

Charity registration number 231087

**DAWSON'S COTTAGES**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

## DAWSON'S COTTAGES

### LEGAL AND ADMINISTRATIVE INFORMATION

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**Trustees**

Dr M R McLean (Treasurer)

Mrs K McSkimming

Mr P S Ing (Chair)

Dr J J White

Mrs A McKenzie

(Appointed 1 March 2022)

(Appointed 20 January  
2022)

Mrs I V Ewart

(Appointed 15 May 2023)

**Charity number**

231087

**Address for correspondence**

84 Montalbo Road

Barnard Castle

County Durham

DL12 8BP

**Independent examiner**

Mrs J Hindmarsh FCA

Allen Sykes Limited

5 Henson Close

South Church Enterprise Park

Bishop Auckland

Co Durham

DL14 6WA

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# **DAWSON'S COTTAGES**

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# **DAWSON'S COTTAGES**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with 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)" (effective 1 January 2019).

#### **Objectives and activities**

The objectives of the Charity are:

The provision of Almshouses in Barnard Castle, Co. Durham and Brough, Cumbria for widows of good character up in years who are deserving and in need of assistance.

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

#### **Achievements and performance**

During the year the Charity has continued to provide Almshouse accommodation for Beneficiaries of the Charity.

#### **Financial review**

During the year the Charity had maintenance contributions receivable totalling £32,144. The charity generated a deficit of £18,809 during the year of which £8,260 was due to a reduction in value of the charity's investments. At 31st December 2022 the Charity held net current assets of £17,104 and investments valued at £59,808.

The company has no formal reserves policy however the trustees would ideally like to hold free reserves to cover three months expenditure which is currently estimated at approximately £20,000. The company currently has free reserves of £76,712 which is in excess of the prescribed level set.

#### **Policy for selection of investments:**

To select investments which have a managed risk in order to provide income for the Charity as well as capital growth.

#### **Structure, governance and management**

The Charity is governed by the Charity Scheme of 23rd September 1960 and varied by the Scheme dated 22nd September 1997.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr P W Bigge (Resigned 15 May 2023)

Dr M R McLean (Treasurer)

Mrs J M Turnbull (Resigned 7 June 2022)

Mrs K McSkimming

Mr P S Ing (Chair)

Dr J J White (Appointed 1 March 2022)

Mrs A McKenzie (Appointed 20 January 2022)

Mrs I V Ewart (Appointed 15 May 2023)

## DAWSON'S COTTAGES

### TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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The body of Trustees shall consist when complete of eight competent persons being:

Three nominated trustees and Five co-opted Trustees.

Nominated Trustees: The Nominated Trustees shall be appointed for a term of four years as follows:

Two by Barnard Castle Town Council; and

One by Brough Council.

The person(s) appointed may be but need not be a member of the council.

Co-opted Trustees: The Co-opted Trustees shall be appointed for a period of 5 years and be persons who through residence, or occupation or employment, or otherwise have special knowledge of the area of Barnard Castle or the area of Brough.

#### Risk Management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The risks have been reviewed by the trustees and systems established to mitigate those risks.

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



Dr M R McLean (Treasurer)

Trustee

Date: 25/10/2023



Mr P S Ing (Chair)  
Trustee

## DAWSON'S COTTAGES

### INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF DAWSON'S COTTAGES

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I report to the trustees on my examination of the financial statements of Dawson's Cottages (the charity) for the year ended 31 December 2022.

#### **Responsibilities and basis of report**

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

*J Hindmarsh*

Mrs J Hindmarsh FCA  
Independent examiner

**Allen Sykes Limited**

5 Henson Close  
South Church Enterprise Park  
Bishop Auckland  
Co Durham  
DL14 6WA

Dated: *31st October 2023*

## DAWSON'S COTTAGES

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds 2022 £	Unrestricted funds 2021 £
	Notes		
<u>Income from:</u>			
Charitable activities	3	32,144	23,833
Investments	4	241	141
<b>Total income</b>		<b>32,385</b>	<b>23,974</b>
<u>Expenditure on:</u>			
Charitable activities	5	44,934	17,473
<b>Net gains/(losses) on investments</b>	9	<b>(8,260)</b>	<b>1,869</b>
<b>Net movement in funds</b>		<b>(18,809)</b>	<b>8,370</b>
<b>Fund balances at 1 January 2022</b>		<b>95,521</b>	<b>87,151</b>
<b>Fund balances at 31 December 2022</b>		<b>76,712</b>	<b>95,521</b>

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

All income and expenditure derive from continuing activities.

