

EARLE'S RETREAT

**REGISTERED CHARITY NO. 204123
HOMES AND COMMUNITY AGENCY NO. A3538**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
5 FEBRUARY 2022**

EARLE'S RETREAT

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EARLE'S RETREAT
OFFICERS AND PROFESSIONAL ADVISORS

Trustees

Mrs H Evans
Mr P Hobson
Mr B Lukey
Mr A Mooney – Resigned 16.03.22
Mr C Mosney
Mr A Miller
Mr M Winchester
Mrs J Harris
Mrs A Tredget – Appointed 21.07.21

Treasurer

Mrs. S. A. Hyde

Secretary and Clerk to Trustees

Position vacant

Accountants

Briants
Chartered Accountants
Maritime House
Discovery Quay
Falmouth
TR11 3XA

Bankers

Barclays Bank PLC
6 Killigrew Street
Falmouth.

EARLE'S RETREAT

ANNUAL REPORT OF THE TRUSTEES

The Trustees present their report along with the financial statements of the charity for the year ended 5th February 2022. The financial statements have been prepared in accordance with the accounting policies set out on page 8 and comply with the charities constitution and applicable law.

GOVERNANCE

Earle's Retreat is an Almshouse registered under the Housing Act 1996, as amended by the Housing Act 2004 (Homes and Community Agency registered number A3538) and is a registered charity (number 204123). It was founded by scheme dated 26th September 1958, as amended by scheme dated 27th August 2003.

The trustees during the period and at the date of this report (unless otherwise indicated) were:

CO-OPTATIVE TRUSTEES (Appointed by the Trustees on 5-year terms)

Mr. Arnold Mooney – Chairman until resignation on 16.03.22

Mr. Paul Hobson - Chairman from 16.03.22

Mrs. Hazel Evans – Vice Chairman

Mr. Colin Mosney

Mrs J Harris

Mr. Barrie Lukey

Mr. Alan Miller

Mr. Martin Winchester

Mrs A Tredget – Appointed 21.07.21

The Town Council have agreed that there will be no further requirement for Councillor nominees.

Other trustees are appointed for a term of 5 years by a resolution by the trustees.

OBJECTIVES AND ACTIVITIES

The objective of the charity is to provide safe, long term accommodation for the benefit of long-term residents of the Falmouth area over the age of 55 who, for whatever reason, are unable to provide for themselves financially.

These activities are considered to be for the public benefit and in running the charity, the trustees have regard for the Charity Commission guidance on public benefit.

EARLE'S RETREAT
ANNUAL REPORT OF THE TRUSTEES (Continued)

ACHIEVEMENTS AND PERFORMANCE

Income is generated from the letting of its properties and income has decreased by £1,567 to £96,785. Operating costs have decreased by £1,701 this year due to a decrease in routine maintenance costs partly off-set by the increase cost of light and heat. A surplus of £53,889 has arisen and has been added to reserves.

The charity's policy on reserves is to maintain sufficient reserves to enable the charity to continue to achieve its principal objectives.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Homes and Communities Agency and charity legislation 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 as at the end of the financial year and of the surplus or deficit for that period.

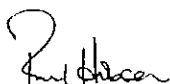
The trustees have complied with the duty in Section 17 (5) of the 2011 Charities Act to have due regard to guidance published by the Charities Commission in respect of public benefit.

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Follow applicable accounting standards, 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 the charity will continue in operation.

The trustees are responsible for maintaining adequate accounting records, for safeguarding the assets of the charity and for taking reasonable steps from the prevention and detection of fraud and other irregularities. The trustees are also required to indicate where the financial statements are prepared other than on the basis that the charity is a going concern.

Approved by the Trustees on 29/07/2022
 and signed on their behalf by



.....
P Hobson – Chairman



.....
A Tredget - Trustee

EARLE'S RETREAT
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF EARLE'S RETREAT

I report on the accounts of the Trust for the year ended 5th February 2022, which are set out on pages 5 to 14.

Respective responsibilities of trustees and examiner

The Charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 act) and that an independent examination is needed. The charity is preparing accrued accounts and we are qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act 2011, the Housing Act 1996, as amended by the Housing Act 2004 and the Statement of Recommended Practice: Accounting by Registered Social Landlords (updated 2014)
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act; and
- to state whether particular matters have come to our attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with our examination, no matter has come to my attention:

- (1) which gives us reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with section 130 of the 2011 Act and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



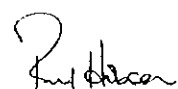
Dated: 29th July 2022

Briants
 Chartered Accountants
 Maritime House
 Discovery Quay
 Falmouth
 TR11 3XA

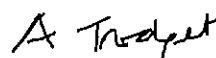
EARLE'S RETREAT
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 5 FEBRUARY 2022

	Notes	<u>2022</u>	<u>2021</u>
Turnover		96,785	98,352
Operating costs		70,160	71,861
Operating surplus		<u>26,625</u>	<u>26,491</u>
Interest receivable and similar income	2	27,264	33,225
Interest payable	3	-	-
Surplus on ordinary activities		<u>53,889</u>	<u>59,716</u>

The financial statements were approved by the trustees on ^{29/07/2022} and signed on their behalf by:



.....
P Hobson – Chairman



.....
A Tredget - Trustee

The Charity's only activity is the provision of accommodation.

