

THE CINQUE COTTAGES CHARITY

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 DECEMBER 2022

Charity Number: 231798

Registered Housing Association Number: A3706

THE CINQUE COTTAGES CHARITY

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 DECEMBER 2022

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THE CINQUE COTTAGES CHARITY

CHARITY INFORMATION

Chairman	Mr J Collard
Elected Trustees	Mr J Boyd Mr J Collard Mrs S Flew (resigned 31 December 2022) Mrs M Harris Mrs S-J Holden Mrs C Probert Mr S Williams
Clerk	Mr C Larkman
Principal Office	25 Bronson Road London SW20 8DZ
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Investment Managers	CCLA Investment Management Limited 80 Cheapside London EC2V 6DZ
Auditors	Jacob Cavenagh & Skeet 5 Robin Hood Lane Sutton Surrey SM1 2SW

THE CINQUE COTTAGES CHARITY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 December 2022.

Structure, governance and management

Constitution

The Cinque Cottages Charity is a registered charity (number 231798) established by deed on 1 November 1872, and administered in accordance with Charity Commission Schemes dated 29th August 1962, 1 December 1972 and 27 November 1985. After taking legal advice, the charity updated its scheme rules on 10 December 2021.

Organisation

The charity Trustees are incorporated as a body corporate under the power given in section 251 of the Charities Act 2011. The charity is administered by the Trustees who meet twice a year. Those who served since the start of the year are listed on page 1. New Trustees are appointed by existing Trustees and the trustees expect to appoint two new trustees in 2023.

Code of governance

The charity follows the Charity Commission code of governance and has assessed that it has complied with the governance and financial viability standard during the year. The Trustees have reviewed the recommendations and requirements of the charity commission and appropriate policies have been approved.

Risk management

The likelihood and impact of risks is assessed and action plans have been put in place to mitigate those risks which are considered to be most likely and have the highest impact.

COVID-19

Whilst the pandemic is still present to some degree, it has fortunately not impacted on the charity, its Trustees or the residents to date.

Objectives and activities

The object of the Charity is to provide accommodation for men and women of limited means, aged not less than 55, who have been living within a defined area. Those who are given a licence to occupy the Charity's accommodation may be married, and if the licensee should die while the couple are in occupation the widow may be allowed to remain in occupation at the discretion of the Trustees.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Achievements and performance

The charity owns a property at the Crooked Billet, Wimbledon Common, comprising eight single-bedroom, self-contained flats. All of these were occupied for the year by eligible beneficiaries.

The refurbishment programme of the flats was concluded in 2020. Ongoing maintenance works in some of the flats continue as required.

Weekly Maintenance Contributions have been adjusted in accordance with Homes & Communities Agency guidelines.

THE CINQUE COTTAGES CHARITY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

Financial review

Reserves policy

The charity has a permanent endowment fund, the capital of which may not be distributed, and the income of which supports the work of the charity. The Trustees maintain suitable reserves to provide for future repairs to its property.

Investment powers

Under the Charity Commission Scheme rules, the Trustees have the power to manage investments as they best see fit.

Value for money statement

The charity has assessed how it has achieved value for money in delivering its purposes and objectives during the year. Competitive tenders are always sought for the new projects and existing contracts are regularly reviewed.

Value for money metrics

	Metric	2022	2021	Benchmark
1	Reinvestment %	0%	0%	7.30%
2a	New supply delivered % (social housing units)	0%	0%	1.50%
2b	New supply delivered % (non-social housing units)	0%	0%	0.22%
3	Gearing %	-3.95%	-4.80%	45.80%
4	EBITDA MRI interest cover %	n/a	n/a	169.00%
5	Headline social housing cost per unit	£5,413	£5,179	£3,780
6a	Operating margin % (social housing only)	9.98%	6.53%	34.30%
6b	Operating margin % (all units)	9.98%	6.53%	29.70%
7	ROCE %	0.49%	0.30%	4.30%

Explanation of each metric:

