

SACKVILLE COLLEGE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Registered Charity No: 220488
Homes England No: A0809

Sackville College

Financial statements for the year ended 31 March 2021

Information

Trustees	Mrs R Crowther Countess De La Warr C J Rolley
Registered Charity Number	220488
Homes England No.	A0809
Principal Address	Sackville College High Street East Grinstead West Sussex RH19 3BX
Primary Bankers	Lloyds TSB Bank Plc London Road East Grinstead West Sussex CCLA Investment Management Limited COIF Charity Funds 80 Cheapside London EC2V 6DZ
Auditors	Alexandra Durrant Limited 10A/12A High Street East Grinstead West Sussex RH19 3AW

Sackville College

Report of the Trustees

The trustees of Sackville College have pleasure in presenting the financial statements for the year ended 31 March 2021. The trustees have adopted the provisions of 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 2019).

Structure, Governance and Management

Sackville College is an almshouse charity founded in 1609 and became a registered charity in 1964. The charity is administered under the Charities (Sackville College, East Grinstead) Order 10 March 1979. (Statutory Instrument No. 284 of 1979).

The trustees in office during the year were: Mrs Rosalind Crowther (Warden), Countess De La Warr (Assistant Warden) and Mr Christopher Rolley (Assistant Warden). The charity is run by the trustees who meet on a regular basis throughout the year to discuss both day to day matters, such as the welfare of the residents, and more significant matters, such as investment management and capital expenditure.

The Warden is appointed by the Patron, Earl de la Warr. Other Trustees are appointed by the existing Trustees.

Sackville College relies heavily on the support of the Warden, the other trustees, and volunteers who give their time to act as guides to show visitors around the college, sell college merchandise and run the college website.

Public benefit, objectives and activities

The trustees are aware of the Charity Commission's guidance on public benefit and have had regard to it in their administration of the charity. The charity's objectives are to provide housing for the poor and needy of East Grinstead and its environs and owns 15 flats for this purpose. There were 10 residents at 31 March 2021 and the average age of the residents was 77 years.

The college did not receive any visitors during the year, as The College was closed to visitors during the pandemic. No services were conducted in the college chapel during the Coronavirus pandemic.

Reserves Policy

The general fund is for the day to day running of the charity and normal maintenance and repairs of the building. The extraordinary repair fund is a reserve set aside to cover the costs of future major repair work to the college and other property belonging to the charity, as and when required.

Sackville College

Report of the Trustees (continued)

The trustees' reserves policy is to maintain a general reserve of a minimum of six months normal running expenditure plus routine maintenance costs in liquid funds, cash, bank and investments.

At 31 March 2021, general reserves were high because they included a legacy received during the year. The Quinquennial Review took place after the year end, and in due course, the trustees will be able to determine the cost of the work that is to be done, and then some or all of the legacy will be designated for this purpose. At the conclusion of this process, if general reserves are in excess of the six month running cost target, the balance will be transferred into the Extraordinary Reserve to increase the funds available for future major repairs.

Investment Policy

Investments are held for their capital growth and the income is used to help meet the charity's general running costs.

Financial Review

At 31 March 2021 the charity held investments valued at £287,385 (2020 - £232,516) and bank deposits of £200,101 (2020: £61,895). The market value of the investment portfolio has largely recovered from the position at 31 March 2020 when stock markets were badly affected at the beginning of the coronavirus pandemic. Bank deposits include a legacy of £142,375 received during the year.

During the year ending 31 March 2021, the charity

- had 2 employees (2020: 2) - gardener/maintenance person and a part-time almoner.
- received weekly maintenance contributions of £76,898 (2020: £77,297), the highest weekly maintenance contribution being £137 (2020: £137).
- incurred property management expenditure of £81,961 (2020: £154,225).
- had an overall surplus of £194,477 (2020: deficit of £122,585) which includes a deficit from social housing activities of £5,063 (2020: £76,928).

Two flats were vacant all year, with two further flats being vacant from early 2021, and another resident transferring from one flat to another during the year. Had every flat been occupied all year, a further £22,204 weekly maintenance contributions would have been received.

Included in property management expenditure is essential repair and maintenance work of £20,000 (2020: £86,835) of which £9,826 was for major repairs.

