

**THE CRANFIELD COURT CHARITY**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2019**

# THE CRANFIELD COURT CHARITY

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# THE CRANFIELD COURT CHARITY

## REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2019

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### **Trustees**

Mrs V M Armstrong, Trustee  
J C Pickering FCA, Honorary Treasurer  
R J C Hawkins, Chair wef 26 February 2018  
Mrs M E J Gaskin, Trustee  
Mrs S A Ridley-Johnson, Trustee  
Cllr I Lockington, Trustee  
D M G Hughes, Trustee  
Dr D J McElhinney, Trustee  
G J L Evans, Trustee (appointed 1 July 2019)

### **Charity registered number**

206806

### **Principal office**

1 Armstrong House, Chelsworth Avenue, Ipswich, Suffolk, IP1 3BA

### **Administrator**

D Lister

### **Website**

[www.cranfieldcourt.com](http://www.cranfieldcourt.com)

### **Independent Examiner**

Sharon Gravener, Scrutton Bland LLP, Fitzroy House, Crown Street, Ipswich, Suffolk, IP1 3LG

### **Bankers**

Lloyds Banking Group, Cornhill, Ipswich, Suffolk, IP1 1DG

### **Investment advisers**

Scrutton Bland Financial Services Limited, Fitzroy House, Crown Street, Ipswich, Suffolk, IP1 3LG

# THE CRANFIELD COURT CHARITY

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

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The Trustees present their annual report together with the financial statements of The Cranfield Court Charity (the Charity) for the year ended 31 August 2019. The trustee confirms that the Annual Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

### Objectives and Activities

#### a. Policies and objectives

The objective of the charity is to provide homes or residences for the benefit of deserving poor persons of good character and education who by reason of age, infirmity, misadventure, adversity or otherwise are reduced in circumstances and are in special need of help or assistance.

To fulfil this objective, the charity owns and manages Cranfield Court, a property offering rented accommodation to retired people. The main property has 34 flats and an additional building provides a further 16 flats.

#### b. Public benefit

In achieving the aims and objectives of the Charity, the Trustees are aware of, and have considered, the Charity Commission guidance on Public Benefit, and consider that their activities as described in the report deliver a public benefit.

### Achievements and performance

#### a. Review of financial position

The statement of financial activities shows net incoming resources of £48,890 (2018: £58,194).

#### b. Review of activities

There is no shortage of prospective tenants who meet our objectives. As a result, we have maintained full occupancy of our flats and continue to have a substantial waiting list which will see people waiting 3 to 4 years before being offered a flat.

#### c. Future developments

By keeping a healthy waiting list, we are able to maintain full occupancy of the flats and therefore maximise the income for our charity. The turnover of tenancies remains low at 4% for the year. However, as tenants grow older and do not move on, we expect higher turnover in the next few years.

Planning permission (with conditions) has been granted by Ipswich Borough Council for the 4 new flats and the Trustees are now deciding on how best to finance the project.

# THE CRANFIELD COURT CHARITY

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019

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### Financial review

#### a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

#### b. Reserves policy

It is the policy of the charity to maintain unrestricted free reserves, at such a level as the Trustees consider necessary to maintain the fabric of Cranfield Court and to provide reasonable funds against any unforeseen costs that may arise. Furthermore, the Trustees believe the reserves should be maintained so as to be able to make investments in support of maintaining rents at a charitable level.

At the end of the year the free reserves, represented by the balance of the General Fund were £185,609 (2018: £212,820).

#### c. Investments policy

The Trustees continue to take professional investment advice and our portfolio is managed on a discretionary basis by an independent financial adviser.

The value of the portfolio has very much followed the Stock Market and is currently valued about £35,000 in excess of cost.

### Structure, governance and management

#### a. Constitution

The Charity was set up under a Deed of Foundation dated 14 September 1938, and became a registered Charity on 22 September 1962.

#### b. Method of appointment or election of Trustees

When a vacancy occurs for a co-opted Trustee, the remaining Trustees seek to appoint an individual with skills and experience which they feel will be of benefit to the Charity.

