

ST SCHOLASTICA'S RETREAT

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

ST SCHOLASTICA'S RETREAT

CONTENTS

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1
Trustees' report	2 - 7
Independent examiner's report	8
Statement of financial activities	9
Balance sheet	10
Notes to the financial statements	11 - 22

ST SCHOLASTICA'S RETREAT

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

Trustees	Mr C Doran, Chair Mrs M Cripps Mrs I Audley Mrs A Harding (resigned 30 November 2022) Mr S Martin Mr P Hughes (appointed 30 March 2022)
Charity registered number	203583
Principal office	27 The Retreat Princes Risborough Buckinghamshire HP27 0JG
Senior management team	Reverend S Duffy, Warden - to April 2022 Ms E Clark, Deputy Warden, and Warden - from May 2022 to January 2023 Mr G Nunn, Warden from February 2023
Accountants	MHA 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 2022

The Trustees present their annual report together with the financial statements of St Scholastica's Retreat (the charity) for the year ended 31 December 2022. 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.

c. Operations in 2022

At the end of April 2022, the scheme's warden since 2012, Sean Duffy, retired as planned. Advertisements for his replacement and interviews with candidates took place in the early part of the year through June. In July and August a new Warden and Deputy Warden were appointed. However, by year end, the newly appointed Warden decided to take a step back and returned to the job of Deputy while the new Deputy Warden accepted promotion to the Warden's job. Gordon Nunn was duly appointed as Warden and commenced in the role effective February 2023.

The disruption caused by the changes in personnel had an impact on achieving the program of maintenance works which had been budgeted for in 2022 after the delays in maintenance caused by the ongoing Covid epidemic in 2020/21. It had been anticipated that the significant level of maintenance which had been deferred in 2021 and which included some of the works highlighted in the August 2021 Quinquennial Survey, would be completed in 2022. This was not achieved. The situation was further exacerbated by the unavailability of one of the scheme's primary contractors who was out of the country or otherwise unavailable for a large part of the year.

There was ongoing expenditure for day to day and cyclical maintenance items which included cleaning, garden maintenance, window cleaning, repair/replacement of appliances as well as some flat refurbishment work carried out prior to the old Warden's retirement. However, major works which included replacement of windows, upgrades of heating, installation of a new warden alarm system, refurbishment of vacant flats and many general repairs had to be deferred to 2023. Much of this work has now been addressed as of mid-2023.

ST SCHOLASTICA'S RETREAT

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance

a. Review of activities

As highlighted above, the scheme was once again unable to carry out the bulk of the maintenance works budgeted for the year. Expenditure on maintenance and day to day operating costs declined from £65,782 in 2021 to £51,384 in 2022. Total expenditure also declined slightly from £141,911 in 2021 to £140,497 in 2022. The decline in expenditure was offset partially by the increase in management costs, primarily legal, survey and accountancy fees as well as advertising costs associated with recruiting a new warden. The maintenance contribution was budgeted to increase at just over 3% for the year ending 2022 down from an increase of 7% in the previous two years. This reduction was in order to recognise that maintenance had been deferred from 2021 due to the ongoing aspects of the pandemic. However, total income from maintenance contributions also declined slightly in 2022 as a result of an increase in voids. Some voids reflected the delay in work to refurbish flats which were to house new residents.

The result is an increase in the surplus for the year of £84,353 (against an increase in 2021 of £118,887) resulting in total reserves at year end 2022 of £2,138,637 against reserves in 2021 of £2,054,284. Trustees will again rely upon this increase in surplus to help support future capital and maintenance costs as well as the anticipated costs of repairs/investments highlighted in the QI survey. As highlighted in last year's Trustees Report, the QI survey presented a significant number of costly issues with the fabric of the properties which will be expensive to address over the coming years. The Trustees therefore feel that continuing to build reserves to ensure that the scheme can afford to maintain/refurbish the buildings into the future will be an important priority. The outlook for increased costs of materials and labour shortages are also likely to impact maintenance and capital investment costs. This reinforces the need to increase prudent capital reserves.

