

THE MILLS CHARITY
ANNUAL REPORT
FOR THE YEAR ENDED 31 JANUARY 2023

Charity Number: 207259

Regulator of Social Housing Registration Number: 5122

Ensors Accountants LLP
Floor 3, Connexions, 159 Princes Street
Ipswich
IP1 1QJ

**THE MILLS CHARITY
FOR THE YEAR ENDED 31 JANUARY 2023**

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**THE MILLS CHARITY
FOR THE YEAR ENDED 31 JANUARY 2023**

OFFICERS AND GENERAL INFORMATION

TRUSTEES:	Mr M J Kelleway Rev M Vipond Mrs N Warner Mrs J Blore Mr J Robbins Mr T M P Donsworth Dr R Bushaway Mr J R Tanner
REGISTERED OFFICE:	The Mills Charity PO Box No 1703 Framlingham IP13 9WW
CHARITY NUMBER:	207259
REGULATOR OF SOCIAL HOUSING REGISTRATION NUMBER:	5122 Registered on: 4 February 2021
BANKERS:	Barclays Bank plc Leicester LE87 2BB CCLA Investment Management Ltd Senator House 85 Queen Victoria Street London EC4R 3AB
INDEPENDENT AUDITORS:	Ensors Accountants LLP Floor 3, Connexions 159 Princes Street Ipswich IP1 1QJ
SOLICITORS:	Birketts Providence House 141 – 145 Princes Street Ipswich IP1 1QJ
INVESTMENT ADVISORS:	Investec 30 Gresham Street London EC2V 7QN J M Finn 4 Coleman Street London EC2R 7AH Brewin Dolphin Fraser House 23 Museum Street Ipswich IP1 1HN

THE MILLS CHARITY FOR THE YEAR ENDED 31 JANUARY 2023

TRUSTEES ANNUAL REPORT

The Trustees present their Report for the year ended 31 January 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with Charity's Scheme, the Charities Act 2011, the Statement of Recommended Practice "Accounting and Reporting by Charities", and FRS 102.

Governing document

The Charity was established to execute the will of Thomas Mills who died in 1703 and a formal scheme was registered with the Charity Commission dated 16 November 1915. Various amendments have taken place over the years, from 9 January 1981 to the latest dated 11 December 2020. The Mills Charity is an unincorporated association. The Charity Registration number is 207259 and its registered address is PO Box No 1703, Framlingham, Woodbridge, Suffolk, IP13 9WW. The Charity registered as a Social Landlord with Homes England on 04/02/2021.

Trustees

The Trustees during the year and their appointing body were as follows: -

Mr Martin J Kelleway	Co-optative Trustee
Rev Mike Vipond	Co-optative Trustee
Dr Charles Wright (Ceased 14 March 2022)	Co-optative Trustee
Mrs Nicola Warner	Co-optative Trustee
Mrs Jane Blore	Co-optative Trustee
Mr James Robbins	Co-optative Trustee
Mr Timothy M P Donsworth	Co-optative Trustee
Mr James R Tanner	Framlingham Town Council
Dr Ruth Bushaway (Appointed 14 March 2022)	Co-optative Trustee

Co-optative Trustees are appointed by the Board of Trustees with Nominative Trustees appointed by the respective bodies. The Nominative Trustees are appointed for a four-year period and the Co-optative Trustees for a five-year period. The Annual General Meeting is normally held in April, May or June. The Charity's advisors are set out on page 3.

When a vacancy occurs for a co-opted Trustee, the remaining Trustees seek to appoint an individual with skills and experience which they feel will be of benefit to the Charity. On appointment, new Trustees are given copies of the original Trust Deed and the latest Annual report and accounts. There is no formal induction and training programme, but individual Trustees may attend seminars to update themselves when they feel it necessary.

Aims and Organisation

The Charity's area of benefit is Framlingham and the surrounding area, where it is able to provide assistance for those in need, hardship, or distress, provide and maintain the Almshouses and more recently the Trustees may assist with other projects which are for the general benefit of the inhabitants of Framlingham and the surrounding area.

