

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 2021

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr A Ashbee (Chair)	
	Mrs A Coles	
	Mrs S Hellyar	
	Mr S Kingsbury	(Appointed 9 September 2021)
	Mrs S Shaw	(Appointed 9 September 2021)
	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 2021

The trustees present their report and the audited financial statements of the charity for the year ended, 31 December 2021. 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

Once again, the charity was successful in retaining 100% occupancy of the almshouses during the year, and collected maintenance contributions from all tenants.

The charity continues to maintain contribution levels below the cap enforced by the Regulator for Social Housing.

Following the easing of Covid-19 restrictions, the charity has now completed the refurbishment of the kitchen and wet-room areas of two flats. Essential repairs and maintenance continued to take place as required so as to ensure high quality living standards for all residents.

Financial review

During the year ended 31 December 2021, the charity collected contributions from residents towards the maintenance of the almshouses amounting to £43,818 (2020: £42,810) and generated other investment income of £4,757 (2020: £4,594). The total income was £48,575 (2020: £47,404) and of that amount £53,910 (2020: £40,707) was expended, giving a deficit (2020: surplus) for the year before movements on investments of £5,335 (2020: £6,697). The increased expenditure relates principally to the aforementioned refurbishment of two flats.

An unrealised gain of £13,348 (2020 loss: £4,635) was recognised in respect of the charity's listed investment portfolio during the year. There were no realised gains or losses during the year (2020: £Nil).

The overall surplus for the year was £8,013 (2020: £2,062). As at 31 December 2021, the charity's total funds amounted to £347,691 (2020: £339,678).

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 2021

Reserves Policy

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

As at 31 December 2021 the free reserves of the charity amounted to £145,038 (2020: £138,387). The trustees consider the closing level (being roughly equivalent to 4 (2020: 6) years of running costs) and growth of free reserves to be adequate, allowing for unplanned expenditure.

Designated funds at 31 December 2021 total £202,653 (2020: £201,291) - see note 12 for details.

Plans for future periods

The trustees have completed an inspection of the almshouses, including communal areas, which has revealed a number of items requiring repair or renewal, including a stair lift. The charity will continue to improve the premises over the coming period for the benefit of all tenants.

Structure, governance and management

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

Dr A Ashbee (Chair)

Mrs A Coles

Mrs S Hellyar

Mr R G Kingsbury

(Deceased 25 September 2021)

Mr S Kingsbury

(Appointed 9 September 2021)

Mrs S Shaw

(Appointed 9 September 2021)

Mrs V Tipp (Treasurer and Secretary)

Mr M Noonan

(Resigned 31 October 2020)

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, with Dr A Ashbee being appointed chairman on 11 November 2021.

Mrs V Tipp and Dr A Ashbee retire by rotation at the 2022 Annual Meeting. They offer themselves for re-election.

Mrs S Shaw is the current representative trustee from Snodland Town Council. The charity is aware that a further representative from the council is required to ensure accordance with the charity's Trust Deed and intends to appoint an additional member from the Council in 2022.

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.

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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 trustees of the charity 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 charity'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 charity's auditors are aware of that information.

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


.....
Dr A Ashbee (Chair)

Dated: 30-6-2022

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

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 Alms Houses (the 'charity') for the year ended 31 December 2021 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 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. 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;
- Reviewing minutes of meetings of those charged with governance;
- 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

13 July 2022

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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 2021

		Unrestricted funds 2021 £	Unrestricted funds 2020 £
	Notes		
Income from:			
Donations and legacies	3	43,818	42,810
Investments	4	4,757	4,594
Total income		48,575	47,404
Expenditure on:			
Charitable activities	5	45,830	34,153
Other	7	8,080	6,554
Total expenditure		53,910	40,707
Net gains/(losses) on investments	9	13,348	(4,635)
Net income		8,013	2,062
Fund balances at 1 January 2021		339,678	337,616
Fund balances at 31 December 2021	12	347,691	339,678