Risk Management

The trustees are aware of the risks the charity may face and have established procedures to mitigate known risks where possible. Covid-19 has had a significant impact, with the loss of income from fundraising events, building tours and donations. The Trustees are confident Sackville College will fulfil all their financial liabilities and charity obligations.

Sackville College

Report of the Trustees (continued)

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Annual 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 and 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 the incoming resources and application of resources of the charity for that period. In preparing these 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 and the Registered Housing Association SORP (with the latter taking precedence);
- c) make judgements and estimates that are reasonable and prudent;
- d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its operations.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity at that time and enable the trustees to ensure that any statement of accounts prepared by them complies with the regulations under section 132(1) of the Charities Act 2011 and the Housing Act 1996. They are also responsible for safeguarding the charity's assets and hence taking reasonable steps for the prevention of fraud and other irregularities.

Statement as to Disclosure of Information to Auditors

So far as the trustees are aware, there is no relevant audit information of which the college's auditors are unaware, and each trustee has taken all the steps that he or she ought to have taken as a trustee in order to make himself or herself aware of any relevant audit information and to establish that the college's auditors are aware of that information.

Auditors

A resolution proposing that Alexandra Durrant Limited be re-appointed as auditors of the charity will be put to the annual general meeting.

Mrs R Crowther
Warden and Chairman of Trustees

C Rolley
Trustee

Date: 13 September 2021

Report of the Independent Auditors to the Trustees of Sackville College

Opinion on financial statements

We have audited the financial statements of Sackville College for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, the Statement of Changes in Reserves, the Balance Sheet, the Statement of Cash Flows and the related notes, including the summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 March 2021 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. We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibilities under those standards are further described in the section of our report *Our responsibilities for the audit of the financial statements*. 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 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 trustees are responsible for other information, which comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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

Report of the Independent Auditors to the Trustees of Sackville College (continued)

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, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report it. 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 Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual 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 Statement of Trustees' Responsibilities set out on page 4, the trustees are responsible for the preparation of 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 cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which this audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial

Report of the Independent Auditors to the Trustees of Sackville College (continued)

statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatements due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

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

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud, the audit engagement team made enquiries of management and those charged with governance, regarding the procedures relating to identifying, evaluating and complying with:

1. laws and regulations and whether they were aware of any instances of non-compliance;
2. detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
3. the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are:

- the Accounting Direction for Private Registered Providers of Social Housing 2019
- the Statement of Recommended Practice for Registered Social Housing Providers 2018
- Accounting & 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)
- The Charities Act 2011

We performed audit procedures to detect non-compliance, which may have a material impact on the financial statements. These included reviewing financial statement disclosures. There were no significant laws and regulations we deemed as having an indirect impact on the financial statements.

The audit engagement team identified cash receipts and the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to:

- Testing controls over cash receipts
- Evaluating any significant, unusual transactions and transactions entered into outside the normal course of the charity's activities

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 Independent Auditor's Report.

**Report of the Independent Auditors
to the Trustees of Sackville College (continued)**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. 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 auditor's 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's trustees as a body, for our audit work, for this report, or for the opinions we have formed

Alexandra Durrant Limited

10a/12a High Street, East Grinstead, West Sussex, RH19 3AW

Dated: 14 September 2021

Alexandra Durrant Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Sackville College
(Registered Charity number: 220488)
Statement of Comprehensive Income for the Year Ended 31 March 2021

		2021		2020	
		£	£	£	£
	Note				
Turnover	3		226,220		98,375
Operating Expenditure					
General Management		16,071		19,410	
Property Management	4	61,961		67,391	
Repairs and Maintenance		<u>20,000</u>		<u>86,834</u>	
			98,032		173,635
Operating Surplus/Deficit			<u>128,188</u>		<u>(75,260)</u>
Interest Receivable & Investment Income	5		11,874		15,100
			<u>140,062</u>		<u>(60,160)</u>
Movement in Fair Value of Investments			54,415		(62,425)
Surplus/(Deficit) for the Year	6		<u><u>194,477</u></u>		<u><u>(122,585)</u></u>

These financial statements were approved by the trustees on 13 September 2021 and signed on their behalf by:

