

THE HOSPITAL OF THE HOLY TRINITY, AYLESFORD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016

THE HOSPITAL OF THE HOLY TRINITY, AYLESFORD

CHARITY INFORMATION AS AT 31 JULY 2016

| | |
|---|--|
| Trustees | R Rev J Hall (Chairman) W A Longmuir W D May (Life Member) Mrs B Sladen Mrs A Beale Councillor A Sullivan Councillor M Base Mr B Halliday |
| Clerk | G E Sladen |
| Registered Charity Number | 225510 |
| Homes and Communities Agency Reference | A3564 |
| Registered address | Anchor Oast Rochester Road Aylesford Kent ME20 7EA |
| Accountants | MHA MacIntyre Hudson Victoria Court 17-21 Ashford Road Maidstone Kent ME14 5FA |
| Bankers | National Westminster Bank Plc 3 High Street Maidstone Kent ME14 1XU |

THE HOSPITAL OF THE HOLY TRINITY, AYLESFORD

CONTENTS

| | Page |
|-----------------------------------|-------|
| Trustees' report | 1 - 2 |
| Accountants' report | 3 |
| Statement of comprehensive income | 4 - 5 |
| Statement of financial position | 6 |
| Statement of changes in reserves | 7 |
| Statement of cash flows | 8 |
| Notes to the financial statements | 9-17 |

THE HOSPITAL OF THE HOLY TRINITY, AYLESFORD

TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2016

The trustees have pleasure in presenting their annual report and financial statements for the year ended 31 July 2016.

Objectives and Activities of the Charity

The charity's objective is to provide almshouse accommodation for aged poor and deserving persons within the parish of Aylesford in accordance with the Trust Deed dated 22 July 1960. The charity is registered with the Charity Commission (registration number 225510), and with the Homes and Communities Agency (registration number A3564). The activities for the year are set out on pages 4 and 5 in the Statement of Comprehensive Income.

Structure, governance and management

The board of trustees consists of a maximum of three ex-officio trustees, being the vicar and churchwardens in the parish of Aylesford, two nominative trustees appointed by Tonbridge and Malling Borough Council for a four year term, and three co-optative trustees appointed for a five year term at a meeting of the trustees. They are local people, often but not always with some connection to the church, who are thought to be suitable on account of their skills and interests. At induction, new Trustees are given copies of the minutes of recent board meetings and a copy of "The Essential Trustee" produced by the Charities Commission and dated June 2005.

All decisions are made by the trustees at meetings held several times a year.

The following trustees held office during the year and since the year end:

| | |
|---------------------------|----------------------------|
| C van Straaten (Chairman) | (Retired 14 February 2016) |
| W A Longmuir | |
| W D May (Life Member) | |
| B Sladen | |
| A Beale | |
| A Sullivan | |
| M Base | |
| B Halliday | |
| J Hall (Chairman) | (Appointed 9 August 2016) |

Achievements and Performance

The Trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charities Commission. During the year, in accordance with the Charity's aims, the charity's principal activity for the public benefit was to provide supported housing consisting of eleven single flats and three double flats. All of the flats were occupied for the whole year.

The surplus for the year amounts to £52,733 (2014 - £25,498) and the detail thereof is set out on pages 4 and 5.

Risk management

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

Value for money statement

The Trustees' strive to achieve and demonstrate value for money in all the operations of the charity.

THE HOSPITAL OF THE HOLY TRINITY, AYLESFORD

TRUSTEES' REPORT (CONTINUED) *FOR THE YEAR ENDED 31 JULY 2016*

Financial Review

Policy on reserves

There is no formal policy. The trustees have to be prepared to meet an unexpected crisis, although the buildings and contents are insured appropriately.

The cyclical maintenance fund is designed to meet the cost of routine maintenance and repairs, whereas the extraordinary repair fund is designed to meet the costs of unexpected repairs and other work.

By order of the board

G E Sladen

Clerk

Date: 11 January 2017

THE HOSPITAL OF THE HOLY TRINITY, AYLESFORD

ACCOUNTANTS' REPORT TO THE BOARD OF TRUSTEES ON THE UNAUDITED ACCOUNTS OF THE HOSPITAL OF THE HOLY TRINITY, AYLESFORD

We report on the accounts for the year ended 31 July 2016, set out on pages 4 to 14.

