

ST SCHOLASTICA'S RETREAT

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

ST SCHOLASTICA'S RETREAT

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ST SCHOLASTICA'S RETREAT

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees	Mr C Doran, Chair Mrs M Cripps Mrs I Audley Mrs A Harding Mr S Martin Mr P Hughes
Charity registered number	203583
Principal office	27 The Retreat Princes Risborough Buckinghamshire HP27 0JG
Senior management team	Reverend S Duffy, Warden Ms E Clark, Deputy Warden
Accountants	MHA MacIntyre Hudson Chartered Accountants Building 4 Foundation Park Roxborough Way Maidenhead SL6 3UD
Bankers	TSB Bank PLC Market Square Princes Risborough Buckinghamshire HP27 0AS

ST SCHOLASTICA'S RETREAT

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report together with the financial statements of St Scholastica's Retreat (the charity) for the year ended 31 December 2020. The Trustees confirm that the Annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

a. Policies and objectives

The main object of the charity is the provision of accommodation for residents. Applications are open to all Catholics who are in need of financial assistance and who are either single and aged not less than 60 years old or who are married with the husband being not less than 60 years old and the wife not being less than 50 years old.

The Trustees adopt policies recommended by the Almshouse Association, of which the scheme is a member. Policies are reviewed as updates and guidance are provided by the Association and are reviewed and adopted by the Board of Trustees annually. Policies currently held by the scheme or currently being written or updated include the mandatory policies recommended by the Almshouse Association and include Risk Management, Investment, Conflict of Interest, Financial Control, Complaints and Payment of Staff.

b. Activities undertaken to achieve objectives

The objects are fulfilled through the provision of 36 self-contained flats and a Warden and Deputy Warden at St Scholastica's Retreat which benefit the residents by supporting them to continue living independently. An extraordinary repair and improvement fund is maintained for the expenses to upgrade the buildings as required.

In planning our activities at Trustees meetings, we keep in mind the Charity Commission guidance on public benefit.

ST SCHOLASTICA'S RETREAT

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Objectives and activities (continued)

c. Implications of COVID-19

The age of our residents meant that they all fell within the highest risk category for the virus. As the lockdown was announced in March 2020, the Warden and Deputy Warden immediately took steps to support residents and remind them of the steps necessary to remain safe including hand hygiene, social distancing and where appropriate shielding at home. Support was provided to some residents by members of the St Vincent de Paul Society of the local Catholic parish who undertook and continued to undertake deliveries of food and supplies throughout the year and by the Warden and Deputy Warden who checked on residents to ensure they had what they required. All maintenance work within the flats was suspended to ensure the safety of the residents. This continued after the initial lockdown and throughout 2020 to ensure that residents were not exposed to the virus in their own homes. Emergency works only were carried out - observing social distancing and hygiene. Scheduled works, if they needed to be completed within flats, were not undertaken except where a flat was vacant. This led to an "overhang" of expenditures on maintenance and renovation in 2020, and, although work did go ahead on the renovation of the flats which were vacant, a significant portion of the planned maintenance was held over until 2021. It is unlikely that some of the works comprising this overhang will be completed until 2022. Two new residents were able to move into the Retreat since the beginning of the pandemic in 2020.

Access to communal areas, specifically the Lord William Taylour Building, was strictly limited to the use of the laundry facilities and the internet within the building on a socially distanced basis only. Any group use of the facility was suspended. This was clearly communicated to residents and overseen by the Warden and Deputy Warden. Cleaning of the LWT building and guest suite was increased. This was maintained throughout the pandemic in 2020 and continued through the first half of 2021.

During the course of the pandemic there have been no Covid related deaths among the residents and all residents who wished to receive the double vaccinations have done so – no resident has tested positive for the virus. The Trustees are aware that loss of occupancy due to Covid deaths would have a serious impact on the stability of the scheme. However, residents stay in the Retreat only if they are able to live independently which exposes them to the same issues they would face if living in the community at large.

The marketing of the scheme is ongoing however the advertising program budgeted for 2020-21 has been postponed. The Warden continued to respond to enquiries from prospective residents and interviews of candidates took place on Zoom rather than in person until the Autumn of 2021. The website allows prospective residents to see selected photos and videos of flats and surrounding areas and some limited (socially distanced) visiting has taken place to view flats when empty. The Trustees remain confident that the flats will continue to be filled as needed. As of the beginning of the 3rd quarter 2021, there are three names on the waiting list.