The Trustees are confident that the Charity's objectives described above are in accordance with the Charity Commission's general guidance on public benefit.

Review of Progress, Achievements, Investment Policy and Grant making policy

During the financial year to 2023, The Mills Charity helped in a variety of ways, the people and organisations in Framlingham and some of the contiguous parishes. This assistance included financial help to a number of people in need who had applied to the Charity for assistance, amounting during the year to £1,606 (2022: £216). Several organisations applied for assistance; generally, for improvements or repairs to existing facilities, for which grants for the year amounted to £21,178 (2022: £5,698). Trustees considered each application on its merits according to the terms of its Scheme and the Charities Commission guidance on public benefit, so not all requests were agreed.

THE MILLS CHARITY FOR THE YEAR ENDED 31 JANUARY 2023

TRUSTEES ANNUAL REPORT (Continued)

The risks involved with the Almshouses and tenanted properties are mitigated by the Trustees having adequate insurance, undergoing regular property reviews and a programme of repair work, as well as having a personal alarm system at the Almshouses.

There are no restrictions on the Charity's power to invest. Trustees consider the risk profile and the investment manager's view of the market prospects, with a view to ensuring capital appreciation of the fund exceeds inflation. Our strategy is reviewed with our investment managers annually.

Welcome to my second Chairman's report. There has been a feeling of stability within the Trustees, a time for reflection on past successes, consolidation, and sparks of "green shoots" of future ideas & activities. There have been no changes to the Trustees governing the charity this year. New Trustee, Dr Ruth Bushaway has quickly established herself within the group, adding skill sets which are highly complementary. In the office, our Manager, Karren Piper and her assistant, Gemma Yeats have continued to work tirelessly.

This winter The Mills Charity office in Well Close Square has provided a "warm space" each Wednesday as part of the Government's Warm Space Scheme. Licensees continue to drop in to speak to the team if they have a need to. In addition to an in-person meeting residents have the benefit of a new Website. Launched in January 2023 with the charity's new branding, the website at <https://www.millscharity.co.uk> provides an online presence for the charity. Access to documents, policies, application forms and other charity information has been simplified.

The challenges of the pandemic have been replaced this year by financial & inflationary pressures. Our Charity, whose purpose is to help those who are in need and are vulnerable, is in even greater demand. The number of applicants for vacant properties has increased. Our licensees are struggling with the rising costs of living in particular food and energy.

2022/23 saw the Charity grant £22,784 to local causes and to individuals in need in our community, including 16 school trips.

The Charity continued on-going maintenance throughout the estate and has been working on plans for repairs to Tomb House and Station Road in summer 2023.

As eluded to above, the Trustees have been listening to the requirements of local communities, residents and applicants. We have a number of exciting new projects in the pipeline which will benefit all.

The Mills Charity is very much a team effort, and I would like to take this opportunity to thank my fellow Trustees for their support and help throughout the year. A special thank you goes to the office team, Karren & Gemma, who are the face of the Charity and carry out all the "heavy lifting".

Jane Blore, (Chairman)

THE MILLS CHARITY FOR THE YEAR ENDED 31 JANUARY 2023

TRUSTEES ANNUAL REPORT (Continued)

Financial review

The Charity holds investments and short-term deposits with a value of £6,348,066 (2022: £6,259,205). During the year the investments produced an income of £138,909 (2022: £104,083). The Mills Charity made contributions totaling £22,784 (2022: £5,915) to the local community in the form of donations to individuals and community groups.

Unrestricted Funds

The unrestricted fund had a value of £1,084,292 as at 31 January 2023, divided as follows:

Designated Fund is the Cyclical Maintenance fund established for the regular maintenance and repair of the Almshouses and other property belonging to the Charity. The amount held within this reserve at the balance sheet date is £105,758.

Unrestricted Funds are held by the Trustees for the purposes of the Charity's aims and organisation as discussed above. The fund value has a value of £978,534 as at the balance sheet date.

