MERSEA ISLAND TRUST

ACCOUNTS AND TRUSTEES' REPORT
YEAR ENDED 31 MARCH 2026

Regulator of Social Housing registration number: L1259

Charity registration number: 206064

MERSEA ISLAND TRUST

FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2026

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MERSEA ISLAND TRUST

TRUST INFORMATION
FOR THE YEAR ENDED 31 MARCH 2026

Charity registration number	206064
Regulator of Social Housing registration number	L1259
Trustees	Joanna Jackson (Chair) Caitriona Banting (Deputy Chair) Alison Vico (Treasurer) Cheryl Rutter Jayne Taylor Rita Kemp Corrine Fahie (appointed July 2026)
Committee members	Carole Butterfield Yvonne Day Ann Bailey (appointed April 2025)
Tenant representatives	Evelyn Rutter Christine Chamberlain
Registered office	Akhurst Court Melrose Road West Mersea Essex, CO5 8JB
Accountants and auditor	Streets Audit LLP Orderly House Dragoon Road Colchester Essex, CO2 7FU
Solicitor	Ellisons Headgate Court Head Street Colchester Essex
Bankers	Barclays Bank plc 9 High Street Colchester Essex

MERSEA ISLAND TRUST

ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2026

The trustees of Mersea Island Trust present their report, and the audited financial statements of the Year Ended 31 March 2026.

Organisation

The Mersea Island Trust is governed by the trustees who have delegated the operation of the Trust's activities to a Main Committee consisting of trustees and others which meets at least quarterly. The trustees hold an annual general meeting to which committee members are invited. Names of the trustees and committee members are shown on page 1.

Individuals interested in acting as trustees are appointed after they have been recommended as having the qualities and skills expected of trustees and after attending a committee meeting. Training is given where appropriate, dependent upon the requirements of each individual trustee.

Financial review of the past year and future developments

The Trust continues to thrive, and this is reflected in the steady stream of applications we receive for our accommodation. A recent residents' satisfaction survey showed an overall satisfaction level of 96%, (based on a 60% response) demonstrating our continued commitment to providing high-quality accommodation and support for our residents.

I would like to extend my sincere thanks to our tenants' representatives, Evelyn Rutter (Mersea Court) and Christine Chamberlain (Akhurst Court), who continue to represent residents so effectively and provide valuable feedback to the Trust.

I am pleased to report that there have been no staff changes since the last AGM, providing welcome continuity for both residents and the organisation.

Our gardening contractor, Ian Chaplin, has agreed to continue in the role for a further three-year period, and we are grateful for his ongoing commitment to maintaining our gardens to such a high standard. I would also like to thank Laurie Sharpe, who continues to provide invaluable support for the Trust's IT systems and infrastructure.

A continuing challenge for the Trust is the recruitment of new committee members and trustees. We remain keen to attract individuals who can contribute their skills and experience to help guide the organisation and ensure its long-term success.

During the year, a comprehensive stock condition survey has been completed. This provides us with valuable information that will enable us to prioritise future repairs, maintenance and the updating of our flats in a planned and cost-effective way. We have also enhanced our communal facilities, with both courts benefiting from new furniture and curtains in their communal lounges.

As always, compliance with statutory and regulatory requirements remains a key priority. During the year we have continued to address fire safety improvements, including the regular inspection of fire doors and, where necessary, their replacement to ensure we meet current safety standards.

Looking ahead, the Trust faces a number of significant challenges. One of the most important will be identifying a practical solution for the installation of hard-wired smoke detectors within residents' flats. Together with a review of the communal fire alarm systems, this is likely to involve significant expenditure over the coming years.

In addition, we are working closely with the Regulator of Social Housing to ensure that the Trust fully complies with the regulatory requirements introduced from 1 April 2026. These new requirements may have implications for future rent calculations and the Trust's income, and we will continue to monitor developments carefully.

Finally, I would like to express my sincere thanks to Yvonne Day, our General Manager, together with all our staff, trustees and volunteers, for their continued dedication and hard work throughout the year. Their commitment ensures that the Trust continues to provide a safe, welcoming and supportive environment for all our residents.

Objectives and strategies for achieving those objectives
The main objective of the Trustees of the Mersea Island Trust are to:

Keep to and apply, national standard of service and the implementation of a risk Management Statement and National Occupational Standard.

Work in partnership with other organisations to meet the needs of the Tenants and Staff of the homes. To use their discretionary powers to apply funds for the benefit of the elderly residents of Mersea Island and in particular, to acquire and run homes for those purposes. There are two homes, Akhurst Court and Mersea Court, situated in West Mersea, each of which have representation on the Main Committee.

Code of governance
The Mersea Island Trust was established as a charitable trust by a declaration of trust dated 2 May 1961. The founder trustees were headed by Dr J Llewellyn Jones. The Mersea Island Trust is registered as a charity with the Charity Commissioners (no. 206064) and as a registered social landlord with the Regulator of Social Housing.

The input of volunteers
The Trust has one full time administrative staff member and relies upon the input of unpaid volunteers to act as trustees and committee members.

Public benefit statement
The Trust enables the elderly to continue living on Mersea Island. The Trust has had due regard to the guidance published by the Charity Commission on public benefit.

Reserves Policy
The Trustees have examined the charity's requirements for reserves in the light of the main risks to the organisation. It is to establish a policy where the reserves are to be used to maintain the capital commitment of the Trust in keeping within the requirements of the Health and Safety requirements and where necessary the improvement of the facilities.

These reserves are analysed in note 13 on page 17 and where required revalued as required by company law.

Availability and value of assets
The trustees believe that the Trust's assets are available and adequate to fulfil the obligations of the Trust. The market value of the trust's land is substantially in excess of its book value at the year end, as shown in note 10 to these accounts.

Value for money
The Trust is charged with the responsibility for providing and demonstrating that it does provide value for money. The Trust is constantly working to manage its resources to maximise cost effectiveness and efficiency, while at the same time providing quality services to meet tenants needs.

The Trust manages its value for money responsibilities by its approach to budgeting, risk management, interest rates, service quality, voids management and energy consumption whilst keeping an optimum balance between realistically low costs and a quality service.

