

DORKING CHARITY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2020

Ellis Atkins

Chartered Accountants

DORKING CHARITY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2020

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DORKING CHARITY

REFERENCE AND ADMINISTRATIVE INFORMATION

**REGISTRATION
NUMBERS:**

Charity Registration Number 207251
Homes and Communities Agency Number A2255

TRUSTEES:

Mr M R Knott - Chairman
Mrs J Brown
Mrs M Cooksey
Mrs C Francis
Mr M Heath – resigned 12th October 2020
Ms H Kennedy – resigned 13th January 2020
Mr D C Kingham
Mrs C Lawrence
Rev D Tighe
Mr J Turnbull
Mr T Loretto

**SECRETARY
AND CLERK TO
THE TRUSTEES:**

Mr T Haylett
Rose Cottage
11, Cotmandene
Dorking
Surrey RH4 2BL

**INDEPENDENT
EXAMINERS:**

Ellis Atkins
Chartered Accountants
1 Paper Mews
330 High Street
Dorking
Surrey RH4 2TU

BANKERS:

National Westminster Bank plc
14 High Street
Dorking
Surrey RH4 1AX

**INVESTMENT
ADVISORS:**

Quilter Cheviot Asset Management Limited
One Kingsway
London
WC2B 6AN

DORKING CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31st DECEMBER 2020

The Trustees submit their annual report, together with the unaudited financial statements of the Charity, for the year ended 31st December 2020. The financial statements prepared comply with the recommendations in the Statement of Recommended Practice Accounting for Social Housing Providers 2018 and are in accordance with the Housing and Regeneration Act 2008, Accounting Direction for Private Providers of Social Housing 2019 and FRS 102.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity comprises eighteen smaller parochial charities which, under the governing document, ‘Scheme of Commissioners’ dated 4th December 1992, became known as the Dorking Charity. The eighteen charities and their property are administered and managed as one charity under the title Dorking Charity.

The charity’s governing document states that there should be eleven trustees, of whom one is an ex-officio trustee, four are nominated trustees and six are co-opted trustees.

New co-opted trustees are appointed for five years by a resolution of the trustees passed at a special meeting requiring at least 21 days’ notice.

Variances in the office of nominated trustees are notified to and filled by the proper appointing body. Three of the nominated trustees are appointed by Mole Valley District Council and one by Holmwood Parish Council.

The management of the charity is implemented by four sub-committees covering Finance, Residents, Building and Development, each of which consists of 3 or 4 trustees. Sub-committees report to quarterly meetings of the trustees and decisions are taken by majority vote.

OBJECTIVES AND ACTIVITIES

The principal objective of the charity is the provision and management of almshouse flats, which are used to house people in need in Dorking.

Public benefit statement

The trustees confirm that they have referred to the guidance contained in the Charity Commission’s general guidance on public benefit when reviewing the Trust’s aims and objectives and in planning future activities.

Grant making policy

Under the terms of a Scheme of 4th December 1992 approved by the Charity Commissioners, the trustees can make grants to persons resident in the Ancient Parish of Dorking Area who are in condition of need, hardship or distress, either directly or via an institution.

DORKING CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31st DECEMBER 2020

ACHIEVEMENT AND PERFORMANCE

The trustees are satisfied with the results for the year.

The number of units under management at the beginning and end of the year was twenty.

FINANCIAL REVIEW

There was a surplus for the year of £100,242 compared with a surplus in the previous year of £67,797. This increase in surplus was achieved despite the reduced net gain on revaluation of fixed asset investments compared to the previous year due to the significantly reduced spend of £60,164 on property maintenance compared to the previous year.

Investment policy

During the year the trustees agreed that the investment portfolio should be managed on a discretionary basis by Quilter Cheviot Asset Management Limited. On Quilter Cheviot's recommendation, the trustees agreed to sell all shares in the charity's investment portfolio and reinvest the proceeds in the QC Global Income & Growth Fund.

In order to monitor progress, Quilter Cheviot Asset Management Limited provide three monthly capital performance reports. The reports include the movement on the FT All Share Index over the same period. A review meeting with Quilter Cheviot Asset Management Limited is held once each year.