While the latest Quinquennial Inspection (QI) survey was due to be carried out in 2020, this was delayed until August 2021 when it was felt that restrictions on entering occupied flats could be safely lifted. Residents were given advance notice of the survey and the surveyor observed safety precautions including wearing a mask and gloves and daily lateral flow testing. The delay identifying further QI works and planning QI spending will have an impact upon identifying future expenditure.

ST SCHOLASTICA'S RETREAT

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance

a. Review of activities

As highlighted above, the scheme was unable to carry out the bulk of the maintenance works budgeted for the year. This was demonstrated by the drop in total expenditure for the year to £140,953 from £183,763 in 2019. An increase in reserves for the year ending 2020 was originally budgeted at approximately £37k based upon a 7% annual increase in the maintenance contribution for the scheme and ongoing maintenance costs to reflect continuing refurbishments of the bathrooms and hot water systems in four flats -a program which had commenced in 2016 as well as the remaining QI works recommended in the 2015 Quinquennial Inspection. Renovations in two flats were able to be carried out due to vacancies which arose. Otherwise only emergency maintenance work was pursued including an un-budgeted £2k spend on repairs to the warden alarm system. As a result of this overall reduction in spending, the increase in reserves for year ending 2020 was £78,496 bringing total reserves to £1,935,397 (£1,856,901 for year end 2019). The results for 2020 were also affected by the lower level of voids than was budgeted. Income lost to voids in 2020 was £4,634 against £6,635 in 2019 (and £13K in 2018).

While much of the maintenance work which could not be completed in 2020 was carried over into the budget for 2021, a considerable amount has continued to be deferred until the third quarter of 2021 when restrictions on social distancing were eased. It is unlikely however that all budgeted expenditure for 2021 will be completed by year end. We are therefore expecting some further increase in reserves at the end of the current financial year.

Financial review

The charity's reserves at year end 2020 are £1,935,397 (year end 2019: £1,856,901). The change in reserves was accounted for by a surplus in funds for the year of £78,496 (2019:-£79.6k). The majority of the balance of the funds are invested in fixed assets (property, furniture and fittings at £1,361,563, as reflected in the balance sheet) and therefore not freely available for the charity's day to day activity.

The scheme's primary source of funds is derived from the income from maintenance contributions from residents. This income is used to ensure that the property is maintained to an appropriate standard for our residents taking into account the need to ensure the safety, comfort and wellbeing of an ageing population. The increase in maintenance contributions of 7% budgeted for 2020 was also carried over into 2021. While it is expected there will be some projected increase in reserves at the end of 2021 due to continued delayed expenditures caused by the pandemic, the Trustees are aware of significant future increases in expenditure required in order to "catch up" on expenditure missed during the pandemic as well as new expenditures identified by the Quinquennial Inspection carried out in August 2021.

The emergence of environmental concerns over recent years puts into focus the need to maintain or improve our flats to offer better and more efficient heating, improved insulation, reduction of damp and conservation of water and electricity. All of these issues have been highlighted in the recent QI inspection and will need to be fully costed and budgeted over the next five years. Other issues raised include aspects of design of the scheme's flats with respect to the mobility and capability of older residents. All of these factors will put pressure on the level of maintenance contributions to be charged as well as the level of the reserves to be maintained.

The Trustees have therefore decided to allocate £350,000 of the general unrestricted funds as funds designated to allow for the "catch up" of outstanding maintenance projects as well as for projects to be identified during the current round of QI expenditures. The Trustees will continue to keep this level of designated funds under review as costings for further refurbishments and QI work are obtained.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

b. Going concern

The Trustees have a reasonable expectation that the Charity has adequate resources based upon the increased level of reserves, the low level of voids and the ability to adjust the maintenance contributions to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis

c. Reserves policy

In planning the level of reserves the Trustees take into account a number of factors including the outlook for vacancies and the depth of the scheme's waiting list, anticipated major capital expenditures related both to cyclical and extraordinary maintenance costs, the need for scheme to continue to provide housing that is fit for purpose for accommodating an ageing population.

