

Charity Registration No. 288402

Company Registration No. 01743492 (England and Wales)

THE GORDON CARLING FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

THE GORDON CARLING FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr C Voisey Mrs A Widger Mrs A S Bishop Mrs B Gill Ms L Ellis Mr R A Bishop Dr K Porkess
Secretary	Mrs A S Bishop
Charity number	288402
Company number	01743492
Registered office	30 Fore Street Totnes Devon TQ9 5RP
Auditor	Darnells Audit Limited Quay House Quay Road Newton Abbot Devon TQ12 2BU
Bankers	Lloyds TSB 65/67 Fore Street Kingsbridge Devon TQ7 1PN
Solicitors	Beers 29 Fore Street Kingsbridge Devon TQ7 1AA

THE GORDON CARLING FOUNDATION

CONTENTS

	Page
Trustees' report	1 - 5
Independent auditor's report	6 - 8
Statement of financial activities	9
Balance sheet	10
Notes to the financial statements	11 - 18

THE GORDON CARLING FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report, together with the accounts and independent auditors report of the charitable company for the year ended 31 March 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Memorandum & Articles of Association dated 29 July 1983 and amended on 14 April 2003, 20 September 2004, 15 June 2009 and 17 July 2018, the Companies Act 2006 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

Objectives and aims

The objects of the Charity are to ensure that people with a Learning Disability living in South Devon have the opportunity to enjoy the widest possible independence and quality of life. This is enabled by providing safe and secure housing for their residents, who are adults with learning difficulties, in South Devon.

The aim is to enable residents and others who are supported to live as fulfilling lives as possible. This is done by offering appropriate financial support to those in difficulties and by encouraging the provision of activities and educational opportunities to the residents and to all other persons with learning difficulties resident in South Devon.

Public benefit

The Trustees have complied with their duty to have due regards to the guidance on public benefit published by The Charity Commission. The Charity fulfils its duties via the provision of housing support and financial support to adults with learning difficulties in South Devon. They review public benefits as part of their aims and objectives and planning future objectives.

They actively maintain a programme of maintenance of all the properties to ensure they meet the individual needs of tenants and work tirelessly to promote social aspect for all those individuals and families that they support.

The Charity has a policy for the allocation of grants to residents and they may apply to the Secretary at any time for financial assistance. The Charity also provides financial support to the Gateway Club who promote activities for the residents so they are able to live as fulfilling lives as possible.

Achievements and performance

During the year the Charity provided accommodation for 27 residents in 19 properties, including 6 units at Carling Court and 4 at Alta Vista all of which are owned by the Charity.

The Trustees continue to ensure that all the needs and requirements of the residents are met as soon as the Charity is able to carry them out.

The care of residents is provided by Newkey and The Gordon Carling Foundation will continue to work closely with them to ensure that the needs of our vulnerable residents are fully met.

THE GORDON CARLING FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Financial review

There was a surplus of income over expenditure for the year of £71,339 (2020: £70,833).

This financial year again saw significant expenditure of £98,935 in respect of repairs and maintenance with the main expense being work to rectify subsidence at Hillview, South Brent together with repair work arising from providing additional accommodation at the property to allow for one of our residents to move from Kingsbridge.

Letting voids at Carling Court, 14 Museum Court, 16 Hillside and Hillview have resulted in a loss of income to the Charity in the current year of £33,000.

The Charity reported last year on the conversion of Hillview and it was hoped to complete this in June 2020 which was then extended to September 2020 but because of Covid 19 and unforeseen problems the work was not finished until March 2021. It was a frustrating time for all concerned and we appreciate all the hard work that finally resulted in the new resident moving in as the same month as completion. It also resolved our problem with voids as it filled the vacancy at Hillview and released 16 Hillside for sale which has been completed following the year end. The Charity will decide at a future meeting on how to use the proceeds from the sale. The vacancy at Carling Court has also been filled which only leaves 14 Museum Court and the Charity is actively pursuing this void with Devon County Council Social Services, but appreciate that their job has been made very difficult in the present circumstances especially with the needs of vulnerable adults.

The Charity does not carry out fundraising activities.

Reserves Policy

The Trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the Charity should represent 3 months' charitable expenditure.

At this level, the management Committee feel that they would be able to continue the current activities of the Charity in the event of a significant drop in funding. The majority of funding comes from rental of various properties, and the Trustees feel that the risk that all income ceased would be unlikely and therefore is able to service its liabilities and the level of reserves is sufficient to enable continuation of the charitable activities.

