

THE MCDONALD & TRIMMER ALMSHOUSE CHARITY

Charity number: 200406

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

THE MCDONALD & TRIMMER ALMSHOUSE CHARITY

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THE MCDONALD & TRIMMER ALMSHOUSE CHARITY

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES
AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2022**

Trustees	Mrs M Thomas Mr A Macallan until November 2022 Mrs J Randell Mrs M Hattey Mrs S Ralling Mr W Walsh from November 2022
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Charity registered number 200406

Principal office	3 Shrubbs Lane Rowledge Farnham Surrey GU10 4AZ
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Independent Examiner	William Parrott MA ACA 1 Manor Fields Wood Lane Seale GU10 1HT
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Bankers	National Westminster Bank Plc 39 The Borough Farnham Surrey GU9 7NR
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Investment Advisers	M & G Securities Limited PO Box 9038 Chelmsford Essex CM99 2XF
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THE MCDONALD & TRIMMER ALMSHOUSE CHARITY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report together with the financial statements of the charity for the period 1 January 2022 to 31 December 2022.

1. The Trustees

The trustees who served the charity during the period were as follows:

Mrs M Thomas

Mr A Macallan until November 2022

Mrs J Randell

Mrs M Hattey

Mrs S Ralling

Mr W Walsh from November 2022

2. Structure, governance and management

The McDonalds Almshouses and Trimmers Almshouses Charities are administered and managed together as one charity under a scheme approved on 24 February 1988. The Charity called McDonalds' Almshouses was previously regulated by a scheme of the Commissioners dated 3 December 1970. The charity called Trimmers' Almshouses was previously regulated by a declaration of trust dated 13 July 1893 as affected by Schemes of the Charity Commissioners of 26 January 1971 and 10 December 1973. New Trustees are appointed by the existing Trustees.

2.a. Financial controls

The Trustees meet the cost of maintaining the property out of the income of the charity. An Extraordinary Repair Fund was established to provide for extraordinary repair, improvement or re-building of the Almshouses, which belong to the charity. The fund is maintained out of the income of the charity by transfer to the fund of a yearly sum of not less than £4,032. Details of how the financial records are maintained are set out in the Finance Policy dated 17 May 2022.

2.b. Investment powers and restrictions

The Trustees may at their discretion use the capital and income of the charity for its charitable purposes or invest money and apply the income arising for trust purposes. Any investment in leasehold property must have at least fifty years to run.

2.c. Risk management

The trustees have examined the major risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

2.d. Reserves

The Trustees continue to ensure that sufficient reserves are maintained in order to keep the Almshouses in good repair for both the short and long term.

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3. Objectives and Activities

The object of the charity is to appropriate and use the Almshouses belonging to the charity, and the property occupied therewith for the accommodation of the residents in accordance with the scheme dated 24 February 1988. Residence is provided for the people in need in the Parishes of Farnham, Tilford, Frensham and Dockenfield. Residents contribute a monthly sum towards the cost of maintaining the Almshouses and essential services therein, but so that it does not cause hardship to him or her, and in accordance with the approval of the Trustees.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit (PB3) when reviewing their aims and objectives and in planning their future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

4. Achievements and performance

During the pandemic only essential maintenance work could be addressed, but in 2022 everything started to get back to normal and all maintenance work could be addressed. This resulted in higher general maintenance costs than in 2021. The gardens continue to be maintained in a neat and tidy condition.

The major project for the year was the complete refurbishment of No: 3 Trimmers and this was not completed until the end of the year. The time taken was longer than expected due to continuing Covid cases and a back injury, not incurred on the property. The final cost of the refurbishment was £58,500 and although over budget it reflects the increase in the cost of material etc at this time of inflation.

A full EICR (Electrical Installation Condition Report) was carried out on all properties except No: 3 Trimmers at a cost of £3,500. Remedial work is now ongoing to bring all the properties up to a 'Satisfactory' standard in accordance with the current regulations. The total estimated cost of the remedial work is just under £18,000. When No: 3 Trimmers electrical work was completed a 'Satisfactory' EICR was achieved.

A new heating boiler has been installed in the kitchen at No: 2 Trimmers, to replace the Baxi boiler in the living room, at a cost of £5,000. The heating boiler in the kitchen at No 8 McDonald had to be replaced at a cost of £3,000.

