

THE CUTBUSH & CORRALL CHARITY

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

THE CUTBUSH & CORRALL CHARITY

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THE CUTBUSH & CORRALL CHARITY

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

Trustees	Mr W L Cockcroft DL (co-opted) Mrs S R Darbyshire (co-opted) Miss C E Highwood, Chairman (co-opted) Mr S Morris (co-opted), Vice Chairman (co-opted) Mr R L F Silkin (co-opted) Mr G Proud (co-opted) Mrs E Haggart (co-opted on 15 October 2020) Mr C English (nomination expired August 2020 but renominated in February 2021) Mrs D Joy (nominated) Miss D Smith (nominated but resigned on 30 October 2020 and co-opted on 21 January 2021)
Charity registered number	213463
Principal office	College Farm College Avenue Maidstone Kent ME15 6YJ
Independent auditors	MHA MacIntyre Hudson Chartered Accountants Victoria Court 17-21 Ashford Road Maidstone Kent ME14 5DA
Bankers	National Westminster Bank plc 3 High Street Maidstone Kent ME14 1XU
Solicitors	Brachers LLP Somerfield House 59 London Road Maidstone Kent ME16 8JH

THE CUTBUSH & CORRALL CHARITY

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

Investment Advisors Canaccord Genuity Wealth Management
41 Lothbury
London
EC2R 7AE

Property Advisors J A Warner Ltd
The Guard House, Church Lane
The Historic Dockyard
Chatham
Kent
ME4 4TE

Clerk and Chief Officer Mrs E Abi-Aad

Finance Officer Mrs N Weal

THE CUTBUSH & CORRALL CHARITY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and the financial statements for the year ended 31 December 2020. The Trustees' have adopted the provisions of the 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 (FRS102) (effective January 2015) in preparing the Trustees' Report and financial statements of the Charity.

Objectives and activities

a. Objectives and Activities

The Charity's objectives as set out in the governing document are:

To provide almshouses for the use of persons in need by reason of age, ill health, disability, financial hardship or other disadvantage of not less than fifty years of age, most of whom are inhabitants of the Borough of Maidstone, and in the case of the Harrietsham almshouses, of not less than sixty years of age who are resident in Harrietsham, six of the beneficiaries being Freemen of the Fishmongers Livery Company;

To assist young persons under the age of twenty four years in need of financial assistance who are preparing for, entering upon or engaged in any trade, occupation or profession by provision of tools or books, payment of fees, travelling expenses or other such means as will fit them to earn their own living or advance them in life.

Such charitable purposes for the benefit of the almshouse residents as the trustees decide.

The Charity's aims are:

The relief of poverty by the provision of almshouse accommodation for the beneficiaries and such charitable purposes for the benefit of the residents as the Trustees decide.

To maintain the almshouses in good repair and condition and updated where necessary to be in line with modern day expectations.

To acquire more land upon which there would or could be erected more almshouses to be constructed to as high a standard as the Trustees consider financially prudent.

To maximise development or redevelopment opportunities as the Trustees consider financially prudent.

Wherever possible to maintain and increase the underlying value of the Charity's non-almshouse properties and assets consistent with appropriate professional advice.

b. Activities undertaken to achieve objectives

The first aim stated above is achieved through the structure of the Charity as detailed in the "Organisational Structure and decision-making policies" section below.

The second aim is achieved through the attention given by the management team of the Charity to the maintenance of the almshouses and upgrading them wherever possible. The process includes implementing the recommendations of the Charity's quinquennial report and further, when a property becomes empty, replacing the bathroom and kitchen and heating system where appropriate.

The third and fourth aims are achieved by the vigilance of the management team of the Charity in identifying new potential sites for development.

THE CUTBUSH & CORRALL CHARITY

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

Objectives and activities (continued)

c. Main activities undertaken to further the Charity's purposes for the public benefit

The Trustees have paid due regard to the guidance on public benefit published by the Charity Commission when reviewing the aims and objectives of the charity and in planning future activities.

The Trustees believe that the activities undertaken in the year for achieving the objectives of the Charity have met the public benefit requirement.

Achievements and performance

a. Main achievements of the Charity

Whilst much overused, the term 'unprecedented' aptly describes 2020 in terms of the way the Charity operated during the global pandemic. Throughout the crisis, the Charity followed Government Guidance in order to keep staff and residents as safe as possible. Until COVID secure arrangements were in place the majority of staff worked from home, taking time to keep in regular touch with every resident, making sure they were coping practically and emotionally.

Staff gradually, returned to the workplace and have maintained a visible presence within the almshouse community, visiting various sites on a regular basis (meeting and greeting residents on their doorstep in a socially distant way). Residents were reassured to know that staff were always on hand if and when needed. Throughout the period all social activities were cancelled and it is only now as restrictions ease that plans are being made to re-introduce social gatherings safely.

Given the pause in activity – the decision was made not to recruit to two part-time vacancies within the Care & Support team and these posts remained unfilled until April 2021.

