

THE EDEN COTTAGES TRUST

England & Wales · Charity number 202576

Details

Other names	THE EDEN COTTAGES
Status	Registered
Legal form	Other
Registered	1964-06-02
Register	View on the Charity Commission register

Contact

Address	Gate Cottage Old Traine Modbury Devon PL21 0RN
Phone	07855 830631
Email	edencottages.secretary@gmail.com

Activities

Objects: THE PROVISION OF ALMSHOUSES FOR POOR PERSONS WHO ARE MEMBERS OF THE CHURCH OF ENGLAND. A PREFERENCE MUST BE GIVEN TO WOMEN APPLICANTS.

Activities: Charity owners and operates an almshouse in Ivybridge on the outskirts of Plymouth City, Devon for the benefit of the elderly.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Accommodation/housing
- **Who:** Elderly/old People

Geography

- **Area of benefit:** NOT DEFINED (IN PRACTISE, DEVON)
- Devon

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£32,275	£34,901	-	-
2023-12-31	£31,172	£25,609	-	-
2022-12-31	£39,095	£21,403	-	-
2021-12-31	£33,586	£34,234	-	-
2020-12-31	£32,032	£21,136	-	-

Trustees

Name	Role	Appointed
Dennis Venn		2024-04-05
JANE ELIZABETH GENT		
Rev Alan John Ryan		2026-01-27
Richard George Coombs		2016-07-21
Sharon Kathleen Austen		2026-01-27

THE EDEN COTTAGES TRUST

England & Wales - Charity number 202576

Accounts

The Eden Cottages Trust
(Registered Charity No. 202576)
(Founded in 1927)

Trustees' Report and Financial Statements 2024

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Ivybridge, South Devon
22 April 2025

The Eden Cottages Trust
(Registered Charity No. 202576)
(Founded in 1927)

Trustees' Report for the year ended 31 December 2024

The charity is not known by any other name and its principal address is:
23 Oak Gardens, Ivybridge, Devon, PL21 0NB

1. Trustees

The names of the trustees, all of whom were involved in the management of the trust during the year are:

Trustee name	Office (if any)	Dates acted if not for whole year
Richard Coombs	Chair	
Jane Gent	Vice Chair	
Lorna Howell		
Revd Professor Gina Radford		
Dennis Venn		5/4/24 to 31/12/24
Stephen Woodcock	Hon Treasurer	

The trustees are appointed by invitation from the existing trustees; all within the rules as laid down in the Charity Commission Scheme (as amended), which governs the trust. Further details of the trustees are as follows:

Mr. Richard Coombs became a trustee in 2016. For many years he was a corporate law partner with regional law firm Foot Anstey LLP where he advised companies and charities on strategy, governance and major projects. He now spends most of his time as a director or trustee of other companies and charities. Richard has lived in Ivybridge for over 30 years.

Mrs. Jane Gent became a trustee in 2010. She has lived with her family in Ivybridge since 1982. She worked in the National Health Service as a Community Occupational Therapist in the Ivybridge and Yealmpton district until her retirement in 2009. As a trustee she continues to build on her professional experience in the local area and to contribute her knowledge and skills to the Trust.

Mrs. Lorna Howell read French and German at St Anne's College, Oxford, after which she took a TEFLA Diploma and taught in Paris, Nepal and various colleges in UK. She now manages the Lukesland estate on the edge of Ivybridge, including 2 holiday lets and Spring and Autumn garden openings. She is secretary of Harford Church PCC. Lorna became a Trustee in 2010.

The Reverend Professor Gina Radford is Team Vicar Dart and Avon Mission Community (0.5wte). She was appointed to be a trustee on 7 November 2019. Prior to her current role she had a long history of public health experience at local, national and international levels. As a former Deputy Chief Medical Officer for England this included advising Ministers, key officials, professionals and the public. She was a regular speaker at conferences having had considerable experience both at developing national policy and strategy and in its implementation. Recently she was appointed a Non-Executive Director of the Department for Work and Pensions and of the Health and Safety Executive.

Mr Stephen Woodcock became a trustee in 2012, and has the role of Honorary Treasurer. A business studies graduate and retired professional accountant with extensive experience in the private and public sectors he was Deputy Director of Finance at a world-class university,

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responsible, inter alia, for monitoring and reporting on that university's charitable investments. He has lived in Ivybridge since 2011. He is married with three grown up children, is a member of a local golf club and also enjoys walking and DIY.

Mr Dennis Venn became a trustee in 2024. He is a director of regional property consultancy Vickery Holman, a Fellow of the RICS, Member of the CI ARb, Devon and Cornwall Chair of the Pyramus and Thisbe Society and a Fellow of the Governance Society. He is also a trustee of some Cornish almshouses and runs a portfolio of residential lettings.

All trustees complete a Declaration of Interests form, which are regularly updated.

2. Advisers to the Trustees

The advisers to the trustees are:

Bankers:

Lloyds Bank PLC
Fore Street
Ivybridge
South Devon PL21 9AD

Independent Examiners:

Alan Forrester & Co. Ltd.
Accountants
75 Mutley Plain
Plymouth
South Devon PL4 6JJ

Solicitors:

Tozers
Broadwalk House
Southernhay West
Exeter EX1 1UA

Investment Managers:

Brooks Macdonald
Broadwalk House
Southernhay West
Exeter
EX1 1TS

3. Structure, Governance and Management

3.1 Structure

The Eden Cottages Trust was formally set up on 31st August 1927 when Mrs Minnie Pitts Eden bequeathed cash and investments to build and run an almshouse in the town of

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Ivybridge in South Devon. The organisation operates as an unincorporated charity and is run by trustees. Full details of the trustees are given above. Each appointment is influenced by the applicant's qualifications and knowledge of the local area. Together, the trustees have wide experience of finance, investments, building maintenance, charity work, public health and the law. The trustees meet formally not less than three times a year to discuss the running of the almshouse. Ad hoc meetings are arranged as and when required.

3.2. Governance

The trustees are bound by the Charity Commissioners Scheme dated 27th November 1972, as amended on 19th April 2000, 4 November 2016, 24 March 2017, 17 August 2020, 18 March 2021 and 24 May 2021. The Scheme lays out the broad rules within which the trustees must operate. The day to day decisions within that framework are left to the trustees' discretion.

3.3 Management

Running the almshouse falls into five categories:

3.3.1 the maintenance of the property is led by the Chair and another trustee who is a chartered building surveyor with the assistance of the charity's Visitor and Clerk and suitable other professionals.

3.3.2, the trustees call upon professionals, when required, to inspect the property and produce written reports on their findings.

3.3.3 the investments and cash balances, which make up virtually all of the charity's assets (excluding the land and building), are managed for the trustees, within an agreed investment policy, by professional advisers.

3.3.4 the trustees find new beneficiaries as and when a house or flat becomes available.

3.3.5 finally, the day to day business affairs of the trust are handled by the charity's Visitor and Clerk (a part-time employee) and its Honorary Treasurer one of the trustees.

4. Related Parties

The charity has no relationship with any related party.

5. Risk Management

The trustees perceive the charity to be exposed to five major risks and endeavour to manage those risks as follows:-

5.1 Fire. This is undoubtedly the greatest risk that the charity faces and the trustees use their best endeavours to try and eliminate the possibility of fire. Current regulations are strictly adhered to and are implemented by the trustees. It is particularly relevant here as the beneficiaries are mostly elderly.

5.2 Water. Each house or flat is fitted with its own stop cock in addition to the communal one situated outside the main house. Insurance cover for both fire and water risks are reviewed annually.

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5.3 Investments. The charity is largely dependent on its investments to generate sufficient income to run the almshouse, both on a daily basis and to cover longer term commitments. Beneficiaries also make small monthly maintenance contributions. No income is forthcoming from central or local government or from any other source. As a high percentage of the charity's assets are invested in equities (albeit through collective investments) they are therefore exposed to economic and political events which can impact directly on the performance of the Stock Exchange. With this in mind, the charity's resources are invested in medium risk investments and are currently managed by professional advisers on behalf of the trustees.

5.4 Cash. Approximately 11% of total assets are currently held in cash either deposited with Lloyds Bank or held within the capital and income account of the portfolio. This is a cautionary position in the current economic and political climate. The holding is reviewed regularly.

5.5 Internal controls. The charity ensures that the generally accepted levels of internal controls are always in place and are strictly adhered to by its trustees and the visitor and clerk.

6. Objectives and activities

6.1 The Scheme, as noted above at 3.1 and 3.2, sets out in detail the rationale for the charity's existence and the rules within which it must operate. Broadly they are to:

- 6.1.1 provide for the beneficiaries a quiet and comfortable place to live;
- 6.1.2 manage the property professionally and within all the statutes currently in force;
- 6.1.3 manage all the cash and investments thereby producing sufficient income to run the almshouse each year plus accumulating further funds to cover major repairs;
- 6.1.4 apply such income prudently and within the guidelines;
- 6.1.5 ensure the beneficiaries meet the qualifications as stipulated; and
- 6.1.6 ensure there is always a quorum of trustees at any meeting.

6.2 The trustees' main activities during the year have been to undertake routine maintenance to the building and garden. Fuller information on the activities is included in the Annual Review in Section 7 below. The trustees confirm that they have had regard to the guidance issued by the Charity Commission on public benefit.

7. Annual Review for 2024

The trustees can report that the Eden Cottages Trust continues to provide high quality housing for residents eligible under the terms of its Charity Commission Scheme.

The building fabric has been maintained in good order and some improvements have been made. The quinquennial inspection of the building was completed by our consultant Chartered Building Surveyor in October 2021 and his advice has informed the planned preventative maintenance programme. The trustees are also in the process of implementing improved heating and other measures to make energy saving improvements.

All of the dwellings within the almshouse were fully occupied during 2024.

We have worked within our budgetary framework.

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Four scheduled meetings of the trustees were held in the year, together with a Special Meeting to appoint Dennis Venn, a chartered building surveyor, as a trustee. Amongst other matters we agreed the budget for the year and met with our Investment Fund Manager, John Sadgrove of Brooks Macdonald. Trustees discussed the performance of the investments and saw the implementation of a revised ethical investment policy.

8. Policy on Reserves

The charity maintains two reserves.

8.1. An Extraordinary Repair Fund, which may be applied for the extraordinary repair, improvement or rebuilding of the almshouse. The Trust's policy is to transfer 20% of any annual surplus into this reserve until a maximum of £50,000 is reached; and

8.2. An Accumulated Income Account into which annual surpluses and deficits accumulate, which is used to fund years in which an exceptional level of general maintenance may be required or other exceptional costs arise.

9. Details of any funds in deficit

9.1 No funds are in deficit.

10. Financial Review 2024

10.1 Sources of funding

The Charity's main source of funding is its investment income, which was 61% of total income with a further 32% coming from maintenance contributions from residents and the small balance principally from bank interest receipts.

10.2. Expenditure

Expenditure in the year has principally been on maintaining the property and garden in good condition. Professional costs have been incurred on accountancy fees, investment management and a tree survey.

10.3. Investment Policy

The charity's financial resources are invested in a broad range of collective investments; including UK and international fixed interest holdings, investment trusts, unit trusts, property, structured return products, hedge funds & alternatives and cash. They are all managed under the discretionary management of the Trust's investment manager. The manager is instructed to maintain a medium risk profile. The Scheme governing the Trust allows the trustees to use their discretion with no specific restrictions imposed. Although there are substantial current holdings invested in UK markets, there is direct and indirect exposure to overseas markets, particularly through some of the investment and unit trusts. All securities held are freely realisable and there are no investments in future contracts, options or forward currency transactions. In early 2024 the trustees adopted a revised investment policy. It avoids investment in five segments (pornography, armaments, gambling, tobacco and alcohol) whilst being supportive of investments in funds that meet the eight core themes of the manager's advance strategy (aiming to provide solutions to sustainability and support the

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environment); provided the investment manager does not consider the financial performance of the investment portfolio to be adversely affected.

The manager's actions are accountable to the trustees via detailed quarterly valuation statements and regular reports, which are considered at trustees' meetings.

Within the portfolio, cash balances vary depending on the timing of purchases and sales but at 31 December 2024 were 1.4% of the portfolio. The balance between the different kinds of investment and cash is established by reference to funding requirements and the trustees' judgement, in conjunction with their professional advisers, of future returns and risks in each sector.

10.4 Income and Expenditure

Total incoming resources for the year were £32,275 (2023: £31,172). This was very much as planned, with investment income increasing slightly to be near to the £20,000 asked for, whilst receipts from residents' maintenance contributions rose by 3.9%.

Total resources expended during the year increased by £9,292 to £34,901 when compared to 2023. This was mainly due to expenditure on routine repairs and maintenance following a reduced level in 2023, together with the start of energy improvement costs. Other resources expended were carefully managed and were in line with the budget. The outcome for the year was a deficit of £2,626.

The deficit for 2024 has been transferred to the accumulated income account. The account benefitted from a transfer from the General Investment Fund of £7,876 to reflect the portfolio management fees being paid to the investment manager from the capital account during the year. The balance on the Accumulated Income Account, at 31 December 2024 was £42,086.

Within the Unrestricted Funds the trustees maintain a designated fund for Extraordinary Repairs, which stood at £39,832 at 1 January 2024. The trustees' policy is to transfer 20% of any surplus each year into the Extraordinary Repair Fund. In view of the deficit for the year no transfer was made, such that the balance on the account at 31 December 2024 remained at £39,832.

Key Performance Indicators (KPI's)

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Occupancy	100.0%	100.0%	100.0%
Return on investments			
Capital only	1.4%	2.8%	(13.1%)
Total Return*	3.9%	5.4%	(10.5%)
FTSE '100' Index			
Total Return Index	9,063.0	8,264.9	7,657.5
Change	9.7%	7.9%	4.7%
Consumer Price Index			
Index (December)	135.6	132.2	127.2
Change	2.5%	4.0%	10.5%

*Calculated before management fees but after trading expenses

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10.5 Investment Performance 2024

The investment manager is required to manage the portfolio within a medium risk strategy to produce investment income of £20,000pa and throughout 2024 was required to remit the income earned to the trust. 2024 was an acceptable year for stocks and shares. The portfolio closed at £768,880 having started the year at £732,663.