Financial review

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 for 2022 was budgeted at 3% down from the 7% of the prior year. This reduction was felt to be necessary where budgeted maintenance had been delayed. While there has been an increase in reserves at the end of 2022 due to continued delayed expenditures, the Trustees are aware of significant future increases in expenditure required in order to "catch up" on expenditure missed during the pandemic years as well 2022 and 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 are being 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 continue the allocation of £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. While total expenditure less management, governance and services costs was running well in excess of £100k per annum prior to 2020, in the years of 2020, 2021 and 2022 this level of expenditure ranged from £52k to £65k. The budgeted level of expenditure for maintenance in 2023 will be in excess of £170k reflecting the "catch up" required.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. 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 the 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 £84,353 in 2022 largely due once again to the deferral of much of the budgeted maintenance. Total funds available to support activities were £690,054 in 2022 up from £605,701 in 2021 (£408,318 in 2019 prior to the pandemic). The Trustees have chosen to continue to designate £350,000 for capital expenditure deferred from 2022 plus additional costs which have been identified (continued bathroom refurbishments, completion of upgrading the warden alarm system, heating and electrical improvements and repair and refurbishment of windows). It is the expectation that Trustees will aim to continue to increase reserves in the coming years in order to address the costs of continuing refurbishment, however, it is anticipated that the current historically high level of reserves will decline in 2023 to reflect the higher level of expenditure which is anticipated in 2023 as part of the program of catching up on work missed in the past two years.

c. 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.

d. 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 has been developed in accordance with the advice of the Almshouse Association and is updated based on ongoing information or changes in circumstances. Major risks highlighted in 2022, continue to be the ability of resources generated by the maintenance contribution to cover the ongoing costs of maintenance and refurbishment and the need to keep older building stock up to date. 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 below the local housing allowance and this does provide flexibility to increase income to meet increased costs. Additional highlighted risks include failure to attract new residents and the resulting rise in vacancies and a drain on income. Continuing expenditure on refurbishment to attract residents as well as an ongoing advertising campaigns in the local and national Catholic press is seen as appropriate mitigation of this risk. Risk of insufficient Trustees has also been highlighted. This is mitigated by ongoing Trustee recruitment.

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 heating, insulation, damp protection, water and electricity usage.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

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 Chairperson, 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.

ST SCHOLASTICA'S RETREAT

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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, we hope to complete all works which have been deferred and begin to implement the recommendations of the recent Quinquennial Inspection. We are also 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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

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.

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

.....
Mr C Doran
Chairman
Date: 31 July 2023

ST SCHOLASTICA'S RETREAT

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022.

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: 31 October 2023

B K Silva

ACA

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

ST SCHOLASTICA'S RETREAT

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:						
Donations and legacies	2	395	-	-	395	300
Charitable activities	3	231,948	-	-	231,948	234,801
Investments	4	7,775	-	-	7,775	6,828
Total income and endowments		240,118	-	-	240,118	241,929
Expenditure on:						
Charitable activities	5	140,497	-	-	140,497	141,911
Total expenditure		140,497	-	-	140,497	141,911
Net (losses)/gains on investments		(15,268)	-	-	(15,268)	18,869
Net income / (expenditure)		84,353	-	-	84,353	118,887
Transfers between funds	13	(20,862)	20,862	-	-	-
Net movement in funds		63,491	20,862	-	84,353	118,887
Reconciliation of funds:						
Total funds brought forward		1,752,639	6,059	295,586	2,054,284	1,935,397
Net movement in funds		63,491	20,862	-	84,353	118,887
Total funds carried forward		1,816,130	26,921	295,586	2,138,637	2,054,284

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

The notes on pages 11 to 22 form part of these financial statements.

