrestricted funds:					
General funds	13	5,528,261		5,200,897	
Designated funds		500,000		500,000	
Total unrestricted funds			6,028,261		5,700,897
Endowment funds	13	803,122		862,900	
Restricted funds	13	515,800		522,561	
Total charity funds			7,347,183		7,086,358

Taunton Heritage Trust
Balance Sheet (continued)
As at 30 June 2023

Approved by the Board of Trustees for issue on and signed on their behalf by:


L Fothergill
Trustee


N Cavill
Trustee

Taunton Heritage Trust
Statement of Cash Flows
For the Year Ended 30 June 2023

		2023 £	2022 £
	Notes		
Cash flows from operating activities			
Net movements in funds for the year		260,825	(200,680)
Adjustments to cash flows from non-cash items			
Gain on disposal of fixed assets		(65,943)	-
Depreciation and amortisation	9	5,889	7,074
Dividends and interest from investments	3	(144,837)	(117,152)
Investment revaluations	10	110,999	279,430
		<u>166,933</u>	<u>(31,328)</u>
Working capital adjustments			
Decrease/(increase) in debtors	11	(109,026)	5,471
Increase/(decrease) in creditors	12	(33,901)	28,387
		<u>24,006</u>	<u>2,530</u>
Cash flows from investing activities			
Dividends and interest from investments		144,837	117,152
Proceeds on disposal of fixed assets		240,093	-
Purchase of fixed assets	10	(3,774)	(24,758)
Acquisition of investments	10	(670,803)	(240,994)
Investment disposals	10	179,641	152,566
		<u>(110,006)</u>	<u>3,966</u>
Net cash provided by/(used in) investing activities			
		<u>(86,000)</u>	<u>6,496</u>
Net increase/(decrease) in cash and cash equivalents			
		<u>503,543</u>	<u>497,047</u>
Cash and cash equivalents at the beginning of the reporting period			
		<u>417,543</u>	<u>503,543</u>
Cash and cash equivalents at the end of the reporting period			
		<u>417,543</u>	<u>503,543</u>
Cash & Cash equivalents reconciliation:			
Cash at bank		314,895	260,579
Cash held by investment manager	10	102,648	242,964
		<u>417,543</u>	<u>503,543</u>
Total cash & cash equivalents at the end of the reporting period			
		<u>417,543</u>	<u>503,543</u>

Accounting Policies

1.1 General Information

Taunton Heritage Trust is a Charitable Incorporated Organisation (CIO) registered charity administered under an order of the Charity Commissioners dated 14 February 2018. The Charity is registered in England and Wales. The registered office is Huish Homes, Magdalene Street, Taunton, Somerset TA1 1SG. The trust is also registered with the Homes and Communities Agency as a social landlord.

Basis of accounting

The financial statements have been prepared in £ sterling on the historical cost basis and in accordance with 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) - (Charities SORP (FRS 102)), the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Registered Social Housing in England from January 2019.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

1.2 Income

All income is recognised once the Trust has entitlement to the income, there is sufficient certainty of receipt, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Income represents letting income and other service charges receivable from social housing lettings included at their invoiced value net of voids, and rental income from commercial lettings.

Income from donations is recognised on a cash basis, in the year in which the income is physically received, except when the donors specify that they must be used in future accounting periods or donors' conditions have not been fulfilled, then the income is deferred.

Income from grants is recognised in the year in which they are receivable. Grants without performance conditions are presented within donations and legacies and within charitable activities when performance criteria apply.

Income from investments constitutes dividends and bank interest and is recognised in the year to which it relates.

1.3 Expenditure

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis, including support costs are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

Grants payable are payments made to third parties in furtherance of the charitable objects of the Trust. Grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the Trust. In the case of an unconditional grant order this is accrued once the recipient a reasonable expectation that they will receive the one year or multi-year grant. Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of the grant payable.

The costs of raising funds consist of investment management fees.

The expenditure on charitable activities includes Almshouse expenses, grants made, governance costs and support costs.