1. This metric looks at the investment in properties (existing stock as well as New Supply) as a percentage of the value of total properties held.
2. The new supply metric sets out the number of new housing units that have been acquired or developed in the year as a proportion of total housing units owned at period end.
3. This metric assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance. It is often seen as a key indicator of a registered provider's appetite for growth. The metric becomes negative if the amounts held as cash exceeds the levels of debt.
4. The EBITDA MRI (Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs Included) interest cover measure is a key indicator for liquidity and investment capacity. It seeks to measure the level of surplus that a registered provider generates compared to interest payable; the measure avoids any distortions stemming from the depreciation charge.
5. The unit cost metric assesses the headline social housing cost per unit as defined by the Regulator. The cost measures set out in the metric are unchanged from the metric used in the Regulator's publication Value for Money metrics technical note feedback and responses published in 2018. However, the numerator now includes a separate line for lease costs.
6. The Operating Margin demonstrates the profitability of operating assets before exceptional expenses are taken into account. Increasing margins are one way to improve the financial efficiency of a business. In assessing this ratio, it is important that consideration is given to registered providers' purpose and objectives (including their social objectives). Further consideration should also be given to specialist providers who tend to have lower margins than average.
7. This metric compares the operating surplus to total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources. The ROCE (Return on Capital Employed) metric would support registered providers with a wide range of capital investment programmes.

THE CINQUE COTTAGES CHARITY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

Key management personnel

The key management personnel comprise the Trustees and the Clerk listed on page 1. None of the Trustees derive any remuneration or benefits as a result of their role in the charity. The clerk receives £6,500 per annum in fees, as determined by the Trustees. There are no employees of the charity.

Trustees' responsibilities

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 charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any 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 accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the charity (Accounts and Reports) Regulations 2008, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing in England 2022, the Statement of Recommended Practice for Registered Social Housing Providers (Housing SORP 2018) and the provision 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.

Internal financial control

The Trustees have overall responsibility for establishing and maintaining the charity's system of internal control and for reviewing its effectiveness. The Trustees recognise that no system of internal control can provide absolute assurance against financial misstatement or loss or eliminate all risk. The system of internal controls is designed to manage key risks and to provide reasonable assurance that the charity's objectives are achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the Trustee's assets and interests.

Key elements in maintaining a system of internal controls include ensuring that:

- formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the charity's assets;
- budgets are prepared regularly and are reviewed by the Trustees to measure the financial position and performance of the charity;
- all significant new initiatives and major commitments are subject to formal authorisation procedures by the Trustees.

This approach has operated throughout the year under review. The Trustees confirm that there have been no regulatory concerns that have led the Homes & Communities Agency to intervene, nor any significant failures of internal controls that require disclosure in the financial statements.

THE CINQUE COTTAGES CHARITY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

Disclosure of information to auditors

To the knowledge and belief of the Trustees, there is no relevant information that the charity's auditors are not aware of, and the Trustees have taken all the steps necessary to ensure the Trustees are aware of any relevant information, and to establish that the charity's auditors are aware of the information.

Approved by the Trustees and signed on their behalf by:


J Collard
Chairman

Date:

25/4/23

Opinion

We have audited the financial statements of Cinque Cottages Charity (the "Charity") for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Statement of Changes in Reserves and Equity, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2022 and of its income and expenditure 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, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing in England 2022.

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 the provisions available for small entities, in the circumstances set out in note 12 to the financial statements, 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 12 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 annual report, including 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, except to the extent otherwise explicitly stated in our report, 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Responsibilities of the Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 4, 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the company, we identified that the principal risks of non-compliance with laws and regulations related to financial reporting legislation, housing regulations and health & safety regulations and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing in England 2022.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team.

We determined that the principal risks were related to:

- fraudulent extraction of cash or payment of fake invoices;
- valuation of investments; and
- presentation of separately disclosed items.

In response to the risks identified we designed procedures which included, but were not limited to:

- evaluating the charity's internal controls;
- reviewing minutes of Trustee meetings;
- vouching invoices against payments;
- discussing the activities and accounts with management and Trustees;
- obtaining third party evidence for the valuation of investments; and
- agreeing financial statement disclosures to underlying supporting documentation.

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 auditor's report.