The trustees will keep under review whether there is a need to revise the Investment Policy Statement and if so, will immediately advise Quilter Cheviot Asset Management Limited

Reserves policy

The Charity maintains a level of reserves such that it will be able to meet any foreseeable repairs or renewals of its assets. The level of reserves held is shown in the balance sheet as £1,410,988 but of this amount £1,279,828 consists of fixed assets, which included the investment portfolio.

Reserves surplus to current requirements are being built up to finance future improvements to the charity's properties.

INDEPENDENT EXAMINER'S REPORT TO

THE TRUSTEES OF DORKING CHARITY

I report to the trustees on my examination of the accounts of Dorking Charity for the year ended 31st December 2020 set out on pages 7 to 16.

RESPONSIBILITIES AND BASIS OF REPORT

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

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

INDEPENDENT EXAMINER'S STATEMENT

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

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

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



P Longstaff FCA
Ellis Atkins
Chartered Accountants
1 Paper Mews
330 High Street
Dorking, Surrey
RH4 2TU

Dated: 21/10/2020


DORKING CHARITY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2020

		Unrestricted Funds	
	Notes	2020 £	2019 £
TURNOVER	4	134,141	122,432
OPERATING EXPENDITURE			
Services	5	(45,663)	(46,979)
Premises maintenance		(8,668)	(68,832)
Administration		(665)	(643)
Management		(18,472)	(18,010)
Grants payable		-	(1,000)
		<u>(73,468)</u>	<u>(135,464)</u>
Operating surplus/(deficit)		<u>60,673</u>	<u>(13,032)</u>
Investment income	2	9,566	13,112
Rental income	3	2,591	2,591
Revaluation of current asset investments	12	<u>27,412</u>	<u>65,126</u>
Surplus on ordinary activities before taxation	7	100,242	67,797
Taxation on surplus on ordinary activities		-	-
SURPLUS FOR THE YEAR		<u><u>100,242</u></u>	<u><u>67,797</u></u>

STATEMENT OF CHANGES IN RESERVES

Balance as at 1 st January 2020		1,310,746	1,242,949
Surplus for the year		100,242	67,797
Balance as at 31 st December 2020	12	<u><u>1,410,988</u></u>	<u><u>1,310,746</u></u>

Approved by the trustees at a meeting held on 11/10/2021.


 M R Knott: Trustee


 D C Kingham: Trustee

The notes form part of these financial statements

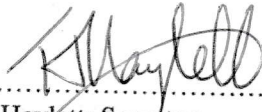
DORKING CHARITY
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2020

		2020	2019
		£	£
FIXED ASSETS	Notes		
Completed housing properties cost	8	902,838	902,838
Less Housing Association Grant		(125,395)	(125,395)
		777,443	777,443
Other fixed assets	8	9,524	10,725
Investments	9	492,861	425,648
		1,279,828	1,213,816
CURRENT ASSETS			
Debtors	10	10,042	6,241
Cash at bank and in hand		129,063	99,179
		139,105	105,420
CREDITORS			
Amounts falling due within one year	11	7,945	8,490
NET CURRENT ASSETS		131,160	96,930
TOTAL ASSETS LESS TOTAL LIABILITIES		1,410,988	1,310,746
Income and Expenditure Reserves	12	1,410,988	1,310,746

The financial statements were approved by the Trustees on 11/10/2021 and signed on its behalf by:


M R Knott: Trustee


D C Kingham: Trustee


T Haylett: Secretary
The notes form part of these financial statements

DORKING CHARITY
STATEMENT OF CASH FLOWS
AS AT 31ST DECEMBER 2020

	Year ended 31st December 2020	Year ended 31st December 2019
Net cash generated from operating activities (see note below)	61,026	(11,767)
Cash flow from investing activities		
Purchase of investments	(457,066)	(33,298)
Proceeds from sale of investments	416,358	33,043
Dividend & interest received	9,566	13,112
Cash flow from financing activities		
Interest paid	-	-
New secured loans	-	-
Repayments of borrowings	-	-
Net change in cash	<u>29,884</u>	<u>1,090</u>
Cash at bank and in hand at the beginning of the year	<u>99,179</u>	<u>98,089</u>
Cash at bank and in hand at the end of the year	<u><u>129,063</u></u>	<u><u>99,179</u></u>
	Year ended 31st December 2020	Year ended 31st December 2019
Note		
Cash flow from operating activities		
Surplus/(deficit) for the year	60,673	(13,032)
Adjustments for non-cash items	(183)	-
Depreciation of tangible fixed assets	1,201	1,200
Decrease/(increase) in trade and other debtors	(3,801)	(3,980)
Increase/(decrease) in trade and other creditors	545	1,454
Rent	2,591	2,591
	<u>61,026</u>	<u>(11,767)</u>