Restricted Funds

The restricted fund had a value of £287,240 as at 31 January 2023, divided as follows:

Extraordinary Repair Fund, established to provide for the extraordinary repair, improvement or rebuilding of the Almshouses and other property belonging to the Charity. The amount held within this reserve at the balance sheet date was £287,240.

H M Turner Trust is a fund established by a bequest from the late Mr H M Turner, a former Chairman of the Trustees, the income from which is to be distributed amongst the residents of the Almshouses at Christmas each year.

A T Sheen Trust is a fund established by the late Mr A T Sheen, the income from which is to be distributed amongst the residents of the Almshouses at Easter each year. The amount held within this reserve and the H M Turner Trust at the balance sheet date is £nil.

Framlingham Community Centre is a fund held by the Charity for use by any future plan to build a community centre after a failed project back in prior years. The amount held within this reserve at the balance sheet date is £nil as the fund was donated to a local charity within the year.

Endowment funds

This fund was established by original deed as a permanent endowment of which income is available for general charity purposes. The capital may not be spent without permission from the Charity Commission. The Trustees have committed to the refurbishment of the Almshouses in Framlingham from the annual surplus from general income. The amount held within this reserve at the balance sheet date is £8,503,040.

Reserves policy and going concern

Our balance sheet remains strong with net assets of £9,874,572 and the ownership of the Almshouses in Station Road and other various properties. The Trustees have reviewed the circumstances of the Mills Charity and consider that adequate resources continue to be available to fund the activities for the foreseeable future. The Trustees are of the view that the charity is a going concern.

Due to the Charity's funding status the Trustees do not consider it necessary to have a formal policy on holding reserves.

**THE MILLS CHARITY
FOR THE YEAR ENDED 31 JANUARY 2023**

TRUSTEES ANNUAL REPORT (Continued)

Fundraising activities

The Charity did not undertake fundraising activities during the year.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Law applicable to charities in England and Wales requires the Trustees to prepare Financial Statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the year-end being 31 January 2023.

In preparing those Financial Statements the Trustees are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) observe the methods and principles in the Charities SORP
- c) make judgements and estimates that are reasonable and prudent;
- d) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the accounts; and
- e) prepare the accounts on the going concern basis unless it is inappropriate to assume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy the financial position of the Charity and which enable them to ensure that the Financial Statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and provisions of the Charity's Scheme. 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.

In so far as the Trustees are aware:

- there is no relevant audit information of which the Charity's auditors are unaware, and
- the Trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

A resolution will be proposed at the Annual General Meeting that Ensors Accountants LLP be re-appointed as auditors to the charity for the ensuing year.



Mrs Jane Blore, (Chairman)
(On Behalf of the Trustees)

Dated 22/7/2023

**THE MILLS CHARITY
FOR THE YEAR ENDED 31 JANUARY 2023**

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF THE MILLS CHARITY

Opinion

We have audited the financial statements of the Mills Charity for the year ended 31 January 2023 which comprise the Balance Sheet, the Statement of Financial Activities, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 January 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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FOR THE YEAR ENDED 31 JANUARY 2023**

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE MILLS CHARITY (Continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our audit was designed to include tests of detail together with an assessment of the control environment to enable us to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud. This included work on areas where we consider there is a higher risk of fraud including revenue recognition, management override of systems and control, transactions with related parties, accounting estimates, commitments and contingencies.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, through discussions with the Trustees and other management, and from our own knowledge and experience of the sector.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the charity operates in and how the charity are complying with the legal and regulatory framework both at the planning stage and reminded to remain alert throughout the audit;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business;

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- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud;
- robustly challenged accounting estimates to ensure no indication of management bias.
- review of meeting minutes of Trustees.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Ensors Accountants LLP