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance Part 4 of the charities (Accounts and Reports) Regulations 2008 and section 137 of the Housing and Regeneration Act 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 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 and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jacob Cavenagh & Skeet
Chartered Accountants and Statutory Auditor

5 Robin Hood Lane,
Sutton, Surrey,
SM1 2SW

Date: 25/04/2023
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Jacob Cavenagh & Skeet is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

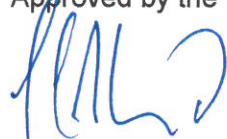
THE CINQUE COTTAGES CHARITY

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Turnover	2	45,639	44,324
Operating expenditure			
Direct property management costs	2	27,330	29,750
Administrative expenses	2	<u>13,754</u>	<u>11,681</u>
		<u>41,084</u>	<u>41,431</u>
Operating surplus/(deficit)		4,555	2,893
Income from fixed asset investments	1	1	1
Interest receivable	20	-	-
Release of Social Housing Grant	5,427	5,427	5,427
Realised gains on fixed asset investments	(2,019)	-	-
Movement in fair value of investments	(24,759)	<u>26,180</u>	<u>26,180</u>
(Deficit)/Surplus for the year		<u>(16,775)</u>	<u>34,501</u>

All income relates to continuing activities.

Approved by the Trustees and signed on their behalf by:

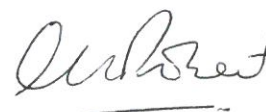


J Collard
Chairman

Date:

14/4/23

C Probert
Trustee



THE CINQUE COTTAGES CHARITY

STATEMENT OF CHANGES IN RESERVES AND EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

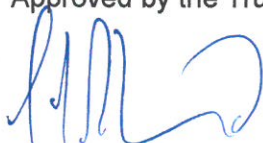
	<i>Unrestricted Funds £</i>	<i>Permanent Endowment Fund £</i>	<i>Total £</i>
Total comprehensive income for the year	3	(16,778)	(16,775)
Funds brought forward as at 1 January 2022	<u>360,990</u>	<u>218,653</u>	<u>579,643</u>
Funds carried forward at 31 December 2022	<u>360,993</u>	<u>201,875</u>	<u>562,868</u>

THE CINQUE COTTAGES CHARITY

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

		2022		2021	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	3		597,891		609,986
Investments	4		<u>312,535</u>		<u>320,613</u>
			910,426		930,599
CURRENT ASSETS					
Debtors	5	1,151		1,024	
Cash at bank	6	<u>23,587</u>		<u>29,287</u>	
		24,738		30,311	
CREDITORS: Amounts falling due within one year	7	(<u>3,265</u>)		(<u>6,809</u>)	
NET CURRENT ASSETS			<u>21,473</u>		<u>23,502</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			931,899		954,101
CREDITORS: Amounts falling due after more than one year	8		(<u>369,031</u>)		(<u>374,458</u>)
NET ASSETS			<u>562,868</u>		<u>579,643</u>
RESERVES AND EQUITY					
Permanent endowment fund	9		201,875		218,653
Unrestricted funds	10		<u>360,993</u>		<u>360,990</u>
			<u>562,868</u>		<u>579,643</u>

Approved by the Trustees and signed on their behalf by:



J Collard
Chairman

Date:

19/4/23

C Probert
Trustee



THE CINQUE COTTAGES CHARITY

STATEMENT OF CASH FLOWS AS AT 31 DECEMBER 2022

	2022 £	2021 £
CASH GENERATED FROM OPERATING ACTIVITIES (see below)	15,355	19,140
Cash flows from investing activities		
Interest received	21	1
Payments to acquire fixed assets	(2,376)	-
Payments to acquire fixed asset investments	(128,600)	-
Proceeds from disposal of investments	109,900	-
Cash provided by investing activities	<u>(21,055)</u>	<u>1</u>
Net change in cash and cash equivalents	(5,700)	19,141
Cash and cash equivalents at 1 January 2022	<u>29,287</u>	<u>10,146</u>
Cash and cash equivalents at 31 December 2022	<u>23,587</u>	<u>29,287</u>
 CASH GENERATED FROM OPERATING ACTIVITIES		
Net income	(16,775)	34,501
Interest received shown in investing activities	(21)	(1)
Depreciation	14,471	14,353
Release of Social Housing Grant	(5,427)	(5,427)
Realised loss/(gain) on revaluation of investment assets	2,019	-
Unrealised loss/(gain) on revaluation of investment assets	24,759	(26,180)
(Increase) in debtors	(127)	(28)
(Decrease)/increase in creditors	<u>(3,544)</u>	<u>1,922</u>
Cash generated from operating activities	<u>15,355</u>	<u>19,140</u>

THE CINQUE COTTAGES CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 ACCOUNTING POLICIES

(a) **Legal information**

The Cinque Cottages Charity is a registered charity (number 231798) established by deed on 1 November 1872, and administered in accordance with Charity Commission Schemes dated 29th August 1962 and 1 December 1972. The charity is governed by its scheme rules dated 10 December 2021. It has been established as a Private Registered Provider of Social Housing and is a public benefit entity.