The maintenance team continued to undertake essential repairs (like heating, lighting and leaks) so that resident's health and safety was not compromised. However, all non-essential maintenance tasks were paused in order to reduce the risk of transmission amongst the Charity's vulnerable community.

The maintenance team continued to work hard and efficiently to ensure the length of time properties were empty was minimised (achieving an average nine week turn around). This resulted in a void rate (excluding 14, 16 & 24 College Road empty and awaiting conversion) of 1% (compared to 1% in 2019 and 2% in 2018). In total there was movement in and out of twelve properties.

There were opportunities too, Trustees moved swiftly to using tele-conferencing technology thereby ensuring the business of the Board was attended to in a timely way. All Board and Sub-Committee meetings were held virtually. A new, secure database that can be accessed remotely by staff was developed and populated providing up-to-date, easily accessible information about residents and the support they receive from the Charity's staff. Remote access to electronic files was enabled via a secure, cloud-based server and electronic signature software is now used to authorise payments, contracts etc.

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

Achievements and performance (continued)

The first Resident Satisfaction survey was undertaken in August 2020 with the vast majority (75% plus) of residents reporting high levels of satisfaction in terms of:

- Service provided by the Charity
- Quality of your home
- Safety & security
- Ease of dealing with the Charity
- Repairs & maintenance
- Value for money

When it became apparent that the six ragstone houses on the College Road site were not fit for purpose (being uneconomic in terms of heating costs especially for single people), Trustees agreed that priority for developing new almshouses should shift from the Harrietsham site to exploring the possibility of converting six relatively large houses into 12 one-bedroomed flats. Planning permission for this development will be sought in 2021 – in the meantime three houses will remain unoccupied in readiness for building work to begin at the earliest opportunity.

Following much bureaucratic dealing, the Borough Council agreed to reduce the number of nominations they make to the Board and a long-standing Trustee vacancy was filled when Liz Haggart was co-opted as a Trustee on 15 October 2020 and the make-up of the Board made complete.

Trustees reviewed car parking on various sites in December agreeing that the management arrangements (contracted out) had worked well and should be maintained.

The Trustees would like to place formally on record their gratitude to the Clerk and Chief Officer, and all the other staff, for their magnificent response to the challenging and difficult circumstances of the year.

Financial review

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. The economic impact of COVID-19 has been considered as part of the going concern assessment.

b. Permanent Endowment Funds

A Permanent Endowment Fund is held on trust to be retained for the benefit of the Charity as a capital fund, and is therefore held as investments and tangible fixed assets. During the year, net losses on investments amounting to £237,786 (2019 gains of £220,780) were recognised in the fund. A transfer from the accumulated income fund to the permanent endowment fund amounting to £6,083 (2019: £6,083) was made in respect of the Recoupment Order made by the Charities Commission on 13 May 1993.

THE CUTBUSH & CORRALL CHARITY

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

c. Financial review

It is the general policy of the Trustees to make sure that the level of weekly maintenance contributions meets the costs of running the Charity as identified in the Statement of Financial Activities. In 2020 the weekly maintenance contributions amounted to £674,037 (2019: £666,477) and the cost of running the Charity was £668,113 (2019: £701,478). In general terms the Trustees' policy was successful. The net deficit for the year after adjusting for gains and losses on investments amounted to £1,994 (2019: net surplus £546,482).

The Accumulated Income Fund is an unrestricted fund made up of accumulated surpluses of income and expenditure. The Charity aims to hold approximately 6 months of expenditure as cash and / or easily accessible reserves in this fund. Cash reserves held at the year end exceeded this amount.

Total reserves at the year end amounted to £12,010,441 (2019: £12,012,435), of which £2,246,792 (2019: £2,478,495) were held as restricted permanent endowment funds, £1,588,395 (2019: £1,588,395) held as restricted funds and £1,746,619 (2019: £1,350,379) held as designated funds. The charity has continued to make further investments to provide for future extraordinary repair, improvement or rebuilding of the homes and properties belonging to the Charity and also as part of a Recoupment Order made by the Charities Commission as detailed in note 2.13 to the accounts. The Trustees take advice from their investment advisers, Canaccord Genuity Wealth Management in making these investments.

In accordance with the Trustees wishes the Charity's broker (Canaccord Genuity Wealth Management) has been instructed to aim to maintain a 40:60 split of the permanent endowment fund between property and other types of investments.

The investments held as fixed assets have produced an income of £104,904 (2019: £115,062) for the year and there was a net decrease in their market value of £188,288 (2019: increase £459,715) after taking into account the additions and disposals in the year.

d. Funds held as custodian trustee on behalf of others

The Charity does not hold any assets as custodian for any third parties.

e. Fundraising standards information

The Charity does not undertake any fundraising activities itself, nor does any other person on behalf of the charity. Neither the Charity or any other person acting on behalf of the Charity was subject to any voluntary scheme or voluntary standard for regulating fundraising. As such, there were no failures to comply with any such scheme and the Charity did not receive any complaints during the year in relation to fundraising activities.

Structure, governance and management

a. Constitution

The Cutbush and Corral Charity is a charity registered by the Charity Commission and governed by the Scheme dated 15 November 2010. It is an unincorporated association.