Ensors Accountants LLP
Chartered Accountants & Statutory Auditors
Ipswich

Dated: 27/07/2023

**THE MILLS CHARITY
FOR THE YEAR ENDED 31 JANUARY 2023**

BALANCE SHEET

	Note	Total Funds 2023 £	Total Funds 2022 £
Fixed Assets			
Tangible assets			
Freehold land & buildings	8	3,548,297	3,523,281
Plant & equipment	8	434	868
Investments	7	6,229,398	5,960,426
		9,778,129	9,484,575
Current Assets			
Debtors	9	26,283	20,302
Cash in bank and in hand			
Bank accounts		118,668	298,779
		144,951	319,081
Current Liabilities	10	48,508	30,250
Net Current Assets		96,443	288,831
Total Assets less Current Liabilities		9,874,572	9,773,406
The Funds of the Charity			
Endowment funds	13	8,503,040	8,583,644
Restricted funds	14	287,240	303,574
Unrestricted funds	16	1,084,292	886,188
		9,874,572	9,773,406

The notes on pages 14 to 23 form part of these accounts.

Approved by the Trustees on 22/7/2023 and signed on their behalf by:


Mrs Jane Blore (Chairman)


Mr Martin J Kelleway


**THE MILLS CHARITY
FOR THE YEAR ENDED 31 JANUARY 2023**

STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2023	Total Funds 2022
		£	£	£	£	£
Income and endowments from						
Investments	18	138,618	291	-	138,909	104,083
Charitable activities						
Rents & wayleaves		223,437	-	-	223,437	201,735
Grants		-	-	-	-	300,000
Total Income		362,055	291	-	362,346	605,818
Expenditure on						
Raising funds						
Investment management		-	-	34,629	34,629	31,002
Charitable activities						
Almshouses	19	118,694	493	-	119,187	106,295
Let property expenses	19	17,253	-	-	17,253	191,055
Grants - relief in need	22	5,769	-	-	5,769	4,014
Grants - general benefit	20	12,374	12,961	-	25,335	9,492
Total expenditure		154,090	13,454	34,629	202,173	341,858
Operating surplus		207,965	(13,163)	(34,629)	160,173	263,960
Net gains & (losses) on investments:						
Realised		-	-	(48,646)	(48,646)	66,401
Unrealised		-	(3,171)	(7,190)	(10,361)	238,527
Gains on revaluation of assets		-	-	-	-	625,000
Net Income		207,965	(16,334)	(90,465)	101,166	1,193,888
Transfers between funds		(9,861)	-	9,861	-	-
Net movement in funds		198,104	(16,334)	(80,604)	101,166	1,193,888
Reconciliation of funds:						
Total funds brought forward		886,188	303,574	8,583,644	9,773,406	8,579,518
Total funds carried forward	17	1,084,292	287,240	8,503,040	9,874,572	9,773,406

The notes on page 14 to 23 form part of these accounts.

Approved by the Trustees on 22/7/2023 and signed on their behalf by:


Mrs Jane Blore (Chairman)


Mr Martin J Kelleway

**THE MILLS CHARITY
FOR THE YEAR ENDED 31 JANUARY 2023**

STATEMENT OF CASHFLOWS

	Note	2023 £	2022 £
Cash flows from operating activities	23	33,975	63,181
Cash flow from investing activities			
Investment income		138,909	104,083
Fixed asset additions		(25,016)	(228,955)
Purchases and sale of investments		22,021	28,703
Movement between investments and cash and cash equivalents		(350,000)	(100,000)
		(214,086)	(196,169)
Decrease in cash and cash equivalents		(180,111)	(132,988)
Cash and cash equivalents at beginning of the year		298,779	431,767
Cash and cash equivalents at end of the year		118,668	298,779

**THE MILLS CHARITY
FOR THE YEAR ENDED 31 JANUARY 2023**

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

The financial statements have been prepared 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) (effective 1 January 2015) - (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Mills Charity meets the definition of a public benefit entity under FRS 102.

a) Basis of preparation and assessment of going concern

These financial statements have been prepared under the historical cost convention except that investment assets are carried at market value. The currency of the accounts is the pound and the figures shown have been rounded to the nearest pound.

The Charity has prepared its financial statements in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with 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 since been withdrawn.

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' as described above.