On appointment, new trustees are given copies of the original Trust Deed and the latest Annual Report and accounts. There is no formal induction and training programme, but individual Trustees attend seminars to update themselves when they feel it to be necessary.

#### c. Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. These procedures are regularly reviewed to ensure that they still meet the needs of the Charity.

# THE CRANFIELD COURT CHARITY

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019

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### Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

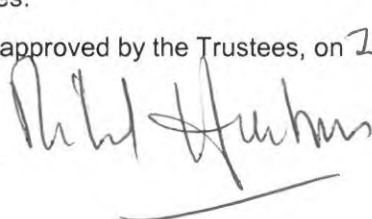
The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing 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 judgments and accounting estimates that are reasonable and prudent;
- 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 proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees, on 25/11/19 and signed on their behalf by:

**R J C Hawkins**  
Chair



# THE CRANFIELD COURT CHARITY

## INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 AUGUST 2019

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### Independent Examiner's Report to the Trustees of The Cranfield Court Charity (the 'charity')

I report to the trustees on my examination of the financial statements of The Cranfield Court Charity ('the charity') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed

### Responsibilities and Basis of Report

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

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

### Independent Examiner's Statement

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

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

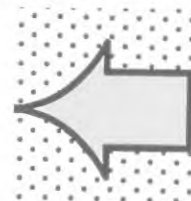
I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: *S Gravener*

Dated: *11 December 2019*

Sharon Gravener FCCA

Fitzroy House  
Crown Street  
Ipswich  
IP1 3LG



# THE CRANFIELD COURT CHARITY

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2019

	Note	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>Income from:</b>				
Charitable activities	2	199,447	199,447	194,585
Investments	3	9,885	9,885	6,403
<b>Total income</b>		<b>209,332</b>	<b>209,332</b>	<b>200,988</b>
<b>Expenditure on:</b>				
Raising funds		4,444	4,444	4,064
Charitable activities	4,5	179,341	179,341	148,850
<b>Total expenditure</b>	6	<b>183,785</b>	<b>183,785</b>	<b>152,914</b>
<b>Net income before investment gains</b>		<b>25,547</b>	<b>25,547</b>	<b>48,074</b>
Net gains on investments	10	23,343	23,343	10,120
<b>Net income before other recognised gains and losses</b>		<b>48,890</b>	<b>48,890</b>	<b>58,194</b>
<b>Net movement in funds</b>		<b>48,890</b>	<b>48,890</b>	<b>58,194</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		1,078,453	1,078,453	1,020,259
<b>Total funds carried forward</b>		<b>1,127,343</b>	<b>1,127,343</b>	<b>1,078,453</b>

The notes on pages 8 to 17 form part of these financial statements.



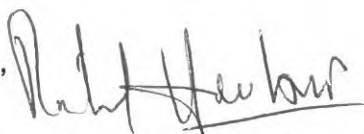
# THE CRANFIELD COURT CHARITY

## BALANCE SHEET AS AT 31 AUGUST 2019

	Note	£	2019 £	£	2018 £
<b>Fixed assets</b>					
Tangible assets	9		566,734		565,633
Investments	10		535,087		438,773
			<u>1,101,821</u>		<u>1,004,406</u>
<b>Current assets</b>					
Debtors	11	333		-	
Cash at bank and in hand		53,421		93,499	
		<u>53,754</u>		<u>93,499</u>	
<b>Creditors:</b> amounts falling due within one year	12	(28,232)		(19,452)	
<b>Net current assets</b>			<u>25,522</u>		<u>74,047</u>
<b>Net assets</b>			<u>1,127,343</u>		<u>1,078,453</u>
<b>Charity Funds</b>					
Unrestricted funds	13		1,127,343		1,078,453
<b>Total funds</b>			<u>1,127,343</u>		<u>1,078,453</u>

The financial statements were approved by the Trustees on 25-11-2019 and signed on their behalf, by:

R J C Hawkins,  
Chair



J C Pickering  
Honorary Treasurer



The notes on pages 8 to 17 form part of these financial statements.

# THE CRANFIELD COURT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

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### 1. Accounting Policies (continued)

#### 1.5 Going concern

At the time of approving the accounts, 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.