Respective responsibilities of the Board and reporting accountants

The Board of the Registered Social Housing Provider is responsible for the preparation of the accounts, and they consider that the Registered Social Housing Provider is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our procedures consisted of comparing the accounts with the accounting records kept by the Registered Social Housing Provider and making such enquiries of the officers of the Registered Social Housing Provider as we considered necessary for the purpose of this report. These procedures provide the only assurance expressed in our opinion.

Opinion

In our opinion:

- the accounts for the year ended 31 July 2016 are in accordance with the accounting records kept by the Registered Social Housing Provider under paragraph 135(2)(a) of the Housing and Regeneration Act 2008;
- having regard only to, and on the basis of the information contained in the accounting records:
- the accounts comply with the requirements of the Charities Act 2011;
- the Registered Social Housing Provider has satisfied the conditions for exemption from an audit of the accounts for the year ended 31 July 2016 specified in section 136(3) of the Housing and Regeneration Act 2008;
- the accounts comply with the requirements of the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2015.

MHA MacIntyre Hudson

Reporting Accountants
Victoria Court
17-21 Ashford Road
Maidstone
Kent
ME14 5FA

Date: 11 January 2017

THE HOSPITAL OF THE HOLY TRINITY, AYLESFORD

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 JULY 2016

| | Notes | £ | 2016 £ | £ | 2015 £ |
|-------------------------------------|-------|---------------|-----------------|---------------|-----------------|
| Turnover | | | | | |
| Weekly maintenance contributions | | | 54,213 | | 53,760 |
| Deferred grant income released | | | <u>8,025</u> | | <u>8,025</u> |
| | | | 62,238 | | 61,785 |
| Less operating expenditure: | | | | | |
| Direct costs | | | | | |
| Common area rates | | 2,903 | | 3,858 | |
| Insurance | | 1,755 | | 1,675 | |
| Heating and lighting | | 235 | | 301 | |
| Routine repairs and maintenance | | 5,359 | | 14,286 | |
| Decking | | 365 | | - | |
| Cleaning | | 662 | | 528 | |
| Community alarm scheme | | 305 | | 555 | |
| Tree felling | | 650 | | - | |
| Heritage stone | | - | | 3,367 | |
| Forge engineering | | - | | 540 | |
| Redundant pipework | | - | | 360 | |
| Flat 17 work | | - | | 1,284 | |
| Descalers | | - | | 2,450 | |
| Refunds to Flat 5 | | - | | 34 | |
| Portrait repairs | | - | | 155 | |
| Refund for flowers | | - | | 99 | |
| Flat 14/16 expenses | | 165 | | 3,932 | |
| Surveyor's fee | | 1,580 | | 474 | |
| Flat 5/7 expenses | | 1,047 | | - | |
| Decommissioning pull cords expenses | | 1,299 | | - | |
| Electrical inspection fees | | 2,571 | | - | |
| Legionella water risk assessment | | 600 | | - | |
| Bad and doubtful debts | | 2,266 | | - | |
| Valuation fees | | 36 | | - | |
| Depreciation | | <u>13,178</u> | | <u>11,266</u> | |
| | | | <u>(34,976)</u> | | <u>(45,164)</u> |
| Gross profit | | | 27,262 | | 16,621 |
| Management costs | | | | | |
| Clerk's fees and expenses | | 1,834 | | 1,734 | |
| Sundry office expenses | | 324 | | 223 | |
| Legal and prof fees | | 744 | | - | |
| Accountancy | | 2,820 | | 1,680 | |
| Charitable donations - other | | <u>20</u> | | <u>25</u> | |
| | | | <u>(5,742)</u> | | <u>(3,662)</u> |
| Carried forward | | | 21,520 | | 12,959 |