The kitchen at No: 4 Trimmers has been completely updated at a cost of £8,000. The property has now been classified as a refurbished property.

The cost of the refurbishment together with the other costs identified above explains the high maintenance costs in 2022.

All but one property was occupied throughout the year and additionally the monthly maintenance charge was increased by £20 per property in July.

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5. Financial review

At the year end the charity had net assets of £680,882 (2021: £737,103). The charity made a net surplus for the year of -£56,221 (2020: £59,100). The annual transfer from the current account to the Extraordinary Repair Fund of £4,032 was made.

The Trustees agreed that the cost of refurbishment should be recovered from the Extraordinary Repair Fund (ERF) and an initial £30,000 was withdrawn in February. The two COIF accounts were also closed giving another £6,635 towards the cost. It is anticipated that a further £15,000 will be withdrawn from the ERF in 2023 to provide a buffer in the current account against unbudgeted costs. The Trustees are aware that to refurbish all the remaining properties could not be covered by the ERF and this is being addressed.

In 2021 it was found that no accounts had been produced since those for the year ending 31/12/2015. As Menzies (accountants) had all the paperwork they were asked to complete the accounts for the years ending 31/12/2016 and 2017. This work was completed in 2022. One of the Trustees then took responsibility for drawing up the accounts and completed the accounts for the year ending 31/12/2018, 2019, 2020 and 2021. All these accounts have now been submitted to the Charity Commission.

The trustees of the charity have looked at the cash flow requirements of the charity and its current financial position and consider the charity is a going concern for a period of greater than 12 months from the date of approval of the accounts. In coming to this conclusion, the Trustees have considered the risks and uncertainties faced by the charity and believe that the policies in place have mitigated these risks to an acceptable level.

The Trustees confirm that all invoices and commitments that were outstanding at the end of the reporting period were settled as they became due.

6. Independent Examiner - Mr William Parrott has been appointed by the Trustees as independent examiner for the ensuing year.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
Mrs M Thomas

13/03/2023

.....
Date

THE MCDONALD & TRIMMER ALMSHOUSE CHARITY



**CHARITY COMMISSION
FOR ENGLAND AND WALES**

Independent examiner's report on the accounts

Section A

Independent Examiner's Report

**Report to the trustees/
members of**

McDonald and Trimmers Almshouse Charity

**On accounts for the year
ended**

31 December 2022

Charity no:

200406

Set out on pages

8 to 12

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/12/2022

**Responsibilities and basis
of report**

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent
examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention (~~other than that disclosed below *~~) in connection with the examination which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Act or
- the accounts do not accord with the accounting records

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

** Please delete the words in the brackets if they do not apply.*

Signed:

William Parrott

Date:

13/03/2023

Name:

William Parrott

**Relevant professional
qualification(s) or body:**

MA ACA

Address:

1 Manor Fields, Wood Lane, Seale, GU10 1HT

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Section B

Disclosure

Only complete if the examiner needs to highlight matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.

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Statement of Financial activities for the year ended 31 December 2022

	Note	Endowment funds £	Unrestricted funds £	Total Funds 2022 £	Total funds 2021 £
Income:					
Charitable activities	2		75,110	75,110	69,601
Investments	3		12,452	12,452	10,320
Total Income			87,562	87,562	79,921
Expenditure on:					
Raising funds			0	0	0
Charitable activities	4		134,345	134,345	51,708
Total expenditure			134,345	134,345	51,708
Net income/(expenditure) before net gains on investments					
			-46,783	-46,783	28,213
Net gains/loss on investments			-9,438	-9,438	30,887
Net movement in funds			-56,221	-56,221	59,100
Reconciliation of funds:					
Total funds brought forward		335,743	401,360	737,103	678,003
Net movement in funds		0	-56,221	-56,221	59,100
Total funds Carried forward		335,743	345,139	680,882	737,103

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Balance sheet as at 31 December 2022

	Note	2022 £	2021 £
Non current assets:			
Tangible assets	5	335,743	335,743
Investments	7	<u>334,679</u>	<u>364,268</u>
		670,422	700,011
Current assets:			
Cash at bank and in hand	6	<u>10,460</u>	<u>37,092</u>
Total net assets		<u><u>680,882</u></u>	<u><u>737,103</u></u>
 Endowment funds	3	 335,743	 335,743
Unrestricted funds	3	<u>345,139</u>	<u>401,360</u>
		<u><u>680,882</u></u>	<u><u>737,103</u></u>