The free reserves of the Charity at 31 March 2021 were £211,453 (2020: £243,282) which is well above the level of approximately £49,000 under the policy. The Trustees anticipate further significant expenditure on the properties (including further remedial work on Hill View) which will reduce the reserves to the stated level.

In addition, there is always a threat that Central and Local Government will be looking for opportunities to reduce their spending and the Trustees are aware that they need to protect the level of reserves currently held, without reducing budgeted costs.

Plans for future periods

The Charity still remains in a very strong financial position as the accounts show and the Trustees are agreed that we need to ensure that this continues. We reported last year that we were in contact with Golden Lane Housing to lease our properties on an initial five year period. The Charity will remain as the owners but the day to day maintenance will be the responsibility of Golden Lane Housing during the five year initial lease. The transfer has proved to be extremely difficult and during the two and a half years since this process started only two properties have been transferred. The difficulties with Devon County Council are Best Interest Statements and the signing of tenancy agreements for those who are deemed not to have capacity to understand and do not have a deputy. It has been a frustrating time again not helped by Covid 19 but towards the end of this current year we understand that more transfers are in the pipeline. The Charity, Golden Lane Housing and Devon County Council are all committed to ensuring that when final arrangements are confirmed the security and welfare of our residents is maintained.

THE GORDON CARLING FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

The Trustees intend, regardless of any future developments, that they will:

- a) Continue to ensure that all our properties are maintained to a high standard;
- b) Ensure a good working relationship with the local housing authority, Newkey and Golden Lane Housing to ensure that any changes in funding are managed to avoid a detrimental knock on effect of the Charity;
- c) To review potential purchases of property if the circumstances allow.

Structure, governance and management

Constitution

The Charity is a company limited by guarantee. The charitable company's Memorandum and Articles of Association from its incorporation on 29 July 1983 as amended by the special resolutions dated 14 April 2003, 20 September 2004, 15 June 2009 and 17 July 2018 are the primary governing documents of the Charity. The company registration number is 01743492. In the event of the charitable company being wound up every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets.

The Governing Document was also updated on 8 December 2005 following the change of name from South Hams Society for the Mentally Handicapped after disaffiliation from Mencap. It has also been updated and re-written in accordance with the recommendations and approval of the Charity Commission, by Special Resolution, by the members at the Annual General Meeting 20 July 2009.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr C Voisey
Mrs A Widger
Mrs A S Bishop
Mrs B Gill
Ms L Ellis
Mr R A Bishop
Dr K Porkess

Recruitment and appointment of new Trustees

The members carry out the election of the officers and committee members at the Annual General Meeting. Nominations are made in writing and delivered to the secretary. Each nomination must be proposed and seconded by a voting member of the Association and accompanied by the written consent of the nominee. New Trustees are inducted into the workings of the Charity through a carefully organised induction programme and once appointed during meetings held on a monthly basis. All Trustees have attended appropriate training organised locally.

Organisational structure

Full responsibility for the running of the Charity is vested in Trustees who by reason of the incorporation of the Charity are also directors of the Company. The Company is limited by guarantee and does not have share capital. The Memorandum of Association precludes the Trustees/Directors from receiving any remuneration or benefits.

The Trustees meet for business meetings on a monthly basis subject to disruption arising from the COVID pandemic.

THE GORDON CARLING FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have conducted their own review of the major risks to which the Charity is exposed and systems have been established to mitigate those risks. Internal risks are minimised by the implementation of procedures for the authorisation of all transactions and to ensure consistent quality of delivery for all operational aspects of the Charity. These procedures are periodically reviewed to ensure that they still meet the needs of the Charity.

The key controls used by the Charity include:

- Formal agendas for all Committee and Board meetings;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Clear authorisation and approval levels.

The Trustees recognise that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The Trustees are aware of uncertainties in relation to Government funding continuing to be available for the type of accommodation provided. The Trustees monitor Government policy and announcements for potential changes and are in a position to respond if necessary.

Statement of Trustees' responsibilities

The Trustees, who are also the directors of The Gordon Carling Foundation for the purpose of company law, 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).

Company Law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 UK 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

A resolution proposing that Darnells Chartered Accountants be reappointed as auditors of the company for 2022 will be put to the members at the Annual General Meeting.