THE HOSPITAL OF THE HOLY TRINITY, AYLESFORD

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 JULY 2016

| | Notes | £ | 2016 £ | £ | 2015 £ |
|--|----------|------------|----------------|------------|----------------|
| Brought forward | | | 21,520 | | 12,959 |
| Other income | | | | | |
| Rental income | | | <u>167</u> | | <u>246</u> |
| Operating surplus | 2 | | 21,687 | | 13,205 |
| Interest receivable and similar income | | | | | |
| NAACIF distributions received | | 1,040 | | 1,024 | |
| NAACIF accumulated income received | | 14,407 | | 13,580 | |
| Interest received | | <u>301</u> | | <u>293</u> | |
| | | | 15,748 | | 14,897 |
| Income from investments | | | | | |
| Profit on disposal of listed investments | 6 | | 17,328 | | - |
| Interest and financing costs | | | | | |
| Interest payable | 4 | | <u>(2,030)</u> | | <u>(2,604)</u> |
| Surplus / total comprehensive income for the year | | | <u>52,733</u> | | <u>25,498</u> |

The only recognised gain or loss is the surplus for the year of £52,733 (2015 - £25,498).

There is no difference between the reported surplus for the year as stated above and historical cost surpluses or

The results relate wholly to continuing activities.

The financial statements were approved by the board of trustees on 11 January 2017 and signed on its behalf by:

W D May (Life Member)
Trustee

Rev J Hall (Chairman)
Trustee

The notes on page 10 to 16 form part of these Financial Statements.

THE HOSPITAL OF THE HOLY TRINITY, AYLESFORD

STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2016

| | Notes | £ | 2016 £ | £ | 2015 £ |
|--|-------|----------|----------------|---------------|----------------|
| Fixed assets | | | | | |
| Housing properties at depreciated cost | 5 | | 385,194 | | 304,191 |
| Investments | 6 | | 201,239 | | 249,504 |
| | | | <u>586,433</u> | | <u>553,695</u> |
| Current assets | | | | | |
| Trade and other debtors | 7 | 2,224 | | 4,641 | |
| Cash and cash equivalents | | 109,390 | | 74,502 | |
| | | | <u>111,614</u> | <u>79,143</u> | |
| Creditors: amounts falling due within one year | 8 | (44,982) | | (17,486) | |
| Net current assets | | | <u>66,632</u> | | <u>61,657</u> |
| Total assets less current liabilities | | | <u>653,065</u> | | <u>615,352</u> |
| Creditors: amounts falling due after more than one year | 9 | | (209,666) | | (224,686) |
| | | | <u>443,399</u> | | <u>390,666</u> |
| Capital and reserves | | | | | |
| Designated funds | | | | | |
| Cyclical maintenance reserve | | | 34,000 | | 34,000 |
| Extraordinary repair fund | | | 71,948 | | 65,048 |
| Income and expenditure reserve | | | 337,451 | | 291,618 |
| | | | <u>443,399</u> | | <u>390,666</u> |

The financial statements were approved by the board of trustees on 11 January 2017 and signed on its behalf by:

W D May (Life Member)
Trustee

Rev J Hall (Chairman)
Trustee

The notes on pages 10 to 16 form part of these Financial Statements.

THE HOSPITAL OF THE HOLY TRINITY, AYLESFORD

STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 31 JULY 2016

| | Total | Cyclical maintenance reserve | Extraordinary repair fund | Income and expenditure reserve |
|---|----------------|---|--------------------------------------|---|
| | £ | £ | £ | £ |
| Balance at 1 August 2015 | 390,666 | 34,000 | 65,048 | 291,618 |
| Surplus from statement of comprehensive income | 52,733 | - | - | 52,733 |
| Transfers from income and expenditure account to extraordinary repair fund | - | - | 6,900 | (6,900) |
| Balance at 31 July 2016 | <u>443,399</u> | <u>34,000</u> | <u>71,948</u> | <u>337,451</u> |

The notes on pages 10 to 16 form part of these Financial Statements.