#### 1.6 Tangible fixed assets and depreciation

No depreciation is provided on freehold property or improvements thereto as the Trustees consider that residual values are so high that their depreciation is insignificant.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate 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.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	- Nil
Stair lifts	- 10% straight line

#### 1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

#### 1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

#### 1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

#### 1.10 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

# THE CRANFIELD COURT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

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### 1. Accounting Policies (continued)

#### 1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

#### 1.12 Financial instruments

The charity only has financial assets and financial 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

#### 1.13 Taxation

Cranfield Court Charity is a charity within the meaning of the Charities Act 2011 and as such a charity within the meaning of Part 11, Corporation Tax Act 2010. Accordingly Cranfield Court Charity is potentially exempt from taxation in respect of income or gains received within categories covered by part 11, Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied exclusively to its charitable purposes.

#### 1.14 Statement of cash flows

The financial statements do not include a Statement of Cash Flows because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under section 7 of the Charity SORP.

#### 1.15 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are no critical accounting estimates.

#### 1.16 Pensions

The charity has a contractual obligation to make payments to the NEST (Work Place Pension) scheme, for eligible employees who have opted to join the scheme. Contributions are charged in the accounts as they become payable.

# THE CRANFIELD COURT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 2. Income from charitable activities

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Rental income	199,447	199,447	194,585
Total 2018	194,585	194,585	

### 3. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Listed investments	9,823	9,823	6,375
Interest received	62	62	28
	9,885	9,885	6,403
Total 2018	6,403	6,403	

# THE CRANFIELD COURT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 4. Charitable Activities

	Unrestricted funds 2019 £	Total 2019 £	Total 2018 £
Light heat and power	16,466	16,466	13,162
Telephone	1,806	1,806	1,905
Insurance	11,849	11,849	11,973
Repairs and maintenance	39,919	39,919	17,919
Grounds	19,120	19,120	17,034
Lift maintenance	468	468	912
Stair lift maintenance	700	700	348
HEARS alarm system	6,529	6,529	6,205
Electrical rewiring	4,853	4,853	6,344
Decorating	11,575	11,575	5,930
Pest control	379	379	235
Rates	12,681	12,681	8,246
Depreciation	2,676	2,676	2,742
Interior decoration	6,677	6,677	2,900
Loss on disposal of fixed assets	1,523	1,523	16,674
Wages and salaries	17,781	17,781	17,198
Pension cost	1,383	1,383	647
	<u>156,385</u>	<u>156,385</u>	<u>130,374</u>
Total 2018	<u>130,374</u>	<u>130,374</u>	

### 5. Governance costs

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Independent examination fee	1,380	1,380	1,380
Accountancy fee	840	840	840
Legal and professional fees	2,520	2,520	3,584
Miscellaneous	2,370	2,370	2,537
Administration staff costs	15,846	15,846	10,135
	<u>22,956</u>	<u>22,956</u>	<u>18,476</u>
Total 2018	<u>18,476</u>	<u>18,476</u>	

# THE CRANFIELD COURT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 6. Analysis of Expenditure by expenditure type

	Staff costs 2019 £	Other costs 2019 £	Total 2019 £	Total 2018 £
Investment management costs	-	4,444	4,444	4,064
<b>Costs of raising funds</b>	-	4,444	4,444	4,064
Charitable activities	19,164	137,221	156,385	130,374
Governance costs	15,846	7,110	22,956	18,476
	<b>35,010</b>	<b>148,775</b>	<b>183,785</b>	<b>152,914</b>
Total 2018	27,980	124,934	152,914	

### 7. Net income/(expenditure)

This is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets: - owned by the charity	<b>2,676</b>	<b>2,742</b>

During the year, no Trustees received any remuneration (2018 - £NIL).

During the year, no Trustees received any benefits in kind (2018 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2018 - £NIL).

# THE CRANFIELD COURT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 8. Staff costs

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	33,627	27,333
Other pension costs	1,383	647
	<u>35,010</u>	<u>27,980</u>

The average number of persons employed by the charity during the year was as follows:

	2019 No.	2018 No.
Charitable activities	1	1
Management and administration of the Charity	1	1
	<u>2</u>	<u>2</u>

No employee received remuneration amounting to more than £60,000 in either year.