THE GORDON CARLING FOUNDATION

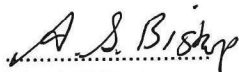
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Disclosure of information to auditor

The Directors have confirmed that there is no information of which they are aware which is relevant to the audit but which the Charity's auditor are unaware. Additionally, the Directors/Trustees have taken all the necessary steps that they ought to have taken as Directors/Trustees in order to make themselves aware of all relevant audit information and to establish that the Charity's auditor are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The Trustees' report was approved by the Board of Trustees, as company directors and signed on its behalf by:



Mrs A S Bishop

Trustee

Dated: 17/12/2021

THE GORDON CARLING FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE GORDON CARLING FOUNDATION

Opinion

We have audited the financial statements of The Gordon Carling Foundation (the 'charitable company') for the year ended 31 March 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 charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company 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 charitable company'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 annual 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.

THE GORDON CARLING FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE GORDON CARLING FOUNDATION

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charitable company for the purpose of company law, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

However, the primary responsibility for the prevention and detection of fraud rests with those charged with governance of the company and management.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the company, and determined the most significant are the Landlord and Tenant Act 1985, the Landlord and Tenant Act 1987 and the Housing Act 2004.

THE GORDON CARLING FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE GORDON CARLING FOUNDATION

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by considering the controls that the company has established to both address risks identified by management and to prevent, deter and detect fraud. No particular areas were identified during the audit as being susceptible to material misstatement due to fraud.

We evaluated the conditions in the context of incentives and/or pressure to commit fraud, considering the opportunity to commit fraud and the potential rationalisation of the fraudulent act.

Based on this understanding, we designed our audit procedures to detect material misstatements in respect of irregularities, including fraud, and to identify non-compliance with the laws and regulations above, as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of management in compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing compliance with letting laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

We corroborated our enquiries through inspection of supporting documentation and records, as well as reviewing correspondence with regulatory bodies where available.

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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Beard (Senior Statutory Auditor)
for and on behalf of Darnells Audit Limited
Statutory Auditor

Date: 22/12/2021
Quay House
Quay Road
Newton Abbot
Devon
TQ12 2BU

THE GORDON CARLING FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Charitable activities	2	258,573	-	258,573	297,366	-	297,366
Investments	3	19	-	19	1,100	-	1,100
Other income	4	7,169	-	7,169	6,170	-	6,170
Total income		<u>265,761</u>	<u>-</u>	<u>265,761</u>	<u>304,636</u>	<u>-</u>	<u>304,636</u>
Expenditure on:							
Charitable activities	5	<u>194,422</u>	<u>-</u>	<u>194,422</u>	<u>233,803</u>	<u>-</u>	<u>233,803</u>
Net income for the year/ Net movement in funds		71,339	-	71,339	70,833	-	70,833
Fund balances at 1 April 2020		<u>2,719,391</u>	<u>35,530</u>	<u>2,754,921</u>	<u>2,648,558</u>	<u>35,530</u>	<u>2,684,088</u>
Fund balances at 31 March 2021		<u><u>2,790,730</u></u>	<u><u>35,530</u></u>	<u><u>2,826,260</u></u>	<u><u>2,719,391</u></u>	<u><u>35,530</u></u>	<u><u>2,754,921</u></u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE GORDON CARLING FOUNDATION

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	9		3,428,005		3,360,890
Current assets					
Debtors	10	17,292		19,194	
Cash at bank and in hand		258,668		288,196	
		<u>275,960</u>		<u>307,390</u>	
Creditors: amounts falling due within one year	12	(66,897)		(65,201)	
Net current assets			209,063		242,189
Total assets less current liabilities			<u>3,637,068</u>		<u>3,603,079</u>
Creditors: amounts falling due after more than one year	13		(810,808)		(848,158)
Net assets			<u>2,826,260</u>		<u>2,754,921</u>
Income funds					
Restricted funds	14	35,530		35,530	
Unrestricted funds		2,790,730		2,719,391	
		<u>2,826,260</u>		<u>2,754,921</u>	

The financial statements were approved by the Trustees on 17/12/2021

Mr R A Bishop
Trustee

Company Registration No. 01743492

THE GORDON CARLING FOUNDATION

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

1 Accounting policies

Charity information

The Gordon Carling Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 30 Fore Street, Totnes, Devon, TQ9 5RP.