THE HOSPITAL OF THE HOLY TRINITY, AYLESFORD

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2016

| | 2016 £ | 2015 £ |
|---|-----------------|----------------|
| Net cash generated from operating activities (see note 11) | 56,118 | 12,113 |
| Cash flow from investing activities | | |
| Purchase of tangible fixed assets | (94,181) | - |
| Proceeds from sale of investments | 80,000 | - |
| Interest receivable and similar income | 1,341 | 1,317 |
| | <u>(12,840)</u> | <u>1,317</u> |
| Cash flow from financing activities | | |
| Interest paid | (2,030) | (2,604) |
| Repayments of borrowings | <u>(6,360)</u> | <u>(5,781)</u> |
| | <u>(8,390)</u> | <u>(8,385)</u> |
| Net change in cash and cash equivalents | 34,888 | 5,045 |
| Cash and cash equivalents at 1 August 2015 | <u>74,502</u> | <u>69,457</u> |
| Cash and cash equivalents at 31 July 2016 | <u>109,390</u> | <u>74,502</u> |
| Cash and cash equivalents consist of: | | |
| Cash at bank and in hand at 31 July 2016 | <u>109,390</u> | <u>74,502</u> |

The notes on pages 10 to 16 form part of the financial statements.

THE HOSPITAL OF THE HOLY TRINITY, AYLESFORD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2016

1 Accounting policies

The charity is registered with the Charities Commission as a charitable trust and with the Tenant Services Authority as a registered provider of social housing.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 - the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), the Statement of Recommended Practice for Social Housing Providers 2014, and with the Accounting Direction for private registered providers of social housing in England 2015. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008.

The financial statements have been prepared on a going concern basis under the historical cost convention.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. FRS102 and the SORP 2014 were adopted in the current year and an explanation of how transition to the SORP has affected the reported financial position and performance is given in note 15.

1.1 Change in accounting policy

In these financial statements the charity has changed its accounting policies in the following areas:

Depreciation of housing assets

In accordance with the requirements of FRS102, the development expenditure incurred in the late 1980s and early 1990s is depreciated on a straight line basis with an expected useful life of 50 years as at the date of completion.

Amortisation of social housing grant

In accordance with the requirements of FRS102, social housing grants have been reclassified as deferred income as a liability due within one year and after more than one year. The annual amortisation is accounted for through the statement of comprehensive income. Amortisation is measured over the life of the building structure for which it was received.

The financial statements for the year ended 31 July 2015 have been restated to reflect the requirements of transition to FRS102. The details of the adjustments are set out in note 15 to these Financial Statements.

1.2 Fixed assets - housing property

The Hospital of the Holy Trinity was built in the first quarter of the seventeenth century. There is no record of the original cost and accordingly no value is attributed thereto.

Cost brought forward, therefore, represents development expenditure incurred on the Hospital in the late 1980s and early 1990s. Where the costs of development have not qualified for Housing Association Grants and have not been considered for mortgage loans by the relevant lending authority they have been met out of reserves.

The trustees perform annual impairment reviews to ensure that the recoverable amount is not lower than the carrying value. In accordance with FRS102, cost includes costs directly attributable to making the asset capable of operating as intended such as the cost of acquiring land and buildings, developments costs, interest charges on loans during the development period and expenditure on improvements. Expenditure on improvements will only be capitalised when it results in incremental future benefits such as increasing rental income, reducing maintenance costs or resulting in a significant extension of the useful economic life of the property.

THE HOSPITAL OF THE HOLY TRINITY, AYLESFORD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2016

1 Accounting policies

1.3 Component Accounting

Future major components of housing properties capitalised will be accounted for and depreciated separately from the connected housing property over their expected useful lives.

No separate components are accounted for on brought forward expenditure as the capitalised costs represent the expenditure carried out in converting the existing accommodation from single rooms with a shared bathroom and toilets to twelve single and two double self-contained flats in the late 1980s and early 1990s. The costs are therefore not separable and are depreciated as shown in note 1.4.

During the year new boilers were installed and capitalised and depreciated as shown in note 1.4.

Roofing works were also undertaken during the year and capitalised but were still ongoing at the year end. Consequently, no depreciation is provided in this year's accounts. On completion of the work, the new roofing will be depreciated as shown in note 1.4.