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

b) Fund accounting

- Unrestricted funds are available for use at the discretion of the Trustees in the furtherance of the general objectives of the Charity.
- Designated funds are unrestricted funds earmarked for particular purposes.
- Restricted funds are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.
- Endowment fund was established by original deed as a permanent endowment of which income is available for general charity purposes. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and advice relating to the fund are charged against the fund.

c) Income

All incoming resources are included in the statement of financial activities when receipt is probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income received by way of donations, grants and gifts is included in full in the Statement of Financial Activities when receivable at fair value, except insofar as they are incapable of financial measurement;
- Investment income is included when receivable; and
- Incoming resources from charitable activities are accounted for when earned.

**THE MILLS CHARITY
FOR THE YEAR ENDED 31 JANUARY 2023**

NOTES TO THE ACCOUNTS CONTINUED

1. ACCOUNTING POLICIES CONTINUED....

d) Resources expended

Liabilities and expenditure are included on an accruals basis and are recognised when there is a legal or constructive obligation to pay. Grants expended in the year are charged in the same manner, grants offered at the balance sheet date are noted as commitments where there is no obligation to pay. Liabilities and expenditure include VAT which the Charity is unable to recover, and is reported as part of the expenditure to which it relates. Most costs are directly attributed to the relevant category of resources expended in the Statement of Financial Activities. Charitable activities costs include costs of preparation and audit of statutory accounts, the costs of Trustee meetings and cost of any legal advice to Trustees on governance or constitutional matters.

e) Debtors

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

f) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount after allowing any trade discounts.

g) Fixed assets, Investment properties and Investments

Freehold Land and Buildings are let out to further the Charity's own purposes by providing accommodation to the Charity's beneficiaries and are classified as fixed assets accordingly. They are initially measured at cost and subsequently at cost less impairment. The Charity undertakes an ongoing programme of renovation such that depreciation is not considered to be material.

Assets costing more than £500 are capitalised.

Plant & equipment comprises of computer equipment and is depreciated at a rate of 1/3rd per annum on a straight-line basis.

Investment Property held as fixed assets is stated at market value at the balance sheet date with any gain or loss taken to the statement of financial activities in the underlying fund. Investment property will be re-valued on a rolling five-year basis. Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the statement of financial activities in the underlying fund.

Investments are classified as fixed asset investments when the Charity does not expect to realise them within 12 months of the balance sheet date.

The Charity holds investments with stockbrokers which are initially recognised at transaction value and subsequently measured at the year end at bid value.

h) Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the balance sheet when the charity becomes party to the contractual provisions of the instrument.

**THE MILLS CHARITY
FOR THE YEAR ENDED 31 JANUARY 2023**

ACCOUNTING POLICIES CONTINUED....

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic Financial Assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of Financial Liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Basic Financial Liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group undertakings and preference shares that are classified as debt, are initially recorded at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method.

Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

2. Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Valuation of investments

We are placing reliance on the expert for the estimates and judgements in the valuation of quoted investments values provided by investment managers at market value and also for valuation of Investment properties by Chartered Surveyors.

THE MILLS CHARITY
FOR THE YEAR ENDED 31 JANUARY 2023

3. Trustee remuneration & related party transactions

No Trustee or other person related to the Charity had any personal interest in any contract or transaction entered into by the Charity during the year (2022 – £nil). In the period £nil (2022: £nil) was donated to The Mills Educational Foundation. This Charity has the same Trustees as The Mills Charity.

4. Taxation

As a Charity, The Mills Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

5. Fees for audit of the accounts	2023	2022
	£	£
Auditors fee for reporting on the accounts and provision of services	9,000	6,243
Accountancy fee for preparation of year end accounts	9,000	6,243

6. Employees

During the current year the Charity paid one full time Clerk (2022: 1), one part time Clerk for the Charity and no ad hoc employees (2022: 2), the gross salaries for this amounted to £38,647 (2022: £33,281) and Employers National Insurance Contributions amounted to £nil (2022: £nil) with employer pension contributions of £1,116 (2022: £916).

7. Fixed asset investments

Total fixed asset investments comprise £5,249,398 (2022: £4,980,426) of financial assets and £980,000 (2022: £980,000) of property investments.