R Crowther
Warden and Chairman of Trustees

C Rolley
Trustee

The notes form part of these financial statements

Sackville College
(Registered Charity number: 220488)
Statement of Changes in Reserves for the Year Ended 31 March 2021

	Income & Expenditure Reserve £	Extraordinary Repairs Reserve (designated) £	Extraordinary Repairs Reserve (restricted) £	Total £
Brought forward 1 April 2019	33,636	384,535	-	418,171
Surplus/(deficit) for the year	4,942	(65,102)		(60,160)
Transfer between funds	(15,000)	15,000		-
Revaluation of investments		(62,425)		(62,425)
At 31 March 2020	<u>23,578</u>	<u>272,008</u>	<u>-</u>	<u>295,586</u>
Surplus/(deficit) for the year	130,889	798	8,375	140,062
Transfer between funds	(15,000)	15,000		-
Revaluation of investments		54,415		54,415
At 31 March 2021	<u><u>139,467</u></u>	<u><u>342,221</u></u>	<u><u>8,375</u></u>	<u><u>490,063</u></u>

The notes form part of these financial statements

Sackville College
(Registered Charity number: 220488)
Balance Sheet for the Year Ended 31 March 2021

		2021		2020	
		£	£	£	£
	Note				
Fixed Assets					
Tangible Fixed Assets	8		7,533		4,632
Investments	9		287,385		232,516
Current Assets					
Trade and other debtors	10	4,802		3,675	
Cash and cash equivalents		<u>200,101</u>		<u>61,895</u>	
		204,903		65,570	
Creditors: amounts falling due within one year	11	(9,758)		(7,132)	
Net Current Assets			<u>195,145</u>		<u>58,438</u>
Total Net Assets			<u><u>490,063</u></u>		<u><u>295,586</u></u>
Reserves:					
Income & Expenditure Reserve	12		139,467		23,578
Extraordinary Repairs Reserve (designated)	12		342,221		272,008
Extraordinary Repairs Reserve (restricted)	12		8,375		0
Total Reserves			<u><u>490,063</u></u>		<u><u>295,586</u></u>

These financial statements were approved by the trustees on 13 September 2021 and signed on their behalf by:

R Crowther
Warden and Chairman of Trustees

C Rolley
Trustee

The notes form part of these financial statements

Sackville College
(Registered Charity number: 220488)
Statement of Cash Flows for the Year Ended 31 March 2021

	2021	2020
	£	£
Cash flows from operating activities		
Operating surplus/(deficit) for the year	128,188	(75,260)
Adjustments for:		
Depreciation of tangible fixed assets	2,331	3,392
Decrease/(increase) in trade and other debtors	(1,127)	5,685
Increase/(decrease) in trade and other creditors	2,626	210
Net cash generated/(expended) from operating activities	<u>132,018</u>	<u>(65,973)</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(5,232)	(1,628)
Interest received	63	403
Investment income	11,357	14,221
	<u>6,188</u>	<u>12,996</u>
Net change in cash and cash equivalents	138,206	(52,977)
Cash and cash equivalents at beginning of the year	61,895	114,872
Cash and cash equivalents at end of the year	<u>200,101</u>	<u>61,895</u>

The notes form part of these financial statements

Sackville College
(Registered Charity number: 220488)
Notes to the Financial Statements for the Year Ended 31 March 2021

1) Constitution

Sackville College is an Almshouse Charity, administered under the Charities (Sackville College, East Grinstead) Order 1979 (Statutory Instrument No. 284 of 1979). The charity is a registered housing provider. The charity is a public benefit entity.

2) Principal Accounting Policies

a) Preparation of the Financial Statements

The financial statements have been prepared in accordance with the Accounting Direction for Private Registered Providers of Social Housing in England 2019 and the Statement of Recommended Practice for registered social housing providers (Housing SORP 2018). The financial statements have been prepared in accordance with applicable UK accounting standards, and follow the recommendations in Accounting & 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) (the Charities SORP (FRS 102)).

b) Going concern

In accordance with standard practice, and additionally in the light of the Charity Commission guidance 'Implications of COVID-19 Control Measures and Charity Financial Reporting', the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months after the date on which this report and financial statements were signed. For this reason, it continues to adopt the going concern basis in these financial statements.

c) Investment Income

Income from investments is included in the financial statements of the accounting period in which it is received.

