

Charity Registration No. 229908

Regulator of Social Housing No. A3245

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Dr A Ashbee
Mrs A Coles
Mrs S Hellyar
Mr R G Kingsbury (Chair)
Mr M Noonan
Mrs V Tipp (Treasurer and Secretary)

Charity number

229908

Regulator of Social Housing number

A3245

Principal address

27 Hollow Lane
Snodland
Kent
ME6 5LP

Auditor

Azets Audit Services
Globe House
Eclipse Park
Sittingbourne Road
Maidstone
Kent
ME14 3EN

Bankers

National Westminster Bank Plc
718 London Road
Larkfield
Aylesford
Kent
ME20 6BL

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

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EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and the audited financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

Objectives and activities

The charity was formed to provide low cost housing for poor persons who are not less than sixty-five years of age and who were born in, or have been an inhabitant for not less than ten years of, the Parish of Snodland, Kent.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Public benefit

In managing the charity's activities and finances during the financial year, the trustees were aware, and had due regard to, the Charity Commission's guidance on public benefit.

Achievements and performance

The charity was successful in retaining 100% occupancy of the almshouses during the year, and collected maintenance contributions from all tenants. To ensure we are providing value for money, we have maintained contribution levels below the cap enforced by the Regulator for Social Housing. Due to the Covid-19 pandemic, plans to refurbish the kitchen and wet-room areas of two flats were indefinitely postponed in accordance with government guidance on social distancing. Despite the challenges posed by the pandemic, essential repairs and maintenance did, however, continue to take place as required so as to ensure high quality living standards for all residents.

Financial review

During the year ended 31 December 2020, the charity collected contributions from residents towards the maintenance of the almshouses amounting to £42,810 (2019: £40,878) and generated other investment income of £4,594 (2019: £4,282). The total income was £47,404 (2019: £45,160) and of that amount £40,707 (2019: £54,970) was expended, giving a surplus (2019: deficit) for the year before movements on investments of £6,697 (2019: £9,810).

An unrealised loss (2019: gain) of £4,635 (2019: £16,309) was recognised in respect of the charity's listed investment portfolio during the year. There were no realised gains or losses during the year (2019: £Nil).

The overall surplus for the year was £2,062 (2019: £6,499). As at 31 December 2020, the charity's net reserves amounted to £339,678 (2019: £337,616).

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Reserves Policy

It is the policy of the charity to ultimately maintain 'free' reserves (being that element of the unrestricted revenue reserve which is not funding fixed assets) of approximately one year's maintenance contributions uplifted to cover anticipated expenditure for the following year.

As at 31 December the free reserves of the charity amounted to £138,387 (2019: £139,308). The trustees consider the closing level (being roughly equivalent to 6 (2019: 4) years of running costs) and growth of free reserves to be adequate, allowing for unplanned expenditure.

Designated funds at 31 December 2020 total £201,291 (2019: £198,308) - see note 12 for details.

Plans for future periods

The charity has embarked on a renovation program to improve the living quality of the almshouses. During 2020, the charity had intended to refurbish the kitchen and wet-room areas of two flats. Due to the Covid-19 pandemic, these plans did not materialise. However, the charity remains committed to undertaking these renovations when social distancing measures are relaxed in 2021.

Structure, governance and management

The trustees of the charity who held office throughout the year were as follows:

Dr A Ashbee

Mrs A Coles

Mrs S Hellyar

Mr R G Kingsbury (Chair)

Mr J Levett

(Resigned 31 October 2020)

Mr M Noonan

Mrs V Tipp (Treasurer and Secretary)

In accordance with the charity's scheme regulations, the body of trustees should consist of no more than seven competent persons, being two Nominative Trustees (nominated by the Snodland Town Council for four year terms) and five co-opted trustees each, to serve for a period of 5 years. The office of chairman is subject to election annually. Mrs A Coles and Mrs S Hellyar retire by rotation at the 2021 Annual Meeting. They offer themselves for re-election.

The charity is registered with the Charity Commission in England and Wales, Charity number 229908. It is established under Trust Deeds dated 30 July 1900 and 10 May 1904, and subsequently a Scheme approved by the Charity Commissioners dated 11 January 1980. It is also registered with the Homes England under the Housing and Regeneration Act 2008.

The trustees form a Committee of Management which meets twice a year and on an ad-hoc basis to control and monitor the performance of the charity. Day to day operations are controlled by the secretary.

An annual strategic plan is produced to ensure the charity's housing stock is kept fully maintained.

As part of their on-going management of the charity, the trustees review the effectiveness of the system of internal control which they acknowledge to be their responsibility.

Auditor

On 7 September 2020, Group Audit Services trading as Wilkins Kennedy Audit Services changed its name to Azets Audit Services Limited. The name they practice under is Azets Audit Services and accordingly they have signed their report under their new name.