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





.....
Mrs M Thomas

.....
Mrs J Randell

Date: 13/03/2023

Date: 13/03/2023

Notes on financial statement

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Charity Commissions guidelines for receipts and payments accounts. The Governance document of the charity does not state any preference as to the type of accounts, which should be produced, and the use of receipt and payments accounts does not contravene any other known requirement. To the extent that the preparation of these accounts has deviated from the guidelines it is in order to promote clarity and consistency.

The McDonald & Trimmer Almshouse 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.

1.2 Income

Income, including investment income, is accounted for when received.

1.3 Expenditure

Expenditure is accounted for when paid and is analysed by type. The Charity has no paid staff or employees. Trustees may claim out of pocket expenses but not remuneration.

If the Trustees are aware of any significant liability or impending liability at the year end, then this will be reported and explained in the Trustees report.

1.4 Tangible non-current assets and depreciation

All tangible non-current assets are initially recorded at cost.

Depreciation is not charged on the freehold property. This is on the basis that the land has a higher value than the value reported in the accounts.

Apart from the freehold property there are currently no other non-current assets, which have not been fully written off. If non-current assets are purchased in the future the following policies will be applied.

Assets costing below £1,000 will not be capitalised.

Depreciation will be provided at a rate calculated to write off the cost, less estimated residual value, over the useful life of the asset.

1.5 Investment Assets and income

Investments are stated at market value at the balance sheet date. Investment income is included in the receipts and payments accounts when it is received by the charity.

1.6 Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments and it is intended that this should continue to be the case.

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2. Income from charitable activities

	2021	2021 £
Income from tenants	71,592	69,571
Sundry income	3,518	30
	<u>75,110</u>	<u>69,601</u>

Notes on Sundry Income:

- Menzies refunded £2,880, which had been overcharged.
- The bank paid £250 compensation following a complaint about their service in setting up online banking.
- The heating engineering company refunded £335 because faulty equipment had been fitted.

3. Investments and Funds

	Balance at 01/01/2022 £	Income £	Expend- iture £	Transfer in/out £	Gain/ Loss £	Balance at 31/12/2022 £
UNRESTRICTED FUNDS						
Designated Funds:						
Extraordinary repair fund M&G	357,634	12,451		-25,968	-9,438	334,679
General Funds:						
COIF 01C General fund	3,596			-3,596	0	0
COIF 02C Roof Fund	3,038	1		-3,039	0	0
Total General funds	364,268	12,452	0	-32,603	-9,438	334,679
Current assets/cash	37,092	75,110	-134,345	32,603		10,460
TOTAL UNRESTRICTED FUNDS	401,360	87,562	-134,345	0	-9,438	345,139
ENDOWMENT FUND	335,743					335,743
TOTAL OF FUNDS	<u>737,103</u>					<u>680,882</u>

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4. Analysis of expenditure

	2022	2021
	£	£
Administration ^{see note b}	8,065	2,838
Maintenance	104,531	25,379
Water rates	3,440	3,176
Electricity	1,009	924
Gas ^{see note a}	12,996	17,138
Insurance	1,929	1,770
Council tax on empty properties	2,089	0
Almshouse Association ^{see note c}	233	438
TV licence	53	45
	134,345	51,708

Notes:

a) The reduction in gas charges is due to one empty residence and one residence which had previously been empty and as a result was in credit for most of the year. Regular meter readings are now being taken.

b) In 2021 it was discovered that no accounts had been produced since 2015. Menzies were asked to complete 2016 and 2017, which were finished in 2022. Menzies account for 2021 was £2,640 and for 2022 was £7,860. You should note that the expenses figure in 2022 includes an amount overcharged of £2,880. A refund of this was received and is shown as Sundry income.

c) The annual subscription for 2020 was not paid until 2021 and hence two payments were made in 2021.

5. Tangible assets

The tangible assets are the properties, which are rented out to tenants. These are expressed at historical cost and are not depreciated. These tangible assets also constitute the endowment funds. All other tangible assets have been fully depreciated.