The total return on the Trust's portfolio was 3.9% and over the same period the benchmark linked to the portfolio, the MSCI PIFMA Balanced Total Return Index, was 10.7%. The investment managers therefore obtained a return that was worse than the benchmark. During the year almost all stocks held at 31 December 2023 were sold and replaced with stocks meeting the revised ethical investment policy. The return achieved, being greater than the rate of inflation, is considered acceptable.

11. Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature:

Full Name: Richard Coombs
Position: Chair
Date: 22 April 2025

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Independent Examiner’s Report to the Trustees of The Eden Cottages Trust on the accounts for the year ended 31st December 2024 Charity No. 202576 as set out on pages 9 to 14 of this report

I report to the trustees on my examination of the accounts of the above charity (“the Trust”) for the year ended 31st December 2024.

Responsibilities and basis of report

As the charity trustees, you are responsible for the preparation of the accounts in accordance with 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 all 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 in connection with the examination which gives me cause to believe that in, any material respect;

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a “true and fair” view which is not a matter considered as part of an independent examination.

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

.....
Sadie Rogers, CA
Alan Forrester & Co Ltd
Accountants
75 Mutley Plain
Plymouth PL4 6JJ

.....2025

The Eden Cottages Trust
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Statement of Financial Activities for the year ended 31 December 2024

	Notes	Unrestricted Funds			
		31 December 2024		31 December 2023	
		£	£	£	£
Incoming Resources					
Investment income	7.3		19,698		19,482
Monthly maintenance contributions			10,472		10,078
Bank interest			1,812		1,591
Other income			293		21
Total Incoming Resources			<u>32,275</u>		<u>31,172</u>
Resources Expended					
Expenses related to freehold property					
Water rates & council tax		1,987		1,930	
Repairs and maintenance		12,910		1,424	
Upkeep of garden		5,387		5,156	
Insurance		1,296		1,250	
Electricity		351		223	
			21,931		9,983
Administration expenses					
Clerical and visitor support		3,270		2,171	
Subscriptions		343		196	
Other administrative costs		115		590	
			3,728		2,957
Legal & professional charges					
Accountancy fees	4	1,080		1,038	
Other professional fees		283		4,200	
Investment manager's fees		7,879		7,431	
			9,242		12,669
Total Resources Expended			<u>34,901</u>		<u>25,609</u>
Net (Outgoing) / Incoming Resources Before Transfers			(2,626)		5,563
Gross Transfers Between Funds			<u>0</u>		<u>0</u>
Net (Outgoing) / Incoming Resources Before Other Recognised Gains / (Losses)			(2,626)		5,563
Other Recognised Gains/(Losses)					
Gains/(Losses) on investment assets			18,462		27,084
Net Movement in Funds			15,836		32,647
Total Funds brought forward			<u>834,962</u>		<u>802,315</u>
Total Funds carried forward			<u>850,798</u>		<u>834,962</u>

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Balance Sheet as at 31 December 2024

	Notes	31 December 2024		31 December 2023	
		£	£	£	£
Fixed Assets					
Freehold Property					
Cottages and land at Ivybridge	6		0		0
Investments	7		<u>768,880</u>		<u>732,663</u>
Total fixed assets			768,880		732,663
Current Assets					
Debtors and prepayments		776		859	
Cash at bank and in hand		<u>85,331</u>		<u>105,871</u>	
Total current assets		<u>86,107</u>		<u>106,730</u>	
Creditors: amounts falling due within one year					
Income prepaid		189		219	
Accruals		<u>4,000</u>		<u>4,212</u>	
		<u>4,189</u>		<u>4,431</u>	
Net current assets			<u>81,918</u>		<u>102,299</u>
Net Assets			<u>850,798</u>		<u>834,962</u>
Funds of the Charity					
Unrestricted Funds					
General Investment Fund					
Balance brought forward		732,663		712,925	
(Decrease)/Increase in the value of investments retained		(2,845)		29,696	
Profit/(Loss) on shares disposed of during the year		21,307		(2,612)	
Net transfer from/(to) the Accumulated Income Account		<u>17,755</u>		<u>(7,346)</u>	
Balance carried forward			768,880		732,663
Accumulated Income Account					
Balance brought forward		62,467		50,671	
(Deficit)/Surplus for the year		(2,626)		5,563	
		59,841		56,234	
(Deduct) transfer to Extraordinary Repair Fund		0		(1,113)	
Net transfer (to)/from the General Investment Fund		<u>(17,755)</u>		<u>7,346</u>	
Balance carried forward			42,086		62,467
Extraordinary Repair Fund					
Balance brought forward		39,832		38,719	
Add transferred from Accumulated Income Fund		0		1,113	
Balance carried forward			<u>39,832</u>		<u>39,832</u>
Total Funds			<u>850,798</u>		<u>834,962</u>

Chair of Trustees.....

Trustee.....

Date: 22 April 2025

The Eden Cottages Trust
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Notes to the 2024 Accounts

1. Basis of preparation

1.1. Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless stated in the relevant note(s) to these accounts.

These accounts have been prepared in accordance with:

- the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014
- and with the Charities Act 2011.

1.2 Change in basis of accounting

There has been no change to the accounting policies (valuation rules and methods of accounting) since last year.

1.3 Changes to previous accounts

No changes have been made to accounts for previous years.

2. Accounting Policies

2.1 Incoming Resources

2.1.1 Recognition of incoming resources

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

2.1.2 Investment income

This is included in the accounts when receivable.

2.1.3 Investment gains and losses

This includes any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

2.2 Expenditure and Liabilities

2.2.1 Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

2.3 Assets

2.3.1 Tangible fixed assets for use by the charity

These are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or a reasonable value on receipt. At 31 December 2024 the charity had no tangible fixed assets.

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Notes to the 2024 Accountscontinued

2.3.2 Investments

Investments quoted on a recognised stock exchange are valued at market value at the year end. Other investment assets are included at the trustees' best estimate of market value.

3. Trustees Remuneration & Benefits

3.1 No emoluments or benefits were paid directly to any of the trustees during the year.

4. Accountancy Fees

	<u>2024</u>	<u>2023</u>
	<u>£</u>	<u>£</u>
Independent examiner's fees for reporting on the accounts	936	848
Other fees paid to the independent examiner	144	190

5. Employees

	<u>2024</u>	<u>2023</u>
Average number of persons employed by the charity	1	1

6. Freehold Property

The charity owns the freehold title to the property known as Eden Cottages in Ivybridge, South Devon. Since the building was completed in June 1927, it has been the charity's policy not to ascribe a value to the property in the Balance Sheet. It nevertheless forms part of the charity's assets and comprises the Permanent Endowment Fund. For that reason, the trustees cannot sell the property on the open market.

The building and any contents that are deemed to be the responsibility of the trustees are insured for £1.8 million. It is also free from any liens and encumbrances and is not a listed building.

7. Investment Assets

7.1 Fixed Asset Investment Assets

Carrying (market) value at beginning of year	£ 732,663
Add: additions to investments at cost	650,137
Less: disposals at carrying value	(611,075)
Less: net (loss) on revaluation	<u>(2,845)</u>
Carrying (market) value at end of year	<u>768,880</u>

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Notes to the 2024 Accountscontinued

7.2 Analysis of the market value of investments

All investments are listed on a recognised stock exchange.

	£
Fixed Interest	140,349
UK Equities	154,852
North American Equities	108,190
European Equities	28,369
Japan, Far East and Emerging Markets	54,634
International and Thematic Equities	133,975
Hedge Funds and Alternatives	69,248
Property	22,971
Structured Return	<u>45,968</u>
	758,556
Cash on Capital Account	<u>10,324</u>
	<u>768,880</u>

7.3 Analysis of income from investments

	£
Fixed Interest	4,065
UK Equities	3,787
North American Equities	819
European Equities	339
Japan, Far East & Emerging Markets	1,437
International & Thematic	1,968
Hedge funds and alternatives	5,595
Property	952
Structured return	383
Deposit interest	<u>353</u>
	<u>19,698</u>

7.4 Material investment holdings

	Market value at <u>year end</u> £	% of total market value at <u>year end</u> %
Schroder Unit Trst Global Sust Val Equity Q1 Acc	46,822	6.2
Gemcap Investment Atlantic House Defined Return	45,968	6.1
Edentree Inv Funds 1 Rsp & Sus GBL EQ B	45,775	6.0
Brown Advisory Fds US Sust Gth C USD Ac	42,688	5.6
Franklin Tem GBL FDS FTGF CLRBG US EQ SUS LDR P2	40,562	5.4
UBS (IRL) ETF Plc ETF MSCI UK IMI Soc Resp UC	39,445	5.2
Trojan Inv FDS Ethical Inc GBP X DI	39,262	5.2
ABRDN OEIC 11 UK Ethical Eqty INS	38,115	5.0
Edentree Inv Fds 1 Resp & Sust Eurp E	38,029	5.0
Edentree Inv Fnds 1 Rsp & Sus Stg BD B Eurp E	37,670	5.0

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Notes to the 2024 Accountscontinued

The individual value of all other holdings at 31 December 2024 represented less than 5.0% of the total value of quoted investments.

8. Committed Expenditure

At 31st December 2024 the Trustees had not committed to any material expenditure.

9. Contingent Liabilities

At 31st December 2024 the Trustees were not aware of any material contingent liability that may affect the Trust.

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Ivybridge, South Devon
5 April 2024

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(Founded in 1927)

Trustees' Report for the year ended 31 December 2023

The charity is not known by any other name and its principal address is:
23 Oak Gardens, Ivybridge, Devon, PL21 0NB

1. Trustees

The names of the trustees, all of whom were involved in the management of the trust during the year are:

Trustee name	Office (if any)	Dates acted if not for whole year
Richard Coombs	Chair	
Jane E Gent	Vice Chair	
Lorna P Howell		
Walker S F Lapthorne	Chair	1/1/23 to 31/3/23
Revd Professor Gina Radford		
Stephen R Woodcock	Hon Treasurer	

It is with great sadness and regret that the trustees report the death on 31 March 2023 of their colleague and Chair, Walker Lapthorne. His contribution over the last seven years was considerable; his positivity, leadership and cheerful attitude are greatly missed.

The trustees are appointed by invitation from the existing trustees; all within the rules as laid down in the Charity Commission Scheme (as amended), which governs the trust. Further details of the trustees are as follows:

Mr. Richard Coombs became a trustee in 2016 and our Chair on 4 April 2023. For many years he was a corporate law partner with regional law firm Foot Anstey LLP where he advised companies and charities on strategy, governance and major projects. He remains a part time consultant with them but now spends most of his time as a director or trustee of other companies and charities. Richard has lived in Ivybridge for over 30 years.

Mrs. Jane Gent became a trustee in 2010. She has lived with her family in Ivybridge since 1982. She worked in the National Health Service as a Community Occupational Therapist in the Ivybridge and Yealmpton district until her retirement in 2009. As a trustee she continues to build on her professional experience in the local area and to contribute her knowledge and skills to the Trust.

Mrs. Lorna Howell read French and German at St Anne's College, Oxford, after which she took a TEFLA Diploma and taught in Paris, Nepal and various colleges in UK. She now manages the Lukesland estate on the edge of Ivybridge, including 2 holiday lets and Spring and Autumn garden openings. She is secretary of Harford Church PCC. Lorna became a Trustee in 2010.

Mr. Walker Lapthorne FRICS became a trustee in 2016. He was a retired Chartered Building Surveyor and the Chair of Exeter Diocesan Advisory Committee for the Care of Churches. He was formerly managing director of J D C Builders; a South Hams based specialist building contractor, working locally on many significant historic and listed properties. He was a former director of Stratton Creber and was a partner of Taylor Lane and Creber in Plymouth. He was a liveryman of the Worshipful Company of Chartered Surveyors.

The Eden Cottages Trust
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(Founded in 1927)

1. Trustees continued

The Reverend Professor Gina Radford is Team Vicar Dart and Avon Mission Community (0.5wte). She was appointed to be a trustee on 7 November 2019. Prior to her current role she had a long history of public health experience at local, national and international levels. As a former Deputy Chief Medical Officer for England this included advising Ministers, key officials, professionals and the public. She was a regular speaker at conferences having had considerable experience both at developing national policy and strategy, and in its implementation.

Mr Stephen Woodcock became a trustee in 2012, and has the role of Honorary Treasurer. A business studies graduate and retired professional accountant with extensive experience in the private and public sectors he was Deputy Director of Finance at a world-class university, responsible, inter alia, for that university's charitable investments. He has lived in Ivybridge since 2011. He is married with three grown up children, is a member of a local golf club and also enjoys walking and DIY.

All trustees complete a Declarations of Interests form.

2. Advisers to the Trustees

The advisers to the trustees are:

Bankers:

Lloyds Bank PLC
Fore Street
Ivybridge
South Devon PL21 9AD

Independent Examiners:

Alan Forrester & Co. Ltd.
Accountants
75 Mutley Plain
Plymouth
South Devon PL4 6JJ

Solicitors:

Tozers
Broadwalk House
Southernhay West
Exeter EX1 1UA

Investment Managers:

Brooks Macdonald
Broadwalk House
Southernhay West
Exeter
EX1 1TS

The Eden Cottages Trust
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3. Structure, Governance and Management

3.1 Structure

The Eden Cottages Trust was formally set up on 31st August 1927 when Mrs Minnie Pitts Eden bequeathed cash and investments to build and run an almshouse in the town of Ivybridge in South Devon. The organisation operates as an unincorporated charity and is run by trustees. Full details of the trustees are given above. Each appointment is influenced by the applicant's qualifications and knowledge of the local area. Together, the trustees have wide experience of finance, investments, building maintenance, charity work, public health and the law. The trustees meet formally not less than three times a year to discuss the running of the almshouse. Ad hoc meetings are arranged as and when required.

3.2. Governance

The trustees are bound by the Charity Commissioners Scheme dated 27th November 1972, as amended on 19th April 2000, 4 November 2016, 24 March 2017, 17 August 2020, 18 March 2021 and 24 May 2021. The Scheme lays out the broad rules within which the trustees must operate. The day to day decisions within that framework are left to the trustees' discretion.