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Going concern

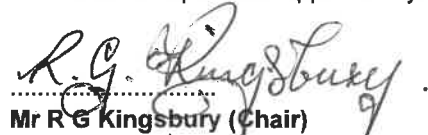
At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Disclosure of information to auditor

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The trustees' report was approved by the Board of Trustees.


.....
Mr R G Kingsbury (Chair)

Dated: 9/09/2021
.....

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

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 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 year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that 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 trust deed. 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.

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

Opinion

We have audited the financial statements of Eustace Hook & Drummond Memorial Almshouses (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Trustees' report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

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

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

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services Limited

Michelle Wilkes FCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor

7 October 2021
.....

Globe House
Eclipse Park
Sittingbourne Road
Maidstone
Kent
ME14 3EN

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds 2020 £	Unrestricted funds 2019 £
	Notes		
Income from:			
Donations and legacies	3	42,810	40,878
Investments	4	4,594	4,282
Total income		<u>47,404</u>	<u>45,160</u>
Expenditure on:			
Charitable activities	5	34,153	48,638
Other	6	6,554	6,332
Total expenditure		<u>40,707</u>	<u>54,970</u>
Net (losses)/gains on investments	9	<u>(4,635)</u>	<u>16,309</u>
Net income		2,062	6,499
Fund balances at 1 January 2020		337,616	331,117
Fund balances at 31 December 2020	12	<u><u>339,678</u></u>	<u><u>337,616</u></u>

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

All income and expenditure derive from continuing activities.

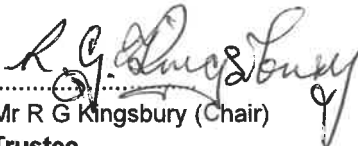
EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

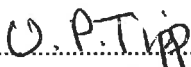
BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	£	2020 £	£	2019 £
Fixed assets					
Tangible assets	8		56,272		75,030
Investments	9		145,019		123,278
			<u>201,291</u>		<u>198,308</u>
Current assets					
Debtors	10	744		698	
Cash at bank and in hand		142,492		143,225	
		<u>143,236</u>		<u>143,923</u>	
Creditors: amounts falling due within one year	11	(4,849)		(4,615)	
Net current assets			<u>138,387</u>		<u>139,308</u>
Total assets less current liabilities			<u><u>339,678</u></u>		<u><u>337,616</u></u>
Income funds					
<u>Unrestricted funds</u>					
Designated funds:					
Fixed asset fund		10,686		14,248	
Investment fund		145,019		123,278	
Other fund		<u>45,586</u>		<u>60,782</u>	
Total designated funds	12	<u>201,291</u>		<u>198,308</u>	
General unrestricted funds		<u>138,387</u>		<u>139,308</u>	
Unrestricted funds	12		<u><u>339,678</u></u>		<u><u>337,616</u></u>

The financial statements were approved by the Trustees on 9/9/21.


 Mr R G Kingsbury (Chair)
 Trustee


 Mrs V Tipp (Treasurer and Secretary)
 Trustee

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Eustace Hook and Drummond Memorial Almshouses (the 'charity') is registered as a charity with the Charity Commission in England and Wales, Charity number 229908. The registered address is 27 Hollow Lane, Snodland, Kent, ME6 5LP. The charity is also registered with Homes England under the Housing and Regeneration Act 2008.

The nature of the charity's operations and principal activities is to provide low cost housing for poor persons who are not less than sixty-five years of age and who were born in, or have been an inhabitant for not less than ten years of, the parish of Snodland.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice. The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

1.4 Income

Maintenance contributions from residents are recognised as income when received by the charity.

Grants, donation income and income from investments are recognised when receivable.

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Expenditure

All expenditure is accounted for on an accruals basis. Expenditure is allocated to cost categories based on the amount attributable to that activity in the year. Irrecoverable VAT is allocated against the related expense.

1.6 Tangible fixed assets

Tangible fixed assets (including social housing properties) are stated at cost. The cost of housing properties includes the following:

- Development expenditure, including major structural refurbishment works.
- Amounts equal to acquisition and development allowances receivable.

These costs are either termed "qualifying costs" for approved housing association schemes and are considered for mortgage loans by the relevant lending authorities, or are met out of the Charity's reserves.

The cost of acquiring the Charity's housing land and buildings, however, is not included. Title to the almshouses is vested in the Charity under the terms of the trust deeds dated 30 July 1900 and 10 May 1904. The Charity has therefore never incurred any cost in acquiring its land and buildings.

The cost of housing land and buildings is depreciated over the period to 2023. The Trustees consider this to be a reasonable reflection of the expected useful life of the development cost.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks with original maturities of three months or less, and bank overdrafts.

1.10 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.