Reserves available to support the operations and expenditure of the scheme grew by £78,496 in 2020 largely due to the impact of the Covid 19 pandemic which meant a large amount of budgeted expenditure was deferred. Total funds available to support activities were £486,814 (£408,318). Of this £486,814, the Trustees have chosen to designate £350,000 for capital expenditure deferred from 2020 plus additional costs which have been identified (continued bathroom refurbishments, heating and electrical improvements and repair and refurbishment of doors and windows). It is the expectation that Trustees will aim to continue to increase reserves in the coming year in order to address the costs which will arise out of the Quinquennial Inspection which took place in August 2021.

d. Investments policy

The Trustees continued discussions with potential investment advisors and continues to keep its investment policy under review. The scheme continues to seek invest cash funds in short term interest bearing accounts protected by the FSCS. The opportunity to invest in funds which offer opportunities which align with our Catholic and charitable purposes is being investigated. Trustees will seek professional advice to ensure invested funds' value can be safeguarded to the extent possible.

e. Principal risks and uncertainties

Analysis of risks is allocated to the three Trustee subcommittees and reported to the Board as a whole at each meeting. A formal risk register is under development in accordance with the advice of the Almshouse Association. Major risks highlighted in 2020, beyond the inherent risk of the Covid 19 pandemic, continue to be the ability of resources generated by the maintenance contribution to cover the ongoing costs of maintenance and refurbishment. The ability to increase maintenance contributions to meet increased costs is limited, in part, by the level of local housing allowance. The current level of maintenance contribution is set well below the local housing allowance and this does provide flexibility to increase income to meet increased costs.

The costs of refurbishments in the coming years will need to take into account the impact of the Disability Discrimination Act in ensuring accommodation is fit for purpose for our ageing population, and environmental/climate change issues which will require upgrades in areas such as heat, insulation, damp protection, water and electricity usage.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Structure, governance and management

a. Constitution

The governing document is the Scheme of 17 May 1972 as amended by the Scheme of 16 June 1993 (the Scheme), and an Order of the Commission dated 25 May 2004. The Trustees are responsible for administration and management of the Scheme. The Board of Trustees should comprise a minimum of 3 and maximum of 8, and are appointed by resolution of the existing Trustees. Should the number of Trustees fall to two only, the Bishop of Northampton has the authority to appoint further Trustees.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, for the debts and liabilities contracted before they ceased to be a member.

b. Methods of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

Trustees are co-opted and appointed from time to time to ensure that the Board of Trustees has the appropriate skills needed to oversee the scheme. Induction processes include providing sufficient background information to new members to allow them to understand the workings of the Scheme including the Scheme documents, the Almshouse Association Handbook as well as links to the Almshouse Association website, copies of all adopted policies and copies of recent financial information. Time during Board meetings has been devoted to the induction process and training for new and existing members.

c. Organisational structure and decision-making policies

The day to day superintendence and care of the Scheme is carried out by the Warden assisted by a Deputy Warden. Both are appointed by the Trustees and are the key management personnel under the Scheme.

Remuneration of key management personnel (which includes accommodation) is reviewed annually by the Board based upon an annual performance review undertaken by the Finance Committee whose recommendations are considered by the Board. All Trustees give their time on a voluntary basis and receive no remuneration or other benefits.

The work of the Board is carried out by three subcommittees which focus on the most important areas of the Scheme. These are Marketing and People, Property and Finance. Trustees serve on at least one of these subcommittees. It is the responsibility of each subcommittee, led by a designated Chair person, to meet at least three times a year to review and set targets for each area for which it is responsible in accordance with the Terms of Reference adopted for each subcommittee. This work is reported back to the whole Board at each Board meeting and any recommendations for decision making is presented to the Board for review or adoption.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Structure, governance and management (continued)

d. Related party relationships

St Scholastica's Retreat is a member of the Almshouse Association and, as such, takes advantage of advice and expertise of the Association in writing and setting policies as well as advice on some financial planning and decision making. The Trustees have adopted a Conflict of Interest policy as recommended by the Almshouse Association.

Under the terms of the Scheme, the Bishop of Northampton holds the right to appoint Trustees to the Scheme if the number of Trustees falls below two.