3.3 Management

Running the almshouse falls into five categories:

3.3.1 the maintenance of the property was managed by one of the trustees who was a retired chartered building surveyor until his death on 31 March 2023 and is now led by the Chair with the assistance of the charity's Visitor and Clerk and suitable professionals.

3.3.2, the trustees call upon professionals, when required, to inspect the property and produce written reports on their findings.

3.3.3 the investments and cash balances, which make up virtually all of the charity's assets (excluding the land and building), are managed for the trustees, within an agreed investment policy, by professional advisers.

3.3.4 the trustees find new beneficiaries as and when a house or flat becomes available.

3.3.5 finally, the day to day business affairs of the trust are handled by the charity's Visitor and Clerk (a part-time employee) and its Honorary Treasurer one of the trustees.

4. Related Parties

The charity has no relationship with any related party.

5. Risk Management

The trustees perceive the charity to be exposed to five major risks and endeavour to manage those risks as follows:-

5.1 Fire. This is undoubtedly the greatest risk that the charity faces and the trustees use their best endeavours to try and eliminate the possibility of fire. Current regulations are strictly

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adhered to and are implemented by the trustees. It is particularly relevant here as the beneficiaries are mostly elderly.

5.2 Water. Each house or flat is fitted with its own stop cock in addition to the communal one situated outside the main house. Insurance cover for both fire and water risks are reviewed annually.

5.3 Investments. The charity is largely dependent on its investments to generate sufficient income to run the almshouse, both on a daily basis and to cover longer term commitments. Beneficiaries also make small monthly maintenance contributions. No income is forthcoming from central or local government or from any other source. As a high percentage of the charity's assets are invested in equities (albeit through collective investments) they are therefore exposed to economic and political events which can impact directly on the performance of the Stock Exchange. With this in mind, the charity's resources are invested in medium risk investments and are currently managed by professional advisers on behalf of the trustees.

5.4 Cash. Approximately 12% of total assets are currently held in cash either deposited with Lloyds Bank or held within the capital and income account of the portfolio. This is a cautionary position in the current economic and political climate. The holding is reviewed regularly.

5.5 Internal controls. The charity ensures that the generally accepted levels of internal controls are always in place and are strictly adhered to by its trustees and the visitor and clerk.

6. Objectives and activities

6.1 The Scheme, as noted above at 3.1 and 3.2, sets out in detail the rationale for the charity's existence and the rules within which it must operate. Broadly they are to:

- 6.1.1 provide for the beneficiaries a quiet and comfortable place to live;
- 6.1.2 manage the property professionally and within all the statutes currently in force;
- 6.1.3 manage all the cash and investments thereby producing sufficient income to run the almshouse each year plus accumulating further funds to cover major repairs;
- 6.1.4 apply such income prudently and within the guidelines;
- 6.1.5 ensure the beneficiaries meet the qualifications as stipulated; and
- 6.1.6 ensure there is always a quorum of trustees at any meeting.

6.2 The trustees' main activities during the year have been to undertake routine maintenance to the building and garden. Fuller information on the activities is included in the Annual Review in Section 7 below. The trustees confirm that they have had regard to the guidance issued by the Charity Commission on public benefit.

7. Annual Review for 2023

The trustees can report that the Eden Cottages Trust continues to provide high quality housing for residents eligible under the terms of its Charity Commission Scheme.

The building fabric has been maintained in good order and some improvements have been made. The quinquennial inspection of the building was completed by our consultant Chartered Building Surveyor in October 2021 and his advice has informed our planned preventative maintenance programme for the next few years.

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All of the dwellings within the almshouse were fully occupied during 2023.

We have worked within our budgetary framework.

Four scheduled meetings of the trustees were held in the year, together with a Special Meeting to reappoint Richard Coombs and Stephen Woodcock as trustees. Amongst other matters we agreed the budget for the year and met with our Investment Fund Manager, John Sadgrove of Brooks Macdonald. Trustees discussed the performance of the investments and the adoption of a revised investment policy.

Chair's Statement

I became Chair in April 2023 following the sad death of Walker Laphorne. One of my first responsibilities was to locate a replacement for our Visitor and Clerk, Teresa Drew who retired during the year and to whom I must give thanks for her friendly and efficient service. We were pleased to recruit Elaine Gosling to that role and are confident that she will provide an equally efficient and friendly service to the Trust and the residents.

I would also like to thank my fellow trustees for their ongoing support and time input as I took over the Chair, which I have much appreciated.

We have maintained our commitment to provide affordable housing in a pleasant, well ordered environment. Our residents seem content and appreciative. We are now looking forward to a more normal routine and remain committed to both our residents' welfare and the preservation of our wonderful building. We hope it remains a fitting legacy to the original donor.

Richard Coombs

8. Policy on Reserves

The charity maintains two reserves.

8.1. An Extraordinary Repair Fund, which may be applied for the extraordinary repair, improvement or rebuilding of the almshouse. The Trust's policy is to transfer 20% of any annual surplus into this reserve until a maximum of £50,000 is reached; and

8.2. An Accumulated Income Account into which annual surpluses and deficits accumulate, which is used to fund years in which an exceptional level of general maintenance may be required or other exceptional costs arise.

9. Details of any funds in deficit

9.1 No funds are in deficit.

10. Financial Review 2023

10.1 Sources of funding

The Charity's main source of funding is its investment income, which was 62% of total income with a further 32% coming from maintenance contributions from residents and the small balance principally from bank interest receipts.

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10.2. Expenditure

Expenditure in the year has principally been on maintaining the property and garden in good condition. Professional costs have been incurred on accountancy fees, investment management and an energy efficiency survey.

10.3. Investment Policy

The charity's financial resources are invested in a broad range of collective investments; including UK and international fixed interest holdings, investment trusts, unit trusts, property, structured return products, hedge funds & alternatives and cash. They are all managed under the discretionary management of the Trust's investment manager. Following a review in 2021 the manager is instructed to maintain a medium risk profile. The Scheme governing the Trust allows the trustees to use their discretion with no specific restrictions imposed. Although there are substantial current holdings invested in UK markets, there is direct and indirect exposure to overseas markets, particularly through some of the investment and unit trusts. All securities held are freely realisable and there are no investments in future contracts, options or forward currency transactions. In early 2024, prior to the signing of these statements, the trustees adopted a revised investment policy. It avoids investment in five segments (pornography, armaments, gambling, tobacco and alcohol) whilst being supportive of investments in funds that meet the eight core themes of the manager's advance strategy (aiming to provide solutions to sustainability and support the environment); provided the manager wouldn't consider the financial performance of the investment portfolio to be inhibited.

The manager's actions are accountable to the trustees via detailed quarterly valuation statements and regular reports, which are considered at trustees' meetings.

Within the portfolio, cash balances vary depending on the timing of purchases and sales but at 31 December 2023 were 1.4% of the portfolio. The balance between the different kinds of investment and cash is established by reference to funding requirements and the trustees' judgement, in conjunction with their professional advisers, of future returns and risks in each sector. In November 2022, in view of the high level of cash held directly by the Trust the investment manager was asked to retain the income from the portfolio until further notice. This policy was rescinded early in 2024 when the trustees approved investment in energy efficiency improvements

10.4 Income and Expenditure

Total incoming resources for the year were £31,172 (2022: £31,116, excluding the sale of land). This was very much as planned with investment income reducing slightly to be near to the £20,000 asked for, whilst the residents' maintenance contributions rose by 3.9%.

Total resources expended during the year increased by £4,206 to £25,609 when compared to 2022. This was mainly due to professional fees for an energy survey and increased cost associated with the Trust's visitor clerical support. Other resources expended were carefully managed and were in line with the budget. The outcome for the year was a surplus of £5,563.

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The surplus for 2023 has been transferred to the accumulated income account. The account benefitted from a transfer from the General Investment Fund of £7,346 to reflect the portfolio management fees being paid from the capital account during the year to the investment manager. The balance on the Accumulated Income Account, at 31 December 2023 was £62,467.

Within the Unrestricted Funds the trustees maintain a designated fund for Extraordinary Repairs, which stood at £38,719 at 1 January 2023. The trustees' policy is to transfer 20% of any surplus each year into the Extraordinary Repair Fund. A transfer of £1,113 was therefore made, such that the balance on the account at 31 December 2023 was £39,832.

Key Performance Indicators (KPI's)

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Occupancy	100.0%	100.0%	85.4%
Return on investments			
Capital only	2.8%	(13.1%)	6.1%
Total Return*	5.4%	(10.5%)	9.1%
FTSE '100' Index			
Total Return Index	8,264.9	7,657.5	7,313.6
Change	7.9%	4.7%	18.4%
Consumer Price Index			
Index (December)	132.2	127.2	115.1
Change	4.0%	10.5%	5.4%

*Calculated before management fees but after trading expenses

10.5 Investment Performance 2023

The investment manager is required to manage the portfolio within a medium risk strategy to produce investment income of £20,000pa; but throughout 2023 was required to retain the income within the portfolio. 2023 was an acceptable year for stocks and shares. The portfolio closed at £732,663 having started the year at £712,925 an increase of 2.8%.

The total return on the Trust's portfolio was 5.4% and over the same period the benchmark linked to the portfolio, the MSCI PIFMA Balanced Total Return Index, was 10.1%. The investment managers therefore obtained a return that was worse than the benchmark.

11. Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature:

Full Name: Richard Coombs
 Position: Chair
 Date: 5 April 2024

The Eden Cottages Trust
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Independent Examiner’s Report to the Trustees of The Eden Cottages Trust on the accounts for the year ended 31st December 2023 Charity No. 202576 as set out on pages 9 to 13 of this report

I report to the trustees on my examination of the accounts of the above charity (“the Trust”) for the year ended 31st December 2023.

Responsibilities and basis of report

As the charity trustees, you are responsible for the preparation of the accounts in accordance with 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 all 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 in connection with the examination which gives me cause to believe that in, any material respect;

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a “true and fair” view which is not a matter considered as part of an independent examination.

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

.....
Sadie Rogers, CA
Alan Forrester & Co Ltd
Accountants
75 Mutley Plain
Plymouth PL4 6JJ

.....2024

The Eden Cottages Trust
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Statement of Financial Activities for the year ended 31 December 2023

	Notes	Unrestricted Funds			
		31 December 2023		31 December 2022	
		£	£	£	£
Incoming Resources					
Investment income	7.3		19,482		21,203
Monthly maintenance contributions			10,078		9,686
Sale of land			0		7,979
Bank interest			1,591		211
Other income			21		16
Total Incoming Resources			<u>31,172</u>		<u>39,095</u>
Resources Expended					
Expenses related to freehold property					
Water rates & council tax		1,930		1,947	
Repairs and maintenance		1,424		4,212	
Upkeep of garden		5,156		4,203	
Insurance		1,250		1,237	
Electricity		223		144	
			9,983		11,743
Administration expenses					
Clerical and visitor support		2,171		744	
Subscriptions		196		187	
Other administrative costs		590		20	
			2,957		951
Legal & professional charges					
Accountancy fees	4	1,038		990	
Other professional fees		4,200		270	
Investment manager's fees		7,431		7,449	
			12,669		8,709
Total Resources Expended			<u>25,609</u>		<u>21,403</u>
Net Incoming/(Outgoing) Resources Before Transfers			5,563		17,692
Gross Transfers Between Funds			0		0
Net Incoming Resources Before Other Recognised Gains / (Losses)			5,563		17,692
Other Recognised Gains/(Losses)					
Gains/(Losses) on investment assets			27,084		(99,357)
Net Movement in Funds			32,647		(81,665)
Total Funds brought forward			<u>802,315</u>		<u>883,980</u>
Total Funds carried forward			<u>834,962</u>		<u>802,315</u>

The Eden Cottages Trust
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Balance Sheet as at 31 December 2023

	Notes	31 December 2023		31 December 2022	
		£	£	£	£
Fixed Assets					
Freehold Property					
Cottages and land at Ivybridge	6		0		0
Investments	7		<u>732,663</u>		<u>712,925</u>
Total fixed assets			732,663		712,925
Current Assets					
Debtors and prepayments		859		608	
Cash at bank and in hand		<u>105,871</u>		<u>93,229</u>	
Total current assets		<u>106,730</u>		<u>93,837</u>	
Creditors: amounts falling due within one year					
Income prepaid		219		174	
Accruals		<u>4,212</u>		<u>4,273</u>	
		<u>4,431</u>		<u>4,447</u>	
Net current assets			<u>102,299</u>		<u>89,390</u>
Net Assets			<u>834,962</u>		<u>802,315</u>
Funds of the Charity					
Unrestricted Funds					
General Investment Fund					
Balance brought forward		712,925		819,992	
Increase/(Decrease) in the value of investments retained		29,696		(67,814)	
(Loss)/Profit on shares disposed of during the year		(2,612)		(31,543)	
Net transfer (to)/from the Accumulated Income Account		<u>(7,346)</u>		<u>(7,710)</u>	
Balance carried forward			732,663		712,925
Accumulated Income Account					
Balance brought forward		50,671		28,807	
Surplus for the year		<u>5,563</u>		<u>17,692</u>	
		56,234		46,499	
(Deduct) transfer to Extraordinary Repair Fund		(1,113)		(3,538)	
Net transfer from/(to) the General Investment Fund		<u>7,346</u>		<u>7,710</u>	
Balance carried forward			62,467		50,671
Extraordinary Repair Fund					
Balance brought forward		38,719		35,181	
Add transferred from Accumulated Income Fund		<u>1,113</u>		<u>3,538</u>	
Balance carried forward			<u>39,832</u>		<u>38,719</u>
Total Funds			<u>834,962</u>		<u>802,315</u>

Chair of Trustees.....

Trustee.....

Date: 5 April 2024

The Eden Cottages Trust
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Notes to the 2023 Accounts

1. Basis of preparation

1.1. Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless stated in the relevant note(s) to these accounts.

These accounts have been prepared in accordance with:

- the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014
- and with the Charities Act 2011.

1.2 Change in basis of accounting

There has been no change to the accounting policies (valuation rules and methods of accounting) since last year.

1.3 Changes to previous accounts

No changes have been made to accounts for previous years.

2. Accounting Policies

2.1 Incoming Resources

2.1.1 Recognition of incoming resources

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

2.1.2 Investment income

This is included in the accounts when receivable.