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

Basic financial assets

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

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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 within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

2 Critical accounting estimates and judgements

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

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

The following are the significant management judgements made in applying the accounting policies of the charity that have had the most significant effect on amounts recognised in the financial statements:

Valuation of tangible fixed assets

Housing properties in tangible fixed assets are valued at deemed cost as at 1 January 2014.

Valuation of fixed asset investments

Fixed asset investments are valued at closing mid market value at the balance sheet date.

3 Donations and legacies

	2020	2019
	£	£
Maintenance contributions	42,810	40,878

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

4 Income from investments

	2020 £	2019 £
Income on investment fund	4,315	3,680
Interest receivable	279	602
	<u>4,594</u>	<u>4,282</u>

5 Charitable activities

	2020 £	2019 £
Rates and water	3,428	3,371
Light and heat	506	635
Property repairs and maintenance	10,253	24,708
Insurance	1,208	1,166
Depreciation on freehold property	18,758	18,758
	<u>34,153</u>	<u>48,638</u>

6 Other

	2020 £	2019 £
Bank charges and interest	104	107
Auditor's remuneration	2,592	2,450
Other non-audit fees	1,476	1,510
Secretary's fees	1,681	1,604
Subscriptions	661	183
Sundry	40	478
	<u>6,554</u>	<u>6,332</u>

7 Trustees

The charity had no employees during the year (2019: Nil).

The secretary received aggregate fees for her work amounting to £1,681 (2019: £1,604).

The secretary was also reimbursed £Nil (2019: £28) in respect of maintenance costs of which she paid for personally, on behalf of the charity.

No other trustees received remuneration from the charity during the year (2019: £Nil). No expenses were paid or reimbursed to other trustees during the year (2019: £Nil).

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Tangible fixed assets

	Freehold land and buildings £
Cost	
At 1 January 2020	538,176
At 31 December 2020	538,176
Depreciation	
At 1 January 2020	463,146
Depreciation charged in the year	18,758
At 31 December 2020	481,904
Carrying amount	
At 31 December 2020	56,272
At 31 December 2019	75,030

At the balance sheet date, the charity owned property which contained ten (2019: ten) dwelling units. All ten of the units were in use throughout the year for the one principal activity of the charity.

9 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2020	123,278
Additions	26,376
Valuation changes	(4,635)
At 31 December 2020	145,019
Carrying amount	
At 31 December 2020	145,019
At 31 December 2019	123,278

Listed investments are valued at closing mid-market value at the balance sheet date. The historical cost of fixed asset investments is £101,931 (2019: £75,555).

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

9 Fixed asset investments (Continued)

Material investments (comprising more than 5% of the charity's overall share portfolio by value) at the balance sheet date were as follows:

	Market Value £
M&G Charity Multi Asset Fund Accumulation Units	81,763
BlackRock Charities UK Equity Fund A Accumulation Units	49,784
BlackRock Charities UK Bond Fund A Accumulation Units	9,650

10 Debtors: amounts falling due within one year

	2020 £	2019 £
Prepayments and accrued income	744	698

11 Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	4,849	4,615

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2020	New designations	Designations released	Balance at 31 December 2020
	£	£	£	£
Fixed asset fund	14,248	-	(3,562)	10,686
Investment fund	123,278	26,376	(4,635)	145,019
Other fund	60,782	-	(15,196)	45,586
	<u>198,308</u>	<u>26,376</u>	<u>(23,393)</u>	<u>201,291</u>

	Balance at 1 January 2019	New designations	Designations released	Balance at 31 December 2019
	£	£	£	£
Fixed asset fund	17,810	-	(3,562)	14,248
Investment fund	101,257	79,833	(57,812)	123,278
Other fund	75,978	-	(15,196)	60,782
	<u>195,045</u>	<u>79,833</u>	<u>(76,570)</u>	<u>198,308</u>

Fixed asset fund - this fund holds the investment property which is used as the main premises of the Charity and for income generation.

Investment fund - these funds are invested to maximise total return and generate income.

Other fund - these funds relate to a government grant first issued in 2004, which is being written down on a straight line basis to 31 December 2023.

13 Analysis of net assets between funds

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Fund balances at 31 December 2020 are represented by:		
Tangible assets	56,272	75,030
Investments	145,019	123,278
Current assets/(liabilities)	138,387	139,308
	<u>339,678</u>	<u>337,616</u>

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

14	Financial instruments	2020 £	2019 £
	Carrying amount of financial assets		
	Instruments measured at fair value through profit or loss	145,019	123,278
		<u> </u>	<u> </u>
	Carrying amount of financial liabilities		
	Measured at amortised cost	4,849	4,615
		<u> </u>	<u> </u>

15 Related party transactions

During the year, the son of a trustee was paid £920 (2019: £350) in relation to maintenance services.

There were no other related party transactions during the year (2019: none), other than those stipulated in Note 7.