Charity Number: 206515

THE THOMAS WATSON COTTAGE HOMES

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

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THE THOMAS WATSON COTTAGE HOMES

REFERENCE AND ADMINISTRATIVE INFORMATION
31 December 2025

Registered Address	6a The Hall Leecroft Road Barnet Herts EN5 2TJ
Charity Number	206515
Trustees	Mrs J S Harrold (Chairman) Mrs S H Housden Mr R W Peart Mrs V E Corrigan Mr D L Kay (resigned 17 July 2025) Mrs C L Corbett Mrs S K Mallon Mr A K Edrupt Mr S C de Galleani
Clerk to the Trustees	Mrs J I Scott
Finance Manager	Mrs K Kendall
Sheltered Housing Manager	Mrs S E Baker
Solicitors	Wedlake Bell LLP 71 Queen Victoria Street London EC4V 4AY
Auditors	Keelings Limited Broad House 1 The Broadway Old Hatfield Hertfordshire AL9 5BG
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ

THE THOMAS WATSON COTTAGE HOMES

REPORT OF THE TRUSTEES

The Trustees present their report and the audited financial statements for the year ended 31st December 2025. These have been prepared in accordance with the Statement of Recommended Practice issued applicable to Charities preparing their accounts in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard appplicable in the UK and Republic of Ireland (FRS 102) and Charities Act 2011 and the Charity's governing documents.

TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual 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 & 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 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 Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that 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.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Charity was established on 25th November 1913 and in 1980 combined with the Charity of Annie Lucy Watson, established by Will on 2nd March 1937. The Charity is regulated by a scheme of the Charity Commissioners of 15th August 1980, as affected by the Scheme of the Commissioners of 26th October 1987 (Authority to sell land), and as varied by the provisions of the Schemes dated 24th June 1991 (to establish a Cyclical Maintenance Fund and extend qualification to spouses), 10th June 1992 (authority for expenditure of £145,000 on refurbishment of Cottages, subject to direction to recoup over 15 years), 25th January 1995 (authority for expenditure of £600,000 towards construction of at least 10 flats subject to direction to recoup over 60 years) and supplemental order, dated 8th September 1995 (authority to expend a further £50,000 on construction of a further flat), and 18th February 2010 (authority for expenditure of not more than £1,300,000 towards construction of further eight housing units subject to direction to recoup over 60 years).

Trustees

The Trustees appointed to the Thomas Watson Cottage Homes show a balance of skills in order to run this Charity effectively. At the year end, there are four Trustees who are directly related to the Founders, one who is a former employee of NFC and three who are local residents. Their expertise covers Property and Planning, Finance and Welfare.

There are no outside parties who can appoint Trustees for the Thomas Watson Cottage Homes.

Each Trustee is appointed for a term of five years by a resolution of the existing Trustees and may be reappointed at the end of such term.

All new Trustees are given a copy of the Residents' Handbook, full details on the running of the Charity and guidelines from the Charity Commission for this scheme. Any other opportunities for training are also considered.

Structure of Organisation

The Trustees met four times during the year in person and via zoom as and when required.

- To review the finances of the Charity.
- To consider on-going requirements for the maintenance and upkeep of the individual housing units and for the estate in general.
- To determine action required in relation to future developments on the estate.
- To receive reports from the Clerk on the health and well-being of residents and other matters relating to the running of the Charity, including Housing Benefit.

There were sub-committee meetings during the year as required.

The day-to-day administrative activities were carried out by the Clerk to the Trustees, with assistance from the Sheltered Housing Manager, Maintenance Supervisor and the Finance Manager.

Statement of Risk Management

The Trustees have considered the risks to which The Thomas Watson Cottage Homes are exposed. These risks are mitigated by:

- A Board of Trustees with the necessary experience and competence to ensure the successful running of the Charity;
- Regular Trustees' meetings with effective reporting to ensure proper review of operations;
- Maintenance of a sufficient reserve to implement an effective relocation programme in the event of a disaster affecting the habitability of the accommodation;

Other financial risks have been addressed by insurance.