2.1.3 Investment gains and losses

This includes any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

2.2 Expenditure and Liabilities

2.2.1 Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

2.3 Assets

2.3.1 Tangible fixed assets for use by the charity

These are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or a reasonable value on receipt. At 31 December 2023 the charity had no tangible fixed assets.

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Notes to the 2023 Accountscontinued

2.3.2 Investments

Investments quoted on a recognised stock exchange are valued at market value at the year end. Other investment assets are included at the trustees' best estimate of market value.

3. Trustees Remuneration & Benefits

3.1 No emoluments or benefits were paid directly to any of the trustees during the year.

4. Accountancy Fees

	<u>2023</u>	<u>2022</u>
	<u>£</u>	<u>£</u>
Independent examiner's fees for reporting on the accounts	848	805
Other fees paid to the independent examiner	190	185

5. Employees

	<u>2023</u>	<u>2022</u>
Average number of persons employed by the charity	1	1

6. Freehold Property

The charity owns the freehold title to the property known as Eden Cottages in Ivybridge, South Devon. Since the building was completed in June 1927, it has been the charity's policy not to ascribe a value to the property in the Balance Sheet. It nevertheless forms part of the charity's assets and comprises the Permanent Endowment Fund. For that reason, the trustees cannot sell the property on the open market.

The building and any contents that are deemed to be the responsibility of the trustees are insured for £1.8 million. It is also free from any liens and encumbrances and is not a listed building.

7. Investment Assets

7.1 Fixed Asset Investment Assets

Carrying (market) value at beginning of year	£ 712,925
Add: additions to investments at cost	88,800
Less: disposals at carrying value	(98,758)
Add: net gain on revaluation	<u>29,696</u>
Carrying (market) value at end of year	<u>732,663</u>

The Eden Cottages Trust
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Notes to the 2023 Accountscontinued

7.2 Analysis of the market value of investments

All investments are listed on a recognised stock exchange.

	£
Fixed Interest	115,596
UK Equities	150,871
North American Equities	70,788
European Equities	28,276
Japan, Far East and Emerging Markets	79,868
International and Thematic Equities	141,372
Hedge Funds and Alternatives	71,484
Property	25,335
Structured Return	<u>63,666</u>
	747,256
Cash on Capital Account	<u>(14,593)</u>
	<u>732,663</u>

7.3 Analysis of income from investments

	£
Fixed Interest	2,528
UK Equities	5,625
North American Equities	1,164
European Equities	813
Japan, Far East & Emerging Markets	435
International & Thematic	1,614
Hedge funds and alternatives	4,170
Property	873
Structured return	2,126
Deposit interest	<u>134</u>
	<u>19,482</u>

7.4 Material investment holdings

	Market value at <u>year end</u> £	% of total market value at <u>year end</u> %
BNY Mellon Fund Managers Global Funds Plc US Equity E GBP Distribution	51,155	6.9
Schroder Investment Management Lux SA Asian Total Return	44,807	6.0
CT Investment Funds ICVC UK Equity Inc Z	42,039	5.6

The individual value of all other holdings at 31 December 2023 represented less than 5.0% of the total value of quoted investments.

8. Committed Expenditure

At 31st December 2023 the Trustees had not committed to any material expenditure.

9. Contingent Liabilities

At 31st December 2023 the Trustees were not aware of any material contingent liability that may affect the Trust.

THE EDEN COTTAGES TRUST

England & Wales - Charity number 202576

Accounts

The Eden Cottages Trust
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Trustees Report and Financial Statements 2022

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Ivybridge, South Devon
4 April 2023

The Eden Cottages Trust
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Trustees Report for the year ended 31 December 2022

The charity is not known by any other name and its principal address is:
Ludbrook Mill, Ludbrook, Ivybridge, Devon, PL21 0LL

1. Trustees

The names of the trustees, all of whom were involved in the management of the trust during the year are:

Trustee name	Office (if any)	Dates acted if not for whole year
Richard Coombs		
Jane E Gent	Vice Chair	
Lorna P Howell		
Walker S F Laphorne	Chair	
Revd Professor Gina Radford		
Stephen R Woodcock	Hon Treasurer	

It is with great sadness and regret that the trustees report the death on 31 March 2023 of their colleague and Chair, Walker Laphorne. His contribution over the last seven years has been considerable; his positivity, leadership and cheerful attitude will be greatly missed.

The trustees are appointed by invitation from the existing trustees; all within the rules as laid down in the Charity Commission Scheme (as amended), which governs the trust. Further details of the trustees are as follows:

Mr. Richard Coombs became a trustee in 2016. For many years he was a corporate law partner with regional law firm Foot Anstey LLP where he advised companies and charities on strategy, governance and major projects. He remains a part time consultant with them but now spends most of his time as a director or trustee of other companies and charities.

Richard has lived in Ivybridge for over 30 years.

Mrs. Jane Gent became a trustee in 2010. She has lived with her family in Ivybridge since 1982. She worked in the National Health Service as a Community Occupational Therapist in the Ivybridge and Yealmpton district until her retirement in 2009. As a trustee she continues to build on her professional experience in the local area and to contribute her knowledge and skills to the Trust.

Mrs. Lorna Howell read French and German at St Anne's College, Oxford, after which she took a TEFLA Diploma and taught in Paris, Nepal and various colleges in UK. She now manages the Lukesland estate on the edge of Ivybridge, including 2 holiday lets and Spring and Autumn garden openings. She continues to teach English to asylum seekers in Plymouth. She is secretary of Harford Church PCC. Lorna became a Trustee in 2010.

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Mr. Walker Laphorne FRICS became a trustee in 2016. He was a retired Chartered Building Surveyor and the Chair of Exeter Diocesan Advisory Committee for the Care of Churches. He was formerly managing director of J D C Builders; a South Hams based specialist building contractor, working locally on many significant historic and listed properties. He was a former director of Stratton Creber and was a partner of Taylor Lane and Creber in Plymouth. He was a liveryman of the Worshipful Company of Chartered Surveyors. Since 2004, he lived locally with wife Debra in a converted watermill at Ludbrook, having previously moved to Ugborough in 1988.

1. Trustees continued

The Reverend Professor Gina Radford is Team Vicar Dart and Avon Mission Community (0.5wte). She was appointed to be a trustee on 7 November 2019. Prior to her current role she had a long history of public health experience at local, national and international levels. As a former Deputy Chief Medical Officer for England this included advising Ministers, key officials, professionals and the public. She was a regular speaker at conferences having had considerable experience both at developing national policy and strategy, and in its implementation.

Mr Stephen Woodcock became a trustee in 2012, and has the role of Honorary Treasurer. A business studies graduate and retired professional accountant with extensive experience in the private and public sectors he was Deputy Director of Finance at a world-class university, responsible, inter alia, for that university's charitable investments. He has lived in Ivybridge since 2011. He is married with three grown up children, is a member of a local golf club and also enjoys walking and DIY.

All trustees complete a Declarations of Interests form.

2. Advisers to the Trustees

The advisers to the trustees are:

Bankers:

Lloyds Bank PLC
Fore Street
Ivybridge
South Devon PL21 9AD

Independent Examiners:

Alan Forrester & Co. Ltd.
Accountants
75 Mutley Plain
Plymouth
South Devon PL4 6JJ

Solicitors:

Tozers
Broadwalk House
Southernhay West

The Eden Cottages Trust
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(Founded in 1927)

Exeter EX1 1UA

Investment Managers:

Brooks Macdonald
Broadwalk House
Southernhay West
Exeter
EX1 1TS

3. Structure, Governance and Management

3.1 Structure

The Eden Cottages Trust was formally set up on 31st August 1927 when Mrs Minnie Pitts Eden bequeathed cash and investments to build and run an almshouse in the town of Ivybridge in South Devon. The organisation operates as an unincorporated charity and is run by trustees. Full details of the trustees are given above. Each appointment is influenced by the applicant's qualifications and knowledge of the local area. Together, the trustees have wide experience of finance, investments, building maintenance, charity work, public health and the law. The trustees meet formally not less than three times a year to discuss the running of the almshouse. Ad hoc meetings are arranged as and when required.

3.2. Governance

The trustees are bound by the Charity Commissioners Scheme dated 27th November 1972, as amended on 19th April 2000, 4 November 2016, 24 March 2017, 17 August 2020, 18 March 2021 and 24 May 2021. These schemes layout the broad rules within which the trustees must operate. The day to day decisions within that framework are left to the trustees' discretion.

3.3 Management

Running the almshouse falls into five categories:

3.3.1 the maintenance of the property is managed by one of the trustees who was a retired chartered building surveyor.

3.3.2, the trustees call upon professionals, when required, to inspect the property and produce written reports on their findings.

3.3.3 the investments and cash balances, which make up virtually all of the charity's assets (excluding the land and building), are managed for the trustees, within an agreed investment policy, by professional advisers.

3.3.4 the trustees find new beneficiaries as and when a house or flat becomes available.

The Eden Cottages Trust **(Registered Charity No. 202576)** **(Founded in 1927)**

3.3.5 finally, the day to day business affairs of the trust are handled by the charity's Visitor and Clerk (a part-time employee) and its Honorary Treasurer one of the trustees.

4. Related Parties

The charity has no relationship with any related party.

5. Risk Management

The trustees perceive the charity to be exposed to five major risks and endeavour to manage those risks as follows:-

5.1 Fire. This is undoubtedly the greatest risk that the charity faces and the trustees use their best endeavours to try and eliminate the possibility of fire. Current regulations are strictly adhered to and are implemented by the trustees. It is particularly relevant here as the beneficiaries are mostly elderly.

5.2 Water. Each house or flat is fitted with its own stop cock in addition to the communal one situated outside the main house. Insurance cover for both fire and water risks are reviewed annually.

5.3 Investments. The charity is largely dependent on its investments to generate sufficient income to run the almshouse, both on a daily basis and to cover longer term commitments. Beneficiaries also make small monthly maintenance contributions. No income is forthcoming from central or local government or from any other source. As a high percentage of the charity's assets are invested in equities (albeit through collective investments) they are therefore exposed to economic and political events which can impact directly on the performance of the Stock Exchange. With this in mind, the charity's resources are invested in medium risk investments and are currently managed by professional advisers on behalf of the trustees.

5.4 Cash. Approximately 12% of total assets are currently held in cash either deposited with Lloyds Bank or held within the capital and income account of the portfolio. This is a cautionary position in the current economic and political climate. The holding is reviewed regularly.

5.5 Internal controls. The charity ensures that the generally accepted levels of internal controls are always in place and are strictly adhered to by its trustees and the visitor and clerk.

6. Objectives and activities

6.1 The Scheme, as noted above at 3.1 and 3.2, sets out in detail the rationale for the charity's existence and the rules within which it must operate. Broadly they are to:

6.1.1 provide for the beneficiaries a quiet and comfortable place to live;

6.1.2 manage the property professionally and within all the statutes currently in force;

6.1.3 manage all the cash and investments thereby producing sufficient income to run the

The Eden Cottages Trust
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almshouse each year plus accumulating further funds to cover major repairs;

6.1.4 apply such income prudently and within the guidelines;

6.1.5 ensure the beneficiaries meet the qualifications as stipulated; and

6.1.6 ensure there is always a quorum of trustees at any meeting.

6.2 The trustees' main activities during the year have been to undertake routine maintenance to the building and garden. Fuller information on the activities is included in the Annual Review in Section 7 below. The trustees confirm that they have had regard to the guidance issued by the Charity Commission on public benefit.

7. Annual Review for 2022

2022 has again been influenced by the global COVID-19 virus crisis. The Trust continued to follow all relevant Government advice. The trustees can report that the Eden Cottages Trust continues to provide high quality housing for residents eligible under the terms of its Charity Commission Scheme, despite the ongoing challenges that the crisis created.

The building fabric has been maintained in good order, but contractor visits have continued to be limited to external areas and internal access only when needed, in a Covid compliant way. The quinquennial inspection of the building was completed by our consultant Chartered Building Surveyor in October 2021 and his advice informed our planned preventative maintenance programme for the next few years. No significant issues were raised that

required immediate attention but there were areas of routine maintenance and recommended improvements to consider.

All of the dwellings within the almshouse were fully occupied during 2022.

We have worked within our budgetary framework.

The first scheduled meeting of the year on 20 January 2022 was held using the Zoom virtual platform. Amongst other matters we agreed the budget for the year.

The trustees met twice more virtually, before meeting in person on 11 October 2022 when the principal agenda item was to receive an updated investment report from our Investment Fund Manager, John Sadgrove of Brooks Macdonald. Trustees were concerned for the performance of the investments, but were satisfied with the actions being taken and planned by the manager.

As reported last year, the trustees had been approached by the new owner of The Nook, our next door neighbour, to consider selling a small parcel of retained land. This was completed during the year, following due diligence and compliance with the Trust Deed (as amended). Net income from the sale of £7,979 is included in the Statement of Financial Activities for the year.

Vice Chair's Statement

The Eden Cottages Trust
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This has been a steady year for the management of the Trust. I would like to thank my fellow trustees for their ongoing support and time input. We have maintained our commitment to provide affordable housing in a pleasant, well ordered environment. Our residents seem content and have coped with the external pressures well. We are now looking forward to a more normal routine but cognisant of the need to be Covid aware. We remain committed to both our residents' welfare and the preservation of our wonderful building. We hope it remains a fitting legacy to the original donor.

Jane Gent

8. Policy on Reserves

The charity maintains two reserves.

8.1. An Extraordinary Repair Fund, which may be applied for the extraordinary repair, improvement or rebuilding of the almshouse. The Trust's policy is to transfer 20% of any annual surplus into this reserve until a maximum of £50,000 is reached; and

8.2. An Accumulated Income Account into which annual surpluses and deficits accumulate, which is used to fund years in which an exceptional level of general maintenance may be required or other exceptional costs arise.

9. Details of any funds in deficit

9.1 No funds are in deficit.

10. Financial Review 2022

10.1 Sources of funding

The Charity's principal source of funding is its investment income, which was 68% of total income (excluding the one-off sale of land) with a further 31% coming from maintenance contributions from residents and the small balance from other sundry income.