(b) **Accounting convention**

The accounts are prepared under the historical cost convention modified by the revaluation of investments and in accordance with the Accounting Direction for Private Registered Providers of Social Housing 2022, applicable accounting standards including Financial Reporting Statement 102 (FRS 102) and the Statement of Recommended Practice for Registered Social Housing Providers (Housing SORP 2018).

(c) **Going concern**

The Trustees are confident that the charity can operate on a sound financial footing for the next 12 months. For this reason the accounts are prepared on a going concern basis.

(d) **Turnover**

Turnover represents maintenance charges receivable net of void periods.

(e) **Property and depreciation**

Housing properties are stated at the cost of original refurbishment of the properties, which was completed in 1990, plus relevant expenditure since then. Expenditure on existing properties is capitalised when works result in an enhancement of economic benefits of the asset. Where appropriate, the historic cost less accumulated depreciation of any replaced components is released from the asset and recognised as a loss on disposal.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life. The following rates are used on a straight line basis:

Land	Nil
Buildings – superstructure	100 years
Flat refurbishments	20 years

(f) **Government Grants**

Government Grants (including Social Housing Grant) is recognised under the accrual model as a grant relating to assets in income on a systematic basis over the expected useful life of the housing property assets.

(g) **Investments**

Investments are stated at mid-market value. Net gains or losses on revaluation are now included in the net surplus or deficit arising from comprehensive income.

THE CINQUE COTTAGES CHARITY

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

1 ACCOUNTING POLICIES (continued)

(h) **Trade and other debtors**

Prepayments are valued at the amount prepaid. Accrued income is valued at the amount accrued.

(i) **Cash and cash equivalents**

Cash and cash equivalents include cash and short term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit.

(j) **Creditors**

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

(k) **Financial instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2 PARTICULARS OF TURNOVER AND OPERATING COSTS

	2022 £	2021 £
Turnover from lettings		
Maintenance contributions receivable	45,639	44,324
Maintenance contribution losses arising from voids	-	-
	<u>45,639</u>	<u>44,324</u>
Direct property management costs		
Repairs and maintenance (excluding capitalised items as detailed in note 3 below)	2,752	5,820
Management fees	6,048	6,048
Water and electricity	2,762	2,304
Insurance	1,297	1,225
Depreciation	<u>14,471</u>	<u>14,353</u>
	<u>27,330</u>	<u>29,750</u>
Administrative expenses		
Audit	1,752	1,682
Accountancy	1,500	1,428
Clerk's fees	6,500	6,375
Legal and professional	-	1,380
Quinquennial report	-	-
150 th Anniversary party	2,671	-
Grants	500	-
Other costs	<u>831</u>	<u>816</u>
	<u>13,754</u>	<u>11,681</u>
Operating surplus	<u>4,555</u>	<u>2,893</u>

At 31 December 2022 there were 8 units of general needs housing (2021: 8 units) which are made available under the terms of the trust.

THE CINQUE COTTAGES CHARITY

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

3 TANGIBLE FIXED ASSETS

Freehold housing properties £

Cost

As at 1 January 2022	808,434
Additions	<u>2,376</u>
As at 31 December 2022	<u>810,810</u>

Depreciation

As at 1 January 2022	198,448
Charge for the year	<u>14,471</u>
As at 31 December 2022	<u>212,919</u>

Net book value

As at 31 December 2022	<u>597,891</u>
As at 31 December 2021	<u>609,986</u>

Works to property expenditure

	2022	2021
	£	£

Revenue maintenance costs	2,752	5,820
Capitalised expenditure	<u>2,376</u>	<u>-</u>
Total expenditure on works to property	<u>5,128</u>	<u>5,820</u>

Items are capitalised when they result in the enhancement of the economic benefit of the property.