The Trust's performance against the seven metrics required by the Regulator of Social Housing are:

		2026	2025	Variance % shift	Comments
1	Reinvestment	N/A	N/A		
2	New supply delivered	N/A	N/A		
3	Gearing	-%	-%		No outstanding loan finance
4	Earnings before interest, tax, depreciation major repairs / interest cover	-%	-%		No outstanding loan finance

5	Headline social housing cost per unit	£11,541	£8,731	32%	Includes costs of flat refurbishments and fire safety updates.
6	Operating margin	(17.28%)	6.29%	375%	See above
7	Return on capital employed	(4.75%)	1.57%	402%	See above

The Trust has complied with the Governance and Financial Viability Standard.

Donations
During the year the Trust made no charitable donations.

Trustees' responsibilities
The trustees are responsible for preparing the report and financial statements in accordance with applicable law and regulations.

Registered social housing legislation require the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of its income and expenditure for that period.

In preparing these financial statements, the Board of trustees is required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 association will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and enable it to ensure that the financial statements comply with legislation and the Accounting Direction for private registered providers of social housing in England 2022. It has general responsibility for taking reasonable steps to safeguard the assets of the Trust and to prevent and detect fraud and other irregularities and for maintaining a satisfactory system of control over the Trust's books of accounts and transactions.

Disclosure of information to the auditors
We, the trustees of the Trust who held office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the trust's auditors are unaware; and
- we have taken all the steps that we ought to have taken as Trustees in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.



Caitriona Banting
Deputy Chair
7 September 2026

Opinion

We have audited the financial statements of Mersea Island Trust for the Year Ended 31 March 2026 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows and 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 Trust's affairs as at 31 March 2026 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the trust 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 trust's 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 association'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[3]. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

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

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

Responsibilities of the Trustees

As explained more fully in the Trustee's Responsibilities Statement set out in the trustees' report, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board 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 board is responsible for assessing the trust'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 board either intends to liquidate the trust or to cease operations, or has 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. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities. including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence. capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Trust through discussions with trustees and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Trust, including the Charities Act 2011, data protection, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of trustees; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Trust's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to: ·

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

Use of our report

This report is made solely to the board of trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the board of trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the trust and the board of trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Streets Audit LLP - Statutory Auditor
Orderly House
Dragoon Road
Colchester
Essex, CO2 7FU

STREETS AUDIT LLP
Chartered Accountants &
Registered Auditors

7 September 2026

MERSEA ISLAND TRUST

STATEMENT OF COMPREHENSIVE INCOME
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 MARCH 2026

	Note	2026 £	2025 £
Turnover	2	426,105	400,666
Operating costs	2	(499,742)	(375,450)
Gross (deficit)/surplus		(73,637)	25,216
Other operating income		-	-
Operating (deficit)/surplus	2	(73,637)	25,216
Interest receivable and similar income	5	25,436	17,076
Interest payable and similar charges	5		-
(Deficit)/surplus on ordinary activities for the year	4	(48,201)	42,292
Revaluation of tangible fixed assets		-	-
Total comprehensive income for the year		(48,201)	42,292

There are no recognised gains and losses other than the deficit reported above.

Note of historical cost surpluses and deficits
There is no difference between the results disclosed in the income and expenditure account and the result on an unmodified historical cost basis.

The accounts were approved by the Committee on 7 September 2026 and were signed on its behalf by:

C M P Banting

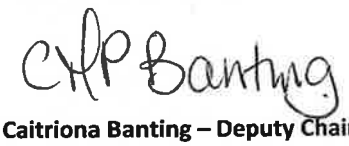
Caitriona Banting – Deputy Chair

MERSEA ISLAND TRUST

BALANCE SHEET
AS AT 31 MARCH 2026

	Note	2026 £	2025 £
Fixed assets			
Housing properties at depreciated cost		1,662,338	1,697,058
Less:			
Social housing grants		(441,387)	(441,387)
Low carbon buildings programme grant		(64,846)	(64,846)
		1,156,105	1,190,825
Other fixed assets		65,195	48,582
	10	1,221,300	1,239,407
Current assets			
Debtors	11	2,070	2,086
Cash at bank and in hand		341,090	373,192
		343,160	375,278
Creditors: amounts falling due within one year	12	(13,261)	(15,285)
Net current assets		329,899	359,993
Total assets less current liabilities		1,551,199	1,599,400
Creditors: amounts falling due after more than one year		-	-
Total net assets		1,551,199	1,599,400
Reserves			
Income and expenditure reserve	13	1,510,747	1,558,948
Designated reserve	13	40,452	40,452
Total Reserves		1,551,199	1,599,400

The financial statements were approved and authorised for issue by the Committee on 7 September 2026 and were signed on its behalf by:



Caitriona Banting – Deputy Chair

The notes on pages 11 to 19 form part of these accounts.

MERSEA ISLAND TRUST

STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2026

	Note	2026 £	2025 £
Cash flow from operating activities	15	(18,427)	70,250
Net cash flow from operating activities		(18,427)	70,250
Cash flow from investing activities			
Payments to acquire tangible fixed assets	10	(23,223)	(65,599)
Interest received	5	9,548	4,514
Net cash flow from investing activities		(13,675)	(61,085)
Cash flow from financing activities			
Repayment of long term loans		-	-
Interest paid		-	-
Net cash flow from financing activities		-	-
Net (decrease)/increase in cash and cash equivalents		(32,102)	9,165
Cash and cash equivalents at 1 April 2025		373,192	364,027
Cash and cash equivalents at 31 March 2026		341,090	373,192
Cash and cash equivalents consists of:			
Cash at bank and in hand		341,090	373,192
Cash and cash equivalents at 31 March 2026		341,090	373,192

1 Summary of significant accounting policies

(a) General information and basis of preparation

Mersea Island Trust is registered as a charity with the Charity Commissioners and as a registered social landlord with the Regulator of Social Housing and is a registered provider of social housing in the United Kingdom. The address of the registered office and operating address is given in the Trust information on page 1 of these financial statements. The nature of the Trust's operations and principal activities are set out in the Trustees report on page 2.

The Trust constitutes a public benefit entity as defined by FRS 102.