Plans for future periods

It is the Trustees main objective to continue to provide accommodation for our beneficiaries which is modern and comfortable. In the coming year, as we begin to emerge from the Covid 19 pandemic, we hope to complete all works which were deferred and begin to implement the recommendations of the recent Quinquennial Inspection. We will also be considering longer term plans for ensuring that the accommodation provided to residents is attractive, comfortable and energy efficient. We will continue to market the scheme more actively in order to ensure a robust waiting list.

Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ST SCHOLASTICA'S RETREAT

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Approved by order of the members of the board of Trustees on 26 October 2021 and signed on their behalf by:

.....
Mr C Doran
Chairman

ST SCHOLASTICA'S RETREAT

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Independent examiner's report to the Trustees of St Scholastica's Retreat ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2020.

Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

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

Independent examiner's statement

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do 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.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Dated: 26 October 2021

B K Silva

ACA

MHA MacIntyre Hudson, Building 4, Foundation Park, Roxborough Way, Maidenhead, SL6 3UD

ST SCHOLASTICA'S RETREAT

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income and endowments from:						
Donations and legacies	2	460	-	-	460	20,008
Charitable activities	3	221,241	-	-	221,241	205,113
Investments	4	7,269	-	-	7,269	7,167
Total income and endowments		228,970	-	-	228,970	232,288
Expenditure on:						
Charitable activities	5	116,554	24,399	-	140,953	183,763
Total expenditure		116,554	24,399	-	140,953	183,763
Net (losses)/gains on investments		(9,521)	-	-	(9,521)	31,096
Net income / (expenditure)		102,895	(24,399)	-	78,496	79,621
Transfers between funds	13	(19,836)	19,836	-	-	-
Net movement in funds		83,059	(4,563)	-	78,496	79,621
Reconciliation of funds:						
Total funds brought forward		1,551,962	9,353	295,586	1,856,901	1,777,280
Net movement in funds		83,059	(4,563)	-	78,496	79,621
Total funds carried forward		1,635,021	4,790	295,586	1,935,397	1,856,901

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 12 to 24 form part of these financial statements.

ST SCHOLASTICA'S RETREAT

BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	8	1,361,563	1,361,563
Investments	9	260,061	269,582
		<u>1,621,624</u>	<u>1,631,145</u>
Current assets			
Debtors	10	6,174	5,988
Cash at bank and in hand		321,555	237,455
		<u>327,729</u>	<u>243,443</u>
Creditors: amounts falling due within one year	11	(9,456)	(10,187)
Net current assets		<u>318,273</u>	<u>233,256</u>
Total assets less current liabilities		<u>1,939,897</u>	<u>1,864,401</u>
Creditors: amounts falling due after more than one year	12	(4,500)	(7,500)
Total net assets		<u><u>1,935,397</u></u>	<u><u>1,856,901</u></u>
Charity funds			
Endowment funds	13	295,586	295,586
Restricted funds	13	4,790	9,353
Unrestricted funds			
Designated funds	13	353,073	-
General funds	13	128,951	398,965
Revaluation reserve		1,152,997	1,152,997
Total unrestricted funds	13	<u>1,635,021</u>	<u>1,551,962</u>
Total funds		<u><u>1,935,397</u></u>	<u><u>1,856,901</u></u>

The financial statements were approved and authorised for issue by the Trustees on 26 October 2021 and signed on their behalf by:

.....
Mr C Doran
(Trustee)

.....
Mrs M Cripps
(Trustee)

The notes on pages 12 to 24 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice.

St Scholastica's Retreat constitutes a public benefit entity as defined by FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

1.5 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are carried at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	- 10% straight line
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No provision has been made in the accounts for the depreciation of the freehold residential buildings. These properties, in use in furtherance of charitable objectives, are maintained to standards that ensure that there is no deterioration of the fabric and the estimated residual value at current prices is not less than their book value. The Trustees therefore consider that any depreciation would not be material.