ST SCHOLASTICA'S RETREAT

BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	8	1,362,321	1,361,563
Investments	9	263,662	278,930
		<u>1,625,983</u>	<u>1,640,493</u>
Current assets			
Debtors	10	3,601	5,559
Cash at bank and in hand		517,059	421,649
		<u>520,660</u>	<u>427,208</u>
Creditors: amounts falling due within one year	11	(8,006)	(11,917)
Net current assets		<u>512,654</u>	<u>415,291</u>
Total assets less current liabilities		<u>2,138,637</u>	<u>2,055,784</u>
Creditors: amounts falling due after more than one year	12	-	(1,500)
Net assets		<u>2,138,637</u>	<u>2,054,284</u>
Total net assets		<u>2,138,637</u>	<u>2,054,284</u>
Charity funds			
Endowment funds	13	295,586	295,586
Restricted funds	13	26,921	6,059
Unrestricted funds	13	1,816,130	1,752,639
Total funds		<u>2,138,637</u>	<u>2,054,284</u>

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

.....
Mr C Doran

Date: 31 July 2023

The notes on pages 11 to 22 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

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
Computer equipment	- 25% straight line

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 2022

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 2022

2. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £
Donations	395	395
Legacies	-	-
	<u>395</u>	<u>395</u>
	<u><u>395</u></u>	<u><u>395</u></u>
	Unrestricted funds 2021 £	Total funds 2021 £
Donations	300	300
	<u>300</u>	<u>300</u>
	<u><u>300</u></u>	<u><u>300</u></u>

3. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £
Maintenance contributions	223,768	223,768
Rent	7,200	7,200
Other	980	980
	<u>231,948</u>	<u>231,948</u>
	<u><u>231,948</u></u>	<u><u>231,948</u></u>
	Unrestricted funds 2021 £	Total funds 2021 £
Maintenance contributions	224,886	224,886
Rent	9,200	9,200
Other	715	715
	<u>234,801</u>	<u>234,801</u>
	<u><u>234,801</u></u>	<u><u>234,801</u></u>

ST SCHOLASTICA'S RETREAT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

4. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Investment income	7,775	7,775
	Unrestricted funds 2021 £	Total funds 2021 £
Investment income	6,828	6,828

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Total 2022 £
Management	87,997	87,997
Services	1,116	1,116
Repairs and maintenance	51,384	51,384
	<hr/>	<hr/>
	140,497	140,497
	<hr/>	<hr/>

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Management	75,078	-	75,078
Services	1,051	-	1,051
Repairs and maintenance	32,215	33,567	65,782
	<hr/>	<hr/>	<hr/>
	108,344	33,567	141,911

ST SCHOLASTICA'S RETREAT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. Net Income/(Expenditure)

	2022	2021
	£	£
Accountancy and independent examiner's fee	4,452	3,300

7. Staff costs

	2022	2021
	£	£
Wages and salaries	46,505	44,357
Contribution to defined contribution pension schemes	-	705
	46,505	45,062

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

	2022	2021
	No.	No.
Support	2	2

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 £46,505 (2021: £45,062).

ST SCHOLASTICA'S RETREAT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

8. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 January 2022	1,361,563	25,461	1,387,024
Additions	-	846	846
At 31 December 2022	<u>1,361,563</u>	<u>26,307</u>	<u>1,387,870</u>
Depreciation			
At 1 January 2022	-	25,461	25,461
Charge for the year	-	88	88
At 31 December 2022	<u>-</u>	<u>25,549</u>	<u>25,549</u>
Net book value			
At 31 December 2022	<u><u>1,361,563</u></u>	<u><u>758</u></u>	<u><u>1,362,321</u></u>
At 31 December 2021	<u>1,361,563</u>	<u>-</u>	<u>1,361,563</u>

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.

Cost or valuation at 31 December 2021 is as follows:

	2022 £	2021 £
At cost	208,566	208,566
At valuation: 1995 revaluation	1,152,997	1,152,997
	<u><u>1,361,563</u></u>	<u><u>1,361,563</u></u>

ST SCHOLASTICA'S RETREAT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

9. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2022	278,930
Revaluations	(15,268)
	<u>263,662</u>
At 31 December 2022	<u>263,662</u>
Net book value	
At 31 December 2022	263,662
At 31 December 2021	<u>278,930</u>

10. Debtors

	2022 £	2021 £
Due within one year		
Prepayments and accrued income	<u>3,601</u>	<u>5,559</u>