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

Structure, governance and management (continued)**b. Methods of appointment or election of Trustees**

There are ten Trustees when the Board is complete. During 2020 there was a transition from six to eight co-optative Trustees whose term of office endures for five years. They are voted onto the Board by a simple majority of votes cast by the existing Trustees at a special meeting of the Trustees. The remaining two Trustees are nominative Trustees whose term of office endures for four years and who are appointed by Maidstone Borough Council. The Trustees holding office during the year are detailed on page 1. Candidature for a co-optative Trustee is formulated following a skills audit undertaken by the Trustees.

c. Organisational structure and decision-making policies

The Trustees meet four times a year as well as at any special meeting convened. Some Trustees' duties are delegated to sub-committees comprising usually four Trustees and the Clerk and Chief Officer. Any such sub-committee reports to the Main Board for their actions and decisions to be noted or sanctioned, as the case may be. Such sub-committees may deal with issues such as the selection of residents and any decisions regarding buildings.

The Clerk and Chief Officer is responsible for the implementation of the Trustees' decisions and has overall responsibility for the management of the Charity. The Clerk and Chief Officer is supported by three senior managers (Finance and Office Manager, Care and Support Manager and Maintenance Supervisor) and a small team of support staff. The Clerk and Chief Officer has authority to take decisions herself relating to day to day management items but is always accountable for any such decisions to the Trustees.

d. Policies adopted for the induction and training of Trustees

All new Trustees are given an induction pack by the Clerk and Chief Officer to include a copy of the Charity Commission Schemes, previous year's Accounts, Minutes of the last Trustees Meeting and a Residents Handbook. The responsibilities of a Charity Trustee are also explained by the Clerk and Chief Officer. In addition the Clerk and Chief Officer ensures that the new Trustee is familiarised (in general terms) with the housing stock and the day to day workings of the Charity.

The Trustees are offered the opportunity of training at the seminars organised for this purpose by the Almshouse Association.

e. Pay policy for key management personnel

The salaries of the key management personnel are set by the Trustees at the Trustees' meetings having regard to their responsibilities and levels of inflation.

f. Related party relationships

There are no related parties, other connected charities or organisations that the Charity is required to co-operate with in pursuit of its charitable objectives.

g. Risk management

Major risks to which the charity is exposed as identified by the Trustees are reviewed on a regular basis and systems or procedures are in place to manage those risks.

THE CUTBUSH & CORRALL CHARITY

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

Plans for future periods

Thankfully, there have been no known COVID cases within the staff team or amongst residents, however the year in lockdown has been challenging and the longer-term impact on individuals' mental well-being and the management of existing and new health conditions is yet to be understood. As restrictions ease, the Charity's Care & Support team will focus on re-engaging the community especially those individuals who have been most isolated.

Toward the end of 2020, Trustees met to consider Terms of Reference for a new Finance Sub-Committee having realised that additional, dedicated time is required to attend to finance matters especially as the Charity seeks to develop more almshouses. The purpose of the Sub-Committees is to advise the Board of Trustees on its duty to oversee the Charity's financial affairs.

The review of weekly maintenance charges started in 2019 will continue so that Trustees can be assured that the correct level of income is generated to allow the Charity to continue to achieve its aims & objectives.

Subject to consent, there are plans in place to convert six houses on the College Road site into 12 one bedroomed flats (increasing the number of almshouses from 148 to 154) and better meeting the needs of the Charity's beneficiaries who have struggled to cover the cost of heating these particular properties. The Charity is keen to ensure that all its almshouses are as energy efficient as possible and hopes to access funding through the Government's Green Homes Grant to meet the cost of installing air source heat pumps in nine almshouses on the College Walk and Mote Road sites.

Demand for the secure, affordable accommodation that the Charity provides continues to outstrip supply. At the beginning of the year there were four vacant almshouses and nine applicants approved by the Board of Trustees plus eight existing beneficiaries (seeking a transfer to more suitable accommodation); the needs of each must be considered before any almshouse that is ready for occupation is allocated. This year the Resident Sub-Committee intends to consider ways in which the Charity can promote its' work with a view to attracting interest from individuals who are likely to gain the most benefit from living in the almshouse community.

THE CUTBUSH & CORRALL CHARITY

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

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 Charity Commission 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.

Disclosure of information to auditors

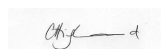
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, MHA MacIntyre Hudson, have indicated their willingness to continue in office. A resolution to reappoint the Auditors will be put to the Trustees at the Annual General Meeting.

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



Caroline (Jul 29, 2021, 4:18pm).....

Miss C E Highwood
Chairman of Trustees

Date: 29 Jul 2021

THE CUTBUSH & CORRALL CHARITY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CUTBUSH & CORRALL CHARITY

Opinion

We have audited the financial statements of The Cutbush & Corral Charity (the 'charity') for the year ended 31 December 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 December 2020 and of its incoming resources and application of resources 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

THE CUTBUSH & CORRALL CHARITY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CUTBUSH & CORRALL CHARITY (CONTINUED)

Other information

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

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CUTBUSH & CORRALL CHARITY
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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:

Reviewing minutes of meetings of those charged with governance;

- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Enquiry of management, those charged with governance around actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

THE CUTBUSH & CORRALL CHARITY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CUTBUSH & CORRALL CHARITY (CONTINUED)

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 charity's 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.



MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors
Victoria Court
17-21 Ashford Road
Maidstone
Kent
ME14 5DA

Date: 16 August 2021

MHA MacIntyre Hudson are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE CUTBUSH & CORRALL CHARITY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income and endowments from:						
Donations and legacies	4	-	-	-	-	1,000
Charitable activities	5	674,176	-	-	674,176	668,830
Investments	6	105,642	-	-	105,642	117,205
Other income	7	1,953	-	-	1,953	1,210
Total income and endowments		781,771	-	-	781,771	788,245
Expenditure						
Expenditure on:	8					
Raising funds		2,821	-	-	2,821	6,922
Charitable activities		665,292	-	-	665,292	694,556
Total expenditure	8	668,113	-	-	668,113	701,478
Net income before net gains/(losses) on investments		113,658	-	-	113,658	86,767
Net gains/(losses) on investments	14,15	122,134	-	(237,786)	(115,652)	459,715
Net income/ (expenditure)		235,792	-	(237,786)	(1,994)	546,482
Transfers between funds	19	(6,083)	-	6,083	-	-
Net movement in funds		229,709	-	(231,703)	(1,994)	546,482
Reconciliation of funds:						
Total funds brought forward		7,945,545	1,588,395	2,478,495	12,012,435	11,465,953
Net movement in funds		229,709	-	(231,703)	(1,994)	546,482
Total funds carried forward		8,175,254	1,588,395	2,246,792	12,010,441	12,012,435

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

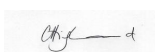
The notes on pages 17 to 38 form part of these financial statements.

THE CUTBUSH & CORRALL CHARITY

BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	7,620,704	7,698,085
Investments	15	3,752,046	3,810,334
Investment property	14	-	60,000
		11,372,750	11,568,419
Current assets			
Debtors	16	28,289	24,692
Cash at bank and in hand	23	640,947	446,239
		669,236	470,931
Creditors: amounts falling due within one year	17	(31,545)	(26,915)
Net current assets		637,691	444,016
Total net assets		12,010,441	12,012,435
Charity funds			
Endowment funds	19	2,246,792	2,478,495
Restricted funds	19	1,588,395	1,588,395
Unrestricted funds			
Designated funds	19	1,746,619	1,350,379
General funds	19	6,428,635	6,595,166
Total unrestricted funds	19	8,175,254	7,945,545
Total funds		12,010,441	12,012,435

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



 Miss C E Highwood
 Trustee

Date: 29 Jul 2021

S. Morris

 Stephen (Jul 29, 2021 7:26pm)
 Mr S Morris
 Trustee

29 Jul 2021

The notes on pages 17 to 38 form part of these financial statements.

THE CUTBUSH & CORRALL CHARITY

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	22	100,305	78,454
Cash flows from investing activities			
Dividends, interests and rents from investments		105,813	124,817
Purchase of property, plant and equipment		(14,046)	-
Proceeds from sale of investments		132,636	-
Purchase of investments		(130,000)	(5,879)
Net cash provided by investing activities		94,403	118,938
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		194,708	197,392
Cash and cash equivalents at the beginning of the year		446,239	248,847
Cash and cash equivalents at the end of the year	23	640,947	446,239

The notes on pages 17 to 38 form part of these financial statements

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

1. General information

The charity is a charity registered by the Charity Commission in England and Wales and governed by the Scheme dated 15 November 2010. The registered address is given on the administrative details page of these financial statements. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest pound.

Compliance with Accounting Standards

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 (FRS102) (effective January 2015) - (Charities SORP FRS102) (as updated through Update Bulletin 1 published on 2 February 2016 and Update Bulletin 2 published on 5 October 2018), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011 and applicable regulations. There were no material departures from those standards.

2. Accounting policies

2.1 Basis of preparation of financial statements

The Cutbush and Corral Charity (incorporating the Quested Almshouse Charity) meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historic cost unless otherwise stated in the relevant accounting policy note. The financial statements are prepared on a going concern basis and there are no material uncertainties that cast significant doubt on the charity's ability to continue as a going concern. The Trustees have considered the impact of Covid-19 as part of their going concern assessment.

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

2. Accounting policies (continued)

2.2 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and that the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executors to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donations are recognised in the period in which they are received, unless there are conditions that have not been met before the charity is entitled to the resource.

Weekly maintenance contributions, rents receivable and deposit interest are included in the financial statements based on the period for which they are due.

Income from investments in the form of dividends and interest is included in the financial statements when declared.

Income from government and other grants, whether capital or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be reliably measured and is not deferred.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds comprises the costs relating to the investment properties and investments.

Expenditure on charitable activities includes the costs of running and maintaining the almshouses and providing services and benefits to the residents.