DORKING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards in the United Kingdom and the Statement of Recommended Practice Accounting by Registered Social Housing Providers (updated 2018). A summary of the more important accounting policies is set out below:-

(a) Accounting basis

The financial statements are prepared under the historical cost convention as modified by the revaluation of certain assets. In preparing the financial statements, the Charity follows the Financial Reporting Standard 102 (FRS 102), the Housing Statement of Recommended Practice 2014, the Accounting Direction for Private Registered Providers of Social Housing 2015 and The Housing and Regeneration Act 2008.

(b) Tangible fixed assets and depreciation

Housing properties and improvements are included at cost less Housing Association Grant. No depreciation is charged on buildings as, in the opinion of the trustees, the properties are maintained in a high state of repair, and therefore the residual value is not believed to be less than cost, and their life is expected to exceed fifty years.

Other fixed assets are included at cost. Depreciation is charged so as to write off the cost, less estimated residual value, over the expected useful economic life of twenty years.

(c) Unrestricted funds

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for specific purpose.

(d) Investments and investment income

Investments are included in the financial statements at mid-market value at the balance sheet date. Income from investments is accounted for when receivable. All the investments are UK based.

(e) Realised gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchased date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

DORKING CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020

(f) Turnover and rent

Turnover represents maintenance contributions from the tenants of the almshouse flats and is disclosed in the financial statements on an accruals basis less any losses arising from voids. The letting of non-investment property at nominal cost is in furtherance of the Charity's objects.

(g) Expenditure

Expenditure is included on an accruals basis and is all related directly to the objects of the charity except where shown.

(h) Taxation

The Dorking Charity is a registered charity and is, therefore, exempt from liability to taxation on its income and capital gains.

2. INVESTMENT INCOME

	2020	2019
	£	£
Dividend income	9,566	13,112
	<u>9,566</u>	<u>13,112</u>

3. RENT

The charity was bequeathed the freehold of 23 acres of land at Gillingdrove, Chislet Marsh, Kent in the 19th century. Currently the land is rented out to a local farmer for grazing at £2,591 (2019: £2,591) per annum.

4. TURNOVER

	2020	2019
	£	£
Maintenance contributions	132,141	120,432
Grants	2,000	2,000
	<u>134,141</u>	<u>122,432</u>

At the beginning and end of the year, there were 21 flats under management.

DORKING CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020

5. SERVICES

	2020	2019
	£	£
Secretary 50% fees	6,269	5,390
Warden 50% salary	7,422	7,950
Electricity	3,101	2,232
Heating	14,515	13,404
Telephones	1,370	1,038
Maintenance	174	2,379
Water rates	4,968	5,256
Insurance	2,442	2,350
Cleaning and gardening	3,566	3,354
Sundry expenses	1,836	3,626
	<u>45,663</u>	<u>46,979</u>

6. STAFF COSTS

The only employee is the warden and the charge of £14,843 (2019: £15,901) represents his salary and related National Insurance for the year and pension contributions into NEST. The charity also paid £12,538 (2019: £10,779) in respect of Clerk's fees. Staff costs are split equally between management and service costs.

There were no fees or other remuneration or expenses paid to any member of the managing body of the charity.

7. SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

	2020	2019
	£	£
This is stated after charging:		
Depreciation	1,201	1,200
Independent Examiner fee	<u>1,560</u>	<u>1,560</u>

DORKING CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020

8. FIXED ASSETS
Property, Plant and Equipment

	Almshouse Properties	Heating System	TOTAL
COST			
At 1 st January 2020	<u>£777,443</u>	<u>£48,009</u>	<u>£825,452</u>
At 31 st December 2020	<u>£777,443</u>	<u>£48,009</u>	<u>£825,452</u>
DEPRECIATION			
At 1 st January 2020	-	£37,284	£37,284
Charge for the year	<u>-</u>	<u>£1,201</u>	<u>£1,200</u>
At 31 st December 2020	<u>-</u>	<u>£38,485</u>	<u>£38,484</u>
NET BOOK VALUE			
At 31 st December 2020	<u>£777,443</u>	<u>£9,524</u>	<u>£786,968</u>
At 31 st December 2019	<u>£777,443</u>	<u>£10,725</u>	<u>£788,168</u>

The almshouses were constructed in the late nineteenth century. There is no record of the original cost and no value is attributed thereto. The above details relate to improvements carried out which were partly funded by grants from the Housing Corporation of £125,395 and Local Authority Mortgage Loans of £18,000.