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* (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2014, and with the Accounting Direction for private registered providers of social housing in England 2022. 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, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the Trust and rounded to the nearest £.

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.

(b) Tangible fixed assets

Tangible fixed assets (including social housing properties) are stated at cost less accumulated depreciation and accumulated impairment losses. 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.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Housing properties, flats	are stated at cost less Housing Association Grant (HAG). Until 1999 it was considered that housing properties were maintained in a state of repair such that their estimated residual value was not less than their cost so no provision was made on an annual basis for depreciation. Since 1 April 1999 depreciation has been charged at 2% of the estimated cost, net of grants received, of erecting the buildings and making improvements.
Other fixed assets	are stated at cost less accumulated depreciation. Depreciation is charged at 10% per annum straight line.

The useful economic lives of all tangible fixed assets are reviewed annually.

(c) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in other administrative expenses.

(d) 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. If an arrangement constitutes a financing transaction it is measured at present value.

(e) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. The level at which an impairment is assessed is the sheltered housing at each site. The key indicators considered are state of repair and occupancy levels.

If such indication exists, the recoverable amount is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in expenditure through the statement of comprehensive income.

(f) Provisions

Provisions are recognised when the Trust has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Provisions for cyclical maintenance or major works to existing stock are not made unless they represent commitments or obligations at the Balance Sheet date where there is no discretion to avoid or delay the expenditure.

Recycled Capital Grants Fund

Capital grants can be recycled under certain condition, if a property is sold, or if another relevant event takes place. Recycled grants can be used for projects approved by the Regulator of Social Housing and they are credited to the Recycled Capital Grant Fund within liabilities.

In certain circumstances, such as the sale of housing properties, capital grants may be repayable, and, in that event, is subordinated to the repayment of other loans by agreement with the Regulator of Social Housing. It is accounted for as soon as the liability arises within creditors: amounts falling due within one year. When any grant to be recycled or repaid is less than the grant relating to the disposal, the difference is treated as abated grant. Abated capital grants are treated as a component of the surplus or deficit on disposal.

(g) Turnover and other income

Turnover is measured at the fair value of the consideration received or receivable. The policies adopted for the recognition of turnover are as follows:

Turnover represents rental and service charges income receivable in the year net of rent and service charge losses from voids, revenue grants from the government (local authorities) and the Regulator of Social Housing.

Interest receivable

Interest income is recognised using the effective interest method is recognised as the Trust's right to receive payment is established.

(h) Employee benefits

When employees have rendered service to the Trust, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

2 Particulars of turnover and administrative expenditure from social housing lettings

	2026 £	2025 £
Turnover		
Rent receivable	166,056	157,050
Service charge income	265,704	250,980
	431,760	408,030
Void losses	(5,655)	(7,364)
Turnover from social housing lettings	426,105	400,666
Administrative expenditure		
Management (including non-routine maintenance)	80,015	70,703
Service charge costs	219,787	193,182
Routine maintenance	196,446	111,565
Administrative expenditure on social housing lettings	496,248	375,450
Training	3,494	-
Total operating costs	499,742	375,450
Operating (deficit)/surplus on social housing lettings	(73,637)	25,216

3 Accommodation owned and in management

Completed units: Housing for older people	Akhurst Court	Mersea Court	Total
Number of units at 1 April 2025	23	20	43
Changes in year	-	-	-
Number of units at 31 March 2026	23	20	43

4 Deficit on ordinary activities

Deficit on ordinary activities is stated after charging:

	2026 £	2025 £
Auditor's remuneration - for audit	7,696	7,956
Auditor's remuneration – for non-audit services	2,180	2,260
Depreciation of tangible fixed assets	41,330	40,556

5 Interest and other finance income and charges

a) Interest receivable and similar income

	2026 £	2025 £
Bank interest receivable	9,548	4,515
Solar panel income	15,778	12,561
Donations and legacies	110	-
	25,436	17,076

b) Interest payable and similar charges

	2026 £	2025 £
Bank loans and overdrafts	-	-
	-	-

6 Trustees

During the year no trustees (2025:None) were reimbursed for expenses.

None of the trustees received any remuneration during the year.

7 Staff costs

The average number of employees during the year was 6 (2025: 5). They were all employed as wardens, deputy wardens, cleaners or co-ordinators.

The aggregate remuneration of such employees was as follows:

	2026 £	2025 £
Wages and salaries	136,804	112,310
	136,804	112,310

There are no employees who received more than £60,000 as their employee package.

8 Board and key management personnel remuneration

No emoluments were paid or were receivable by the trustees or committee.

9 Tax

Mersea Island Trust is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes provided its income is applied to charitable purposes only. Accordingly, no provision is made for corporation tax but this assumes that income continues to be applied solely to charitable purposes.

10 Tangible fixed assets

	Housing properties for letting - freeholds £	Furniture fittings and equipment £	Total £
Cost:			
At 1 April 2025	2,242,265	58,358	2,300,623
Additions	-	23,223	23,223
Disposals	-	-	-
At 31 March 2026	2,242,265	81,581	2,323,846
Grants from the Housing Corporation			
At 1 April 2025 and 31 March 2026	441,387	-	441,387
Grants from Low Carbon Buildings Programme			
At 1 April 2025 and 31 March 2026	64,846	-	64,846
Depreciation:			
At 1 April 2025	545,207	9,776	554,983
Charge for year	34,720	6,610	41,330
Depreciation on disposals	-	-	-
At 31 March 2026	579,927	16,386	596,313
Net book value:			
At 31 March 2026	1,156,105	65,195	1,221,300
At 31 March 2025	1,190,825	48,582	1,239,407

All of the total cost of household properties relates to completed schemes.

The freehold property at Akhurst Court, Melrose Road, West Mersea is vested in the name of the official custodian for charities. Mersea Court was formerly the Coronation Memorial Trust property and is a freehold property vested in the name of the official custodian for charities. Deducting grants from the cost of the housing properties contravenes the Companies Act however the trustees feel that this is necessary to show a true and fair view of the position.

During the year expenditure of £196,446 (2025: £111,656) on existing properties was made which relates to routine maintenance rather than an enhancement of economic benefits to the housing properties.