2.4 Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include office costs, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between the cost of raising funds and expenditure on charitable activities.

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

2. Accounting policies (continued)

2.5 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 institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

The almshouses and other properties are included at their depreciated cost in the balance sheet each year. The period over which each of the properties is depreciated varies from 75 years to 300 years depending on the age and condition of the properties concerned.

The costs of Almshouses for which depreciation is calculated includes the value of land. This is a departure from UK GAAP and the Charities SORP (FRS 102) which requires the value of land to be removed for depreciation calculations due to its high residual value. The Trustees are of the view that this accurately reflects the nature of assets because it is unlikely the almshouses will ever be sold.

The computer equipment is stated at cost less depreciation. Depreciation is provided at 20% on a straight line basis to write off the cost of fixed assets over their expected useful lives.

2.7 Investments

Investments are valued at fair value at 31 December each year, and realised and unrealised gains or losses are shown in the Statement of Financial Activities.

2.8 Investment properties

Investment properties are valued at their fair value at the balance sheet date.

2.9 Debtors

Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

2.10 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.

2.11 Creditors and provisions

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 normally recognised at their settlement amount after allowing for any trade discounts due.

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

2. Accounting policies (continued)

2.12 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.

2.13 Recoupment Order

The Charity is subject to a Recoupment Order made by the Charities Commission on 13 May 1993 in respect of payments out of the permanent endowment expended on Phase 11, Cutbush & Corral Court. Payment of up to £555,000 was permitted, but it has been agreed with the Charity Commissioners that only £365,000 has been used. The recoupment period is 60 years and therefore, £6,083.33 per annum has been set aside and invested in shares each year. The income arising from these investments will not form part of the permanent endowment itself, but can be expended by the charity as General Fund income.

2.14 Pensions

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

2.15 Fund accounting

The Accumulated Income Fund comprises unrestricted funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

The Extraordinary Repair Fund and the Development Fund are designated funds, set aside by the Trustees out of unrestricted general funds for specific future purposes.

The Restricted Grant Income Fund represents grant monies received from the Homes and Communities Agency towards the building costs of the new almshouses at Huntsmans Cottage and the renovation of the almshouses at Harrietsham and St Faith's Street. The charity has undertaken to continually provide services in accordance with the Standards of Almshouse Management and the grants are repayable if the conditions are not met.

The Permanent Endowment Fund is a restricted fund held on trust to be retained for the benefit of the Charity as a capital fund.

The income from assets held in all of the above funds forms part of the unrestricted funds.

Further explanation of the nature and purpose of the designated funds is included in the notes to the financial statements.

The Fair Value Reserve represents the unrealised gains on the investment property due to changes in the market value from the original cost.

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

3. Critical accounting estimates and areas of judgement

The following judgements (apart from those involving estimates) made in the process of applying the above accounting policies that have the most significant effect on amounts recognised in the financial statements.

Critical accounting estimates and assumptions:

The estimated useful lives of the almshouses and other properties.

There are no further key assumptions concerning the future or other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Income from donations and legacies

	Unrestricted funds 2020 £	Total funds 2020 £
Legacies	-	-

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Legacies	1,000	1,000

5. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £
Weekly maintenance contributions	674,037	674,037
Residents' Trips and Activities	139	139
Total 2020	674,176	674,176

THE CUTBUSH & CORRALL CHARITY

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

5. Income from charitable activities (continued)

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Weekly maintenance contributions	666,477	666,477
Residents' Trips and Activities	2,353	2,353
<i>Total 2019</i>	<u>668,830</u>	<u>668,830</u>

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £
Rent receivable - St Mary's Romney Marsh	300	300
Dividends and interest receivable	104,904	104,904
Deposit interest receivable	438	438
Total 2020	<u>105,642</u>	<u>105,642</u>

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Rent receivable - St Mary's Romney Marsh	1,200	1,200
Dividends and interest receivable	115,062	115,062
Deposit interest receivable	943	943
<i>Total 2019</i>	<u>117,205</u>	<u>117,205</u>

THE CUTBUSH & CORRALL CHARITY

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

7. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £
HMRC interest	3	3
Government grants -apprenticeship grant	1,000	1,000
Room hire	35	35
Government grants - Coronavirus job retention scheme	915	915
Total 2020	1,953	1,953

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
HMRC interest	56	56
Government grants -apprenticeship grant	500	500
Room hire	172	172
Other income	482	482
<i>Total 2019</i>	<i>1,210</i>	<i>1,210</i>

8. Analysis of expenditure

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Charitable activities	553,286	112,006	665,292
Raising funds	-	2,821	2,821
Total 2020	553,286	114,827	668,113

THE CUTBUSH & CORRALL CHARITY

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

8. Analysis of expenditure (continued)

	<i>Activities undertaken directly 2019 £</i>	<i>Support costs 2019 £</i>	<i>Total funds 2019 £</i>
Charitable activities	601,486	93,070	694,556
Raising funds	700	6,222	6,922
<i>Total 2019</i>	<u>602,186</u>	<u>99,292</u>	<u>701,478</u>