1.4 Depreciation

The trustees have elected to depreciate the components of the housing properties at the following annual rates:

| Component | Life (Years) | Depreciation |
|-------------------------|--------------|--------------|
| Development expenditure | 50 | 2% |
| Roofing | 30 | 3.3% |
| Boilers | 15 | 6.6% |

1.5 Housing Association Grant

Housing Association Grant (HAG) is paid by the Housing Corporation to reduce the cost of development and is accounted for as deferred income and as a liability due within one year and after more than one year. The income is recognised through the statement of comprehensive income over the life of the building structure for which it was received. HAG is repayable under certain circumstances, primarily following the sale of a property but will normally be restricted to the proceeds of sale.

THE HOSPITAL OF THE HOLY TRINITY, AYLESFORD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2016

1 Accounting policies

1.6 Investments

Fixed asset investments are valued at cost less a reduction for any permanent diminution in value.

They are not valued at market value as the market is quite volatile and resultant increases and decreases in value would not aid the user's understanding of the accounts.

Investment income is credited to the accounts on an accruals basis.

1.7 Extraordinary repairs fund

This is a designated reserve and represents amounts set aside to carry out major repairs on housing property. Sums provided each year for this purpose are invested in the Charities Official Investment Fund Accumulation Shares or the COIF Charities Deposit Fund.

1.8 Cyclical maintenance reserve

This is a designated reserve and represents amounts set aside for cyclical maintenance to meet costs in excess of budgeted expenditure for any year.

1.9 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

1.10 Weekly maintenance contributions and rental income

Weekly maintenance contributions represent the rental charges income receivable for the year from the supported housing, net of rent losses from voids, and includes Supporting People income where this has been used to reduce the rents collected from the tenant.

Rental income represents rent receivable for the year from sources other than supported housing.

1.11 Donations and other voluntary income

Donations and other voluntary income are included in the accounts in the period in which they are received.

1.12 Resources Expended

Expenditure is included on an accruals basis.

1.13 Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

THE HOSPITAL OF THE HOLY TRINITY, AYLESFORD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2016

| 2 Social housing income and expenditure | 2016 £ | 2015 £ |
|--|-------------------|-------------------|
| Rents receivable net of rent losses from voids | 54,213 | 53,760 |
| Amortisation of capital grants | <u>8,025</u> | <u>8,025</u> |
| | <u>62,238</u> | <u>61,785</u> |
| Social housing operating costs: | | |
| Direct costs | 34,976 | 45,164 |
| Management costs | <u>5,742</u> | <u>3,662</u> |
| | <u>40,718</u> | <u>48,826</u> |
| Operating surplus on social housing lettings | 21,520 | 12,959 |
| Memo only: Non social housing activities | <u>167</u> | <u>246</u> |
| Operating surplus | <u>21,687</u> | <u>13,205</u> |
| Void losses | <u>-</u> | <u>-</u> |

No segmental analysis is shown for housing accommodation as the Charity owns and manages only supported housing for older people.

| 3 Operating surplus | 2016 £ | 2015 £ |
|---|-------------------|-------------------|
| Operating surplus is stated after charging: | | |
| Depreciation of tangible assets | <u>13,178</u> | <u>11,266</u> |
| And after crediting: | | |
| Amortisation of capital grants | <u>8,025</u> | <u>8,025</u> |

During the year the charity had two employees, the clerk to the trustees and a cleaner. Their remuneration was £1,550 (2015 £1,550) and £662 (2015 £528) respectively. None of the trustees received any remuneration or reimbursed expenses during the year.

Rent losses arising from void periods in the year amounted to £nil (2015 £nil).

| 4 Interest and financing costs | 2016 £ | 2015 £ |
|--|-------------------|-------------------|
| Interest on loans wholly repayable within five years | <u>2,030</u> | <u>2,604</u> |

THE HOSPITAL OF THE HOLY TRINITY, AYLESFORD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2016

| | | |
|----------|------------------------------|--|
| 5 | Tangible fixed assets | Freehold Land and buildings £ |
| | Cost or valuation | |
| | At 1 August 2015 | 563,309 |
| | Additions | 94,181 |
| | | <hr/> |
| | At 31 July 2016 | 657,490 |
| | | <hr/> |
| | Depreciation | |
| | At 1 August 2015 | 259,118 |
| | Charge for the year | 13,178 |
| | | <hr/> |
| | At 31 July 2016 | 272,296 |
| | | <hr/> |
| | Net book value | |
| | At 31 July 2016 | 385,194 |
| | | <hr/> |
| | At 31 July 2015 | 304,191 |
| | | <hr/> |

There are 14 (2015 - 14) managed supported housing units.