The Trust gives to needy individuals in the form of one-off grants for clothes, furniture, white goods etc. and educational grants for students. Such costs are charged to the Statement of Financial Activities as they arise.

Due to the number of properties held and the establishment of regular programmes of repairs and maintenance, the Trust does not make provision for future works but charges actual costs incurred to the Statement of Financial Activities. The Trust has a continuing programme of major repairs. Costs regarded as "normal" are charged to the Income and Expenditure account in the year they are incurred. The Trust maintains a reserve into which funds are transferred when necessary, for expenditure considered by the Trustees to be abnormal in nature.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life as follows:

Freehold land and buildings	Not depreciated.
Fixtures & fittings	33% straight line / 10% straight line

Housing properties are held at cost. They are considered to have a high residual value equal to or in excess of the book value (1995 valuation plus subsequent capital improvements) because the residual value of the properties is maintained by the ongoing maintenance of the properties. Accordingly, no depreciation has been charged. Works which do not result in enhancement of economic benefits of a property are charged to the Income and Expenditure Account.

The useful economic lives and residual values of all tangible fixed assets are reviewed annually.

1.5 Fixed asset Investments

Listed Investments

Listed investments are a form of basic financial instrument and are recognised at their transaction value and subsequently measured at fair value at the balance sheet date using the closing quoted market price. The statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the period. The Trust does not acquire, or use put options, derivatives or other complex financial instruments.

Fixed asset investments comprise investment portfolios maintained by investment managers. These are recognised initially at fair value which is normally the transaction price (but excludes any transaction costs.) Subsequently, investments are held at market value, with all realised and unrealised gains passing through the SOFA.

Investment property

Freehold commercial properties held for investment purposes are stated at fair value as set out in note 10. The properties were valued as at 30 June 2020 on an open market value basis by D White of Hatfield White, an independent commercial property advisor and surveyor. There has been no independent valuation carried out since this time.

In accordance with the SORP, investment property valuations are considered annually and updated for any material movement in fair value. The Trustees have assessed the fair value of the properties, and in doing so considered the long term intentions of the trust, the location of the properties and the rental yield by reference to the most recent lease (or those in negotiation) at the time of the assessment. The significant assumptions in making such an assessment included the current intentions of the Trustees to hold the properties for the long term and the potential value of investment into the area.

The Trustees have concluded that the properties are held at fair value in the accounts as at 30 June 2023.

1.6 Realised gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the period end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

1.7 Debtors

Accrued income is recognised at the settlement amount due and prepayments are valued at the amount prepaid.

1.8 Cash at bank and in hand

Cash at bank and in hand comprise cash on hand and call deposits with a maturity of less than three months, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

1.9 VAT

The Trust is registered for VAT. All income and expenditure on a specific commercial property is stated exclusive of VAT. All other expenditure is stated inclusive of VAT. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

1.10 Taxation

As a registered charity, the company is not liable to corporation tax to the extent that income and gains are applied to charitable activities.

1.11 Classification of funds

Funds are classified according to the manner in which they are allowed to be spent. The unrestricted fund deals with funds that can be spent generally for furthering the objects of the Trust. The Trust designates those revenues which have been set aside for uses which prevent them, in the judgement of the Trustees, from being regarded as part of the free reserves of the Trust.

Restricted reserves are funds which are to be used in accordance with specific restrictions imposed by either the donor or the governing documents of the Trust.

The capital of the permanent endowment fund must be retained by the Trust. Income arising on the investments is unrestricted. Costs of managing these investments are charged to the endowment fund. Any gains and losses arising on the sales of investments or on revaluation are charged to the endowment fund. On 16 May 2019, the Charity Commission approved the Trustees resolution under Section 282 of the Charities Act 2011 to release the permanent endowment to spend on the development of Corfield Hall.

1.12 Financial Instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and liabilities of the charity and their measurements are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 18. Investment portfolios are basic financial instruments measured at fair value through the income and expenditure account. Prepayments are not financial instruments.