1.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

1.8 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

1.13 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

ST SCHOLASTICA'S RETREAT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Income from donations and legacies

	Unrestricted funds 2020 £	Total funds 2020 £
Donations	460	460
Legacies	-	-
	<u>460</u>	<u>460</u>
	<u><u>460</u></u>	<u><u>460</u></u>
	Unrestricted funds 2019 £	Total funds 2019 £
Donations	375	375
Legacies	19,633	19,633
	<u>20,008</u>	<u>20,008</u>
	<u><u>20,008</u></u>	<u><u>20,008</u></u>

3. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £
Maintenance contributions	213,486	213,486
Rent	6,915	6,915
Other	840	840
	<u>221,241</u>	<u>221,241</u>
	<u><u>221,241</u></u>	<u><u>221,241</u></u>

ST SCHOLASTICA'S RETREAT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

3. Income from charitable activities (continued)

	Unrestricted funds 2019 £	Total funds 2019 £
Maintenance contributions	198,465	198,465
Rent	6,163	6,163
Other	485	485
	<u>205,113</u>	<u>205,113</u>

4. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £
Investment income	<u>7,269</u>	<u>7,269</u>

	Unrestricted funds 2019 £	Total funds 2019 £
Investment income	<u>7,167</u>	<u>7,167</u>

ST SCHOLASTICA'S RETREAT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Management	76,700	-	76,700
Services	1,734	-	1,734
Repairs and maintenance	38,120	24,399	62,519
	<u>116,554</u>	<u>24,399</u>	<u>140,953</u>

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Management	78,397	-	78,397
Services	1,749	-	1,749
Repairs and maintenance	72,270	31,347	103,617
	<u>152,416</u>	<u>31,347</u>	<u>183,763</u>

6. Net Income/(Expenditure)

	2020 £	2019 £
Accountancy and independent examiner's fee	<u>3,300</u>	<u>3,300</u>
Fees payable to the Charity's auditor and its associates in connection with the Charity's pension scheme(s) in respect of:		
Depreciation of tangible fixed assets:		
- Owned by charity	<u>-</u>	<u>109</u>

ST SCHOLASTICA'S RETREAT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

7. Staff costs

	2020 £	2019 £
Wages and salaries	42,529	40,862
Contribution to defined contribution pension schemes	2,822	2,724
	<u>45,351</u>	<u>43,586</u>

The average number of persons employed by the Charity during the year was as follows:

	2020 No.	2019 No.
Support	<u>2</u>	<u>2</u>

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the Charity comprise the senior staff listed on page 1. The total amount of employee benefits (including employer pension and national insurance contributions) received by key management personnel for their services to the Charity was £45,351 (2019: £43,586).

8. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 January 2020	1,361,563	25,461	1,387,024
At 31 December 2020	<u>1,361,563</u>	<u>25,461</u>	<u>1,387,024</u>
Depreciation			
At 1 January 2020	-	25,461	25,461
At 31 December 2020	<u>-</u>	<u>25,461</u>	<u>25,461</u>
Net book value			
At 31 December 2020	<u>1,361,563</u>	<u>-</u>	<u>1,361,563</u>
At 31 December 2019	<u>1,361,563</u>	<u>-</u>	<u>1,361,563</u>

ST SCHOLASTICA'S RETREAT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

8. Tangible fixed assets (continued)

All freehold property is held for direct charitable purposes and comprises residential properties and a community building. All other assets are used for direct charitable purposes.

The Charity has adopted a policy of revaluation for tangible fixed assets. Had these assets been measured at historic cost, the carrying values would have been as follows:

	2020 £	2019 £
At cost	208,566	208,566
At valuation: 1995 revaluation	1,152,997	1,152,997
	<u>1,361,563</u>	<u>1,361,563</u>

9. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2020	269,582
Revaluations	(9,521)
At 31 December 2020	<u>260,061</u>
Net book value	
At 31 December 2020	260,061
At 31 December 2019	<u>269,582</u>

10. Debtors

	2020 £	2019 £
Due within one year		
Prepayments and accrued income	<u>6,174</u>	<u>5,988</u>

ST SCHOLASTICA'S RETREAT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Almshouse Association loan	3,000	3,000
Other taxation and social security	1,243	1,592
Accruals	5,213	5,595
	9,456	10,187