10.2. Expenditure

Expenditure in the year has principally been on maintaining the property and garden in good condition. Professional costs have been incurred on accountancy fees, investment management and an energy efficiency survey.

10.3. Investment Policy

The charity's financial resources are invested in a broad range of collective investments; including UK and international fixed interest holdings, investment trusts, unit trusts, property, structured return products, hedge funds &

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alternatives and cash. They are all managed under the discretionary management of the Trust's investment manager. Following review in 2021 the manager is instructed to maintain a medium risk profile. The Scheme governing the Trust allows the trustees to use their discretion with no specific restrictions imposed. Although there are substantial current holdings invested in UK markets, there is direct and indirect exposure to overseas markets, particularly through some of the investment and unit trusts. All securities held are freely realisable and there are no investments in future contracts, options or forward currency transactions.

Within the portfolio, cash balances vary depending on the timing of purchases and sales but at 31 December 2022 were 5.2% of the portfolio. The balance between the different kinds of investment and cash is established by reference to funding requirements and the trustees' judgement, in conjunction with their professional advisers, of future returns and risks in each sector. The investments are required to generate approximately £20,000 of income per annum as the principal source of income to fund the Trust's activities. In view of the high level of cash currently held by directly by the Trust the investment manager was asked, in November 2022, to retain the income from the portfolio until further notice.

10.4 Income and Expenditure

Total incoming resources for the year were £39,095 an increase of £5,509 on 2021. This was due the one-off receipt from the sale of land (£7,979), increased receipts from maintenance contributions with 100% occupancy but partially offset by lower investment income as the investment manager delivered close to the revised target for 2022 of £20,000 (actual £21,203; 2021 £24,938).

Total resources expended during the year decreased by £12,832 to £21,404 when compared to 2021. This was mainly due to decreased expenditure on repairs and maintenance as all dwellings were fully occupied. Other resources expended were carefully managed and were in line with the budget. The outcome for the year was a surplus of £17,691.

The surplus for 2022 has been transferred to the accumulated income account. The account

benefitted from a transfer from the General Investment Fund of £7,710 to reflect the portfolio management fees being paid from the capital account during the year to the investment manager. The balance on the Accumulated Income Account, at 31 December 2022 was £50,671.

Within the Unrestricted Funds the trustees maintain a designated fund for Extraordinary Repairs, which stood at £35,181 at 1 January 2022. The trustees' policy is to transfer 20% of any surplus each year into the Extraordinary Repair Fund. A transfer of £3,538 was therefore made, such that the balance on the account at 31 December 2022 was £38,719.

Key Performance Indicators (KPI's)

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Occupancy	100.0%	85.4%	95.8%

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Return on investments			
Capital only	(13.1%)	6.1%	(1.9%)
Total Return*	(10.5%)	9.1%	1.3%
FTSE '100' Index			
Total Return Index	7,657.5	7,313.6	6,174.78
Change	4.7%	18.4%	(11.5%)
Consumer Price Index			
Index (December)	127.2	115.1	109.2
Change	10.5%	5.4%	0.6%

*Calculated before management fees but after trading expenses

10.5 Investment Performance 2022

Having taken advice from the investment manager the trustees changed the brief to manage the portfolio from a low to medium risk strategy to produce at least £25,000pa of investment income to a medium risk strategy with income of £20,000pa. The manager is authorised to operate on a discretionary basis which allows them to buy and sell stocks and shares without prior authorisation. Their actions are nevertheless accountable to the trustees via detailed quarterly valuation statements and regular reports, which are considered at trustees' meetings.

2022 was a poor year for stocks and shares. After distribution of income to the Trust the portfolio closed at £712,925 having started the year at £819,992 a decrease of 13.1%.

The total return on the Trust's portfolio was (10.5%) and over the same period the benchmark linked to the portfolio, the MSCI PIFMA Balanced Total Return Index, was (8.0%). The investment managers therefore obtained a return that was worse than the benchmark.

11. Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature:

Full Name: Jane Gent

Position: Vice Chair

Date: 4 April 2023

Independent Examiner's Report to the Trustees of The Eden Cottages Trust on the accounts for the year ended 31st December 2022 Charity No. 202576 as set out on pages 9 to 13 of this report

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

Responsibilities and basis of report

The Eden Cottages Trust
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As the charity trustees, you are responsible for the preparation of the accounts in accordance with 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 all 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 in connection with the examination which gives me cause to believe that in, any material respect;

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a “true and fair” view which is not a matter considered as part of an independent examination.

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

.....
 Sadie Rogers, CA
 Alan Forrester & Co Ltd
 Accountants
 75 Mutley Plain
 Plymouth PL4 6JJ

.....2023

Statement of Financial Activities for the year ended 31 December 2022

	Notes	Unrestricted Funds			
		31 December 2022		31 December 2021	
Incoming Resources		£	£	£	£

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Investment income	7.3		21,203		24,938
Monthly maintenance contributions			9,686		8,550
Rent			0		40
Sale of land			7,979		0
Bank interest			211		42
Way-leaves			<u>16</u>		<u>16</u>
Total Incoming Resources			<u>39,095</u>		<u>33,586</u>
Resources Expended					
Expenses related to freehold property					
Water rates & council tax		1,947		2,177	
Repairs and maintenance		4,212		13,431	
Upkeep of garden		4,203		3,522	
Insurance		1,237		1,240	
Electricity		<u>144</u>		<u>1,012</u>	
			11,743		21,382
Administration expenses					
Clerical and visitor support		744		1,589	
Subscriptions		187		182	
Other administrative costs		<u>20</u>		<u>247</u>	
			951		2,018
Legal & professional charges					
Accountancy fees	4	990		960	
Other professional fees		270		1,680	
Investment manager's fees		<u>7,449</u>		<u>8,194</u>	
			8,709		10,834
Total Resources Expended			<u>21,403</u>		<u>34,234</u>
Net Incoming/(Outgoing) Resources Before Transfers					
			17,692		(648)
Gross Transfers Between Funds					
			<u>0</u>		<u>0</u>
Net Incoming Resources Before Other Recognised Gains / (Losses)					
			17,692		(648)
Other Recognised (Losses)/Gains					
(Losses)/Gains on investment assets			(99,357)		51,713
)		
Net Movement in Funds					
			(81,665)		51,065
)		
Total Funds brought forward					
			<u>883,980</u>		<u>832,915</u>
Total Funds carried forward					
			<u>802,315</u>		<u>883,980</u>

The Eden Cottages Trust
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Balance Sheet as at 31 December 2022

	Note s	31 December 2022		31 December 2021	
		£	£	£	£
Fixed Assets					
Freehold Property					
Cottages and land at Ivybridge	6		0		0
Investments	7		<u>712,925</u>		<u>819,992</u>
Total fixed assets			712,925		819,992
Current Assets					
Debtors and prepayments		608		1,692	
Cash at bank and in hand		<u>93,229</u>		<u>65,801</u>	
Total current assets		<u>93,837</u>		<u>67,493</u>	
Creditors: amounts falling due within one year					
Income prepaid		174		171	
Accruals		<u>4,273</u>		<u>3,334</u>	
		<u>4,447</u>		<u>3,505</u>	
Net current assets			<u>89,390</u>		<u>63,988</u>
Net Assets			<u>802,315</u>		<u>883,980</u>
Funds of the Charity					
Unrestricted Funds					
General Investment Fund					
Balance brought forward		819,992		716,201	
(Decrease)/Increase in the value of investments retained		(67,814)		43,475	
(Loss)/Profit on shares disposed of during the year		(31,543)		8,193	
Equalisation Receipt (Prior year purchase)		0		45	
Net transfer (to)/from the Accumulated Income Account		<u>(7,710)</u>		<u>52,078</u>	
Balance carried forward			712,925		819,992
Accumulated Income Account					
Balance brought forward		28,807		81,533	
Surplus/(Deficit) for the year		<u>17,692</u>		<u>(648)</u>	
		46,499		80,885	
(Deduct) transfer to Extraordinary Repair Fund		(3,538)		0	
Net transfer from/(to) the General Investment Fund		<u>7,710</u>		<u>(52,078)</u>	
Balance carried forward			50,671		28,807

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Extraordinary Repair Fund					
Balance brought forward		35,181		35,181	
Add transferred from Accumulated Income Fund		<u>3,538</u>		<u>0</u>	
Balance carried forward			<u>38,719</u>		<u>35,181</u>
Total Funds			<u>802,315</u>		<u>883,980</u>

Vice Chair of Trustees.....

Trustee..... Date: 4 April 2023

Notes to the 2022 Accounts

1. Basis of preparation

1.1. Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless stated in the relevant note(s) to these accounts.

These accounts have been prepared in accordance with:

- the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014
- and with the Charities Act 2011.

1.2 Change in basis of accounting

There has been no change to the accounting policies (valuation rules and methods of accounting) since last year.

1.3 Changes to previous accounts

No changes have been made to accounts for previous years.

2. Accounting policies

2.1 Incoming Resources

2.1.1 Recognition of incoming resources

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources;
- and
- the monetary value can be measured with sufficient reliability.

2.1.2 Investment income

This is included in the accounts when receivable.

2.1.3 Investment gains and losses

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This includes any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

2.2 Expenditure and Liabilities

2.2.1 Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

2.3 Assets

2.3.1 Tangible fixed assets for use by the charity

These are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or a reasonable value on receipt. At 31 December 2022 the charity had no tangible fixed assets.

Notes to the 2022 Accountscontinued

2.3.2 Investments

Investments quoted on a recognised stock exchange are valued at market value at the year end. Other investment assets are included at the trustees' best estimate of market value.

3. Trustees Remuneration & Benefits

3.1 No emoluments or benefits were paid directly to any of the trustees during the year.

4. Accountancy Fees

	<u>202</u>	<u>2021</u>
	<u>2</u>	<u>£</u>
	<u>£</u>	
Independent examiner's fees for reporting on the accounts	805	780
Other fees paid to the independent examiner	185	180

5. Employees

	<u>2022</u>	<u>2021</u>
Average number of persons employed by the charity		1
1		

6. Freehold Property

The charity owns the freehold title to the property known as Eden Cottages in Ivybridge, South Devon. Since the building was completed in June 1927, it has been the charity's policy not to ascribe a value to the property in the Balance Sheet. It nevertheless forms part of the charity's assets and comprises the Permanent Endowment Fund. For that reason, the Trustees cannot sell the property on the open market.

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The building and any contents that are deemed to be the responsibility of the trustees are insured for £1.4 million. It is also free from any liens and encumbrances and is not a listed building.

7. Investment Assets

7.1 Fixed Asset Investment Assets

	£
Carrying (market) value at beginning of year	819,992
Add: additions to investments at cost	257,565
Less: disposals at carrying value	(296,818)
Add: net loss on revaluation	<u>(67,814)</u>
Carrying (market) value at end of year	<u>712,925</u>

Notes to the 2022 Accountscontinued

7.2 Analysis of the market value of investments

All investments are listed on a recognised stock exchange.

	£
UK Fixed Interest	78,324
International Fixed Interest	14,172
UK Equities	148,923
North American Equities	74,275
Japan, Far East and Emerging Markets	61,674
International and Thematic Equities	151,556
Hedge Funds and Alternatives	83,928
Property	20,790
Structured Return	<u>47,433</u>
	681,075
Cash on Capital Account	<u>31,850</u>
	<u>712,925</u>

7.3 Analysis of income from investments

	£
Fixed Interest	3,660
UK Equities	4,678
North American Equities	1,303
Japan, Far East & Emerging Markets	2,542
International & Thematic	1,525
Hedge funds and alternatives	4,208
Property	831
Structured return	<u>2,456</u>
	<u>21,203</u>

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7.4 Material investment holdings

	Market value at <u>year end</u> £	% of total market value at <u>year</u> <u>end</u> %
BNY Mellon Fund Managers Global Funds Plc US Equity E GBP Distribution	58,042	8.5
Schroder Investment Management Lux SA Asian Total Return	42,724	6.3
CT Investment Funds (UK) Equity Income L GBP	39,566	5.8

The individual value of all other holdings at 31 December 2022 represented less than 5.0% of the total value of quoted investments.

8. Committed Expenditure

At 31st December 2022 the Trustees had not committed to any material expenditure.

9. Contingent Liabilities

At 31st December 2022 the Trustees were not aware of any material contingent liability that may affect the Trust.

THE EDEN COTTAGES TRUST

England & Wales - Charity number 202576

Accounts

The Eden Cottages Trust
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Trustees Report and Financial Statements 2021

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Ivybridge, South Devon
19 April 2022

The Eden Cottages Trust
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Trustees Report for the year ended 31 December 2021

The charity is not known by any other name and its principal address is:

Ludbrook Mill
Ludbrook
Ivybridge
Devon
PL21 0LL

1. Trustees

The names of the trustees, all of whom are involved in the management of the trust, are:

Trustee name	Office (if any)	Dates acted if not for whole year
Richard Coombs		
Jane E Gent	Vice Chair	
Lorna P Howell		
Walker S F Laphorne	Chair	
Revd Professor Gina Radford		
Stephen R Woodcock	Hon Treasurer	

The trustees are appointed by invitation from the existing trustees; all within the rules as laid down in the Charity Commission Scheme (as amended), which governs the trust. Further details of the trustees are as follows:

Mr. Richard Coombs became a trustee in 2016. For many years he was a corporate law partner with regional law firm Foot Anstey LLP where he advised companies and charities on strategy, governance and major projects. He remains a part time consultant with them but now spends most of his time as a director or trustee of other companies and charities. Richard has lived in Ivybridge for over 30 years.

Mrs. Jane Gent became a trustee in 2010. She has lived with her family in Ivybridge since 1982. She worked in the National Health Service as a Community Occupational Therapist in the Ivybridge and Yealmpton district until her retirement in 2009. As a trustee she continues to build on her professional experience in the local area and to contribute her knowledge and skills to the Trust.

Mrs. Lorna Howell read French and German at St Anne's College, Oxford, after which she took a TEFLA Diploma and taught in Paris, Nepal and various colleges in UK. She now manages the Lukesland estate on the edge of Ivybridge, including 2 holiday lets and Spring and Autumn garden openings. She continues to teach English to asylum seekers in Plymouth. She is secretary of Harford Church PCC. Lorna became a Trustee in 2010.