	2023	2022
	£	£
a) Movement in fixed asset investments		
Market value at 1 February 2022	4,980,426	4,604,942
(Loss) / Profit on disposal of investments	(48,646)	66,401
Change in year end market value	(10,361)	238,528
Fees	(34,629)	(31,002)
Money invested	12,608	1,557
Transferred	350,000	100,000
Market value as at 31 January 2023	5,249,398	4,980,426
b) Investments at market value comprised:		
Equities	4,480,005	4,261,624
Fixed interest securities	684,297	631,007
Cash	85,096	87,795
Market value as at 31 January 2023	5,249,398	4,980,426

The Charity, as at the balance sheet date, has no deposits which are due to mature within the next 12 months (2022: Nil).

**THE MILLS CHARITY
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c) Stock exchange investments comprise	2023 £	2022 £
Holding of more than 5% of total investments: COIF Charities Investment Fund	287,240	290,412
UK	1,417,327	1,327,569
Europe	277,225	-
North America	861,679	841,907
Other international	708,306	654,089
Other alternative assets	559,897	529,075
	4,111,674	3,643,052
d) Property investments		
Market value brought forward	980,000	355,000
Revaluation of transferred land and building – Gain	-	625,000
	980,000	980,000

The investment properties brought forward consist of 3 properties. These properties were valued in July 2022 by Clarke & Simpson on an open market basis and have been adjusted in line with the revaluation policy. On an historical cost basis these would have been included at an original cost of £175,536.

8. Tangible Fixed Assets

	Land & Buildings £	Plant & Equipment £	Total £
Cost			
At 1 February 2022	3,523,281	2,641	3,525,922
Additions	25,016	-	25,016
Disposals	-	-	-
At 31 January 2023	3,548,297	2,641	3,550,938
Depreciation			
At 1 February 2022	-	1,773	1,773
Charge for the year	-	434	434
Depreciation on disposal	-	-	-
At 31 January 2023	-	2,207	2,207
Net book values			
At 31 January 2022	3,523,281	868	3,524,149
At 31 January 2023	3,548,297	434	3,548,731

**THE MILLS CHARITY
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9. Debtors

	2023 £	2022 £
Investment income	16,136	13,652
Prepayments	10,147	6,125
Loan - MEF	-	525
	<u>26,283</u>	<u>20,302</u>

10. Creditors

Creditors and accruals	38,465	21,208
Rental deposits	9,312	8,362
PAYE and NIC	690	680
Loan – MEF	41	-
	<u>48,508</u>	<u>30,250</u>

11. Pensions

Employees are automatically enrolled into a multi-employer, defined contribution occupational pension scheme with People Pension, unless they exercise their right to opt-out of the scheme membership. The Mills Charity makes a 3% contribution to the pension scheme. The employer's contribution is charged to the Statement of Financial Activities in the period in which the salary to which the pension relates is due.

12. Commitments

At the Balance Sheet date, the Charity did not have any grant commitments which were not provided for within the accounts. (2022: £nil commitment).

13. Endowment Funds

The Mills Charity Endowment Fund was established in 1703 as a Permanent Endowment for the benefit of the local community. The H M Turner and A T Sheen funds are expendable endowments which were received later, and the Trustees have resolved that the income from these funds should follow the donor's wishes to support the residents of the Almshouses. The funds are represented by tangible fixed assets and investments.

	Mills Charity £	H M Turner £	A T Sheen £	2023 £	2022 £
Balance at 1 February 2022	8,564,965	18,429	250	8,583,644	7,418,121
Income	-	-	-	-	300,000
Management fees	(34,489)	(140)	-	(34,629)	(31,002)
Reinvested income	9,861	-	-	9,861	1,709
Gains & investments -Realised	(48,646)	-	-	(48,646)	66,401
Gains on revaluation of assets	-	-	-	-	625,000
-Change in year end market value	(6,499)	(691)	-	(7,190)	203,415
Balance at 31 January 2023	<u>8,485,192</u>	<u>17,598</u>	<u>250</u>	<u>8,503,040</u>	<u>8,583,644</u>