No operations have been discontinued or acquired during the year, and the amounts above relate entirely to continuing operations.

The Charity has no recognised gains or losses other than those included in the surpluses above and therefore no separate statement of total recognised gains or losses has been presented.

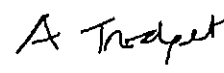
EARLE'S RETREAT
STATEMENT OF FINANCIAL POSITION
AS AT 5 FEBRUARY 2022

	Notes	<u>2022</u>	<u>2021</u>
Fixed Assets			
Tangible Fixed Assets		2,500,000	2,500,000
HAG Grant		<u>(267,410)</u>	<u>(267,410)</u>
	6	2,232,590	2,232,590
Investments	7	636,912	561,137
		<u>2,869,502</u>	<u>2,793,727</u>
Current Assets			
Debtors	8	6,757	5,347
Cash at bank and in hand		166,014	189,306
		<u>172,771</u>	<u>194,653</u>
Current Liabilities			
Creditors: Amounts falling due within 1 year	9	(5,693)	(5,689)
Net Current Assets		<u>167,078</u>	<u>188,964</u>
Total Assets less Current Liabilities		<u><u>3,036,580</u></u>	<u><u>2,982,691</u></u>
Capital & Reserves			
Charitable reserve	10	178,390	173,892
Revenue reserve		929,479	880,088
Revaluation reserve		1,928,711	1,928,711
		<u><u>3,036,580</u></u>	<u><u>2,982,691</u></u>

The financial statements were approved by the trustees on ^{29/07/2022} and signed on their behalf by:



P Hobson – Chairman



A Tredget - Trustee

EARLE'S RETREAT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 5 FEBRUARY 2022

CASH FLOWS FROM OPERATING ACTIVITIES:	Notes	2022	2021
Net cash provided by (used in) operative activities	13	25,219	28,847
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of tangible fixed assets		-	-
Investment income		27,264	33,225
Purchase of investments		(75,775)	(30,923)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Interest paid		-	-
Change in cash and cash equivalents in the year		(23,292)	31,149
Cash and cash equivalents at the beginning of the year	14	189,306	158,157
Cash and cash equivalents at the end of the year	14	<u>166,014</u>	<u>189,306</u>

EARLE'S RETREAT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 FEBRUARY 2022

PRINCIPAL ACCOUNTING POLICIES

1. a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the 'Charities Act 2011', 'The Accounting Direction for Private Registered Providers of Social Housing from 2015', the 'Housing SORP 2014: Statement of Recommended Practice for registered social housing providers' effective 1 January 2015 and the 'Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) effective 1 January 2015.

The Charity constitutes a public benefit entity as defined by FRS 102.

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

b) Turnover

Turnover represents residential contributions and service charges receivable.

c) Depreciation

Depreciation is calculated to write off the cost of equipment on a straight-line basis over 5 years.

Housing properties are maintained to such a standard that their estimated residual value is not less than their cost. Therefore no depreciation is charged.

d) Housing Association Grant (HAG)

Grants for capital expenditure are deducted from the cost of the fixed assets to which they relate as they become receivable. HAG is repayable under certain circumstances, primarily following sale of a property but will normally be restricted to net proceeds of sale.

e) Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value.

f) VAT

The charity is not registered for VAT. Expenditure is therefore shown inclusive of irrecoverable input VAT.

g) Interest received

Interest on bank and building society deposits is recognised in the revenue account when received.

No adjustment is made for accrued interest receivable.

EARLE'S RETREAT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 FEBRUARY 2022

	<u>2022</u>	<u>2021</u>
2. Interest Received		
Charitable donations	-	-
Interest received	662	1,426
Investment income	26,602	31,799
	<u>27,264</u>	<u>33,225</u>

	<u>2022</u>	<u>2021</u>
3. Interest Payable		
On loans repayable in fewer than 5 years	-	-

	<u>2022</u>	<u>2021</u>
4. Employees		
Wages & Salaries	21,715	21,948
Social security costs	-	-
Warden's council tax	1,517	1,411
	<u>23,232</u>	<u>23,359</u>

Average number of people employed in year:

Hostel staff	2	2
Secretarial support	1	1
	<u>3</u>	<u>3</u>

5. Trustees' Emoluments

Emoluments	NIL	NIL
Total expenses reimbursed to the trustees not chargeable to United Kingdom income tax	NIL	NIL

The trustees of the charity hold the office of Directors for the purposes of the Registered Housing Association (Accounting Requirements) Order 2006.