Analysis of direct costs

	Charitable activities 2020 £	Raising funds 2020 £	Total funds 2020 £
Staff costs	113,691	-	113,691
Christmas Bounties to individuals	6,800	-	6,800
Water, light, heat and insurance	68,433	-	68,433
Repairs and improvements	181,367	-	181,367
Gardening	41,916	-	41,916
Professional Fees	31,944	-	31,944
Sundries	3,912	-	3,912
Residents' trips/activities/discretionary payments	1,398	-	1,398
Telephone	2,527	-	2,527
Rates re. Empty Properties	2,958	-	2,958
Motor running expenses	7,343	-	7,343
Depreciation Charge	89,335	-	89,335
Bank Charges	1,662	-	1,662
Total 2020	<u>553,286</u>	<u>-</u>	<u>553,286</u>

THE CUTBUSH & CORRALL CHARITY

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

8. Analysis of expenditure (continued)

Analysis of direct costs (continued)

	<i>Charitable Activities 2019 £</i>	<i>Raising funds 2019 £</i>	<i>Total funds 2019 £</i>
Staff costs	123,630	-	123,630
Christmas Bounties to individuals	7,200	-	7,200
Water, light, heat and insurance	66,045	-	66,045
Repairs and improvements	246,262	-	246,262
Gardening	30,077	-	30,077
Professional Fees	14,973	700	15,673
Sundries	3,638	-	3,638
Garden Party expenses	3,868	-	3,868
Christmas Party Expenses	2,148	-	2,148
Residents' trips/activities/discretionary payments	2,084	-	2,084
Telephone	1,789	-	1,789
Rates re. Empty Properties	172	-	172
Motor running expenses	5,060	-	5,060
Legal fees	2,400	-	2,400
Depreciation	89,321	-	89,321
Bank charges	1,811	-	1,811
Advertising	1,008	-	1,008
<i>Total 2019</i>	<i>601,486</i>	<i>700</i>	<i>602,186</i>

THE CUTBUSH & CORRALL CHARITY

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

8. Analysis of expenditure (continued)

Analysis of support costs

	Charitable activities 2020 £	Raising funds 2020 £	Total funds 2020 £
Staff costs (by estimated time spent)	73,112	645	73,757
Water, light, heat and insurance (by estimated usage)	3,050	31	3,081
Repairs and improvements (by estimated usage)	3,573	36	3,609
Professional Fees (by estimated time spent)	751	40	791
Sundries (by estimated usage)	6,618	348	6,966
Telephone (by estimated usage)	3,015	30	3,045
Insurance (by estimated usage)	86	1	87
Staff training (by nature of training)	320	-	320
Depreciation (by estimated usage)	2,071	21	2,092
Computer expenses (by estimated usage)	4,347	44	4,391
Governance costs (see below)	15,063	1,625	16,688
Total 2020	112,006	2,821	114,827

	Charitable activities 2019 £	Raising funds 2019 £	Total funds 2019 £
Staff costs (by estimated time spent)	56,803	2,599	59,402
Water, light, heat and insurance (by estimated usage)	1,617	16	1,633
Repairs and improvements (by estimated usage)	5,847	59	5,906
Professional Fees (by estimated time spent)	432	288	720
Sundries (by estimated usage)	1,558	1,582	3,140
Telephone (by estimated usage)	4,968	50	5,018
Insurance (by estimated usage)	158	18	176
Staff training (by nature of training)	4,429	-	4,429
Depreciation (by estimated usage)	1,667	17	1,684
Computer expenses (by estimated usage)	2,524	26	2,550
Governance costs (see below)	13,067	1,567	14,634
Total 2019	93,070	6,222	99,292

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

9. Governance costs

	Charitable activities 2020 £	Raising funds 2020 £	Total funds 2020 £
Auditors' remuneration - statutory audit services (by estimated time spent)	6,217	691	6,908
Auditors' remuneration - other services (by estimated time spent)	8,362	929	9,291
Trustee' indemnity insurance (by estimated usage)	484	5	489
Total 2020	15,063	1,625	16,688
	Charitable activities 2019 £	Raising funds 2019 £	Total funds 2019 £
Auditors' remuneration - statutory audit services (by estimated time spent)	6,147	683	6,830
Auditors' remuneration - other services (by estimated time spent)	6,559	729	7,288
Trustee' indemnity insurance (by estimated usage)	361	155	516
Total 2019	13,067	1,567	14,634

10. Auditors' remuneration

	2020 £	2019 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	6,908	6,830
Fees payable to the Charity's auditor in respect of: All non-audit services not included above - accounts preparation, tax compliance and general advice	9,291	7,288

THE CUTBUSH & CORRALL CHARITY

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

11. Staff costs

	2020 £	2019 £
Wages and salaries	168,903	164,351
Social security costs	10,799	10,834
Contribution to defined contribution pension schemes	7,746	7,847
	<u>187,448</u>	<u>183,032</u>

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

	2020 No.	2019 No.
Charitable activities	5	6
Management and Administration of the Charity	2	2
	<u>7</u>	<u>8</u>

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

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, no Trustee expenses have been reimbursed (2019 - £NIL).