Current rebuilding costs for insurance purposes inclusive of fees and VAT are £3,925,000 for Akhurst Court and £3,000,000 for Mersea Court.

Grants from the Housing Corporation may become repayable under certain restricted circumstances such as the sale of property. In this event the grant repayable would become a current liability subordinated to other creditors.

11 Debtors

	2026 £	2025 £
Trade debtors (gross social housing rent arrears)	-	15
Other debtors	2,070	2,071
	2,070	2,086

12 Creditors: amounts falling due within one year

	2026 £	2025 £
Trade creditors	4,062	5,502
Rents paid in advance	-	-
Other creditors	2,107	2,691
Accruals and deferred income	7,092	7,092
	13,261	15,285

13 Reserves

	Provisional Aftercare & Community Contingency Fund	Income and Expenditure Account	Total
	£	£	£
At 31 March 2025	40,452	1,558,948	1,599,400
(Deficit)/Surplus for the year	-	(48,201)	(48,201)
Transfers			-
At 31 March 2026	40,452	1,510,747	1,551,199

a) Income and expenditure reserve (Revenue Reserve)

The income and expenditure reserve represents cumulative surplus and deficits net of other adjustments.

b) The Provisional Aftercare and Community Contingency Fund (PACCF) (Designated Reserve)

This designated reserve represents those monies the trust has built up over the years to fund its work for and outside of the provision of sheltered accommodation at Akhurst Court and Mersea Court.

The movements on the PACCF during the year are included in the income and expenditure account shown on page 8 of the accounts. A transfer was made from the income and expenditure account to the PACCF, of the net movements in the year which are as follows:-

	2026	2025
	£	£
Interest received	-	-
	-	-

14 Auditors' Ethical Standards

The relevant circumstances requiring disclosure in accordance with the requirements of APB Ethical Standard - Provisions Available for Small Entities are that, in common with many charities of our size and nature we use our auditors to assist with the preparation of the accounts. Our auditors also provide payroll bureau services.

15 Reconciliation of operating surplus to cash flow from operating activities

	2026 £	2025 £
(Deficit)/surplus for the year	(48,201)	42,293
Interest payable	-	-
Interest received	(9,548)	(4,515)
Depreciation and impairment of tangible fixed assets	41,330	40,556
(Increase)/decrease in trade and other debtors	15	(529)
Increase/(decrease) in trade and other creditors	(2,023)	(7,555)
Loss on disposal of tangible fixed asset	-	-
Net cash flow from operating activities	(18,427)	70,250

16 Pensions

The trust operates a workplace pension scheme for employees. During the year the cost to the trust was £5,392 and at the balance sheet date an amount of £461 was due to the scheme provider.

17 Related party transactions

There were no related party transactions during the year.

18 Critical accounting estimates and judgments

In the application of the charities accounting policies, the Trustee are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The judgements that the trustees have made that have the most significant effect on the amounts recognised in the financial statements are determining whether there are indicators of impairment of the Charity's tangible assets. The factors taken into consideration when making the judgements include the economic benefits the assets will provide to the charity.

The Trustees have not made any material estimates in relation to these financial statements.

MERSEA ISLAND TRUST

PROPERTY REVENUE ACCOUNT
YEAR ENDED 31 MARCH 2026

		2026			2025		
		Akhurst Court £	Mersea Court £	Total £	Akhurst Court £	Mersea Court £	Total £
Income							
Rents		94,185	71,871	166,056	82,635	74,416	157,051
Service Charges		145,944	119,760	265,704	143,280	107,700	250,980
		240,129	**191,631**	**431,760**	**225,915**	**182,115**	**408,030**
Less:							
Losses arising from vacant accommodation		(2,227)	(3,428)	(5,655)	(904)	(6,460)	(7,364)
Net income		**237,902**	**188,203**	**426,105**	**225,011**	**176,656**	**400,666**
Expenditure							
Service costs	- wardens' salaries	32,692	33,824	66,516	31,007	30,180	61,187
	- wardens council tax	-	-	-	848	-	848
	- helpline monitoring	8,180	7,437	15,617	8,050	7,318	15,368
	- rates	-	-	-	-	-	-
	- water charges	11,276	4,065	15,341	(256)	381	125
	- cleaning	9,392	3,522	12,914	6,639	3,022	9,661
	- garden maintenance	7,208	3,421	10,629	6,035	3,498	9,533
	- gas	18,196	10,794	28,990	16,236	11,390	27,626
	- electricity	11,429	6,423	17,852	10,259	5,911	16,170
	- depreciation of housing properties	20,620	14,100	34,720	20,620	14,100	34,720
	- depreciation of furniture, fittings and equipment	3,750	2,860	6,610	3,316	2,520	5,836
	- telephone	935	1,671	2,606	2,065	2,058	4,123
	- insurance	4,065	3,927	7,992	3,992	3,992	7,984
	-loss on disposal	-	-	-	-	-	-
Total service cost		**127,743**	**92,044**	**219,787**	**108,811**	**84,371**	**193,182**
Management	- administrators' salaries	30,570	30,570	61,140	25,562	25,562	51,123
	- postage and stationery	605	242	847	596	327	923
	- sundries	2,991	2,269	5,260	1,060	1,878	2,938
	- legal and professional	1,192	1,192	2,384	1,677	1,677	3,354
	- accountancy	4,938	4,938	9,876	5,108	5,108	10,216
	-bookkeeping	254	254	508	588	930	1,518
	-advertising	-	-	-	540	-	540
	-bank charges	-	-	-	45	45	90
Total management costs		**40,550**	**39,465**	**80,015**	**35,176**	**35,527**	**70,703**
Routine maintenance		**121,901**	**74,545**	**196,446**	**47,911**	**63,654**	**111,565**
Training		**1,747**	**1,747**	**3,494**	-	-	-
Total expenses before finance costs		**291,941**	**207,801**	**499,742**	**191,898**	**183,552**	**375,450**
Deficit/surplus on properties before finance costs		**(54,039)**	**(19,598)**	**(73,637)**	**33,113**	**(7,879)**	**25,216**
Deficit/surplus on properties after finance costs		**(54,039)**	**(19,598)**	**(73,637)**	**33,113**	**(7,879)**	**25,216**