Mr. Walker Laphorne FRICS became a trustee in 2016. He is a retired Chartered Building Surveyor. He is the Chair of Exeter Diocesan Advisory Committee for the Care of Churches. He was formerly managing director of J D C Builders; a South Hams based specialist building contractor, working locally on many significant historic and listed properties. He is a former director of Stratton Creber and was a partner of Taylor Lane and Creber in Plymouth. He is a liveryman of the Worshipful Company of Chartered Surveyors. Since 2004, he has lived locally with wife Debra in a converted watermill at Ludbrook, having previously moved to Ugborough in 1988.

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All trustees complete a Declarations of Interests form.

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Alan Forrester & Co. Ltd.
Accountants
75 Mutley Plain
Plymouth
South Devon PL4 6JJ

Solicitors:

Tozers
Broadwalk House
Southernhay West
Exeter EX1 1UA

Investment Managers:

Brooks Macdonald
Broadwalk House
Southernhay West
Exeter
EX1 1TS

3. Structure, Governance and Management

3.1 Structure

The Eden Cottages Trust was formally set up on 31st August 1927 when Mrs Minnie Pitts Eden bequeathed cash and investments to build and run an almshouse in the town of Ivybridge in South Devon. The organisation operates as an unincorporated charity and is run by trustees. Full details of the trustees are given above. Each appointment is influenced by the applicant's qualifications and knowledge of the local area. Together, the trustees have wide experience of finance, investments, building maintenance, charity work, public health and the law. The trustees meet formally not less than three times a year to discuss the running of the almshouse. Ad hoc meetings are arranged as and when required.

3.2. Governance

The trustees are bound by the Charity Commissioners Scheme dated 27th November 1972, as amended on 19th April 2000, 4 November 2016, 24 March 2017, 17 August 2020, 18 March 2021 and 24 May 2021. These schemes layout the broad rules within which the trustees must operate. The day to day decisions within that framework are left to the trustees' discretion.

The Eden Cottages Trust
(Registered Charity No. 202576)
(Founded in 1927)

3.3 Management

Running the almshouse falls into five categories:

3.3.1 the maintenance of the property is managed by one of the trustees who is a retired chartered building surveyor.

3.3.2, the trustees call upon professionals, when required, to inspect the property and produce written reports on their findings.

3.3.3 the investments and cash balances, which make up virtually all of the charity's assets (excluding the land and building), are managed for the trustees, within an agreed investment policy, by professional advisers.

3.3.4 the trustees find new beneficiaries as and when a house or flat becomes available.

3.3.5 finally, the day to day business affairs of the trust are handled by the charity's Visitor and Clerk (a part-time employee) and its Honorary Treasurer one of the trustees.

4. Related Parties

The charity has no relationship with any related party.

5. Risk Management

The trustees perceive the charity to be exposed to five major risks and endeavour to manage those risks as follows:-

5.1 Fire. This is undoubtedly the greatest risk that the charity faces and the trustees use their best endeavours to try and eliminate the possibility of fire. Current regulations are strictly adhered to and are implemented by the trustees. It is particularly relevant here as the beneficiaries are mostly elderly.

5.2 Water. Each house or flat is now fitted with its own stop cock in addition to the communal one situated outside the main house. Insurance cover for both fire and water risks are reviewed annually.

5.3 Investments. The charity is largely dependent on its investments to generate sufficient income to run the almshouse, both on a daily basis and to cover longer term commitments. Beneficiaries also make small monthly maintenance contributions. No income is forthcoming from central or local government or from any other source. As a high percentage of the charity's assets are invested in equities (albeit through collective investments) they are therefore exposed to economic and political events which can impact directly on the performance of the Stock Exchange. With this in mind, the charity's resources are invested in medium risk investments and are currently managed by professional advisers on behalf of the trustees.

5.4 Cash. Approximately 7% of total assets are currently held in cash either deposited with Lloyds Bank or held within the income account of the portfolio. This is a cautionary position in the current economic and political climate. The holding is reviewed regularly.

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5.5 Internal controls. The charity ensures that the generally accepted levels of internal controls are always in place and are strictly adhered to by its trustees and the visitor and clerk.

6. Objectives and activities

6.1 The Scheme, as noted above at 3.1 and 3.2, sets out in detail the rationale for the charity's existence and the rules within which it must operate. Broadly they are to:

- 6.1.1 provide for the beneficiaries a quiet and comfortable place to live;
- 6.1.2 manage the property professionally and within all the statutes currently in force;
- 6.1.3 manage all the cash and investments thereby producing sufficient income to run the almshouse each year plus accumulating further funds to cover major repairs;
- 6.1.4 apply such income prudently and within the guidelines;
- 6.1.5 ensure the beneficiaries meet the qualifications as stipulated; and
- 6.1.6 ensure there is always a quorum of trustees at any meeting.

6.2 The trustees' main activities during the year have been to undertake routine maintenance to the building and garden. Fuller information on the activities is included in the Annual Review in Section 7 below. The trustees confirm that they have had regard to the guidance issued by the Charity Commission on public benefit.

7. Annual Review for 2021

2021 has again been dominated by the global COVID-19 virus crisis. The Trust continued to follow all relevant Government advice. The trustees can report that the Eden Cottages Trust continues to provide high quality housing for residents eligible under the terms of its Charity Commission Scheme, despite the ongoing challenges that the crisis has created.

The building fabric has been maintained in good order, but contractor visits have continued to be limited to external areas and internal access only when needed, in a Covid compliant way. The quinquennial inspection of the building was completed by our consultant Chartered Building Surveyor in October 2021 and his advice will inform our planned preventative maintenance programme for the next few years. No significant issues were raised that require immediate attention but there are areas of routine maintenance and recommended improvements to consider.

We were able to let our refurbished 2 bedroom unit in February 2021, but the new resident did not stay for long and departed in August 2021. We re-advertised and interviewed and managed to secure new residents just before the end of the year.

We have worked within our budgetary framework.

The first scheduled meeting of the year on 18 March 2021 was held using the Zoom virtual platform. Amongst other matters we agreed the budget for the year.

Our established and popular Visitor and Clerk, Mrs Gill Hucker retired in April. The trustees were very grateful to Mrs Hucker for her continued careful concern for the residents' welfare and her excellent communication during the years she worked for us. We were able to quickly interview and appoint Mrs Teresa Drew as her replacement. She is settling in well.

We met again, virtually, on 21 July 2021. The trustees had been approached by the new owner of The Nook, our next door neighbour, to consider selling a small parcel of retained

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land. It was agreed to move this forward. A valuation report was commissioned and consent applied for from The Charity Commissioners. The sale is now progressing.

The trustees met again virtually on 7 October 2021. The principal agenda item was to receive an updated investment report from our Investment Fund Manager, John Sadgrove of Brooks Macdonald. Trustees were concerned for the future performance of the investments, but our Investment Manager has kept us fully informed and has helped to steer the Trust into a position that may take advantage of future interest rate movements.

Chair's Statement

This has been another challenging year for the management of the Trust. I would like to thank my fellow trustees for their ongoing support and time input. It has been a year of change, with two new sets of residents for one unit and a change of Clerk / Visitor. We have maintained our commitment to provide affordable housing in a pleasant, well ordered environment. Our residents seem content and have coped with the external pressures well. We are now looking forward to resumption of a more normal routine, covid restrictions having now been lifted. We remain committed to both our residents' welfare and the preservation of our wonderful building. We hope it remains a fitting legacy to the original donor.

Walker Laphorne

8. Policy on Reserves

The charity maintains two reserves.

8.1. An Extraordinary Repair Fund, which may be applied for the extraordinary repair, improvement or rebuilding of the almshouse. The Trust's policy is to transfer 20% of any annual surplus into this reserve until a maximum of £50,000 is reached; and

8.2. An Accumulated Income Account into which annual surpluses and deficits accumulate, which is used to fund years in which an exceptional level of general maintenance may be required or other exceptional costs arise.

9. Details of any funds in deficit

9.1 No funds are in deficit.

10. Financial Review 2021

10.1 Sources of funding

The Charity's principal source of funding is its investment income, which was 74% of total income with a further 25% coming from maintenance contributions from residents and the balance from other sundry income.

10.2. Expenditure

Expenditure in the year has principally been on maintaining the property and garden in good condition. Professional costs have been incurred on the quinquennial review of the property, investment management and accountancy fees.

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10.3. Investment Policy

The charity's financial resources are invested in a broad range of collective investments; including UK and international fixed interest holdings, investment trusts, unit trusts, property, structured return products, hedge funds & alternatives and cash. They are all managed under the discretionary management of the Trust's investment manager. Following review in 2021 the manager is instructed to maintain a medium risk profile. The Scheme governing the Trust allows the trustees to use their discretion with no specific restrictions imposed. Although there are substantial current holdings invested in UK markets, there is direct and indirect exposure to overseas markets, particularly through some of the investment and unit trusts. All securities held are freely realisable and there are no investments in future contracts, options or forward currency transactions.

Within the portfolio, cash balances vary depending on the timing of purchases and sales but at 31 December 2021 were 0.8% of the portfolio. The balance between the different kinds of investment and cash is established by reference to funding requirements and the trustees' judgement, in conjunction with their professional advisers, of future returns and risks in each sector. The investments are required to generate approximately £20,000 of income per annum as the principal source of income to fund the Trust's activities.

10.4 Income and Expenditure

Total incoming resources for the year were £33,586, an increase of £1,554 on 2020. This was due to higher investment income as the investment manager delivered the target for 2021 of £25,000 (actual £24,938). Income from maintenance contributions fell by £835 due to one of the dwellings being vacant for part of the year.

Total resources expended during the year increased by £13,098 to £34,234 when compared to 2020. This was mainly due to increased expenditure on repairs and maintenance as the opportunity to refurbish the vacant property was taken. Other resources expended were carefully managed and were in line with the budget and 2020. The outcome for the year was a deficit of income to expenditure of £648.

The deficit for 2021 has been transferred to the accumulated income account. The account benefitted from a transfer from the General Investment Fund of £7,922 to reflect the portfolio management fees being paid from the capital account during the year to the investment manager. The balance on the Accumulated Income Account, at that date, was £28,807 following a transfer of £60,000 of funds to the investment manager. Within the Unrestricted Funds the trustees maintain a designated fund for Extraordinary Repairs, which stood at £35,181 at 1 January 2021. The trustees' policy is to transfer 20% of any surplus each year into the Extraordinary Repair Fund. In view of the small deficit for the year no transfer was made to the fund at 31 December 2021.

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Key Performance Indicators (KPI's)

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Occupancy	85.4%	95.8%	100.0%
Return on investments			
Capital only	6.1%	(1.9%)	10.9%
Total Return*	9.1%	1.3%	13.6%
FTSE '100' Index			
Total Return Index	7,313.6	6,174.78	6,980.9
Change	18.4%	(11.5%)	17.2%
Consumer Price Index			
Index (December)	115.1	109.2	108.5
Change	5.4%	0.6%	1.3%

*Calculated before management fees but after trading expenses

10.5 Investment Performance 2021

Having taken advice from the investment manager the trustees changed the brief to manage the portfolio from a low to medium risk strategy to produce at least £25,000pa of investment income to a medium risk strategy with income of £20,000pa. The manager is authorised to operate on a discretionary basis which allows them to buy and sell stocks and shares without prior authorisation. Their actions are nevertheless accountable to the trustees via detailed quarterly valuation statements and regular reports, which are considered at trustees' meetings.

2021 was a good year for stocks and shares. After distribution of income to the Trust the portfolio closed at £819,992 having started the year at £716,201 an increase of 5.6% after adjusting for the £60,000 transferred to the investment manager during the year.

The total return on the Trust's portfolio was 9.1% and over the same period the benchmark linked to the portfolio, the MSCI PIFMA Balanced Total Return Index, was 12.5%. The investment managers therefore obtained a return that was worse than the benchmark. However, the restructuring of the portfolio meant a change of benchmark during the year.

11. Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature:

Full Name: Walker Sykes Farrant Lapthorne

Position: Chair

Date: 19 April 2022

The Eden Cottages Trust
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Independent Examiner's Report to the Trustees of The Eden Cottages Trust on the accounts for the year ended 31st December 2021 Charity No. 202576 as set out on pages 10 to 14 of this report

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31st December 2021.