4 INVESTMENTS

£

Market value

As at 1 January 2022	320,613
Additions at cost	128,600
Disposals	(111,919)
Movement in market value	<u>(24,759)</u>
As at 31 December 2022	<u>312,535</u>

Historic cost

As at 31 December 2022	<u>276,660</u>
As at 31 December 2021	<u>258,545</u>

THE CINQUE COTTAGES CHARITY

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

5	TRADE AND OTHER DEBTORS	2022	2021	
		£	£	
	Prepayments	947	883	
	Accrued income	<u>204</u>	<u>141</u>	
		<u>1,151</u>	<u>1,024</u>	
6	CASH AND CASH EQUIVALENTS	2022	2021	
		£	£	
	Current accounts	<u>23,587</u>	<u>29,287</u>	
7	CREDITORS: Amounts falling due within one year	2022	2021	
		£	£	
	Sundry creditors and accruals	<u>3,265</u>	<u>6,809</u>	
8	CREDITORS: Amounts falling due after more than one year	2022	2021	
		£	£	
	Deferred income	<u>369,031</u>	<u>374,458</u>	
	Deferred income: Social Housing Grants		£	
	Original Social Housing Grant		542,693	
	Grant released in previous periods		(168,235)	
	As at 1 January 2022		374,458	
	Release of grant in the year		(5,427)	
	As at 31 December 2022		<u>369,031</u>	
9	PERMANENT ENDOWMENT FUND	Original	Subsequent	
		endowment	gains	Total
		£	£	£
	As at 1 January 2022	120,955	97,698	218,653
	Realised gain/(loss) on endowment investments during the year	-	(1,756)	(1,756)
	Unrealised gain/(loss) on endowment investments during the year	-	(15,022)	(15,022)
	As at 31 December 2022	<u>120,955</u>	<u>80,920</u>	<u>201,875</u>

THE CINQUE COTTAGES CHARITY

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

10 UNRESTRICTED FUNDS

**Total
£**

As at 1 January 2022	360,990
Surplus for the year	9,740
Unrealised gain/(loss) on revalued investments during the year	(9,737)
As at 31 December 2022	<u>360,993</u>

11 TRUSTEES AND KEY MANAGEMENT PERSONNEL

No Trustee has received any remuneration in respect of their services as trustees during the year (2021: £Nil). The charity reimbursed expenses to the Trustees totalling £Nil (2021: £Nil).

The clerk received fees totalling £6,500 during the year (2021: £6,375).

12 OTHER PROFESSIONAL SERVICES PROVIDED BY THE AUDITORS

In common with many other charities of our size and nature we use our auditors to assist with the preparation of the financial statements.

THE CINQUE COTTAGES CHARITY

SCHEDULE OF INVESTMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

ENDOWMENT FUNDS		Cost £	Market value £	Income £
Holding	Unit Trusts			
-	COIF Investment fund – Income	-	-	-
-	COIF Fixed interest fund – Income	-	-	-
916.00	COIF Investment fund – Accumulation	196,145	201,875	-
-	COIF Fixed interest fund – Accumulation	-	-	-
	Total endowment fund investments	<u>196,145</u>	<u>201,875</u>	<u>-</u>
GENERAL FUND		Cost £	Market value £	Income £
Holding	Unit Trusts			
1.53	COIF Investment fund – Income	14	28	1
8.73	COIF Fixed interest fund – Income	12	10	-
498.37	COIF Investment fund – Accumulation	79,849	109,835	-
93.96	COIF Fixed interest fund – Accumulation	<u>640</u>	<u>787</u>	<u>-</u>
	Total general fund investments	<u>80,515</u>	<u>110,660</u>	<u>1</u>
	Total investments	<u>276,660</u>	<u>312,535</u>	<u>1</u>

SCHEDULE OF UNRESTRICTED FUNDS FOR THE YEAR ENDED 31 DECEMBER 2022

	Income and expenditure account £	Property equity reserve £	Total £
As at 1 January 2022	125,462	235,528	360,990
Surplus for the year	9,740	-	9,016
Unrealised surplus on revalued investments for the year	(9,737)	-	(9,737)
Transfer of capital additions	(2,376)	(2,376)	-
Transfer of depreciation charge	14,471	(14,471)	-
Transfer of release of SHG	(5,427)	5,427	-
As at 31 December 2022	<u>132,133</u>	<u>228,860</u>	<u>360,993</u>