MERSEA ISLAND TRUST

ACCOUNTS AND TRUSTEES' REPORT
YEAR ENDED 31 MARCH 2026

Regulator of Social Housing registration number: L1259

Charity registration number: 206064

MERSEA ISLAND TRUST

FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2026

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MERSEA ISLAND TRUST

TRUST INFORMATION
FOR THE YEAR ENDED 31 MARCH 2026

Charity registration number	206064
Regulator of Social Housing registration number	L1259
Trustees	Joanna Jackson (Chair) Caitriona Banting (Deputy Chair) Alison Vico (Treasurer) Cheryl Rutter Jayne Taylor Rita Kemp Corrine Fahie (appointed July 2026)
Committee members	Carole Butterfield Yvonne Day Ann Bailey (appointed April 2025)
Tenant representatives	Evelyn Rutter Christine Chamberlain
Registered office	Akhurst Court Melrose Road West Mersea Essex, CO5 8JB
Accountants and auditor	Streets Audit LLP Orderly House Dragoon Road Colchester Essex, CO2 7FU
Solicitor	Ellisons Headgate Court Head Street Colchester Essex
Bankers	Barclays Bank plc 9 High Street Colchester Essex

MERSEA ISLAND TRUST

ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2026

The trustees of Mersea Island Trust present their report, and the audited financial statements of the Year Ended 31 March 2026.

Organisation

The Mersea Island Trust is governed by the trustees who have delegated the operation of the Trust's activities to a Main Committee consisting of trustees and others which meets at least quarterly. The trustees hold an annual general meeting to which committee members are invited. Names of the trustees and committee members are shown on page 1.

Individuals interested in acting as trustees are appointed after they have been recommended as having the qualities and skills expected of trustees and after attending a committee meeting. Training is given where appropriate, dependent upon the requirements of each individual trustee.

Financial review of the past year and future developments

The Trust continues to thrive, and this is reflected in the steady stream of applications we receive for our accommodation. A recent residents' satisfaction survey showed an overall satisfaction level of 96%, (based on a 60% response) demonstrating our continued commitment to providing high-quality accommodation and support for our residents.

I would like to extend my sincere thanks to our tenants' representatives, Evelyn Rutter (Mersea Court) and Christine Chamberlain (Akhurst Court), who continue to represent residents so effectively and provide valuable feedback to the Trust.

I am pleased to report that there have been no staff changes since the last AGM, providing welcome continuity for both residents and the organisation.

Our gardening contractor, Ian Chaplin, has agreed to continue in the role for a further three-year period, and we are grateful for his ongoing commitment to maintaining our gardens to such a high standard. I would also like to thank Laurie Sharpe, who continues to provide invaluable support for the Trust's IT systems and infrastructure.

A continuing challenge for the Trust is the recruitment of new committee members and trustees. We remain keen to attract individuals who can contribute their skills and experience to help guide the organisation and ensure its long-term success.

During the year, a comprehensive stock condition survey has been completed. This provides us with valuable information that will enable us to prioritise future repairs, maintenance and the updating of our flats in a planned and cost-effective way. We have also enhanced our communal facilities, with both courts benefiting from new furniture and curtains in their communal lounges.

As always, compliance with statutory and regulatory requirements remains a key priority. During the year we have continued to address fire safety improvements, including the regular inspection of fire doors and, where necessary, their replacement to ensure we meet current safety standards.

Looking ahead, the Trust faces a number of significant challenges. One of the most important will be identifying a practical solution for the installation of hard-wired smoke detectors within residents' flats. Together with a review of the communal fire alarm systems, this is likely to involve significant expenditure over the coming years.

In addition, we are working closely with the Regulator of Social Housing to ensure that the Trust fully complies with the regulatory requirements introduced from 1 April 2026. These new requirements may have implications for future rent calculations and the Trust's income, and we will continue to monitor developments carefully.

Finally, I would like to express my sincere thanks to Yvonne Day, our General Manager, together with all our staff, trustees and volunteers, for their continued dedication and hard work throughout the year. Their commitment ensures that the Trust continues to provide a safe, welcoming and supportive environment for all our residents.

Objectives and strategies for achieving those objectives
The main objective of the Trustees of the Mersea Island Trust are to:

Keep to and apply, national standard of service and the implementation of a risk Management Statement and National Occupational Standard.

Work in partnership with other organisations to meet the needs of the Tenants and Staff of the homes. To use their discretionary powers to apply funds for the benefit of the elderly residents of Mersea Island and in particular, to acquire and run homes for those purposes. There are two homes, Akhurst Court and Mersea Court, situated in West Mersea, each of which have representation on the Main Committee.

Code of governance
The Mersea Island Trust was established as a charitable trust by a declaration of trust dated 2 May 1961. The founder trustees were headed by Dr J Llewellyn Jones. The Mersea Island Trust is registered as a charity with the Charity Commissioners (no. 206064) and as a registered social landlord with the Regulator of Social Housing.

The input of volunteers
The Trust has one full time administrative staff member and relies upon the input of unpaid volunteers to act as trustees and committee members.

Public benefit statement
The Trust enables the elderly to continue living on Mersea Island. The Trust has had due regard to the guidance published by the Charity Commission on public benefit.

Reserves Policy
The Trustees have examined the charity's requirements for reserves in the light of the main risks to the organisation. It is to establish a policy where the reserves are to be used to maintain the capital commitment of the Trust in keeping within the requirements of the Health and Safety requirements and where necessary the improvement of the facilities.

These reserves are analysed in note 13 on page 17 and where required revalued as required by company law.

Availability and value of assets
The trustees believe that the Trust's assets are available and adequate to fulfil the obligations of the Trust. The market value of the trust's land is substantially in excess of its book value at the year end, as shown in note 10 to these accounts.

Value for money
The Trust is charged with the responsibility for providing and demonstrating that it does provide value for money. The Trust is constantly working to manage its resources to maximise cost effectiveness and efficiency, while at the same time providing quality services to meet tenants needs.

The Trust manages its value for money responsibilities by its approach to budgeting, risk management, interest rates, service quality, voids management and energy consumption whilst keeping an optimum balance between realistically low costs and a quality service.