1.1 Accounting convention

The financial statements of the Charity have been prepared in accordance with the Charity's Memorandum and Articles of Association, the Companies Act 2006 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)". The charitable company 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 are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. 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 accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

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.

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.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business net of discounts.

Rent is received on a monthly basis and is recognised when due.

THE GORDON CARLING FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised as resources expended once there is a legal or constructive obligation to a third party, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the obligation can be measured reliably. All expenditure is accounted for on the accruals basis and includes irrecoverable VAT. Expenditure is allocated to categories either on a direct or a usage basis.

Expenditure attributable to meeting the aims and objectives, including the support costs, is included in charitable activities.

Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include the costs related to the audit of the accounts.

Overhead costs incurred wholly or mainly in support of expenditure on the objects of the Charity and being an integral part of the costs of carrying out those activities, are separately analysed within Charitable Expenditure in the Statement of Financial Activities as appropriate.

1.6 Tangible fixed assets

Tangible fixed assets costing £500 or more are capitalised and are carried at historic cost, net of depreciation and any provision for impairment.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	1% on cost of buildings
Leasehold land and buildings	straight line over period of lease
Plant and equipment	10% on cost
Fixtures and fittings	10% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include trade and other receivables 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.

THE GORDON CARLING FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the assets expire or are settled or when the Charity transfers the financial assets and substantially all the risks and rewards of ownership to another entity.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, 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. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Financial liabilities classified as payable within one year are not amortised.

Trade payables 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 payables 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.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

2 Charitable activities

	Unrestricted funds	Unrestricted funds
	Provision of safe & secure residential housing	Provision of safe & secure residential housing
	2021	2020
	£	£
Rental income	258,573	297,366

THE GORDON CARLING FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

3 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Bank interest receivable	19	1,100

4 Other income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Feed in tariff	7,169	6,170

5 Charitable expenditure

Advancement of safe and secure residential housing for adults with learning difficulties

	2021 £	2020 £
Depreciation and impairment	25,421	40,594
Repairs and maintenance	98,935	112,959
Insurance	8,856	9,158
Garden expenses	6,415	6,265
Council tax	1,409	965
Rent	-	5,698
Service charges and ground rent	1,099	2,061
Bank loan interest	42,835	44,656
Legal and professional fees	-	660
Utilities	1,089	2,044
	<u>186,059</u>	<u>225,060</u>
Share of support costs (see note 6)	1,959	1,848
Share of governance costs (see note 6)	6,404	6,895
	<u>194,422</u>	<u>233,803</u>

THE GORDON CARLING FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Bank charges	197	-	197	206	-	206
Sundries	262	-	262	142	-	142
Donations	1,500	-	1,500	1,500	-	1,500
Auditor's fees - external scrutiny	-	3,300	3,300	-	3,300	3,300
Auditor's fees - other services	-	2,954	2,954	-	2,970	2,970
Trustee travel and expenses	-	150	150	-	521	521
Annual General Meeting costs	-	-	-	-	104	104
	<u>1,959</u>	<u>6,404</u>	<u>8,363</u>	<u>1,848</u>	<u>6,895</u>	<u>8,743</u>
Analysed between Charitable activities	<u>1,959</u>	<u>6,404</u>	<u>8,363</u>	<u>1,848</u>	<u>6,895</u>	<u>8,743</u>

Governance costs includes payments to the auditors of £3,300 (2020: £3,300) for audit fees and £2,954 (2020: £2,970) for other services

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year. (2020: Nil).

One Trustee was reimbursed a total of £150 for travelling and sundry expenses (2020: two Trustees were reimbursed a total of £521 for travelling and meeting expenses).

8 Employees

The Charity had no employees during the year (2020: none).

THE GORDON CARLING FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

9 Tangible fixed assets

	Freehold land and buildings	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Total
	£	£	£	£	£
Cost					
At 1 April 2020	2,969,193	488,242	53,482	125,079	3,635,996
Additions	76,358	-	-	16,179	92,537
At 31 March 2021	3,045,551	488,242	53,482	141,258	3,728,533
Depreciation and impairment					
At 1 April 2020	107,207	26,077	42,784	99,039	275,107
Depreciation charged in the year	10,391	2,381	5,348	7,301	25,421
At 31 March 2021	117,598	28,458	48,132	106,340	300,528
Carrying amount					
At 31 March 2021	2,927,953	459,784	5,350	34,918	3,428,005
At 31 March 2020	2,861,986	462,165	10,699	26,040	3,360,890

Land and buildings with a net book value of £2,390,223 (2020: £2,399,530) have been pledged as security for bank loans.