Cash at bank and deposit accounts– is classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 18. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.13 Leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Receipts from operating leases where the Trust acts as the lessor are recognised in the Statement of Financial Activities on a straight line basis over the period of the lease.

Incentives offered to enter into an operating lease, such as rent free periods, are spread over the lease term and debited to the Statement of Financial Activities on a straight line basis over the period of the lease.

1.14 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and adjusted for current market conditions and other factors. The Trustees makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom be exactly the same as related actual results. The estimates, assumptions and management judgements that carry a significant risk of material adjustments to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Estimation of fair value of investment properties

The fair value of investment properties is assessed by the Trustees as set out in note 1.5. In line with the SORP, investment properties are not depreciated.

Residual values of housing property

Housing properties are not depreciated on the basis that their residual value is at least equal to their carrying value on the basis of the continual maintenance of these properties. The significant assumptions applied in the determining the residual values of our housing properties are mainly due to (i) whether it will continue to be necessary to maintain the properties to a certain standard (ii) the market value of the properties.

2. Charitable Activities

	Unres- tricted funds £	Res- tricted funds £	2023 Total £	Unres- tricted funds £	Res- tricted funds £	2022 Total £
Income and expenditure from Almshouses Lettings						
Income from social housing lettings	640,929	-	640,929	590,540	-	590,540
Letting income loss from voids	(26,596)	-	(26,596)	(20,524)	-	(20,524)
Other income/ground rents & guest accomodation	2,580	-	2,580	2,657	-	2,657
	<u>616,913</u>	<u>-</u>	<u>616,913</u>	<u>572,673</u>	<u>-</u>	<u>572,673</u>
Expenditure on letting activities:						
Personnel costs	150,731	-	150,731	126,342	-	126,342
Establishments costs	181,009	-	181,009	180,033	-	180,033
Routine maintenance	131,690	-	131,690	180,103	-	180,103
Planned maintenance	32,967	-	32,967	32,150	-	32,150
General expenses	32,486	-	32,486	28,763	-	28,763
Depreciation - furniture & equipment	5,889	-	5,889	7,074	-	7,074
	<u>534,772</u>	<u>-</u>	<u>534,772</u>	<u>554,465</u>	<u>-</u>	<u>554,465</u>
Total operating costs on Almshouses lettings						
	<u>82,141</u>	<u>-</u>	<u>82,141</u>	<u>18,208</u>	<u>-</u>	<u>18,208</u>
Surplus on Almshouse lettings						
	<u><u>82,141</u></u>	<u><u>-</u></u>	<u><u>82,141</u></u>	<u><u>18,208</u></u>	<u><u>-</u></u>	<u><u>18,208</u></u>

3. Investment Income

	Unres- tricted funds £	Res- tricted funds £	2023 Total £	Unres- tricted funds £	Res- tricted funds £	2022 Total £
Commercial Property Rents	52,000	-	52,000	41,249	-	41,249
Dividends Receivable	75,266	14,755	90,021	62,456	12,942	75,398
Bank Interest	2,816	-	2,816	505	-	505
	<u>130,082</u>	<u>14,755</u>	<u>144,837</u>	<u>104,210</u>	<u>12,942</u>	<u>117,152</u>

4. Other income

	Unres- tricted funds £	Res- tricted funds £	2023 Total £	Unres- tricted funds £	Res- tricted funds £	2022 Total £
Other income	139,944	-	139,944	900	-	900
Profit on disposal of freehold property	65,943	-	65,943	-	-	-
	<u>205,887</u>	<u>-</u>	<u>205,887</u>	<u>900</u>	<u>-</u>	<u>900</u>

5. Grants & donations paid

	Grants to institutions £	Grants to individuals £	2023 Total £	Grants to institutions £	Grants to individuals £	2022 Total £
Education	-	2,084	2,084	-	3,994	3,994
General purposes (social welfare)	665	34,867	35,532	2,300	28,544	30,844
	<u>665</u>	<u>36,951</u>	<u>37,616</u>	<u>2,300</u>	<u>32,538</u>	<u>34,838</u>

All above expenditure relates to unrestricted funds.