CHARITY OBJECTIVES AND ACTIVITIES

The Objective is to run Almshouses for the benefit of the following persons. They shall be aged or poor persons of the following classes and their spouses or widows in the following order of priority:

- Former employees of Sutton and Company, Sutton and Company Limited and Sutton and Company (Manchester) Limited;
- Employees or former employees of any successor company of the said companies or any company of NFC plc;
- Employees or former employees of any person, firm, company or undertaking engaged in the business of carrying freight;
- Employees or former employees of any other carrier of freight.

Provided that when selecting residents in all the above classes preference shall be given to such persons who have been employed as above mentioned for the longest period.

NFC plc changed its name to EXEL plc and then merged with Ocean Group plc. This group now forms part of DHL which in turn is owned by Deutsche Post AG. The Charity Commission advise that this does not require a change in the Scheme of the Charity.

Subject to the expenses of Management, transfers to a Cyclical Maintenance Fund and an Extraordinary Repair Fund, the Trustees shall apply the income of the Charity for the benefit of the residents in the Almshouses of the Charity or any of them in such manner as the Trustees think fit from time to time.

The Trustees confirm that the Charity Commission's general guidance on public benefit has been considered in relation to the objectives of the Charity. The report sets out those objectives and describes how they have been met in the current year.

The only volunteers are the Trustees.

The Charity does not engage in fundraising activities.

ACHIEVEMENTS AND PERFORMANCE

In 2025 we had 94% occupancy, which is up from 91% in 2024 after welcoming 3 new residents during the year. Except for one cottage which remains unoccupied while being refurbished and split into two individual dwellings, all properties were occupied at the end of the year.

One flat in Colgate Court continues to be used as a guest flat and for other facilities for the benefit of the residents.

There were no staff changes in the year, throughout which all the staff have provided excellent care and support to our Residents and assistance to the Trustees.

FINANCIAL REVIEW

The Trustees have considered reserves required as part of their assessment of risk and also taken into account the annual requirement to transfer recoupment funds to the Endowment Fund. This year the amount transferred was £10,832 for Colgate Court and £21,664 for the new Cottages.

The Charity recorded a surplus of £52,126 in the year. It is the Trustees' policy to maintain a balance on general reserves which equates to at least 6 months general expenditure. The balance at the year end was £198,393 (2024: £193,327 - restated) which exceeds this target, but is considered prudent by the Trustees.

The principal funding source is Weekly Maintenance Contributions from the Cottages and Flats.

The average contribution per unit of occupied accommodation was £9,957 per annum. Weekly Maintenance Contributions were reviewed in line with The Almshouse Association's guidance to ensure they remain affordable while ensuring the long-term viability of the charity.

At 31st December 2025, the charity's funds were £4,714,404, of which £4,289,395 were restricted.

The Trustees have a policy to maintain the Cyclical Maintenance Fund at a level sufficient to cover planned, non-annual repairs to the almshouses over the next five years; and the Emergency Repair Fund at an adequate value to cover major, unforeseen and non-routine repairs to the charity's property.

The balance of Recoupment funds continue to be held in Deposit Accounts and investments. The equity market has fluctuated during the year and the investments held throughout the year increased in value by a net total of £7,616, all being unrealised.

The investment policy of the Charity is to mitigate its risk by having a spread of investment funds, with review by the Trustees on a quarterly basis. The Charity's policy on reserves is determined by the various Charity Commission Orders on an ongoing concern basis. The Charity aims to break even from its operations on the General Fund year on year.

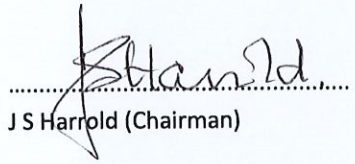
The Charity does not rely on voluntary work nor does it receive any gifts in kind. The Finance sub-committee recommends the investment policy, which is ratified at the full quarterly Trustee meetings.

Having assessed the Charity's financial circumstances the Trustees have a reasonable expectation that the Charity has adequate resources to continue its operations for the foreseeable future.