The Trust's performance against the seven metrics required by the Regulator of Social Housing are:

		2026	2025	Variance % shift	Comments
1	Reinvestment	N/A	N/A		
2	New supply delivered	N/A	N/A		
3	Gearing	-%	-%		No outstanding loan finance
4	Earnings before interest, tax, depreciation major repairs / interest cover	-%	-%		No outstanding loan finance

5	Headline social housing cost per unit	£11,541	£8,731	32%	Includes costs of flat refurbishments and fire safety updates.
6	Operating margin	(17.28%)	6.29%	375%	See above
7	Return on capital employed	(4.75%)	1.57%	402%	See above

The Trust has complied with the Governance and Financial Viability Standard.

Donations
During the year the Trust made no charitable donations.

Trustees' responsibilities
The trustees are responsible for preparing the report and financial statements in accordance with applicable law and regulations.

Registered social housing legislation require the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of its income and expenditure for that period.

In preparing these financial statements, the Board of trustees is required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 association will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and enable it to ensure that the financial statements comply with legislation and the Accounting Direction for private registered providers of social housing in England 2022. It has general responsibility for taking reasonable steps to safeguard the assets of the Trust and to prevent and detect fraud and other irregularities and for maintaining a satisfactory system of control over the Trust's books of accounts and transactions.

Disclosure of information to the auditors
We, the trustees of the Trust who held office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the trust's auditors are unaware; and
- we have taken all the steps that we ought to have taken as Trustees in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.



Caitriona Banting
Deputy Chair
7 September 2026

Opinion

We have audited the financial statements of Mersea Island Trust for the Year Ended 31 March 2026 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows and 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 Trust's affairs as at 31 March 2026 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the trust 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 trust's 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 association'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[3]. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

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

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

Responsibilities of the Trustees

As explained more fully in the Trustee's Responsibilities Statement set out in the trustees' report, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board 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 board is responsible for assessing the trust'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 board either intends to liquidate the trust or to cease operations, or has 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. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities. including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence. capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Trust through discussions with trustees and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Trust, including the Charities Act 2011, data protection, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of trustees; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Trust's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to: ·

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

Use of our report

This report is made solely to the board of trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the board of trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the trust and the board of trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Streets Audit LLP - Statutory Auditor
Orderly House
Dragoon Road
Colchester
Essex, CO2 7FU

STREETS AUDIT LLP
Chartered Accountants &
Registered Auditors

7 September 2026

MERSEA ISLAND TRUST

STATEMENT OF COMPREHENSIVE INCOME
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 MARCH 2026

	Note	2026 £	2025 £
Turnover	2	426,105	400,666
Operating costs	2	(499,742)	(375,450)
Gross (deficit)/surplus		(73,637)	25,216
Other operating income		-	-
Operating (deficit)/surplus	2	(73,637)	25,216
Interest receivable and similar income	5	25,436	17,076
Interest payable and similar charges	5		-
(Deficit)/surplus on ordinary activities for the year	4	(48,201)	42,292
Revaluation of tangible fixed assets		-	-
Total comprehensive income for the year		(48,201)	42,292

There are no recognised gains and losses other than the deficit reported above.

Note of historical cost surpluses and deficits
There is no difference between the results disclosed in the income and expenditure account and the result on an unmodified historical cost basis.

The accounts were approved by the Committee on 7 September 2026 and were signed on its behalf by:

C M P Banting

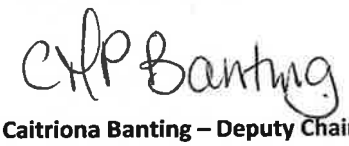
Caitriona Banting – Deputy Chair

MERSEA ISLAND TRUST

BALANCE SHEET
AS AT 31 MARCH 2026

	Note	2026 £	2025 £
Fixed assets			
Housing properties at depreciated cost		1,662,338	1,697,058
Less:			
Social housing grants		(441,387)	(441,387)
Low carbon buildings programme grant		(64,846)	(64,846)
		1,156,105	1,190,825
Other fixed assets		65,195	48,582
	10	1,221,300	1,239,407
Current assets			
Debtors	11	2,070	2,086
Cash at bank and in hand		341,090	373,192
		343,160	375,278
Creditors: amounts falling due within one year	12	(13,261)	(15,285)
Net current assets		329,899	359,993
Total assets less current liabilities		1,551,199	1,599,400
Creditors: amounts falling due after more than one year		-	-
Total net assets		1,551,199	1,599,400
Reserves			
Income and expenditure reserve	13	1,510,747	1,558,948
Designated reserve	13	40,452	40,452
Total Reserves		1,551,199	1,599,400

The financial statements were approved and authorised for issue by the Committee on 7 September 2026 and were signed on its behalf by:



Caitriona Banting – Deputy Chair

The notes on pages 11 to 19 form part of these accounts.

MERSEA ISLAND TRUST

STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2026

	Note	2026 £	2025 £
Cash flow from operating activities	15	(18,427)	70,250
Net cash flow from operating activities		(18,427)	70,250
Cash flow from investing activities			
Payments to acquire tangible fixed assets	10	(23,223)	(65,599)
Interest received	5	9,548	4,514
Net cash flow from investing activities		(13,675)	(61,085)
Cash flow from financing activities			
Repayment of long term loans		-	-
Interest paid		-	-
Net cash flow from financing activities		-	-
Net (decrease)/increase in cash and cash equivalents		(32,102)	9,165
Cash and cash equivalents at 1 April 2025		373,192	364,027
Cash and cash equivalents at 31 March 2026		341,090	373,192
Cash and cash equivalents consists of:			
Cash at bank and in hand		341,090	373,192
Cash and cash equivalents at 31 March 2026		341,090	373,192

1 Summary of significant accounting policies

(a) General information and basis of preparation

Mersea Island Trust is registered as a charity with the Charity Commissioners and as a registered social landlord with the Regulator of Social Housing and is a registered provider of social housing in the United Kingdom. The address of the registered office and operating address is given in the Trust information on page 1 of these financial statements. The nature of the Trust's operations and principal activities are set out in the Trustees report on page 2.

The Trust constitutes a public benefit entity as defined by FRS 102.