10 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	20	20
Prepayments and accrued income	17,272	19,174
	17,292	19,194

11 Loans and overdrafts

	2021 £	2020 £
Bank loans	848,728	884,871
Payable within one year	37,920	36,713
Payable after one year	810,808	848,158
Amounts included above which fall due after five years:		
Payable by instalments	638,779	682,286

THE GORDON CARLING FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Loans and overdrafts

(Continued)

The bank loans are secured by a fixed and floating charge over the freehold properties 16 Hillside Drive, 21 Northville Park, Alta Vista, 1 Saffron Park and Dovedale and the leasehold properties 9 Albion Gardens and Britannia House. The bank loans are further secured by an unlimited debenture incorporating a fixed and floating charge.

12 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans	11	37,920	36,713
Trade creditors		3,334	14,208
Accruals and deferred income		25,643	14,280
		<u>66,897</u>	<u>65,201</u>

13 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	11	<u>810,808</u>	<u>848,158</u>

14 Restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		
	Balance at 1 April 2019 £	Incoming resources £	Balance at 1 April 2020 £	Incoming resources £	Balance at 31 March 2021 £
Restricted legacy	<u>35,530</u>	<u>-</u>	<u>35,530</u>	<u>-</u>	<u>35,530</u>

The restricted legacy arises from funds received and specified to be used in the Totnes area.

THE GORDON CARLING FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

15 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	3,428,005	-	3,428,005	3,360,890	-	3,360,890
Current assets/ (liabilities)	173,533	35,530	209,063	206,659	35,530	242,189
Long term liabilities	(810,808)	-	(810,808)	(848,158)	-	(848,158)
	<u>2,790,730</u>	<u>35,530</u>	<u>2,826,260</u>	<u>2,719,391</u>	<u>35,530</u>	<u>2,754,921</u>

16 Events after the reporting date

Since the year end a freehold property with a carrying value of £329,545 has been sold for net sale proceeds of £463,497.

17 Related party transactions

In the year a property was let to Miss S Bishop, daughter of the Trustees Mr R A Bishop and Mrs A S Bishop, under normal tenancy terms. Rent of £9,380 (2020: £17,421) was payable until the property lease was transferred to Golden Lane Housing (an unconnected charity with similar objects).

THE GORDON CARLING FOUNDATION
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 MARCH 2021

THE GORDON CARLING FOUNDATION

DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	£	2021 £	£	2020 £
Income from:				
Charitable activities				
Rental income		258,573		297,366
Investment income				
Bank interest receivable		19		1,100
Other income				
Feed in tariff		7,169		6,170
Total income		265,761		304,636
Resources expended:				
Charitable activities				
Provision of safe & secure residential housing				
Freehold and leasehold property depreciation	12,256		12,516	
Plant and machinery depreciation	5,864		5,347	
Fixtures and fittings depreciation	7,301		12,508	
Impairment losses	-		10,223	
Repairs and maintenance	98,935		112,959	
Insurance	8,856		9,158	
Garden expenses	6,415		6,265	
Council tax	1,409		965	
Rent for Waterside and Hurrell Court	-		5,698	
Service charges and ground rents	1,099		2,061	
Bank loan interest	42,835		44,656	
Legal and professional fees	-		660	
Utilities	1,089		2,044	
Share of support costs	1,959		1,848	
Share of governance costs	6,404		6,895	
		(194,422)		(233,803)
Net movement in funds		71,339		70,833

THE GORDON CARLING FOUNDATION

SUPPORT AND GOVERNANCE COSTS FOR THE YEAR ENDED 31 MARCH 2021

		2021		2020
	£	£	£	£
Support costs				
Bank charges		197		206
Sundries		262		142
Donations		1,500		1,500
		<u>1,959</u>		<u>1,848</u>
Governance costs				
Auditor's fees - external scrutiny	3,300		3,300	
Auditors's fees - other services	2,954		2,970	
Trustee travel and expenses	150		521	
Annual General Meeting costs	-		104	
	<u> </u>		<u> </u>	
		6,404		6,895
		<u>8,363</u>		<u>8,743</u>