PLANS FOR THE FUTURE

Future quinquennial inspections will take place on a rotation basis between the Original Cottages, Colgate Court and Jubilee Cottages.

A decision by the Trustees with regard to the future of one of the larger Original Cottages is currently being made. This will include the option of a general refurbishment, or alternatively splitting the existing Cottage into two, smaller, new dwellings.



23/07/26

J S Harrold (Chairman)

The Thomas Watson Cottage Homes, Leecroft Road, Barnet, Herts EN5 2TJ

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE THOMAS WATSON COTTAGE HOMES

Opinion

We have audited the financial statements of The Thomas Watson Cottage Homes (the 'Charity') for the year ended 31st December 2025 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31st December 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties re-lating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least 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 Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other in-for-mation, 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 Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; 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.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees Responsibilities, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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 rea-sonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We gained an understanding of the legal and regulatory framework applicable to the Entity and the industry in which it operates and considered the risk of acts by Management and which were contrary to applicable laws and regulations, including fraud. These included, but were not limited to, compliance with Financial Reporting Framework FRS 102, Charities Act 2011, General Data Protection Regulations, and applicable Health and Safety and Em-ployment Legislation. We made enquiries of the Trustees of the Charity to obtain further understanding of the risks of non-compliance. We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;

- enquiries of Management regarding known or suspected instances of non-compliance with laws and regulations;

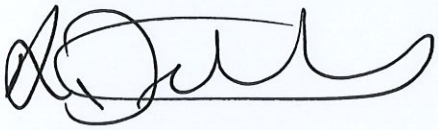
- review of minutes of the Board meetings throughout the year;
- obtaining an understanding of the control environment in place to prevent and detect irregularities.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error. 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest ex-tent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Keelings Limited
Statutory Auditors, Chartered Tax Advisers
and Chartered Certified Accountants
Broad House
1 The Broadway
Old Hatfield
Hertfordshire
AL9 5BG

THE THOMAS WATSON COTTAGE HOMES

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 December 2025

	Note	General Funds 2025 £	Designated Funds 2025 £	Endowment Funds 2025 £	Total Funds 2025 £	As restated Total Funds 2024 £
Income from:						
Charitable Activities	3	292,991	-	-	292,991	270,362
Investment Income	4	97,043	-	-	97,043	86,465
Other Income	5	2,435	-	-	2,435	459,582
Total Income		392,468	-	-	392,468	816,409
Expenditure on:						
Charitable Activities	6	273,850	41,913	32,196	347,958	660,694
Total Expenditure		273,850	41,913	32,196	347,958	660,694
Net income/ (expenditure) before net gains on investments		118,619	(41,913)	(32,196)	44,510	155,715
Net gains/ (losses) on investments		(1,056)	-	8,672	7,616	43,139
Net expenditure		117,562	(41,913)	(23,524)	52,126	198,854
Transfer between funds		(112,496)	80,000	32,496	-	-
Net movement in funds		5,066	38,087	8,972	52,126	198,854
Reconciliation of Funds						
Total funds b/f		193,327	188,529	4,280,422	4,662,278	4,463,424
Net movement in funds		5,066	38,087	8,972	52,126	198,854
Net movement in funds		198,393	226,617	4,289,395	4,714,404	4,662,278

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 11 to 24 form part of these financial statements.

THE THOMAS WATSON COTTAGE HOMES

BALANCE SHEET AS AT
31 December 2025

	Note		2025 £		As restated 2024 £
Fixed Assets					
Investments at Market Value	13		2,731,441		2,723,825
Land and buildings	12		1,346,464		1,379,372
			4,077,905		4,103,197
Current Assets					
Debtors	14		40,476		29,398
Cash at bank and in hand	15		629,076		596,102
		669,552		625,500	
Creditors: amunts falling due within one year	16	33,053		66,419	
Net current assets			636,499		559,081
Total net assets			4,714,404		4,662,278
Charity Funds					
General Funds	17		198,393		193,327
Designated Funds	17		226,616		188,529
Endowment Funds	17		4,289,394		4,280,422
Net movement in funds			4,714,404		4,662,278

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

J Harrold
Chairman
Date: 23/07/26

The notes on pages 11 to 24 form part of these financial statements.