11. Creditors: Amounts falling due within one year

	2022 £	2021 £
Almshouse Association loan	1,500	3,000
Other taxation and social security	1,607	1,705
Accruals	4,899	7,212
	<u>8,006</u>	<u>11,917</u>

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

	2022 £	2021 £
Almshouse Association loan	<u>-</u>	<u>1,500</u>

ST SCHOLASTICA'S RETREAT

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

13. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds						
Designated funds						
Cyclical maintenance fund	10,070	-	(43,174)	34,124	-	1,020
Capital fund	350,000	-	-	-	-	350,000
	<u>360,070</u>	<u>-</u>	<u>(43,174)</u>	<u>34,124</u>	<u>-</u>	<u>351,020</u>
General funds						
Unrestricted	239,572	240,118	(97,323)	(54,986)	(15,268)	312,113
Revaluation reserve	1,152,997	-	-	-	-	1,152,997
	<u>1,392,569</u>	<u>240,118</u>	<u>(97,323)</u>	<u>(54,986)</u>	<u>(15,268)</u>	<u>1,465,110</u>
Total Unrestricted funds	<u>1,752,639</u>	<u>240,118</u>	<u>(140,497)</u>	<u>(20,862)</u>	<u>(15,268)</u>	<u>1,816,130</u>
Endowment funds						
Endowment Fund	295,586	-	-	-	-	295,586
Restricted funds						
Extraordinary repair fund	6,059	-	-	20,862	-	26,921
Total of funds	<u>2,054,284</u>	<u>240,118</u>	<u>(140,497)</u>	<u>-</u>	<u>(15,268)</u>	<u>2,138,637</u>

ST SCHOLASTICA'S RETREAT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

13. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds						
Designated funds						
Cyclical maintenance fund	3,073	-	(25,455)	32,452	-	10,070
Capital fund	350,000	-	-	-	-	350,000
	<u>353,073</u>	<u>-</u>	<u>(25,455)</u>	<u>32,452</u>	<u>-</u>	<u>360,070</u>
General funds						
Unrestricted	128,951	241,929	(82,889)	(67,288)	18,869	239,572
Revaluation reserve	1,152,997	-	-	-	-	1,152,997
	<u>1,281,948</u>	<u>241,929</u>	<u>(82,889)</u>	<u>(67,288)</u>	<u>18,869</u>	<u>1,392,569</u>
Total Unrestricted funds	<u>1,635,021</u>	<u>241,929</u>	<u>(108,344)</u>	<u>(34,836)</u>	<u>18,869</u>	<u>1,752,639</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>4,790</u>	<u>-</u>	<u>(33,567)</u>	<u>34,836</u>	<u>-</u>	<u>6,059</u>
Total of funds	<u><u>1,935,397</u></u>	<u><u>241,929</u></u>	<u><u>(141,911)</u></u>	<u><u>-</u></u>	<u><u>18,869</u></u>	<u><u>2,054,284</u></u>

ST SCHOLASTICA'S RETREAT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. Statement of funds (continued)**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 year**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Tangible fixed assets	1,066,735	-	295,586	1,362,321
Fixed asset investments	263,662	-	-	263,662
Current assets	493,739	26,921	-	520,660
Creditors due within one year	(8,006)	-	-	(8,006)
Total	1,816,130	26,921	295,586	2,138,637

ST SCHOLASTICA'S RETREAT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

14. Analysis of net assets between funds (continued)**Analysis of net assets between funds - prior year**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £
Tangible fixed assets	1,065,977	-	295,586	1,361,563
Fixed asset investments	278,930	-	-	278,930
Current assets	421,149	6,059	-	427,208
Creditors due within one year	(11,917)	-	-	(11,917)
Creditors due in more than one year	(1,500)	-	-	(1,500)
Total	1,752,639	6,059	295,586	2,054,284

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 £nil (2021 - £705). Contributions totalling £nil (2021 - £nil) were payable to the fund at the balance sheet date.

16. Related Party Transactions

There were no related party transactions during the year (2021: None).