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

13. Tangible fixed assets

	Freehold Almshouses £	Freehold Other Property £	Computer Equipment £	Total £
Cost or valuation				
At 1 January 2020	8,901,128	208,295	3,214	9,112,637
Additions	12,006	-	2,040	14,046
At 31 December 2020	8,913,134	208,295	5,254	9,126,683
Depreciation				
At 1 January 2020	1,394,323	18,744	1,485	1,414,552
Charge for the year	89,335	1,041	1,051	91,427
At 31 December 2020	1,483,658	19,785	2,536	1,505,979
Net book value				
At 31 December 2020	7,429,476	188,510	2,718	7,620,704
At 31 December 2019	7,506,805	189,551	1,729	7,698,085

14. Investment property

	Investment property £
At 1 January 2020	60,000
Disposals	(60,000)
At 31 December 2020	-

The fair value of the land at the start of the year was valued at the Trustees' best estimates available at the time of preparing the 2019 financial statements. The Trustees had agreed to sell the investment property for a price of £140,000 but exchange of contracts had not taken place at the date of signing off the 2019 financial statements. Due to uncertainty arising from the Covid-19 pandemic no gain was recognised in the 2019 accounts. The investment property was sold for the agreed price of £140,000 less costs in 2020 and the net gain on the sale was £72,636.

THE CUTBUSH & CORRALL CHARITY

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

15. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2020	3,810,334
Additions	130,000
Revaluations	(188,288)
At 31 December 2020	3,752,046
Net book value	
At 31 December 2020	3,752,046
<i>At 31 December 2019</i>	<i>3,810,334</i>

16. Debtors

	2020 £	2019 £
Due within one year		
Other debtors	13,866	12,608
Prepayments and accrued income	14,423	12,084
	28,289	24,692

17. Creditors: Amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	4,013	1,417
Other creditors	-	1,086
Accruals and deferred income	27,532	24,412
	31,545	26,915

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

18. Financial instruments

	2020 £	2019 £
Financial assets		
Financial assets measured at fair value through income and expenditure	3,752,046	3,870,334

Financial assets measured at fair value through income and expenditure comprise fixed asset investments valued at their fair value of £3,752,046 at the year end (2019 fixed asset investments valued at their fair value of £3,810,334 and investment property valued at the trustees' estimate of fair value of £60,000).

THE CUTBUSH & CORRALL CHARITY

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

19. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds						
Designated funds						
Extraordinary repair fund	1,178,652	-	-	-	65,625	1,244,277
Development fund	171,727	-	-	319,576	11,039	502,342
	<u>1,350,379</u>	<u>-</u>	<u>-</u>	<u>319,576</u>	<u>76,664</u>	<u>1,746,619</u>
General funds						
Accumulated income fund	6,545,166	781,771	(668,113)	(325,659)	95,470	6,428,635
Fair value reserve	50,000	-	-	-	(50,000)	-
	<u>6,595,166</u>	<u>781,771</u>	<u>(668,113)</u>	<u>(325,659)</u>	<u>45,470</u>	<u>6,428,635</u>
Total Unrestricted funds	<u>7,945,545</u>	<u>781,771</u>	<u>(668,113)</u>	<u>(6,083)</u>	<u>122,134</u>	<u>8,175,254</u>
Endowment funds						
Permanent endowment	2,478,495	-	-	6,083	(237,786)	2,246,792
Restricted funds						
Grant income fund	1,588,395	-	-	-	-	1,588,395
Total of funds	<u>12,012,435</u>	<u>781,771</u>	<u>(668,113)</u>	<u>-</u>	<u>(115,652)</u>	<u>12,010,441</u>

THE CUTBUSH & CORRALL CHARITY

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

19. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2019 £</i>
Unrestricted funds						
Designated funds						
Extraordinary repair fund	998,564	-	-	-	180,088	1,178,652
Development fund	133,564	-	-	38,163	-	171,727
	<u>1,132,128</u>	<u>-</u>	<u>-</u>	<u>38,163</u>	<u>180,088</u>	<u>1,350,379</u>
General funds						
Accumulated income fund	6,443,798	788,245	(701,478)	(44,246)	58,847	6,545,166
Fair value reserve	50,000	-	-	-	-	50,000
	<u>6,493,798</u>	<u>788,245</u>	<u>(701,478)</u>	<u>(44,246)</u>	<u>58,847</u>	<u>6,595,166</u>
Total Unrestricted funds	<u>7,625,926</u>	<u>788,245</u>	<u>(701,478)</u>	<u>(6,083)</u>	<u>238,935</u>	<u>7,945,545</u>
Endowment funds						
Permanent endowment	<u>2,251,632</u>	<u>-</u>	<u>-</u>	<u>6,083</u>	<u>220,780</u>	<u>2,478,495</u>
Restricted funds						
Grant income fund	<u>1,588,395</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,588,395</u>
Total of funds	<u><u>11,465,953</u></u>	<u><u>788,245</u></u>	<u><u>(701,478)</u></u>	<u><u>-</u></u>	<u><u>459,715</u></u>	<u><u>12,012,435</u></u>