**THE MILLS CHARITY
FOR THE YEAR ENDED 31 JANUARY 2023**

14. Restricted funds – Income funds

	Framlingham Community Centre	Turner/ Sheen Income	Extraordinary Repair Fund	2023	2022
	£	£	£	£	£
Balance at 1 February 2022	12,961	202	290,411	303,574	268,469
Income	-	291	-	291	393
Additions in the year	-	-	-	-	-
Expenditure	-	(493)	-	(493)	(400)
Change in market value	-	-	(3,171)	(3,171)	35,112
Grant – 2023 The Brick Fund	(12,831)	-	-	(12,831)	-
Disposals	(130)	-	-	(130)	-
Balance at 31 January 2023	-	-	287,240	287,240	303,574

The Extraordinary Repair Funds are required under the Charity's Scheme and transfers must be made each year from the income resources of the Charity. The funds are maintained at a relatively high level in case major repairs are required.

15. Designated Funds – Income funds

	2023	2022
	£	£
Cyclical maintenance fund		
Balance at 1 February 2022	104,121	102,955
Funds introduced	960	960
Interest allocation from unrestricted funds	677	206
Balance at 31 January 2023	105,758	104,121

The Cyclical Maintenance Funds comprise funds set aside for cyclical repairs at the Almshouses and other properties owned by the Charity.

**THE MILLS CHARITY
FOR THE YEAR ENDED 31 JANUARY 2023**

16. Unrestricted funds

	Designated Fund £	Unrestricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Balance at 1 February 2022	104,121	782,067	886,188	892,928
Income	-	362,055	362,055	305,451
Allocation in year	1,637	(1,637)	-	-
Fund transfer	-	(9,861)	(9,861)	(1,735)
Expenditure	-	(154,090)	(154,090)	(310,456)
Balance at 31 January 2023	105,758	978,534	1,084,292	886,188

17. Analysis of net assets between funds

	Designated Funds £	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
Freehold land and buildings	-	634,298	-	2,913,999	3,548,297	3,523,281
Plant and equipment	-	434	-	-	434	868
Investment assets	-	353,117	287,240	5,589,041	6,229,398	5,960,426
Current assets	105,758	39,193	-	-	144,951	319,081
Current liabilities	-	(48,508)	-	-	(48,508)	(30,250)
	105,758	978,534	287,240	8,503,040	9,874,572	9,773,406

18. Investment income

	2023 £	2022 £
Dividends UK Equities	64,917	63,623
Interest UK Fixed Interest Securities	6,030	5,429
Interest UK Unit Trusts	13,277	8,563
Overseas Securities - Dividends	35,982	10,006
Overseas Securities – Interest	3,244	5,652
Overseas Securities – Unit Trusts	304	814
Interest on Deposits	757	42
Dividends UK Unit Trusts	13,162	7,860
Dividends Real Estate Investment Trust	1,236	1,012
Excess income funds	-	585
Accrued interest	-	497
	138,909	104,083

**THE MILLS CHARITY
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19. Resources expended

Payments re Almshouses:		
Rates, electricity, gas & water	16,411	10,319
Gardener	7,999	4,006
Insurance	3,007	3,091
Repairs & maintenance & alarms	22,706	28,682
Donations - Turner/ Sheen distribution	1,200	400
Governance and support costs (note 21)	67,864	59,797
	<hr/>	<hr/>
	119,187	106,295
	<hr/>	<hr/>

Let Property:		
Insurance	2,004	1,947
General maintenance and property costs	7,388	174,527
Rates and electric	245	1,249
Professional fees	594	4,788
Governance and support costs (note 21)	7,022	8,544
	<hr/>	<hr/>
	17,253	191,055
	<hr/>	<hr/>