# DAWSON'S COTTAGES

## STATEMENT OF FINANCIAL POSITION

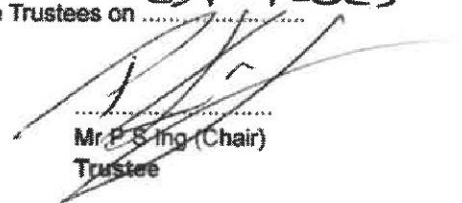
AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Investments	10		59,608		65,868
<b>Current assets</b>					
Debtors	12	10,111		-	
Cash at bank and in hand		7,953		30,253	
		18,064		30,253	
<b>Creditors: amounts falling due within one year</b>	13	(960)		(600)	
<b>Net current assets</b>			17,104		29,653
<b>Total assets less current liabilities</b>			76,712		95,521
<b>Income funds</b>					
Unrestricted funds			76,712		95,521
			76,712		95,521

The financial statements were approved by the Trustees on .....



Dr M R McLean (Treasurer)  
Trustee

25/10/2023  
  
Mr P S Ing (Chair)  
Trustee



# DAWSON'S COTTAGES

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies

##### Charity information

Dawson's Cottages is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 84 Montalbo Road, Barnard Castle, County Durham, DL12 8BP.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). 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 not to prepare a Statement of Cash Flows.

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 £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of 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.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# DAWSON'S COTTAGES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

#### 1.6 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.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 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.

##### *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.

##### *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.

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.

### 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.

# DAWSON'S COTTAGES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 3 Charitable activities

	Provision & Management of Almshouses 2022 £	Provision & Management of Almshouses 2021 £
Maintenance Contributions - Alms People	32,144	23,833

### 4 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Income from listed investments	182	135
Bank interest receivable	59	6
	241	141

### 5 Charitable activities

	Provision & Maintenance of Almshouses 2022 £	Provision & Maintenance of Almshouses 2021 £
Rates & Water	2,960	4,025
Light & heat	380	94
Repairs & maintenance	33,070	3,647
Insurance	1,228	1,111
Legal & professional	4,022	1,665
	41,660	10,542
Share of support costs (see note 6)	-	187
Share of governance costs (see note 6)	3,274	8,744
	44,934	17,473

# DAWSON'S COTTAGES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 6 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Other costs	-	-	-	187	-	187
Legal and professional	-	2,039	2,039	-	6,144	6,144
Accountancy fees	-	-	-	-	600	600
Independent examiner's fees	-	960	960	-	-	-
Other costs	-	275	275	-	-	-
	<u>-</u>	<u>3,274</u>	<u>3,274</u>	<u>187</u>	<u>6,744</u>	<u>6,931</u>
Analysed between						
Charitable activities	<u>-</u>	<u>3,274</u>	<u>3,274</u>	<u>187</u>	<u>6,744</u>	<u>6,931</u>

### 7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

### 8 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Total	<u>-</u>	<u>-</u>

There were no employees whose annual remuneration was more than £60,000.

### 9 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Revaluation of investments	<u>(6,260)</u>	<u>1,869</u>

### 10 Fixed asset investments

# DAWSON'S COTTAGES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

<b>10</b>	<b>Fixed asset investments</b>	<b>(Continued)</b>	
			<b>Listed investments £</b>
	Cost or valuation		
	At 1 January 2022		65,868
	Valuation changes		(6,260)
	At 31 December 2022		<u>59,608</u>
	Carrying amount		
	At 31 December 2022		<u>59,608</u>
	At 31 December 2021		<u>65,868</u>
<b>11</b>	<b>Financial instruments</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	Carrying amount of financial assets		
	Instruments measured at fair value through profit or loss	59,608	65,868
<b>12</b>	<b>Debtors</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	Amounts falling due within one year:		
	Other debtors	10,111	-
<b>13</b>	<b>Creditors: amounts falling due within one year</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	Accruals and deferred income	960	600
<b>14</b>	<b>Related party transactions</b>		
	There were no disclosable related party transactions during the year (2021 - none).		