12. Creditors: Amounts falling due after more than one year

	2020	2019
	£	£
Almshouse Association loan	4,500	7,500

ST SCHOLASTICA'S RETREAT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds						
Designated funds						
Cyclical maintenance fund	-	-	(29,379)	32,452	-	3,073
Capital fund	-	-	-	350,000	-	350,000
	<u>-</u>	<u>-</u>	<u>(29,379)</u>	<u>382,452</u>	<u>-</u>	<u>353,073</u>
General funds						
Unrestricted	398,965	228,970	(87,175)	(402,288)	(9,521)	128,951
Revaluation reserve	1,152,997	-	-	-	-	1,152,997
	<u>1,551,962</u>	<u>228,970</u>	<u>(87,175)</u>	<u>(402,288)</u>	<u>(9,521)</u>	<u>1,281,948</u>
Total Unrestricted funds	<u>1,551,962</u>	<u>228,970</u>	<u>(116,554)</u>	<u>(19,836)</u>	<u>(9,521)</u>	<u>1,635,021</u>
Endowment funds						
Endowment Fund	295,586	-	-	-	-	295,586
Restricted funds						
Extraordinary repair fund	9,353	-	(24,399)	19,836	-	4,790
Total of funds	<u>1,856,901</u>	<u>228,970</u>	<u>(140,953)</u>	<u>-</u>	<u>(9,521)</u>	<u>1,935,397</u>

ST SCHOLASTICA'S RETREAT

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

13. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2019 £
Unrestricted funds						
Designated funds						
Cyclical maintenance fund	4,314	-	(64,596)	60,282	-	-
General funds						
Unrestricted	302,987	232,288	(87,820)	(79,586)	31,096	398,965
Revaluation reserve	1,152,997	-	-	-	-	1,152,997
	<u>1,455,984</u>	<u>232,288</u>	<u>(87,820)</u>	<u>(79,586)</u>	<u>31,096</u>	<u>1,551,962</u>
Total Unrestricted funds	<u>1,460,298</u>	<u>232,288</u>	<u>(152,416)</u>	<u>(19,304)</u>	<u>31,096</u>	<u>1,551,962</u>
Endowment funds						
Endowment Fund	<u>295,586</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>295,586</u>
Restricted funds						
Extraordinary repair fund	<u>21,396</u>	<u>-</u>	<u>(31,347)</u>	<u>19,304</u>	<u>-</u>	<u>9,353</u>
Total of funds	<u><u>1,777,280</u></u>	<u><u>232,288</u></u>	<u><u>(183,763)</u></u>	<u><u>-</u></u>	<u><u>31,096</u></u>	<u><u>1,856,901</u></u>

ST SCHOLASTICA'S RETREAT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. Statement of funds (continued)**Extraordinary repair fund:**

Amounts are allocated to the fund each year based on the recommended minimum level by the Almshouse Association, calculated at a rate per dwelling.

These amounts are invested in the National Association of Almshouses Common Investment Funds and other funds at the Trustees' discretion to meet expenditure on extraordinary repairs or improvement of buildings owned by the Trust.

Expenditure incurred on extraordinary repairs is written off against these funds. Expenditure incurred on day to day repairs and maintenance is written off to income and expenditure account as incurred.

Cyclical maintenance fund:

Amounts are allocated to the fund each year based on the recommended minimum level by the Almshouse Association, calculated at a rate per dwelling.

Expenditure incurred on cyclical maintenance is allocated against this fund.

Capital fund:

The Trustees have chosen to designate £350,000 for capital expenditure deferred from 2020 plus additional costs which have been identified (continued bathroom refurbishments, heating and electrical improvements and repair and refurbishment of doors and windows).

14. Analysis of net assets between funds**Analysis of net assets between funds - current period**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £
Tangible fixed assets	1,065,977	-	295,586	1,361,563
Fixed asset investments	260,061	-	-	260,061
Current assets	322,939	4,790	-	327,729
Creditors due within one year	(9,456)	-	-	(9,456)
Creditors due in more than one year	(4,500)	-	-	(4,500)
Total	1,635,021	4,790	295,586	1,935,397

ST SCHOLASTICA'S RETREAT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

14. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £
Tangible fixed assets	1,065,977	-	295,586	1,361,563
Fixed asset investments	269,582	-	-	269,582
Current assets	234,090	9,353	-	243,443
Creditors due within one year	(10,187)	-	-	(10,187)
Creditors due in more than one year	(7,500)	-	-	(7,500)
Total	1,551,962	9,353	295,586	1,856,901

15. Pension commitments

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £2,822 (2019 - £2,724). Contributions totalling £nil (2019 - £nil) were payable to the fund at the balance sheet date.

16. Related Party Transactions

There were no related party transactions during the year (2019: None).