Responsibilities and basis of report

As the charity trustees, you are responsible for the preparation of the accounts in accordance with 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 all 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 in connection with the examination which gives me cause to believe that in, any material respect;

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

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

.....
Sadie Rogers, CA
Alan Forrester & Co Ltd
Accountants
75 Mutley Plain
Plymouth PL4 6JJ

.....2022

The Eden Cottages Trust
(Registered Charity No. 202576)
(Founded in 1927)

Statement of Financial Activities for the year ended 31 December 2021

	Notes	Unrestricted Funds			
		31 December 2021		31 December 2020	
		£	£	£	£
Incoming Resources					
Investment income	7.3		24,938		22,112
Monthly maintenance contributions			8,550		9,385
Rent			40		292
Bank interest			42		227
Way-leaves			16		16
Total Incoming Resources			<u>33,586</u>		<u>32,032</u>
Resources Expended					
Expenses related to freehold property					
Water rates & council tax		2,177		2,007	
Repairs and maintenance		13,431		3,361	
Upkeep of garden		3,522		3,280	
Insurance		1,240		1,201	
Electricity		1,012		123	
			21,382		9,972
Administration expenses					
Clerical and visitor support		1,589		1,795	
Subscriptions		182		179	
Other administrative costs		247		240	
			2,018		2,214
Legal & professional charges					
Accountancy fees	4	960		918	
Other professional fees		1,680		1,107	
Investment manager's fees		8,194		6,925	
			10,834		8,950
Total Resources Expended			<u>34,234</u>		<u>21,136</u>
Net (Outgoing)/Incoming Resources Before Transfers			(648)		10,896
Gross Transfers Between Funds			<u>0</u>		<u>0</u>
Net Incoming Resources Before Other Recognised Gains / (Losses)			(648)		10,896
Other Recognised (Losses)/Gains					
Gains/(losses) on investment assets			51,713		(7,117)
Net Movement in Funds			51,065		3,779
Total Funds brought forward			<u>832,915</u>		<u>829,136</u>
Total Funds carried forward			<u>883,980</u>		<u>832,915</u>

The Eden Cottages Trust
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Balance Sheet as at 31 December 2021

	Notes	31 December 2021		31 December 2020	
		£	£	£	£
Fixed Assets					
Freehold Property					
Cottages and land at Ivybridge	6		0		0
Investments	7		<u>819,992</u>		<u>716,201</u>
Total fixed assets			819,992		716,201
Current Assets					
Debtors and prepayments		1,692		820	
Cash at bank and in hand		<u>65,801</u>		<u>118,910</u>	
Total current assets		<u>67,493</u>		<u>119,730</u>	
Creditors: amounts falling due within one year					
Income prepaid		171		171	
Accruals		<u>3,334</u>		<u>2,845</u>	
		<u>3,505</u>		<u>3,016</u>	
Net current assets			<u>63,988</u>		<u>116,714</u>
Net Assets			<u>883,980</u>		<u>832,915</u>
Funds of the Charity					
Unrestricted Funds					
General Investment Fund					
Balance brought forward		716,201		730,285	
Increase/(Decrease) in the value of investments retained		43,475		(6,836)	
Profit/(loss) on shares disposed of during the year		8,193		(281)	
Equalisation Receipt (Prior year purchase)		45		0	
Net transfer from/(to) the Accumulated Income Account		<u>52,078</u>		<u>(6,967)</u>	
Balance carried forward			819,992		716,201
Accumulated Income Account					
Balance brought forward		81,533		65,850	
(Deficit)/Surplus for the year		(648)		10,896	
		80,885		76,746	
(Deduct) transfer to Extraordinary Repair Fund		0		(2,180)	
Net transfer (to)/from the General Investment Fund		<u>(52,078)</u>		<u>6,967</u>	
Balance carried forward			28,807		81,533
Extraordinary Repair Fund					
Balance brought forward		35,181		33,001	
Add transferred from Accumulated Income Fund		0		2,180	
Balance carried forward			<u>35,181</u>		<u>35,181</u>
Total Funds			<u>883,980</u>		<u>832,915</u>

Chair of Trustees.....

Trustee.....

Date: 19 April 2022

The Eden Cottages Trust
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Notes to the 2021 Accounts

1. Basis of preparation

1.1. Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless stated in the relevant note(s) to these accounts.

These accounts have been prepared in accordance with:

- the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014
- and with the Charities Act 2011.

1.2 Change in basis of accounting

There has been no change to the accounting policies (valuation rules and methods of accounting) since last year.

1.3 Changes to previous accounts

No changes have been made to accounts for previous years.

2. Accounting policies

2.1 Incoming Resources

2.1.1 Recognition of incoming resources

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

2.1.2 Investment income

This is included in the accounts when receivable.

2.1.3 Investment gains and losses

This includes any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

2.2 Expenditure and Liabilities

2.2.1 Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

2.3 Assets

2.3.1 Tangible fixed assets for use by the charity

These are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or a reasonable value on receipt. At 31 December 2021 the charity had no tangible fixed assets.

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Notes to the 2021 Accountscontinued

2.3.2 Investments

Investments quoted on a recognised stock exchange are valued at market value at the year end. Other investment assets are included at the trustees' best estimate of market value.

3. Trustees Remuneration & Benefits

3.1 No emoluments or benefits were paid directly to any of the trustees during the year.

4. Accountancy Fees

	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
Independent examiner's fees for reporting on the accounts	780	730
Other fees paid to the independent examiner	180	188

5. Employees

	<u>2021</u>	<u>2020</u>
Average number of persons employed by the charity	1	1

6. Freehold Property

The charity owns the freehold title to the property known as Eden Cottages in Ivybridge, South Devon. Since the building was completed in June 1927, it has been the charity's policy not to ascribe a value to the property in the Balance Sheet. It nevertheless forms part of the charity's assets and comprises the Permanent Endowment Fund. For that reason, the Trustees cannot sell the property on the open market.

The building and any contents that are deemed to be the responsibility of the trustees are insured for £1.4 million. It is also free from any liens and encumbrances and is not a listed building.

7. Investment Assets

7.1 Fixed Asset Investment Assets

	£
Carrying (market) value at beginning of year	716,201
Add: additions to investments at cost	382,184
Less: disposals at carrying value	(321,868)
Add: net gain on revaluation	<u>43,475</u>
Carrying (market) value at end of year	<u>819,992</u>

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Notes to the 2021 Accountscontinued

7.2 Analysis of the market value of investments

All investments are listed on a recognised stock exchange.

	£
UK Fixed Interest	82,107
International Fixed Interest	35,314
UK Equities	211,106
North American Equities	76,549
Japan, Far East and Emerging Markets Equities	63,214
International and Thematic Equities	131,525
Hedge Funds and Alternatives	101,381
Property	37,350
Structured Return	<u>74,914</u>
	813,460
Cash on Capital Account	<u>6,532</u>
	<u>819,992</u>

7.3 Analysis of income from investments

	£
Fixed Interest	4,747
Equities	6,813
Structured return	4,616
Hedge funds and alternatives	4,593
International & Thematic	3,097
Property	<u>1,072</u>
	<u>24,938</u>

7.4 Material investment holdings

	Market value at <u>year end</u> £	% of total market value at <u>year end</u> %
BNY Mellon Fund Managers Global Funds Plc US Equity E GBP Distribution	58,067	7.1
Royal London Unit Trust Managers Sterling Credit Inst Income Z GBP Nav Net	50,330	6.2
Schroder Investment Management Lux SA Asian Total Return	46,546	5.7
J O Hambro Capital Management UK Equity Inc	40,805	5.0

The individual value of all other holdings at 31 December 2021 represented less than 5.0% of the total value of quoted investments.

8. Committed Expenditure

At 31st December 2021 the Trustees had not committed to any material expenditure.

9. Contingent Liabilities

At 31st December 2021 the Trustees were not aware of any material contingent liability that may affect the Trust.

THE EDEN COTTAGES TRUST

England & Wales - Charity number 202576

Accounts

The Eden Cottages Trust
(Registered Charity No. 202576)
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Trustees Report and Financial Statements 2020

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Ivybridge, South Devon
18 March 2021

The Eden Cottages Trust
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Trustees Report for the year ended 31 December 2020

The charity is not known by any other name and its principal address is:

Ludbrook Mill
Ludbrook
Ivybridge
Devon
PL21 0LL

1. Trustees

The names of the trustees, all of whom are involved in the management of the trust are:

Trustee name	Office (if any)	Dates acted if not for whole year
Richard Coombs		
Jane E Gent	Vice Chair	
Lorna P Howell		
Walker S F Laphorne	Chair	
Revd Professor Gina Radford		
Stephen R Woodcock	Hon Treasurer	

The trustees are appointed by invitation from the existing trustees; all within the rules as laid down in the trust deed (as amended), which governs the trust. Further details of the trustees are as follows:

Mr. Richard Coombs became a trustee in 2016. For many years he was a corporate law partner with regional law firm Foot Anstey LLP where he advised companies and charities on strategy, governance and major projects. He remains a part time consultant with them but now spends most of his time as a director or trustee of other companies and charities. Richard has lived in Ivybridge for over 30 years.

Mrs. Jane Gent became a trustee in 2010. She has lived with her family in Ivybridge since 1982. She worked in the National Health Service as a Community Occupational Therapist in the Ivybridge and Yealmpton district until her retirement in 2009. As a trustee she continues to build on her professional experience in the local area and to contribute her knowledge and skills to the Trust.

Mrs. Lorna Howell read French and German at St Anne's College, Oxford, after which she took a TEFLA Diploma and taught in Paris, Nepal and various colleges in UK. She now manages the Lukesland estate on the edge of Ivybridge, including 2 holiday lets and Spring and Autumn garden openings. She continues to teach English to asylum seekers in Plymouth. She is secretary of Harford Church PCC. Lorna became a Trustee in 2010.

Mr. Walker Laphorne FRICS became a trustee in 2016. He is a retired Chartered Building Surveyor. He is the Chair of Exeter Diocesan Advisory Committee for the Care of Churches. He was formerly managing director of J D C Builders; a South Hams based specialist building contractor, working locally on many significant historic and listed properties. He is a former director of Stratton Creber and was a partner of Taylor Lane and Creber in Plymouth. He is a liveryman of the Worshipful Company of Chartered Surveyors. Since 2004, he has lived locally with wife Debra in a converted watermill at Ludbrook, having previously moved to Ugborough in 1988.

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The Reverend Professor Gina Radford is Team Vicar Dart and Avon Mission Community (0.5wte). She was appointed to be a trustee on 7 November 2019. Prior to her current role she had a long history of public health experience at local, national and international levels. As a former Deputy Chief Medical Officer for England this included advising Ministers, key officials, professionals and the public. She was a regular speaker at conferences having had considerable experience both at developing national policy and strategy, and in its implementation.

Mr Stephen Woodcock became a trustee in 2012, and has the role of Honorary Treasurer. A business studies graduate and retired professional accountant with extensive experience in the private and public sectors he was Deputy Director of Finance at a world-class university, responsible, inter alia, for that university's charitable investments. He has lived in Ivybridge since 2011. He is married with three grown up children, is a member of a local golf club and also enjoys walking and DIY.

All trustees complete a Declarations of Interests form.

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2. Advisers to the Trustees

The advisers to the trustees are:

Bankers:

Lloyds Bank PLC
Fore Street
Ivybridge
South Devon PL21 9AD

Independent Examiners:

Alan Forrester & Co. Ltd.
Accountants
75 Mutley Plain
Plymouth
South Devon PL4 6JJ

Solicitors:

Tozers
Broadwalk House
Southernhay West
Exeter EX1 1UA

Investment Managers:

Brooks Macdonald
4 Heron Gate
Hankridge Way
Taunton
TA1 2LR

3. Structure, Governance and Management

3.1 Structure

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3.2. Governance

The trustees are bound by the Charity Commissioners Scheme dated 27th November 1972, as amended on 19th April 2000, 4 November 2016, 24 March 2017 and 17 August 2020. These schemes layout the broad rules within which the trustees must operate. The day to day decisions within that framework are left to the trustees' discretion.

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3.3.2, the trustees call upon professionals, when required, to inspect the property and produce written reports on their findings.

3.3.3 the investments and cash balances, which make up virtually all of the charity's assets (excluding the land and building), are managed for the trustees, within an agreed investment policy, by professional advisors.

3.3.4 the trustees find new beneficiaries as and when a house or flat becomes available.

3.3.5 finally, the day to day business affairs of the trust are handled by the charity's Visitor and Clerk (a part-time employee) and its Honorary Treasurer one of the trustees.

4. Related Parties

The charity has no relationship with any related party.

5. Risk Management

The trustees perceive the charity to be exposed to five major risks and endeavour to manage those risks as follows:-

5.1 Fire. This is undoubtedly the greatest risk that the charity faces and the trustees use their best endeavours to try and eliminate the possibility of fire. Current regulations are strictly adhered to and are implemented by the trustees. It is particularly relevant here as the beneficiaries average nearly eighty years of age.

5.2 Water. Each house or flat is now fitted with its own stop cock in addition to the communal one situated outside the main house. Insurance cover for both fire and water risks are reviewed annually.

5.3 Investments. The charity is largely dependent on its investments to generate sufficient income to run the almshouse, both on a daily basis and to cover longer term commitments. No income is forthcoming from central or local government or from any other source. (Beneficiaries make small monthly maintenance contributions). As a high percentage of the charity's assets are invested in equities (albeit through collective investments) they are therefore exposed to economic and political events which can impact directly on the performance of the Stock Exchange. With this in mind, the charity's resources are invested in low to moderate risk investments and are currently managed by professional advisors on behalf of the trustees.

5.4 Cash. Approximately 14% of total assets are currently held in cash either deposited with Lloyds Bank or held within the income account of the portfolio. This is a cautionary position in the current economic and political climate. The holding is reviewed regularly.

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5.5 Internal controls. The charity ensures that the generally accepted levels of internal controls are always in place and are strictly adhered to by its trustees and the visitor and clerk.

6. Objectives and activities

6.1 The Scheme, as noted above at 3.1 and 3.2, sets out in detail the rationale for the charity's existence and the rules within which it must operate. Broadly they are to:

- 6.1.1 provide for the beneficiaries a quiet and comfortable place to live;
- 6.1.2 manage the property professionally and within all the statutes currently in force;
- 6.1.3 manage all the cash and investments thereby producing sufficient income to run the almshouse each year plus accumulating further funds to cover major repairs;
- 6.1.4 apply such income prudently and within the guidelines;
- 6.1.5 ensure the beneficiaries meet the qualifications as stipulated; and
- 6.1.6 ensure there is always a quorum of trustees at any meeting.

6.2 The trustees' main activities during the year have been to undertake routine maintenance to the building and garden. Fuller information on the activities is included in the Annual Review in Section 7 below. The trustees confirm that they have had regard to the guidance issued by the Charity Commission on public benefit.

7. Annual Review for 2020

2020 has been dominated by the global COVID-19 virus crisis. From February, it became clear to the trustees that this would significantly alter the way the Trust could function. Our top priority was to ensure that our residents and staff were all protected, as best we could, consistent with keeping the building secure and maintained and following all relevant Government advice. The trustees can report that the Eden Cottages Trust continues to provide high quality housing for residents eligible under the terms of its trust deed, despite the significant challenges that the crisis has created.

The building fabric has been maintained in good order but contractor visits have been limited to external areas and internal access only when needed, in a Covid compliant way. Before the first lock down, we had legionella tests undertaken on the water supplies, completed a Type 1 Asbestos Survey and reviewed our Health & Safety Policy and Risk Assessment procedures. Since March, and through the second lock down, we have refurbished 2 external balconies and have attended to routine maintenance issues to electrics, lighting, roof slates and the TV distribution system. The continued improvement of the surrounding gardens has been put on hold, but regular attention maintains the calm and tranquil environment.

The sad death of one of our longstanding residents in October and the subsequent relocation of her husband created a void in one house. The trustees are using this break in occupancy to refurbish the bathroom and redecorate the property throughout, whilst seeking new occupiers.