6. Net incoming resources/operating surplus

	2023 £	2022 £
Depreciation of owned assets	5,889	7,074
Auditors' remuneration for:		
Audit services	6,000	8,298
Accountancy services	1,950	-
	<u>13,839</u>	<u>15,372</u>

7. Employees

Number of employees

The average monthly head count was 8 staff (2022: 8 staff).

Employment costs	2023 £	2022 £
Wages and salaries	144,018	121,474
Social security costs	5,252	4,057
Other pension costs	1,461	811
	<u>150,731</u>	<u>126,342</u>

There were no employees with emoluments above £60,000 in the year (2022: none).

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £1,461 (2022: £811).

Contributions totalling £nil (2022: £nil) were payable to the scheme at the end of the year and are included in creditors.

The trust considers its key management personnel comprise the trustees and the chief officer. Total employment benefits of key management personnel were £37,148 (2022: £29,756).

None of the trustees (or persons connected with them) received any remuneration during the current or prior year. No trustees were reimbursed travel expenses during the year (2022: none).

8. Housing property held for letting

	2023 £	2022 £
Cost or valuation		
At 1 July 2022	3,437,899	3,418,766
Additions	-	19,133
Disposals - Warden's House	(174,150)	-
	<u>3,263,749</u>	<u>3,437,899</u>
At 30 June 2023	<u>3,263,749</u>	<u>3,437,899</u>
Net book value		
At 1 July 2022	3,437,899	3,418,766
	<u>3,263,749</u>	<u>3,437,899</u>
At 30 June 2023	<u>3,263,749</u>	<u>3,437,899</u>
Freehold land and buildings	<u>3,263,749</u>	<u>3,437,899</u>

A number of the housing properties were originally constructed several hundred years ago and there is no record of original cost. The housing properties were transferred to the CIO from the former charity on 30 June 2018 at book value.

The former charity, on transition to the SORP (FRS 102), took advantage of the transitional provision that permitted the Trust to take the book amounts for the properties as deemed cost. The former charity adopted these transitional provisions, and the trustees therefore did not undertake a more recent valuation.

Spend on property in the period

	2023 £	2022 £
Capitalised	-	19,133
Charged to the income and expenditure account	164,657	212,253
	<u>164,657</u>	<u>231,386</u>

Housing stock

The average number of units of housing in management was 65 Almshouses for letting, replacing the warden's house sold (2022: 66 Almshouses for letting).

9. Tangible fixed assets

Cost	Furniture and Equipment £	Total £
At 1 July 2022	36,415	36,415
Additions	3,774	3,774
Disposals	-	-
	<hr/>	<hr/>
At 30 June 2023	40,189	40,189
	<hr/>	<hr/>
Depreciation		
At 1 July 2022	27,263	27,263
Charge for the year	5,889	5,889
Disposals	-	-
	<hr/>	<hr/>
At 30 June 2023	33,152	33,152
	<hr/>	<hr/>
Net book value		
At 30 June 2023	7,037	7,037
	<hr/>	<hr/>
At 1 July 2022	9,152	9,152
	<hr/>	<hr/>

10. Fixed asset investments

	Invest- ment properties £	Listed invest- ments £	2023 Total £	Invest- ment properties £	Listed invest- ments £	2022 Total £
Movements in fixed assets investments						
Market value b/f as 1 July 2022	1,025,000	2,179,831	3,204,831	1,025,000	2,370,833	3,395,833
Additions at cost	-	670,803	670,803	-	240,994	240,994
Disposals	-	(179,641)	(179,641)	-	(163,756)	(163,756)
Net gain / (loss) on revaluation	-	(110,999)	(110,999)	-	(268,240)	(268,240)
	1,025,000	2,559,994	3,584,994	1,025,000	2,179,831	3,204,831
Cash held within investment portfolio	-	102,648	102,648	-	242,964	242,964
	1,025,000	2,662,642	3,687,642	1,025,000	2,422,795	3,447,795
Investments at fair value						
					2023 Total £	2022 Total £
Investment properties					1,025,000	1,025,000
Equities					2,179,831	2,036,633
Fixed interest securities					380,163	143,198
Cash held within the investment portfolio					102,648	242,964
					3,687,642	3,447,795