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* (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2014, and with the Accounting Direction for private registered providers of social housing in England 2022. 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, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the Trust and rounded to the nearest £.

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.

(b) Tangible fixed assets

Tangible fixed assets (including social housing properties) are stated at cost less accumulated depreciation and accumulated impairment losses. 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.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Housing properties, flats	are stated at cost less Housing Association Grant (HAG). Until 1999 it was considered that housing properties were maintained in a state of repair such that their estimated residual value was not less than their cost so no provision was made on an annual basis for depreciation. Since 1 April 1999 depreciation has been charged at 2% of the estimated cost, net of grants received, of erecting the buildings and making improvements.
Other fixed assets	are stated at cost less accumulated depreciation. Depreciation is charged at 10% per annum straight line.

The useful economic lives of all tangible fixed assets are reviewed annually.

(c) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in other administrative expenses.

(d) 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. If an arrangement constitutes a financing transaction it is measured at present value.

(e) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. The level at which an impairment is assessed is the sheltered housing at each site. The key indicators considered are state of repair and occupancy levels.

If such indication exists, the recoverable amount is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in expenditure through the statement of comprehensive income.

(f) Provisions

Provisions are recognised when the Trust has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Provisions for cyclical maintenance or major works to existing stock are not made unless they represent commitments or obligations at the Balance Sheet date where there is no discretion to avoid or delay the expenditure.

Recycled Capital Grants Fund

Capital grants can be recycled under certain condition, if a property is sold, or if another relevant event takes place. Recycled grants can be used for projects approved by the Regulator of Social Housing and they are credited to the Recycled Capital Grant Fund within liabilities.

In certain circumstances, such as the sale of housing properties, capital grants may be repayable, and, in that event, is subordinated to the repayment of other loans by agreement with the Regulator of Social Housing. It is accounted for as soon as the liability arises within creditors: amounts falling due within one year. When any grant to be recycled or repaid is less than the grant relating to the disposal, the difference is treated as abated grant. Abated capital grants are treated as a component of the surplus or deficit on disposal.

(g) Turnover and other income

Turnover is measured at the fair value of the consideration received or receivable. The policies adopted for the recognition of turnover are as follows:

Turnover represents rental and service charges income receivable in the year net of rent and service charge losses from voids, revenue grants from the government (local authorities) and the Regulator of Social Housing.

Interest receivable

Interest income is recognised using the effective interest method is recognised as the Trust's right to receive payment is established.

(h) Employee benefits

When employees have rendered service to the Trust, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

2 Particulars of turnover and administrative expenditure from social housing lettings

	2026 £	2025 £
Turnover		
Rent receivable	166,056	157,050
Service charge income	265,704	250,980
	431,760	408,030
Void losses	(5,655)	(7,364)
Turnover from social housing lettings	426,105	400,666
Administrative expenditure		
Management (including non-routine maintenance)	80,015	70,703
Service charge costs	219,787	193,182
Routine maintenance	196,446	111,565
Administrative expenditure on social housing lettings	496,248	375,450
Training	3,494	-
Total operating costs	499,742	375,450
Operating (deficit)/surplus on social housing lettings	(73,637)	25,216

3 Accommodation owned and in management

Completed units: Housing for older people	Akhurst Court	Mersea Court	Total
Number of units at 1 April 2025	23	20	43
Changes in year	-	-	-
Number of units at 31 March 2026	23	20	43

4 Deficit on ordinary activities

Deficit on ordinary activities is stated after charging:

	2026 £	2025 £
Auditor's remuneration - for audit	7,696	7,956
Auditor's remuneration – for non-audit services	2,180	2,260
Depreciation of tangible fixed assets	41,330	40,556

5 Interest and other finance income and charges

a) Interest receivable and similar income

	2026 £	2025 £
Bank interest receivable	9,548	4,515
Solar panel income	15,778	12,561
Donations and legacies	110	-
	25,436	17,076

b) Interest payable and similar charges

	2026 £	2025 £
Bank loans and overdrafts	-	-
	-	-

6 Trustees

During the year no trustees (2025:None) were reimbursed for expenses.

None of the trustees received any remuneration during the year.

7 Staff costs

The average number of employees during the year was 6 (2025: 5). They were all employed as wardens, deputy wardens, cleaners or co-ordinators.

The aggregate remuneration of such employees was as follows:

	2026 £	2025 £
Wages and salaries	136,804	112,310
	136,804	112,310

There are no employees who received more than £60,000 as their employee package.

8 Board and key management personnel remuneration

No emoluments were paid or were receivable by the trustees or committee.

9 Tax

Mersea Island Trust is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes provided its income is applied to charitable purposes only. Accordingly, no provision is made for corporation tax but this assumes that income continues to be applied solely to charitable purposes.

10 Tangible fixed assets

	Housing properties for letting - freeholds £	Furniture fittings and equipment £	Total £
Cost:			
At 1 April 2025	2,242,265	58,358	2,300,623
Additions	-	23,223	23,223
Disposals	-	-	-
At 31 March 2026	2,242,265	81,581	2,323,846
Grants from the Housing Corporation			
At 1 April 2025 and 31 March 2026	441,387	-	441,387
Grants from Low Carbon Buildings Programme			
At 1 April 2025 and 31 March 2026	64,846	-	64,846
Depreciation:			
At 1 April 2025	545,207	9,776	554,983
Charge for year	34,720	6,610	41,330
Depreciation on disposals	-	-	-
At 31 March 2026	579,927	16,386	596,313
Net book value:			
At 31 March 2026	1,156,105	65,195	1,221,300
At 31 March 2025	1,190,825	48,582	1,239,407

All of the total cost of household properties relates to completed schemes.

The freehold property at Akhurst Court, Melrose Road, West Mersea is vested in the name of the official custodian for charities. Mersea Court was formerly the Coronation Memorial Trust property and is a freehold property vested in the name of the official custodian for charities. Deducting grants from the cost of the housing properties contravenes the Companies Act however the trustees feel that this is necessary to show a true and fair view of the position.

During the year expenditure of £196,446 (2025: £111,656) on existing properties was made which relates to routine maintenance rather than an enhancement of economic benefits to the housing properties.