20. Grants - General Benefit

	2023	2022
	£	£
FTFC Youth Section	2,640	-
Foamex Board	77	-
TMC Vehicle	5,000	-
The Scouts Association	500	-
Framlingham Hour Community Project	-	50
Framlingham Primary School	-	5,000
Badingham Play School	-	648
Disposal of the Framlingham community centre fund	130	-
Castle community Rooms – The Brick Fund	12,831	-
Governance and support costs (note 21)	4,157	3,794
	<hr/>	<hr/>
	25,335	9,492
	<hr/>	<hr/>

**THE MILLS CHARITY
FOR THE YEAR ENDED 31 JANUARY 2023**

21. Management and administration – Support and governance costs

	Alms houses	Let property	Relief in need	General benefit	2023 Total	2022 Total
	£	£	£	£	£	£
Office costs	7,461	772	458	457	9,148	16,130
Staff costs	32,432	3,355	1,988	1,988	39,763	34,197
Travelling	-	-	-	-	-	156
Audit and Accountancy Fees	15,758	1,630	966	966	19,320	12,486
Bookkeeping, payroll fee and other	3,843	398	236	235	4,712	3,392
Bank charges	113	12	7	6	138	175
Insurance	515	53	32	32	632	2,376
Professional fees	2,017	209	124	123	2,473	3,635
Sundry expenses	1,497	155	92	92	1,836	2,634
Depreciation of equipment	354	37	22	21	434	752
Advertising	3,874	401	238	237	4,750	-
Profit/(loss) on disposal	-	-	-	-	-	-
	<u>67,864</u>	<u>7,022</u>	<u>4,163</u>	<u>4,157</u>	<u>83,206</u>	<u>75,933</u>
<i>No. of properties</i>	<u>29</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>32</u>	<u>32</u>

The basis of allocation of the above governance and support costs were 90% allocated to alms houses and let property based on the number of dwellings and 5% to each of the grants for relief in need and general benefit.

22. Grants - relief in need

	2023 £	2022 £
Grants - relief in need	1,606	216
Governance and support costs (note 21)	4,163	3,798
	<u>5,769</u>	<u>4,014</u>

23. Cash flow from operating activities

	2023 £	2022 £
Net movements in funds	101,166	1,193,888
Depreciation	434	752
(Profit)/ loss on disposal	-	-
Market value movements	59,007	(304,928)
Investment income	(138,909)	(104,083)
Gains on revalued assets	-	(625,000)
	<u>21,698</u>	<u>160,629</u>
Increase in debtors	(5,981)	371
Increase/ (decrease) in creditors	18,258	(97,819)
	<u>33,975</u>	<u>63,181</u>
Net generated used in operating activities	<u>33,975</u>	<u>63,181</u>

**THE MILLS CHARITY
FOR THE YEAR ENDED 31 JANUARY 2023**

STATEMENT OF FINANCIAL ACTIVITIES (PRIOR YEAR)

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£	£
Income and endowments from					
Investments	103,716	367	-	104,083	95,960
Other					
Rents & wayleaves	201,735	-	-	201,735	161,169
Grants	-	-	300,000	300,000	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Income	305,451	367	300,000	605,818	257,129
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Expenditure on					
Raising funds					
Investment management	-	-	31,002	31,002	29,416
Charitable activities					
Almshouses	105,895	400	-	106,295	66,955
Let property expenses	191,055	-	-	191,055	87,533
Grants - relief in need	4,014	-	-	4,014	12,734
Grants - general benefit	9,492	-	-	9,492	62,485
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total expenditure	310,456	400	31,002	341,858	259,123
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net gains & (losses) on investments:					
Realised	-	-	66,401	66,401	(80,454)
Unrealised	-	35,112	203,415	238,527	129,037
Gains on revaluation of assets	-	-	625,000	625,000	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Income	(5,005)	35,079	1,163,814	1,193,888	46,589
Transfers between funds	(1,735)	26	1,709	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net movement in funds	(6,740)	35,105	1,165,523	1,193,888	46,589
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Reconciliation of funds:					
Total funds brought forward	892,928	268,469	7,418,121	8,579,518	8,532,929
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total funds carried forward	886,188	303,574	8,583,644	9,773,406	8,579,518
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>