d) Heritage Asset

Sackville College was constructed between 1609-1619 and there is no record of the original cost and no value attributed thereto. The property comprises almshouses, which provide accommodation for the elderly residents and ancillary buildings which are used to generate income in accordance with the objectives of the charity. The freehold property is regarded as an inalienable and heritage asset and the trustees consider there is no valuation method that is appropriate or relevant under FRS102 section 234. The trustees undertake regular maintenance work to ensure the asset is in good repair and so consider that the value will not be impaired over the coming years. The buildings and contents are insured for a sum in excess of £9 million.

e) Tangible fixed assets

Assets with a purchase price in excess of £500 are capitalised, other assets are included in the Statement of Comprehensive Income. Cost includes costs directly attributable to making the asset capable of operating as intended such as the cost of acquiring land and buildings, development costs, interest charges on loans during the development period. Expenditure on improvements will only be capitalised when it results in incremental future benefits such as increasing rental income, reducing maintenance costs or resulting in a significant extension of the useful economic life of the property.

The tangible fixed assets are depreciated on a straight line basis over their estimated useful lives of:

3 years - computer equipment

10 years - fixtures and fittings, other equipment

Major components of housing properties, such as boilers have been accounted for and depreciated separately from the connected housing property, over their useful economic lives. The useful economic lives of all tangible fixed assets are reviewed annually.

Sackville College
(Registered Charity number: 220488)

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

2) Principal Accounting Policies (continued)

f) Investments

Investments are stated at market value at the balance sheet date.

Movements in the market value of investments are included in the Statement of Comprehensive Income.

g) Grants and Donations

Grants are accounted for on a matching basis with grants towards major repairs being treated as income in the accounting period in which the related expenditure is incurred. Donations are accounted for when received.

Donated goods are recognised in the Statement of Comprehensive Income where material, by estimating the value of the goods donated and recognising both the donation and the cost of the goods. However, it is not considered practicable to value volunteer time and this is not recognised in the Statement of Comprehensive Income.

h) Weekly maintenance contributions

Weekly maintenance contributions are recognised in the financial statements in the accounting period to which they relate.

i) Expenditure

Expenditure is charged in the financial statements on an accruals basis. Repairs and maintenance to premises are charged to current expenditure as incurred.

j) VAT

Sackville College is not registered for VAT. In these financial statements, where applicable, expenditure is shown inclusive of VAT.

k) Extraordinary Repairs Reserve

This revenue reserve represents amounts set aside to carry out future major repairs.

l) Legacies

Legacies are recognised in the financial statements at the earlier of the date when there is sufficient evidence to provide the necessary certainty that a legacy will be received and the value can be measured with sufficient reliability, or the date when they are actually received, in accordance with paragraphs 5.29 to 5.37 of the Charities SORP (FRS 102).

m) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Comprehensive Income in operating costs.

n) Employee benefits

Short-term employee benefits and contributions to defined contribution pension plans are recognised as an expense in the period in which they are incurred.

o) 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 charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Sackville College
(Registered Charity number: 220488)
(continued)

2) Principal Accounting Policies (continued)

o) Financial instruments (continued)

Basic financial assets other than listed investments, which include 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.

Basic financial assets also include listed investments. These are accounted for as described in (f) above.

Basic financial liabilities, including trade creditors, are initially recognised 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 with one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations 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 recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

p) Judgement and key sources of estimation uncertainty

It is the trustees' judgement that the land and buildings comprising Sackville College are a heritage asset, which has not been recognised in the balance sheet as noted under (d) above.

No material estimates have been made in the course of preparing these financial statements.

3) Turnover

	2021	2020
	£	£
Weekly maintenance contributions receivable	76,898	77,297
Special events	10	6,706
Donations and legacies	147,823	7,202
Sundry income	244	2,500
Visitors fees and booklets	1,245	4,370
Wedding fees	0	300
	<u>226,220</u>	<u>98,375</u>

A legacy was received from Mr Leppard, a local historian and lifelong supporter of Sackville College.

4) Property Management Expenses

	2021	2020
	£	£
Included in property management expenses were staff costs:		
Wages and salaries	27,411	27,394
	<u>27,411</u>	<u>27,394</u>

The average number of employees during the year was 2 (2020: 2).