Current rebuilding costs for insurance purposes inclusive of fees and VAT are £3,925,000 for Akhurst Court and £3,000,000 for Mersea Court.

Grants from the Housing Corporation may become repayable under certain restricted circumstances such as the sale of property. In this event the grant repayable would become a current liability subordinated to other creditors.

11 Debtors

	2026 £	2025 £
Trade debtors (gross social housing rent arrears)	-	15
Other debtors	2,070	2,071
	2,070	2,086

12 Creditors: amounts falling due within one year

	2026 £	2025 £
Trade creditors	4,062	5,502
Rents paid in advance	-	-
Other creditors	2,107	2,691
Accruals and deferred income	7,092	7,092
	13,261	15,285

13 Reserves

	Provisional Aftercare & Community Contingency Fund	Income and Expenditure Account	Total
	£	£	£
At 31 March 2025	40,452	1,558,948	1,599,400
(Deficit)/Surplus for the year	-	(48,201)	(48,201)
Transfers			-
At 31 March 2026	40,452	1,510,747	1,551,199

a) Income and expenditure reserve (Revenue Reserve)

The income and expenditure reserve represents cumulative surplus and deficits net of other adjustments.

b) The Provisional Aftercare and Community Contingency Fund (PACCF) (Designated Reserve)

This designated reserve represents those monies the trust has built up over the years to fund its work for and outside of the provision of sheltered accommodation at Akhurst Court and Mersea Court.

The movements on the PACCF during the year are included in the income and expenditure account shown on page 8 of the accounts. A transfer was made from the income and expenditure account to the PACCF, of the net movements in the year which are as follows:-

	2026	2025
	£	£
Interest received	-	-
	-	-

14 Auditors' Ethical Standards

The relevant circumstances requiring disclosure in accordance with the requirements of APB Ethical Standard - Provisions Available for Small Entities are that, in common with many charities of our size and nature we use our auditors to assist with the preparation of the accounts. Our auditors also provide payroll bureau services.

15 Reconciliation of operating surplus to cash flow from operating activities

	2026 £	2025 £
(Deficit)/surplus for the year	(48,201)	42,293
Interest payable	-	-
Interest received	(9,548)	(4,515)
Depreciation and impairment of tangible fixed assets	41,330	40,556
(Increase)/decrease in trade and other debtors	15	(529)
Increase/(decrease) in trade and other creditors	(2,023)	(7,555)
Loss on disposal of tangible fixed asset	-	-
Net cash flow from operating activities	(18,427)	70,250

16 Pensions

The trust operates a workplace pension scheme for employees. During the year the cost to the trust was £5,392 and at the balance sheet date an amount of £461 was due to the scheme provider.

17 Related party transactions

There were no related party transactions during the year.

18 Critical accounting estimates and judgments

In the application of the charities accounting policies, the Trustee are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The judgements that the trustees have made that have the most significant effect on the amounts recognised in the financial statements are determining whether there are indicators of impairment of the Charity's tangible assets. The factors taken into consideration when making the judgements include the economic benefits the assets will provide to the charity.

The Trustees have not made any material estimates in relation to these financial statements.

MERSEA ISLAND TRUST

PROPERTY REVENUE ACCOUNT
YEAR ENDED 31 MARCH 2026

		2026			2025		
		Akhurst Court £	Mersea Court £	Total £	Akhurst Court £	Mersea Court £	Total £
Income							
Rents		94,185	71,871	166,056	82,635	74,416	157,051
Service Charges		145,944	119,760	265,704	143,280	107,700	250,980
		240,129	**191,631**	**431,760**	**225,915**	**182,115**	**408,030**
Less:							
Losses arising from vacant accommodation		(2,227)	(3,428)	(5,655)	(904)	(6,460)	(7,364)
Net income		**237,902**	**188,203**	**426,105**	**225,011**	**176,656**	**400,666**
Expenditure							
Service costs	- wardens' salaries	32,692	33,824	66,516	31,007	30,180	61,187
	- wardens council tax	-	-	-	848	-	848
	- helpline monitoring	8,180	7,437	15,617	8,050	7,318	15,368
	- rates	-	-	-	-	-	-
	- water charges	11,276	4,065	15,341	(256)	381	125
	- cleaning	9,392	3,522	12,914	6,639	3,022	9,661
	- garden maintenance	7,208	3,421	10,629	6,035	3,498	9,533
	- gas	18,196	10,794	28,990	16,236	11,390	27,626
	- electricity	11,429	6,423	17,852	10,259	5,911	16,170
	- depreciation of housing properties	20,620	14,100	34,720	20,620	14,100	34,720
	- depreciation of furniture, fittings and equipment	3,750	2,860	6,610	3,316	2,520	5,836
	- telephone	935	1,671	2,606	2,065	2,058	4,123
	- insurance	4,065	3,927	7,992	3,992	3,992	7,984
	-loss on disposal	-	-	-	-	-	-
Total service cost		**127,743**	**92,044**	**219,787**	**108,811**	**84,371**	**193,182**
Management	- administrators' salaries	30,570	30,570	61,140	25,562	25,562	51,123
	- postage and stationery	605	242	847	596	327	923
	- sundries	2,991	2,269	5,260	1,060	1,878	2,938
	- legal and professional	1,192	1,192	2,384	1,677	1,677	3,354
	- accountancy	4,938	4,938	9,876	5,108	5,108	10,216
	-bookkeeping	254	254	508	588	930	1,518
	-advertising	-	-	-	540	-	540
	-bank charges	-	-	-	45	45	90
Total management costs		**40,550**	**39,465**	**80,015**	**35,176**	**35,527**	**70,703**
Routine maintenance		**121,901**	**74,545**	**196,446**	**47,911**	**63,654**	**111,565**
Training		**1,747**	**1,747**	**3,494**	-	-	-
Total expenses before finance costs		**291,941**	**207,801**	**499,742**	**191,898**	**183,552**	**375,450**
Deficit/surplus on properties before finance costs		**(54,039)**	**(19,598)**	**(73,637)**	**33,113**	**(7,879)**	**25,216**
Deficit/surplus on properties after finance costs		**(54,039)**	**(19,598)**	**(73,637)**	**33,113**	**(7,879)**	**25,216**