The loan included in creditors due within one year and after more than one year is secured by a charge on the freehold property.

6 Fixed asset investments

| | |
|------------------|------------------------|
| | £ |
| Cost | |
| At 1 August 2015 | 249,504 |
| Additions | 14,407 |
| Disposals | (62,672) |
| | <hr/> |
| At 31 July 2016 | 201,239 |
| | <hr/> |
| | Valuation £ |
| At 31 July 2016 | 280,928 |
| | <hr/> |
| At 31 July 2015 | 337,419 |
| | <hr/> |

THE HOSPITAL OF THE HOLY TRINITY, AYLESFORD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2016

6 Fixed asset investments (continued)

| | 2016 £ | 2015 £ |
|--|---------------|-----------|
| Sale of fixed asset investments | | |
| Sale proceeds | 80,000 | - |
| Cost of investments sold | (62,672) | - |
| Profit on sale | <u>17,328</u> | <u>-</u> |

The net book value represents the original cost of shares in the National Association of Almshouses Common Investment Fund held by M & G Securities on behalf of the Hospital of the Holy Trinity, Aylesford.

7 Debtors

| | 2016 £ | 2015 £ |
|--------------------------------------|-----------|-----------|
| Maintenance contributions in arrears | 361 | 2,106 |
| Prepayments and accrued income | 1,863 | 2,535 |
| | 2,224 | 4,641 |

8 Creditors: amounts falling due within one year

| | 2016 £ | 2015 £ |
|------------------------------|-----------|-----------|
| Other creditors and accruals | 29,963 | 3,102 |
| Loan repayments | 6,994 | 6,359 |
| Deferred grant income | 8,025 | 8,025 |
| | 44,982 | 17,486 |

9 Creditors: amounts falling due after more than one year

| | 2016 £ | 2015 £ |
|-----------------------|----------------|----------------|
| Loan repayments | 9,025 | 16,020 |
| Deferred grant income | <u>200,641</u> | <u>208,666</u> |
| | 209,666 | 224,686 |

10 Analysis of loans

| | | |
|------------------------------------|---------|---------|
| Wholly repayable within five years | 16,019 | 22,379 |
| Included in current liabilities | (6,994) | (6,359) |
| | 9,025 | 16,020 |

THE HOSPITAL OF THE HOLY TRINITY, AYLESFORD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2016

Loan maturity analysis

| | | |
|---|-------|-------|
| In more than one year but not more than two years | 7,693 | 6,995 |
| In more than two years but not more than five years | 1,332 | 9,025 |

The loan due to Orchardbrook Limited is secured by a charge on the housing property. The mortgage is at the fixed rate of 9.75% and is repayable in equal instalments of principle and interest, the final instalment falling due on 31 May 2018.

THE HOSPITAL OF THE HOLY TRINITY, AYLESFORD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2016

11 Cash flow from operating activities

| | 2016 £ | 2015 £ |
|--|---------------|---------------|
| Surplus for the year | 52,733 | 25,498 |
| Adjustments for non-cash items: | | |
| Depreciation of tangible fixed assets | 13,178 | 11,266 |
| Amortisation of grant | (8,025) | (8,025) |
| Decrease/(increase) in trade and other debtors | 2,417 | (1,329) |
| Increase/(decrease) in trade and other creditors | 26,861 | (3,004) |
| Carrying amount of investment disposals | 62,672 | - |
| Adjustments for investing or financing activities: | | |
| Proceeds from the sale of investments | (80,000) | - |
| Interest payable | 2,030 | 2,604 |
| Interest receivable and similar income | (15,748) | (14,897) |
| | <u>56,118</u> | <u>12,113</u> |

12 Related party relationships and transactions

At the date of these financial statements two of the Trustees were councillors appointed as Trustees by Tonbridge and Malling Borough Council under the terms of the Trust Deed. Any transactions with local authorities are at arms length, on normal commercial terms and Trustees cannot use their position to their advantage.