No employee received emoluments in excess of £60,000.

None of the trustees received any emoluments in the year.

The Warden of Sackville College who is one of the Trustees, Mrs Crowther is required to live on site.

The college provides the Warden with living accommodation and pays the related council tax.

The trustees consider this benefit would have an estimated monetary value of £15,207.

Sackville College
(Registered Charity number: 220488)

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

5) Interest Receivable and Other Income

	2021	2020
	£	£
Income from investments	11,811	14,697
Bank deposit interest	63	403
	<u>11,874</u>	<u>15,100</u>

6) Surplus/(deficit) for the year

	2021	2020
	£	£
This is stated after charging:		
Depreciation, owned tangible fixed assets	2,331	3,392
Auditor's remuneration (net of VAT)	1,500	1,450
Auditor's remuneration for bookkeeping, payroll & financial reporting services (net of VAT)	<u>2,980</u>	<u>3,500</u>

7) Taxation

Sackville College is a registered charity, registered with the Homes and Communities Agency and is therefore exempt from liability to taxation on its income and capital gains.

8) Tangible Fixed Assets

	Equipment
	£
Cost	
At 1 April 2020	56,520
Additions	5,232
At 31 March 2021	<u>61,752</u>
Depreciation	
At 1 April 2020	51,888
Charge for year	2,331
At 31 March 2021	<u>54,219</u>
Net Book Value	
At 31 March 2021	<u>7,533</u>
At 31 March 2020	<u>4,632</u>

9) Fixed Asset Investments

	Extraordinary	Total	Total
	Repairs Reserve	2021	2020
	(designated)	£	£
	£		
Quoted investments			
Cost at 1 April 2020	112,195	112,195	111,719
Accumulated income	454	454	476
At 31 March 2021	<u>112,649</u>	<u>112,649</u>	<u>112,195</u>
Market Value	<u>287,385</u>	<u>287,385</u>	<u>232,516</u>

Sackville College
(Registered Charity number: 220488)

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

9) Fixed Asset Investments (continued)

	£
Market value at 1 April 2020	232,516
Accumulated income	454
Revaluation	54,415
Market value at 31 March 2021	<u>287,385</u>

10) Debtors

	2021	2020
	£	£
Other debtors	311	283
Prepayments and accrued income	4,491	3,392
	<u>4,802</u>	<u>3,675</u>

11) Creditors, amounts falling due within one year

	2021	2020
	£	£
Trade creditors	1,827	1,569
Tax and social security	281	283
Accruals & deferred income	7,569	5,147
Sundry creditors	81	133
	<u>9,758</u>	<u>7,132</u>

12) Reconciliation of Movement on Funds

	Extraordinary Repairs Reserve (designated)	Income & Expenditure Reserve	Extraordinary Repairs Reserve (restricted)	Total
	£	£	£	£
Brought forward 1 April 2020	272,008	23,578	-	295,586
Surplus/(Deficit) for the year	55,213	130,889	8,375	194,477
Transfer between funds	15,000	(15,000)	-	-
At 31 March 2021	<u>342,221</u>	<u>139,467</u>	<u>8,375</u>	<u>490,063</u>

The **Extraordinary Repairs Reserve** is maintained for the purpose of providing for the extraordinary repair, improvement or rebuilding of the college. Funds have arisen from two sources:

Investments (see Note 9) are designated by the trustees to the Extraordinary Repairs Reserve. Plus certain donations and legacies have been treated by the trustees as restricted for use on major repairs. During 2020/21 the Extraordinary Repair Reserve was applied to the following projects:

	£
Chimney repairs	4,875
Flat 6 refurbishment	3,001
Tree surgery	1,950
	<u>9,826</u>

13) Financial Commitments

There were no financial commitments as at 31 March 2021 for major repairs beyond 1 April 2021 (2020: £NIL).

Sackville College
(Registered Charity number: 220488)

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

14) Analysis of Net Assets between Funds

	Extraordinary Repairs Reserve (designated)	Income & Expenditure Reserve	Extraordinary Repairs Reserve (restricted)	Total
	£	£	£	£
Fixed Assets	503	7,030	-	7,533
Investments	287,385	-	-	287,385
Current Assets	54,333	142,195	8,375	204,903
Current Liabilities		(9,758)	-	(9,758)
At 31 March 2021	<u>342,221</u>	<u>139,467</u>	<u>8,375</u>	<u>490,063</u>

15) Related Party Transactions

No expenses were reimbursed to the trustees other than routine expenses incurred whilst acting as agents for the college.