### 9. Tangible fixed assets

	Freehold property £	Other fixed assets £	Total £
<b>Cost</b>			
At 1 September 2018	560,152	27,417	587,569
Additions	-	5,300	5,300
Disposals	-	(5,959)	(5,959)
At 31 August 2019	<u>560,152</u>	<u>26,758</u>	<u>586,910</u>
<b>Depreciation</b>			
At 1 September 2018	-	21,936	21,936
Charge for the year	-	2,676	2,676
On disposals	-	(4,436)	(4,436)
At 31 August 2019	<u>-</u>	<u>20,176</u>	<u>20,176</u>
<b>Net book value</b>			
At 31 August 2019	<u>560,152</u>	<u>6,582</u>	<u>566,734</u>
At 31 August 2018	<u>560,152</u>	<u>5,481</u>	<u>565,633</u>

# THE CRANFIELD COURT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 10. Fixed asset investments

	Listed securities £
<b>Market value</b>	
At 1 September 2018	438,773
Additions	271,023
Disposals	(198,052)
Change in market value	23,343
At 31 August 2019	<u>535,087</u>

#### Investments at market value comprise:

	2019 £	2018 £
Listed investments	<u>535,087</u>	<u>438,773</u>

All the fixed asset investments are held in the UK

### 11. Debtors

	2019 £	2018 £
Prepayments and accrued income	<u>333</u>	<u>-</u>

### 12. Creditors: Amounts falling due within one year

	2019 £	2018 £
Deposits held	15,636	15,352
Other taxation and social security	-	313
Other creditors	12,596	3,787
	<u>28,232</u>	<u>19,452</u>



# THE CRANFIELD COURT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 13. Statement of funds

#### Statement of funds - current year

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Designated funds</b>						
Building fund	565,633	-	(1,523)	2,624	-	566,734
Future building project fund	250,000	-	-	75,000	-	325,000
Building Repairs fund	50,000	-	-	-	-	50,000
	<u>865,633</u>	<u>-</u>	<u>(1,523)</u>	<u>77,624</u>	<u>-</u>	<u>941,734</u>
<b>General funds</b>						
Accumulated fund	212,820	209,332	(182,262)	(77,624)	23,343	185,609
Total Unrestricted funds	<u>1,078,453</u>	<u>209,332</u>	<u>(183,785)</u>	<u>-</u>	<u>23,343</u>	<u>1,127,343</u>
Total of funds	<u>1,078,453</u>	<u>209,332</u>	<u>(183,785)</u>	<u>-</u>	<u>23,343</u>	<u>1,127,343</u>

#### Statement of funds - prior year

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>Designated funds</b>						
Building fund	568,375	-	-	(2,742)	-	565,633
Future building project fund	250,000	-	-	-	-	250,000
Building Repairs fund	50,000	-	-	-	-	50,000
	<u>868,375</u>	<u>-</u>	<u>-</u>	<u>(2,742)</u>	<u>-</u>	<u>865,633</u>
<b>General funds</b>						
Accumulated fund	151,884	200,988	(152,914)	2,742	10,120	212,820
Total Unrestricted funds	<u>1,020,259</u>	<u>200,988</u>	<u>(152,914)</u>	<u>-</u>	<u>10,120</u>	<u>1,078,453</u>
Total of funds	<u>1,020,259</u>	<u>200,988</u>	<u>(152,914)</u>	<u>-</u>	<u>10,120</u>	<u>1,078,453</u>

# THE CRANFIELD COURT CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

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### 14. Analysis of net assets between funds

#### Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	566,734	566,734
Fixed asset investments	535,087	535,087
Current assets	53,754	53,754
Creditors due within one year	(28,232)	(28,232)
	<u>1,127,343</u>	<u>1,127,343</u>

#### Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	565,633	565,633
Fixed asset investments	438,773	438,773
Current assets	93,499	93,499
Creditors due within one year	(19,452)	(19,452)
	<u>1,078,453</u>	<u>1,078,453</u>

### 15. Related party transactions

During the year, there were no related party transactions (2018 - none).