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

20. Summary of funds

Summary of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2020 £
Designated funds	1,350,379	-	-	319,576	76,664	1,746,619
General funds	6,595,166	781,771	(668,113)	(325,659)	45,470	6,428,635
Endowment funds	2,478,495	-	-	6,083	(237,786)	2,246,792
Restricted funds	1,588,395	-	-	-	-	1,588,395
	<u>12,012,435</u>	<u>781,771</u>	<u>(668,113)</u>	<u>-</u>	<u>(115,652)</u>	<u>12,010,441</u>

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

20. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 January 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2019 £</i>
Designated funds	1,132,128	-	-	38,163	180,088	1,350,379
General funds	6,493,798	788,245	(701,478)	(44,246)	58,847	6,595,166
Endowment funds	2,251,632	-	-	6,083	220,780	2,478,495
Restricted funds	1,588,395	-	-	-	-	1,588,395
	<u>11,465,953</u>	<u>788,245</u>	<u>(701,478)</u>	<u>-</u>	<u>459,715</u>	<u>12,012,435</u>

The Extraordinary Repair Fund is maintained out of the income of the Charity for the purpose of providing for the extraordinary repair, improvement or rebuilding of the homes and other property belonging to the Charity. The Trustees have decided that the balance on this fund is to be held at approximately £1,000,000. An annual transfer is made to this fund from the accumulated income fund if the Trustees consider it necessary.

The Development Fund represents amounts set aside for future almshouse developments. £319,576 (2019: £38,163) has been transferred to this fund from the Accumulated Income Fund during the year, comprising £130,000 (2019: £nil) from the proceeds of the sale of the investment property during the year, and an additional amount of £189,576 (2019: £38,163) as agreed by the Trustees.

The Restricted Grant Income Fund represents grant monies received from the Homes and Communities Agency towards the building costs of the new almshouses at Huntsmans Cottage and the renovation of the almshouses at Harrietsham and St Faith's Street. The charity has undertaken to continually provide services in accordance with the Standards of Almshouse Management and the grants are repayable if the conditions are not met.

The Permanent Endowment Fund is a restricted fund held on trust to be retained for the benefit of the Charity as a capital fund. The annual transfer out of the Permanent Endowment Fund amounting to £6,083 (2019: £6,083) has been made in accordance with a Recoupment Order. See note 2.13 for more information.

The Fair Value Reserve represents the unrealised gains on investment properties due to changes in the fair value from the original cost.

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

21. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £
Tangible fixed assets	5,831,559	1,588,395	200,750	7,620,704
Fixed asset investments	1,740,624	-	2,011,422	3,752,046
Current assets	634,616	-	34,620	669,236
Creditors due within one year	(31,545)	-	-	(31,545)
Total	8,175,254	1,588,395	2,246,792	12,010,441

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £
Tangible fixed assets	5,902,857	1,588,395	206,833	7,698,085
Fixed asset investments	1,561,126	-	2,249,208	3,810,334
Investment property	60,000	-	-	60,000
Current assets	448,477	-	22,454	470,931
Creditors due within one year	(26,915)	-	-	(26,915)
Total	7,945,545	1,588,395	2,478,495	12,012,435

THE CUTBUSH & CORRALL CHARITY

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

22. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net income/expenditure for the period (as per Statement of Financial Activities)	(1,994)	546,482
Adjustments for:		
Depreciation charges	91,427	91,005
(Gains)/losses on investments	115,652	(459,715)
Dividends, interests and rents from investments	(105,642)	(117,205)
Decrease/(increase) in debtors	(3,768)	17,560
Increase in creditors	4,630	327
Net cash provided by operating activities	100,305	78,454

23. Analysis of cash and cash equivalents

	2020 £	2019 £
COIF Charities Deposit Fund	167,032	166,594
Bank Current Account	472,959	279,227
Cash in Hand	956	418
Total cash and cash equivalents	640,947	446,239

24. Analysis of changes in net debt

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	446,239	194,708	640,947
Debt due within 1 year	(1,086)	1,086	-
	445,153	195,794	640,947

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

25. Commitments

At 31 December 2020 the Charity had no capital commitments (2019: £Nil).

26. Pension commitments

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the year was £7,746 (2019: £7,847).

The defined contribution expense is allocated to unrestricted funds, of which £29 (2019: £116) has been allocated to raising funds and £7,717 (2019: £7,731) has been allocated to charitable activities on the basis of the time spent on each activity by staff members.

27. Related party transactions

During the year the Charity paid £1,930 (2019: £128) for cleaning services provided by M Brown, who is daughter of Mrs E Abi-Aad, the Charity's Chief Officer and Clerk. This arm's-length arrangement was subject to assessment and approval by the Trustees.

28. Post balance sheet events

There were no adjusting or non-adjusting events occurring between the year end and the date of approval of these accounts which require disclosure.