16) APB Ethical Standards

In common with many other organisations of our size and nature, we use our auditors to assist with the preparation of the monthly payroll and day to day bookkeeping.

17) Impact of COVID-19

As a direct consequence of the Coronavirus (COVID-19) pandemic, in accordance with UK government guidelines and in order to protect residents, Sackville College has been closed to visitors throughout the pandemic, only reopening from August 2021.

This resulted in loss of income from visitors and events, but the College has ongoing regular income from residents' weekly maintenance contributions and investments, and in addition a substantial legacy was received during 2020/21. Thus the College remains a going concern despite the pandemic.

No adjustments have been made to any figures in the accounts as a result of the pandemic.

SACKVILLE COLLEGE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Registered Charity No: 220488
Homes England No: A0809

Sackville College

Financial statements for the year ended 31 March 2021

Information

Trustees	Mrs R Crowther Countess De La Warr C J Rolley
Registered Charity Number	220488
Homes England No.	A0809
Principal Address	Sackville College High Street East Grinstead West Sussex RH19 3BX
Primary Bankers	Lloyds TSB Bank Plc London Road East Grinstead West Sussex CCLA Investment Management Limited COIF Charity Funds 80 Cheapside London EC2V 6DZ
Auditors	Alexandra Durrant Limited 10A/12A High Street East Grinstead West Sussex RH19 3AW

Sackville College

Report of the Trustees

The trustees of Sackville College have pleasure in presenting the financial statements for the year ended 31 March 2021. The trustees have adopted the provisions of 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 2019).

Structure, Governance and Management

Sackville College is an almshouse charity founded in 1609 and became a registered charity in 1964. The charity is administered under the Charities (Sackville College, East Grinstead) Order 10 March 1979. (Statutory Instrument No. 284 of 1979).

The trustees in office during the year were: Mrs Rosalind Crowther (Warden), Countess De La Warr (Assistant Warden) and Mr Christopher Rolley (Assistant Warden). The charity is run by the trustees who meet on a regular basis throughout the year to discuss both day to day matters, such as the welfare of the residents, and more significant matters, such as investment management and capital expenditure.

The Warden is appointed by the Patron, Earl de la Warr. Other Trustees are appointed by the existing Trustees.

Sackville College relies heavily on the support of the Warden, the other trustees, and volunteers who give their time to act as guides to show visitors around the college, sell college merchandise and run the college website.

Public benefit, objectives and activities

The trustees are aware of the Charity Commission's guidance on public benefit and have had regard to it in their administration of the charity. The charity's objectives are to provide housing for the poor and needy of East Grinstead and its environs and owns 15 flats for this purpose. There were 10 residents at 31 March 2021 and the average age of the residents was 77 years.

The college did not receive any visitors during the year, as The College was closed to visitors during the pandemic. No services were conducted in the college chapel during the Coronavirus pandemic.

Reserves Policy

The general fund is for the day to day running of the charity and normal maintenance and repairs of the building. The extraordinary repair fund is a reserve set aside to cover the costs of future major repair work to the college and other property belonging to the charity, as and when required.

Sackville College

Report of the Trustees (continued)

The trustees' reserves policy is to maintain a general reserve of a minimum of six months normal running expenditure plus routine maintenance costs in liquid funds, cash, bank and investments.

At 31 March 2021, general reserves were high because they included a legacy received during the year. The Quinquennial Review took place after the year end, and in due course, the trustees will be able to determine the cost of the work that is to be done, and then some or all of the legacy will be designated for this purpose. At the conclusion of this process, if general reserves are in excess of the six month running cost target, the balance will be transferred into the Extraordinary Reserve to increase the funds available for future major repairs.

Investment Policy

Investments are held for their capital growth and the income is used to help meet the charity's general running costs.

Financial Review

At 31 March 2021 the charity held investments valued at £287,385 (2020 - £232,516) and bank deposits of £200,101 (2020: £61,895). The market value of the investment portfolio has largely recovered from the position at 31 March 2020 when stock markets were badly affected at the beginning of the coronavirus pandemic. Bank deposits include a legacy of £142,375 received during the year.