13 Capital commitments

The charity had capital commitments for the remainder of the roofing work amounting to £21,165 at 31 July 2016 (2015: Nil). The final payment was made in September 2016.

14 Contingent liabilities

The Trustees are not aware of any contingent liabilities (2015: Nil).

15 Transition to FRS102

The table below sets out the adjustments required in transition to FRS102 as stated in the 2015 comparatives on the primary statements in these financial statements.

Statement of comprehensive income

| | 2015 as published | FRS102 adjustment | Restated amount | Narrative |
|--|----------------------|----------------------|--------------------|----------------------------|
| Turnover | | | | |
| Weekly maintenance contributions | 53,760 | - | 53,760 | |
| Deferred grant income | - | 8,025 | 8,025 | amortisation of grant |
| Operating costs | (43,342) | (5,484) | (48,826) | depreciation adjustment |
| | 10,418 | 2,541 | 12,959 | |
| Other operating income | 246 | - | 246 | |
| Operating surplus | 10,664 | 2,541 | 13,205 | |
| Other interest receivable and similar income | 14,897 | - | 14,897 | |
| Interest payable | (2,604) | - | (2,604) | |
| Surplus for the year | <u>22,957</u> | <u>2,541</u> | <u>25,498</u> | net movement on transition |

THE HOSPITAL OF THE HOLY TRINITY, AYLESFORD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2016

15 Transition to FRS102

Statement of Financial position

| | 2015 as published | FRS102 adjustment | Restated amount | Narrative |
|---|----------------------|----------------------|--------------------|--|
| Fixed Assets | | | | |
| Housing properties at cost | 563,309 | - | 563,309 | |
| Depreciation | <u>(65,223)</u> | <u>(193,895)</u> | <u>(259,118)</u> | depreciation adjustment |
| | 498,086 | 193,895 | 304,191 | |
| Social Housing Grant | <u>(401,267)</u> | <u>401,267</u> | <u>-</u> | transfer to liabilities |
| Net book value of housing properties | 96,819 | 207,372 | 304,191 | |
| Investments | <u>249,504</u> | - | <u>249,504</u> | |
| Total Fixed Assets | 346,323 | 207,372 | 553,695 | |
| Current Assets | | | | |
| Debtors | 4,641 | - | 4,641 | |
| Cash at bank and in hand | <u>74,502</u> | - | <u>74,502</u> | |
| | 79,143 | - | 79,143 | |
| Current liabilities | | | | |
| Amounts falling due within one year | <u>(9,461)</u> | <u>(8,025)</u> | <u>(17,486)</u> | deferred grant income due in < 1 year |
| | <u>69,682</u> | <u>(8,025)</u> | <u>61,657</u> | |
| Total assets less current liabilities | 416,005 | 199,347 | 615,352 | |
| Creditors: amounts falling due after more than one year | <u>(16,020)</u> | <u>(208,666)</u> | <u>(224,686)</u> | deferred grant income due in > 1 year |
| Net Current Assets | <u>399,985</u> | <u>(9,319)</u> | <u>390,666</u> | |
| Capital and reserves | | | | |
| Designated funds | | | | |
| Cyclical maintenance reserve | 34,000 | | 34,000 | |
| Extraordinary repair fund | 65,048 | | 65,048 | |
| Income and expenditure account | <u>300,937</u> | <u>(9,319)</u> | <u>291,618</u> | |
| | <u>399,985</u> | <u>(9,319)</u> | <u>390,666</u> | |
| Changes to revenue reserves | | | | |
| Opening balance adjustment on amortisation of grant | | 176,551 | | |
| Opening balance adjustment on depreciation of housing assets | | (188,411) | | |
| In year amortisation adjustment in income and expenditure | | 8,025 | | |
| In year depreciation adjustment in income and expenditure | | <u>(5,484)</u> | | |
| Total adjustment to revenue reserve | | <u>(9,319)</u> | | |