EARLE'S RETREAT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 FEBRUARY 2022

6. Tangible Fixed Assets	Freehold Housing Properties	Equipment	Total
Cost			
At 6th February 2021	2,500,000	5,185	2,505,185
Additions	-	-	-
At 5th February 2022	2,500,000	5,185	2,505,185
Housing Association Grant			
At 6th February 2021 and 5th February 2022	267,410	-	267,410
Depreciation			
At 6th February 2021	-	5,185	5,185
Charge for year	-	-	-
At 5th February 2022	-	5,185	5,185
Net Book Value			
At 5th February 2022	2,232,590	-	2,232,590
At 5th February 2021	2,232,590	-	2,232,590
Property cost is represented by:	<u>2022</u>		<u>2021</u>
Valuation in 2019	2,196,121		2,196,121
HAG Grant	(267,410)		(267,410)
Cost	571,289		571,289
Total	2,500,000		2,500,000

The property was valued at £2.5m by the trustees on an open market basis on 5th February 2022.

EARLE'S RETREAT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 FEBRUARY 2022

7. Investments	<u>2022</u>	<u>2021</u>
Cost at 6th February 2021	561,137	530,214
Accumulated dividends	25,775	30,923
Additions in year	50,000	
Cost at 5th February 2022	<u>636,912</u>	<u>561,137</u>

The market value of the listed investments at 5 February 2022 was £945,970 (2021 - £797,210).

8. Debtors	<u>2022</u>	<u>2021</u>
Residential contributions receivable	1,525	1,242
Other debtors	722	809
Prepayments and accrued income	4,510	3,296
	<u>6,757</u>	<u>5,347</u>

9. Creditors: Amounts falling due in under one year	<u>2022</u>	<u>2021</u>
Trade creditors	1,881	1,442
Tax and social security	300	353
Due back to residents	-	-
Accruals and deferred income	3,512	3,894
	<u>5,693</u>	<u>5,689</u>

EARLE'S RETREAT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 FEBRUARY 2022

10. Reserves	Revaluation Reserve	Revenue Reserve	Charitable Reserve	Total
At 6th February 2021	1,928,711	880,088	173,892	2,982,691
Surplus for year	-	53,889	-	53,889
Revaluation of property	-	-	-	-
Transfer to charitable reserve	-	(4,498)	4,498	-
At 5th February 2022	1,928,711	929,479	178,390	3,036,580

The charitable reserve has been designated for charitable purposes by the trustees but is not represented by specific assets of the charity.

11. Accommodation In Management	<u>2022</u>	<u>2021</u>
Number of units of housing accommodation	20	20

12. Residents in receipt of housing benefit

During the year 6 residents were in receipt of housing benefit.

EARLE'S RETREAT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 FEBRUARY 2022

13. Reconciliation of Net Income/Expenditure to Net Cash Flow From Operating Activities

	<u>2022</u>	<u>2021</u>
Net Income/(expenditure) for the reporting period as per the statement of comprehensive income	53,889	59,716
Adjustments for:		
Depreciation of tangible fixed assets	-	-
Interest paid	-	-
Investment income	(27,264)	(33,225)
(Increase)/decrease in debtors	(1,410)	1,298
Increase/(decrease) in creditors	4	1,058
Net cash provided by operating activities	<u><u>25,219</u></u>	<u><u>28,847</u></u>

14. Analysis of Cash and Cash Equivalents

	<u>2022</u>	<u>2021</u>
Cash at bank and in hand	<u><u>166,014</u></u>	<u><u>189,306</u></u>

EARLE'S RETREAT
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 5 FEBRUARY 2022

	<u>Notes</u>	<u>2022</u>	<u>2021</u>
Income From Lettings			
Residential contributions		67,444	67,685
Service charges		29,408	30,105
Gross Income Receivable		<u>96,852</u>	<u>97,790</u>
Other income received	15	-	562
Losses arising from voids		67	-
Net Income Receivable		<u>96,785</u>	<u>98,352</u>
Expenditure			
Services			
Council tax		-	-
Heat & light		21,827	16,332
Water charges		4,386	4,611
Telephone		528	774
		<u>26,741</u>	<u>21,717</u>
Management			
Insurance		2,165	2,010
Subscriptions		558	554
Stationery & general expenses		698	268
Accounting fees		1,020	1,020
Employee costs		23,232	23,359
Lifeline system		1,253	1,811
Professional fees		2,472	2,472
Depreciation		-	-
		<u>31,398</u>	<u>31,494</u>
Routine Maintenance		12,021	18,298
Charitable Expenditure		-	352
Total Operating Expenditure		<u>70,160</u>	<u>71,861</u>
Operating Surplus		<u>26,625</u>	<u>26,491</u>
Other Operating Income			
Charitable donations		-	-
Interest received		662	1,426
Investment income		26,602	31,799
Interest payable		-	-
Surplus on Ordinary Activities		<u>53,889</u>	<u>59,716</u>