During the year ending 31 March 2021, the charity

- had 2 employees (2020: 2) - gardener/maintenance person and a part-time almoner.
- received weekly maintenance contributions of £76,898 (2020: £77,297), the highest weekly maintenance contribution being £137 (2020: £137).
- incurred property management expenditure of £81,961 (2020: £154,225).
- had an overall surplus of £194,477 (2020: deficit of £122,585) which includes a deficit from social housing activities of £5,063 (2020: £76,928).

Two flats were vacant all year, with two further flats being vacant from early 2021, and another resident transferring from one flat to another during the year. Had every flat been occupied all year, a further £22,204 weekly maintenance contributions would have been received.

Included in property management expenditure is essential repair and maintenance work of £20,000 (2020: £86,835) of which £9,826 was for major repairs.

Risk Management

The trustees are aware of the risks the charity may face and have established procedures to mitigate known risks where possible. Covid-19 has had a significant impact, with the loss of income from fundraising events, building tours and donations. The Trustees are confident Sackville College will fulfil all their financial liabilities and charity obligations.

Sackville College

Report of the Trustees (continued)

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Annual 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 and 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 the incoming resources and application of resources of the charity for that period. In preparing these 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 and the Registered Housing Association SORP (with the latter taking precedence);
- c) make judgements and estimates that are reasonable and prudent;
- d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its operations.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity at that time and enable the trustees to ensure that any statement of accounts prepared by them complies with the regulations under section 132(1) of the Charities Act 2011 and the Housing Act 1996. They are also responsible for safeguarding the charity's assets and hence taking reasonable steps for the prevention of fraud and other irregularities.

Statement as to Disclosure of Information to Auditors

So far as the trustees are aware, there is no relevant audit information of which the college's auditors are unaware, and each trustee has taken all the steps that he or she ought to have taken as a trustee in order to make himself or herself aware of any relevant audit information and to establish that the college's auditors are aware of that information.

Auditors

A resolution proposing that Alexandra Durrant Limited be re-appointed as auditors of the charity will be put to the annual general meeting.

Mrs R Crowther
Warden and Chairman of Trustees

C Rolley
Trustee

Date: 13 September 2021

Report of the Independent Auditors to the Trustees of Sackville College

Opinion on financial statements

We have audited the financial statements of Sackville College for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, the Statement of Changes in Reserves, the Balance Sheet, the Statement of Cash Flows and the related notes, including the summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 March 2021 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. We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibilities under those standards are further described in the section of our report *Our responsibilities for the audit of the financial statements*. 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 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 trustees are responsible for other information, which comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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

Report of the Independent Auditors to the Trustees of Sackville College (continued)

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, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report it. 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 Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual 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 Statement of Trustees' Responsibilities set out on page 4, the trustees are responsible for the preparation of 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 cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which this audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial

Report of the Independent Auditors to the Trustees of Sackville College (continued)

statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatements due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

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

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud, the audit engagement team made enquiries of management and those charged with governance, regarding the procedures relating to identifying, evaluating and complying with:

1. laws and regulations and whether they were aware of any instances of non-compliance;
2. detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
3. the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are:

- the Accounting Direction for Private Registered Providers of Social Housing 2019
- the Statement of Recommended Practice for Registered Social Housing Providers 2018
- Accounting & 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)
- The Charities Act 2011

We performed audit procedures to detect non-compliance, which may have a material impact on the financial statements. These included reviewing financial statement disclosures. There were no significant laws and regulations we deemed as having an indirect impact on the financial statements.

The audit engagement team identified cash receipts and the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to:

- Testing controls over cash receipts
- Evaluating any significant, unusual transactions and transactions entered into outside the normal course of the charity's activities

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 Independent Auditor's Report.

**Report of the Independent Auditors
to the Trustees of Sackville College (continued)**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. 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 auditor's 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's trustees as a body, for our audit work, for this report, or for the opinions we have formed

Alexandra Durrant Limited

10a/12a High Street, East Grinstead, West Sussex, RH19 3AW

Dated: 14 September 2021

Alexandra Durrant Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.