Taunton Heritage Trust
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11. Debtors

	2023	2022
	£	£
Debtors	2,978	-
Prepayments and accrued income	113,936	7,888
	<u>116,914</u>	<u>7,888</u>

12. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Creditors	17,029	36,908
Accruals	12,512	20,063
Deferred Income	13,113	19,532
Taxation and social security	400	452
	<u>43,054</u>	<u>76,955</u>

13. Summary of movement in funds

	Opening balance £	Income £	Expenditure £	Gain/(loss) on Investments & transfers £	Closing balance £
Unrestricted funds					
General	5,200,897	952,947	(584,710)	(40,873)	5,528,261
<u>Designated reserves</u>					
Roof replacement fund	250,000	-	-	-	250,000
Almshouses fund	250,000	-	-	-	250,000
Total unrestricted funds	5,700,897	952,947	(584,710)	(40,873)	6,028,261
Endowment funds					
Historical cost	820,318	-	(7,344)	(9,852)	803,122
Revaluation	42,582	-	-	(42,582)	-
	862,900	-	(7,344)	(52,434)	803,122
Restricted funds					
Corfield Hall	10,000	-	-	-	10,000
Extraordinary repairs fund					
Historical cost	505,663	14,755	(3,824)	(10,794)	505,800
Revaluation	6,898	-	-	(6,898)	-
	522,561	14,755	(3,824)	(17,692)	515,800
Total funds	7,086,358	967,702	(595,878)	(110,999)	7,347,183

The designated reserve for future major work is named 'Roof replacement fund'. This fund is available to fund roof repairs at any of the Trust's sites.

There is also a designated fund entitled "Almshouses fund" – this is for development of new Almshouses.

The Corfield Hall fund includes donations received specifically for the purchase and development of Corfield Hall.

The Extraordinary Repairs Fund is a restricted fund which can be used for extraordinary repairs, improvements or rebuilding relating to properties owned by the Trust. The fund is made up of a listed investment portfolio, and therefore income, expenditure and gain/losses associated to the investment are charged to the fund. Permission must be obtained from the Charity Commission before any of the investment capital is used.

Endowment funds are held in listed investments and intended to be held for the long term. Income arising from the fund is available for use by the Trust. On 16 May 2019, the Charity Commission approved the Trustees resolution under section 282 of the Charities Act 2011 to release the permanent endowment to spend on the development of Corfield Hall.

Summary of movement in funds – 2022

	Opening balance £	Income £	Expenditure £	Gain/(loss) on Investments & transfers £	Closing balance £
Unrestricted funds					
General	5,202,366	677,833	(600,195)	(79,107)	5,200,897
<u>Designated reserves</u>					
Roof replacement fund	250,000	-	-	-	250,000
Almshouses fund	250,000	-	-	-	250,000
Total unrestricted funds	5,702,366	677,833	(600,195)	(79,107)	5,700,897
Endowment funds					
Historical cost	822,675	-	(7,494)	5,137	820,318
Revaluation	132,854	-	-	(90,272)	42,582
	955,529	-	(7,494)	(85,135)	862,900
Restricted funds					
Corfield Hall	10,000	-	-	-	10,000
Extraordinary repairs fund					
Historical cost	512,819	12,942	(4,336)	(15,762)	505,663
Revaluation	106,324	-	-	(99,426)	6,898
	629,143	12,942	(4,336)	(115,188)	522,561
Total funds	7,287,038	690,775	(612,025)	(279,430)	7,086,358