We have worked within our budgetary framework.

The first scheduled meeting of the year, on March 19th was postponed as the Chair was shielding. As the response to the crisis developed, the trustees decided not to meet formally and to deal with all business by email and telephone. This system has continued throughout the year.

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Trustees are kept well-informed of the welfare of residents and maintenance activity at the property by the Visitor and Clerk, Mrs Gill Hucker, who visits and reports regularly by e-mail. The trustees are very grateful to Mrs Hucker for her continued careful concern for the residents' welfare and her excellent communication during the year. There was increasing concern over the welfare of two of our residents through the year, which was handled with great sensitivity by Mrs Hucker.

The trustees were concerned at the initial financial impact on our investments but our Investment Managers have kept us fully informed and have steered the Trust through these difficult times. The trustees have approved amendments to our Scheme to allow for business meetings to be held remotely.

Chair's Statement

This has been a very challenging year for the management of the trust. I would like to thank my fellow trustees for their support and also for their flexible attitude to the way the trust has operated. We are now seeing a possible light at the end of this long tunnel, with the roll out of the vaccination programme and I hope that by the summer, we can resume a more normal way of working. We have met all the challenges raised, kept our residents and staff safe, maintained our building and kept an eye on our recovering investment portfolio. This effort will need to be sustained well into 2021.

Walker Laphorne

8. Policy on Reserves

The charity maintains two reserves.

8.1. An Extraordinary Repair Fund, which may be applied for the extraordinary repair, improvement or rebuilding of the almshouse. The Trust's policy is to transfer 20% of any annual surplus into this reserve until a maximum of £50,000 is reached; and

8.2. An Accumulated Income Account into which annual surpluses and deficits accumulate, which is used to fund years in which an exceptional level of general maintenance may be required or other exceptional costs arise.

9. Details of any funds in deficit

9.1 No funds are in deficit.

10. Financial Review 2020

10.1 Sources of funding

The Charity's principal source of funding is its investment income, which was 69% of total income with a further 29% coming from maintenance contributions from residents and the balance from other sundry income.

10.2. Expenditure

Expenditure in the year has principally been on maintaining the property and garden in good condition. Professional costs have been incurred on health & safety surveys, investment management and accountancy fees.

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10.3. Investment Policy

The charity's financial resources are invested in a broad range of collective investments; including UK and international fixed interest holdings, investment trusts, unit trusts, property, structured return products, hedge funds & alternatives and cash. They are all managed under the discretionary management of the Trust's investment manager, who is instructed to maintain a low to medium risk profile. The Scheme governing the Trust allows the trustees to use their discretion with no specific restrictions imposed. Although there are substantial current holdings invested in UK markets, there is direct and indirect exposure to overseas markets, particularly through some of the investment and unit trusts. All securities held are freely realisable and there are no investments in future contracts, options or forward currency transactions. The trustees have discussed but not adopted an ethical investment policy.

Within the portfolio, cash balances vary depending on the timing of purchases and sales but at 31 December 2020 were 2% of the portfolio. The balance between the different kinds of investment and cash is established by reference to funding requirements and the trustees' judgement, in conjunction with their professional advisers, of future returns and risks in each sector. The investments are required to generate approximately £25,000 of income per annum as the principal source of income to fund the Trust's activities.

10.4 Income and Expenditure

Total incoming resources for the year were £32,032 a decrease of £4,823 on 2019. This was due to lower investment income as the investment manager delivered less than the target of £25,000 per annum at £22,112. This was mainly due to the unsettled market conditions brought about by the coronavirus pandemic. Income from maintenance contributions fell by £79 due to one of the dwellings becoming vacant very near to the year end.

Total resources expended during the year decreased by £6,430 to £21,136 when compared to 2019. This decrease was due to reduced expenditure on repairs and maintenance and on the garden due to both completion of improvements to the garden in 2019 and limitations on non-essential works imposed by measures to control coronavirus. Other resources expended were carefully managed and were in line with the budget and 2019. The outcome for the year was a surplus of income to expenditure of £10,896; an increase of £1,607 over 2019.

The surplus for 2020 has been transferred to the accumulated income account. The account benefitted from a transfer from the General Investment Fund of £6,967 to reflect the portfolio management fees being paid from the capital account during the year to the investment manager. Within the Unrestricted Funds the trustees maintain a designated fund for Extraordinary Repairs, which stood at £33,001 at 1 January 2020. The trustees' policy is to transfer 20% of any surplus each year into the Extraordinary Repair Fund. A transfer of £2,180 was therefore transferred to the Extraordinary Repair Fund, which stood at £35,181 at 31 December 2020 and the balance on the Accumulated Income Account, at that date, was £81,533.

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Key Performance Indicators (KPI's)

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Occupancy	95.8%	100.0%	96.6%
Return on investments			
Capital only	(1.9%)	10.9%	(8.9)%
Total Return*	1.3%	13.6%	(5.3)%
FTSE '100' Index			
Total Return Index	6,174.77	6,980.9	5,955.5
Change	(11.5%)	17.2%	(8.6)%
Consumer Price Index			
Index (December)	109.2	108.5	107.1
Change	0.6%	1.3%	2.1%

*Calculated before management fees but after trading expenses

10.5 Investment Performance 2020

The investment manager's brief is to manage the portfolio with a low to medium risk strategy to produce at least £25,000 of investment income. They are authorised to operate on a discretionary basis which allows them to buy and sell stocks and shares without prior authorisation. Their actions are nevertheless accountable to the trustees via detailed quarterly valuation statements and regular reports, which are considered at trustees' meetings.

2020 was a poor year for stocks and shares. After distribution of income to the Trust the portfolio closed at £716,201 having started the year at £730,285, a decrease of 1.9%.

The FTSE 100 Total Return Index started the year at 6,980.9 and finished at 6,174.8; a decrease of 11.5%. By comparison, the total return on the Trust's portfolio was 1.3% and over the same period the linked benchmark to the portfolio, the MSCI WMA Income Total Return Index, was 1.9%. The investment managers therefore obtained a return that was 0.6% points worse than the benchmark.

11. Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature:

Full Name: Walker Sykes Farrant Lapthorne

Position: Chair

Date: 18 March 2021

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Independent Examiner's Report to the Trustees of The Eden Cottages Trust on the accounts for the year ended 31st December 2020 Charity No. 202576 as set out on pages 10 to 14 of this report

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31st December 2020.

Responsibilities and basis of report

As the charity trustees, you are responsible for the preparation of the accounts in accordance with 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 all 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 in connection with the examination which gives me cause to believe that in, any material respect;

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

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

.....
Sadie Rogers, CA
Alan Forrester & Co Ltd
Accountants
75 Mutley Plain
Plymouth PL4 6JJ

.....2021

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Statement of Financial Activities for the year ended 31 December 2020

	Notes	Unrestricted Funds			
		31 December 2020		31 December 2019	
		£	£	£	£
Incoming Resources					
Investment income	7.3		22,112		26,256
Monthly maintenance contributions			9,385		9,464
Rent			292		500
Bank interest			227		619
Way-leaves			16		16
Total Incoming Resources			<u>32,032</u>		<u>36,855</u>
Resources Expended					
Expenses related to freehold property					
Water rates & council tax		2,007		2,352	
Repairs and decoration		3,361		5,061	
Upkeep of garden		3,280		9,053	
Insurance		1,201		1,160	
Electricity		123		124	
			9,972		17,750
Administration expenses					
Clerical and visitor support		1,795		1,289	
Subscriptions		179		170	
Other administrative costs		240		109	
			2,214		1,568
Legal & professional charges					
Accountancy fees	4	918		900	
Health & safety survey fees		1,107		0	
Investment manager's fees		6,925		7,348	
			8,950		8,248
Total Resources Expended			<u>21,136</u>		<u>27,566</u>
Net Incoming Resources Before Transfers			10,896		9,289
Gross Transfers Between Funds			<u>0</u>		<u>0</u>
Net Incoming Resources Before Other Recognised Gains / (Losses)			10,896		9,289
Other Recognised (Losses)/Gains					
(Losses)/Gains on investment assets			<u>(7,117)</u>		<u>70,485</u>
Net Movement in Funds			3,779		79,774
Total Funds brought forward			<u>829,136</u>		<u>749,362</u>
Total Funds carried forward			<u>832,915</u>		<u>829,136</u>

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Balance Sheet as at 31 December 2020

	Notes	31 December 2020		31 December 2019	
		£	£	£	£
Fixed Assets					
Freehold Property					
Cottages and land at Ivybridge	6		0		0
Investments	7		<u>716,201</u>		<u>730,285</u>
Total fixed assets			716,201		730,285
Current Assets					
Debtors and prepayments		820		590	
Cash at bank and in hand		<u>118,910</u>		<u>102,041</u>	
Total current assets		<u>119,730</u>		<u>102,631</u>	
Creditors: amounts falling due within one year					
Income prepaid		171		253	
Accruals		<u>2,845</u>		<u>3,527</u>	
		<u>3,016</u>		<u>3,780</u>	
Net current assets			<u>116,714</u>		<u>98,851</u>
Net Assets			<u>832,915</u>		<u>829,136</u>
Funds of the Charity					
Unrestricted Funds					
General Investment Fund					
Balance brought forward		730,285		666,984	
(Decrease)/Increase in the value of investments retained		(6,836)		64,208	
(Loss)/Profit on shares disposed of during the year		(281)		6,277	
Net transfer (to) the Accumulated Income Account		<u>(6,967)</u>		<u>(7,184)</u>	
Balance carried forward			716,201		730,285
Accumulated Income Account					
Balance brought forward		65,850		51,236	
Surplus for the year		<u>10,896</u>		<u>9,289</u>	
		<u>76,746</u>		<u>60,525</u>	
(Deduct) transfer to Extraordinary Repair Fund		(2,180)		(1,859)	
Add transfer from the General Investment Fund		<u>6,967</u>		<u>7,184</u>	
Balance carried forward			81,533		65,850
Extraordinary Repair Fund					
Balance brought forward		33,001		31,142	
Add transferred from Accumulated Income Fund		<u>2,180</u>		<u>1,859</u>	
Balance carried forward			<u>35,181</u>		<u>33,001</u>
Total Funds			<u>832,915</u>		<u>829,136</u>

Chair of Trustees.....

Trustee.....

Date: 18 March 2021

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Notes to the 2020 Accounts

1. Basis of preparation

1.1. Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless stated in the relevant note(s) to these accounts.

These accounts have been prepared in accordance with:

- the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014
- and with the Charities Act 2011.

1.2 Change in basis of accounting

There has been no change to the accounting policies (valuation rules and methods of accounting) since last year.

1.3 Changes to previous accounts

No changes have been made to accounts for previous years.

2. Accounting policies

2.1 Incoming Resources

2.1.1 Recognition of incoming resources

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

2.1.2 Investment income

This is included in the accounts when receivable.

2.1.3 Investment gains and losses

This includes any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

2.2 Expenditure and Liabilities

2.2.1 Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

2.3 Assets

2.3.1 Tangible fixed assets for use by the charity

These are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or a reasonable value on receipt. At 31 December 2020 the charity had no tangible fixed assets.

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Notes to the 2020 Accountscontinued

2.3.2 Investments

Investments quoted on a recognised stock exchange are valued at market value at the year end. Other investment assets are included at the trustees' best estimate of market value.

3. Trustees Remuneration & Benefits

3.1 No emoluments or benefits were paid directly to any of the trustees during the year.

4. Accountancy Fees

	<u>2020</u>	<u>2019</u>
	<u>£</u>	<u>£</u>
Independent examiner's fees for reporting on the accounts	730	720
Other fees paid to the independent examiner	188	180

5. Employees

	<u>2020</u>	<u>2019</u>
Average number of persons employed by the charity	1	1

6. Freehold Property

The charity owns the freehold title to the property known as Eden Cottages in Ivybridge, South Devon. Since the building was completed in June 1927, it has been the charity's policy not to ascribe a value to the property in the Balance Sheet. It nevertheless forms part of the charity's assets and comprises the Permanent Endowment Fund. For that reason, the Trustees cannot sell the property on the open market.

The building and any contents that are deemed to be the responsibility of the trustees are insured for £1.4 million. It is also free from any liens and encumbrances and is not a listed building.

7. Investment Assets

7.1 Fixed Asset Investment Assets

	£
Carrying (market) value at beginning of year	730,285
Add: additions to investments at cost	134,347
Less: disposals at carrying value	(141,594)
Less: net loss on revaluation	<u>(6,837)</u>
Carrying (market) value at end of year	<u>716,201</u>

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Notes to the 2020 Accountscontinued

7.2 Analysis of the market value of investments

All investments are listed on a recognised stock exchange.

	£
UK Fixed Interest	130,893
International Fixed Interest	90,039
UK Equities	123,087
North American Equities	44,926
Japan, Far East and Emerging Markets Equities	39,329
International and Thematic Equities	87,887
Hedge Funds and Alternatives	80,062
Property	32,420
Structured Return	<u>73,240</u>
	701,883
Cash on Capital Account	<u>14,318</u>
	<u>716,201</u>

7.3 Analysis of income from investments

	£
Fixed Interest	3,942
Equities	6,338
Structured return	4,750
Hedge funds and alternatives	3,946
International & Thematic	2,081
Property	<u>1,055</u>
	<u>22,112</u>

7.4 Material investment holdings

	Market value at <u>year end</u> £	% of total market value at <u>year end</u> %
Royal London Unit Trust Managers Sterling Credit Inst Income Z GBP Nav Net	51,765	7.4
BNY Mellon Fund Managers Global Funds Plc US Equity E GBP Distribution	44,926	6.4
Artemis Fund Managers- Strategic Bond MI Income Distribution	44,220	6.3
Link Fund Solutions Trojan Income X Income	40,566	5.8
Thesis Unit Trust Management Ltd RWC Global Equity Income L GBP Distribution	39,992	5.7

The individual value of all other holdings at 31 December 2020 represented less than 5.0% of the total value of quoted investments.

8. Committed Expenditure

At 31st December 2020 the Trustees had not committed to any material expenditure.

9. Contingent Liabilities

At 31st December 2020 the Trustees were not aware of any material contingent liability that may affect the Trust.