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 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	8		37,514		56,272
Investments	9		165,139		145,019
			<u>202,653</u>		<u>201,291</u>
Current assets					
Debtors	10	744		744	
Cash at bank and in hand		150,955		142,492	
		<u>151,699</u>		<u>143,236</u>	
Creditors: amounts falling due within one year	11	(6,661)		(4,849)	
Net current assets			145,038		138,387
Total assets less current liabilities			<u>347,691</u>		<u>339,678</u>
Income funds					
<u>Unrestricted funds</u>					
Designated funds:					
Fixed asset fund		7,124		10,686	
Investment fund		165,139		145,019	
Other fund		<u>30,390</u>		<u>45,586</u>	
Total designated funds	12	202,653		201,291	
General unrestricted funds		<u>145,038</u>		<u>138,387</u>	
Unrestricted funds	13		<u>347,691</u>		<u>339,678</u>

The financial statements were approved by the Trustees on 30.06.22

A. Ashbee
Dr A Ashbee (Chair)
Trustee

V. P. Tipp
Mrs V Tipp (Treasurer and Secretary)
Trustee

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021

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 2021

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

	2021 £	2020 £
Maintenance contributions	43,818	42,810

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Income from investments

	2021 £	2020 £
Income on investment fund	4,732	4,315
Interest receivable	25	279
	<u>4,757</u>	<u>4,594</u>

5 Charitable activities

	2021 £	2020 £
Rates and water	3,022	3,428
Light and heat	569	506
Property repairs and maintenance	22,239	10,253
Insurance	1,242	1,208
Depreciation on freehold property	18,758	18,758
	<u>45,830</u>	<u>34,153</u>

6 Trustees

The charity had no employees during the year (2020: Nil).

The secretary received aggregate fees for her work amounting to £1,760 (2020: £1,681).

The secretary was also reimbursed £110 (2020: £Nil) 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 (2020: £Nil). No expenses were paid or reimbursed to other trustees during the year (2020: £Nil).

7 Other

	2021 £	2020 £
Bank charges and interest	105	104
Auditor's remuneration	4,200	2,592
Other non-audit fees	1,692	1,476
Secretary's fees	1,760	1,681
Subscriptions	300	661
Sundry	23	40
	<u>8,080</u>	<u>6,554</u>

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Tangible fixed assets

	Development and refurbishment costs £
Cost	
At 1 January 2021	538,176
At 31 December 2021	538,176
Depreciation	
At 1 January 2021	481,904
Depreciation charged in the year	18,758
At 31 December 2021	500,662
Carrying amount	
At 31 December 2021	37,514
At 31 December 2020	56,272

At the balance sheet date, the charity owned property which contained ten (2020: ten) dwelling units. All ten of the units were in use throughout the year for the one principal activity of the charity.

The cost of acquiring the Charity's housing land and buildings, is not included in the above. 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.

9 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2021	145,019
Additions	6,772
Valuation changes	13,348
At 31 December 2021	165,139
Carrying amount	
At 31 December 2021	165,139
At 31 December 2020	145,019

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Fixed asset investments

(Continued)

Listed investments are valued at closing mid-market value at the balance sheet date. The historical cost of fixed asset investments is £107,954.

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	94,778
BlackRock Charities UK Equity Fund A Accumulation Units	56,899
BlackRock Charities UK Bond Fund A Accumulation Units	9,293

10 Debtors: amounts falling due within one year

	2021 £	2020 £
Prepayments and accrued income	744	744

11 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	6,661	4,849

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021	New designations	Designations released	Balance at 31 December 2021
	£	£	£	£
Fixed asset fund	10,686	-	(3,562)	7,124
Investment fund	145,019	20,120	-	165,139
Other fund	45,586	-	(15,196)	30,390
	<u>201,291</u>	<u>20,120</u>	<u>(18,758)</u>	<u>202,653</u>

	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>

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 2021 £	Unrestricted funds 2020 £
Fund balances at the reporting date are represented by:		
Tangible assets	37,514	56,272
Investments	165,139	145,019
Current assets	145,038	138,387
	<u>347,691</u>	<u>339,678</u>

EUSTACE HOOK & DRUMMOND MEMORIAL ALMSHOUSES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

14 Financial instruments	2021	2020
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	165,139	145,019
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	6,661	4,849
	<u> </u>	<u> </u>
15 Related party transactions		

There were no related party transactions during the year (2020: none), other than those stipulated in Note 6.