17. Analysis of assets between funds

	Unres- tricted £	Res- tricted £	Endow- ment £	2023 Total £
Fixed assets				
Housing properties	3,253,749	10,000	-	3,263,749
Tangible assets	7,037	-	-	7,037
Investment	2,375,835	506,898	804,909	3,687,642
Current assets/(liabilities)				
Debtors	116,914	-	-	116,914
Bank	314,895	-	-	314,895
Creditors	(40,169)	(1,098)	(1,787)	(43,054)
	<u>6,028,261</u>	<u>515,800</u>	<u>803,122</u>	<u>7,347,183</u>

Prior year - 2022

	Unres- tricted £	Res- tricted £	Endow- ment £	2022 Total £
Fixed assets				
Housing properties	3,427,899	10,000	-	3,437,899
Tangible assets	9,152	-	-	9,152
Investment	2,069,449	513,659	864,687	3,447,795
Current assets/(liabilities)				
Debtors	7,888	-	-	7,888
Bank	260,579	-	-	260,579
Creditors	(74,070)	(1,098)	(1,787)	(76,955)
	<u>5,700,897</u>	<u>522,561</u>	<u>862,900</u>	<u>7,086,358</u>

18. Financial instruments

Categorisation of financial instruments

	2023 £	2022 £
Financial assets measured at fair value through income and expenditure account	3,687,642	3,447,795
Financial assets that are debt instruments measured at amortised cost	318,873	260,579
	<u>4,006,515</u>	<u>3,708,374</u>
Financial liabilities measured at amortised cost	<u>29,541</u>	<u>56,971</u>

Item of income, expenditure, gain or losses

	Income £	Expense £	Net gains £	Net losses £
2023				
Financial assets measured at fair value through income and expenditure account	142,021	17,829	-	52,434
Financial assets that are debt instruments measured at amortised cost	2,816	-	-	-
Financial liabilities measured at amortised cost	-	-	-	-
	<u>144,837</u>	<u>17,829</u>	<u>-</u>	<u>52,434</u>
2022				
Financial assets measured at fair value through income and expenditure account	116,647	18,638		279,430
Financial assets that are debt instruments measured at amortised cost	505	-	-	-
Financial liabilities measured at amortised cost	-	-	-	-
	<u>117,152</u>	<u>18,638</u>	<u>-</u>	<u>279,430</u>

19. Financial commitments

At 30 June 2023, the Trust is due the following minimum lease receipts under non-cancellable operating leases for which it is a lessor, for each of the following periods.

	2023 £	2022 £
Land and Buildings		
Expiry date:		
Within one year	58,500	48,487
Between two and five years	4,000	41,197
	<hr/> 62,500	<hr/> 89,684
	<hr/> <hr/>	<hr/> <hr/>

Taunton Heritage Trust
Notes to the Financial Statements
For the Year Ended 30 June 2023

21. Prior year - Statement of Financial Activities for the year ended 30 June 2022

	Notes	Unres- tricted £	Res-tricted £	Endowment fund £	2022 Total £
Income:					
Donations & legacies		50	-	-	50
Charitable activities	2	572,673	-	-	572,673
Investment Income	3	104,210	12,942	-	117,152
Other income	4	900	-	-	900
Total income		677,833	12,942	-	690,775
Expenditure:					
Raising funds					
Investment manager fees		6,808	4,336	7,494	18,638
Charitable activities					
Almhouse letting	2	554,465	-	-	554,465
Grants & donations	5	34,838	-	-	34,838
Other expenditure		4,084	-	-	4,084
Total expenditure		600,195	4,336	7,494	612,025
Net income / (expenditure) before other recognised gains and losses		77,638	8,606	(7,494)	78,750
Net gain / (loss) on investments	11	(79,107)	(115,188)	(85,135)	(279,430)
Net income before transfers		(1,469)	(106,582)	(92,629)	(200,680)
Transfers	16	-	-	-	-
Net movement in funds for the year		(1,469)	(106,582)	(92,629)	(200,680)
Reconciliation of funds					
Total funds brought forward		5,702,366	629,143	955,529	7,287,038
Total funds carried forward		5,700,897	522,561	862,900	7,086,358