In the past, the charity acquired 23 acres of reclaimed grazing land at Gillingdrove, Chislet Marsh, Kent by bequest. No record of the value of this land has been kept so it is not included in cost but a small amount of rent is received annually (see note 3).

DORKING CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

9. INVESTMENTS

	Cost of units b/fwd	Cost of units bought	Cost of units sold	Cost of units c/fwd	Market Value 2020	Market Value 2019
GENERAL FUND						
Baillie Gifford Japan	9,490		9,490			19,815
Bankers Investment Trust	15,958		15,958			39,760
Blackrock Fund Mgrs Ltd Cont Europe	14,980		14,980			14,450
Blackrock Throgmorton Trust	9,267		9,267			18,920
Doric Nimrod Air Three	11,758		11,758			8,165
GCP Student Living	11,045		11,045			17,820
Henderson Far East Inc	19,715		19,715			31,433
Int Public Partner ord GBP0.001	14,108		14,108			15,012
J P Morgan American Investment Trust	12,603		12,603			32,603
Keystone Inv Trust	20,295		20,295			19,443
Majedie Asset Man Ltd	19,309		19,309			19,760
Monks Investment Trust	30,505		30,505			38,360
Murray Income Trust	15,225		15,225			26,880
NB Private Equity Partner Class'A'Ordinary USD0.01	12,403		12,403			13,915
Pimco Global Advisors	17,136		17,136			16,497
Royal London Unit Trust	14,195		14,195			14,240
Standard Life Private Eqty Tst Plc	12,637		12,637			12,895
Temple Bar Inv Trust	15,170		15,170			16,605
Tritax Big Box Reit	6,542		6,542			8,852
Witan Inv Trust Ord 5p	19,103		19,103			34,725
QC Global Income & Growth Fund		449,305		448,410	484,643	
	<u>301,444</u>	<u>449,305</u>	<u>301,444</u>	<u>448,410</u>	<u>484,643</u>	<u>420,150</u>
TRUST FUND						
Witan Inv Trust ord 5p	3,288		3,288			5,498
QC Global Income & Growth Fund		7,762		7,762	8,218	
	<u>£3,288</u>	<u>£7,762</u>	<u>£3,288</u>	<u>£7,762</u>	<u>£8,218</u>	<u>£5,498</u>
TOTAL	<u>£304,732</u>	<u>£457,066</u>	<u>£304,732</u>	<u>£456,172</u>	<u>£492,861</u>	<u>£425,648</u>

DORKING CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020

10. DEBTORS

	2020	2019
	£	£
Prepayments	2,504	2,474
Other Debtors	7,538	3,767
	<u>10,042</u>	<u>6,241</u>

11. CREDITORS

Amounts falling due within one year

	2020	2019
	£	£
Other creditors	<u>7,945</u>	<u>8,489</u>

12. RESERVES

	General Fund	Trust Fund	Cyclical Repairs Reserve	2020 TOTAL	2019 TOTAL
	£	£	£	£	£
At 1 st January	1,283,831	10,577	16,338	1,310,746	1,242,949
Income	146,298			146,298	138,134
Expenses	(73,468)			(73,468)	(135,464)
Revaluation of investments	27,240	172		27,412	65,126
At 31 st December	<u>1,383,901</u>	<u>10,749</u>	<u>16,338</u>	<u>1,410,988</u>	<u>1,310,746</u>

The Cyclical Repairs Reserve was set up to provide for those items of ordinary maintenance and repair of the Almshouses and other property recurring at infrequent intervals.

DORKING CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020

13. GRANTS

During the year, the following grants were made:-

	2020	2019
Individual	-	1,000
Institutional	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>