1. ACCOUNTING POLICIES

1.1. Basis of preparation of the financial statements

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value, unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

The financial statements have been prepared to give a 'true and fair" view and have therefore departed from the Charities (Accounts and Reports) Regulations 2008. This departure has involved following the Charities SORP (FRS 102) as stated above, rather than the Accounting and Reporting by Charities Statement of Recommended Practice effective from 1 April 2005, which has since been withdrawn.

The Thomas Watson Cottage Homes constitutes a public benefit entity as defind by FRS 102.

The reporting currency is GBP and all amounts have been rounded to the nearest £.

1.2 Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds are represented by the Cyclical Maintenance Fund and the Extraordinary Repair Fund which were set up to be used against the regular upkeep and maintenance of the properties.

The Endowment Fund represents the endowment made by the daughters of Thomas Watson for the primary purpose of the Charity.

Investment income, gains and losses are allocated to the appropriate fund.

1.3 Revaluation of Fixed Asset Investments

In accordance with the SORP, investments of the Charity have been revalued at the balance sheet date. The value shown in the accounts is the mid-market price.

Land held by the Charity with no prospect of development or sale has not been revalued.

1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income.

1.5 Resources expended

Resources expended are accounted for on an accruals basis. It is the policy of the Trustees not to capitalise new office equipment costing less than £5,000.

All resources expended are inclusive of irrecoverable VAT, which is charged against the expense to which it relates.

During the year, the Charity generated a surplus of £52,126 (2024: £198,854 as restated) after revaluation of investments, which translates to a surplus of £44,510 (2024: £155,715 as restated) before revaluation of investments.

1. ACCOUNTING POLICIES (continued)

The Trustees consider The Thomas Watson Cottage Homes a going concern for the foreseeable future, this being at least 12 months from the date the balance sheet was signed.

This is due to the considerable endowment held by the Charity, which generates income. The weekly maintenance contributions paid by the residents are aimed at representing 85% of fair rents as established by the Valuation Office, and it can be expected that similar levels of income can be achieved in that regard in the next year. The Trustees budget for 5% of the properties being vacant during the year, which would not cause the Charity any financial hardship.

Additionally, the Charity holds a large investment portfolio which generates ca. 25% (2024: 24%) of its regular income. It is split between equity and treasury stock to reduce risk while still being able to generate good returns.

Unexpected expenses are unlikely to occur as quinquennial works are carried out on the cottages to ensure that they are in good states of repair, and any issues can be addressed immediately or can be budgetted for.

1.6 Cash flow

The financial statements do not include a cash flow statement because the Charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Charities SORP (FRS 102).

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.7 Amortisation

The cost of Colgate Court and Jubilee Cottages is amortised at rates calculated to be in accordance with the recoupment rate set down by the Charity Commission as set out below:

Colgate Court	- over 60 years
Jubilee Cottages	- over 60 years

The Trustees consider the time period for the amortisation appropriate in view of the directions of the Charity Commission in the Schemes dated 25th January 1996 and 16th February 2010.

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 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 in advanced payments for the services it must provide.

1. ACCOUNTING POLICIES (continued)

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 risk specific to the liability. The unwinding of the discount is recognised within finance charges.

1.11 Financial Instruments

With the exception of fixed asset investments, the Charity only has financial assets and financial liabilities of a kind that qualifies as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION

In the application of the Charity's accounting policies, the Trustees may be 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 assumption are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in a period of the revision and future periods if the revision affects both current and future periods.

At the year end date the Trustees had identified the following relevant estimates for which assumptions might be needed in the financial statements:

Amortisation (Recoupment)

The cost of Colgate Court and Jubilee Cottages is amortised at rates calculated to be in accordance with the recoupment rate set down by the Charity Commission (60 years).

Dividends and Interest Income

Official information on interest and dividends receivable for the latter part of the year is usually received after the year end and after the accounts have been prepared, making it necessary to estimate the anticipated interest/ dividend income. Estimates are made based on experience and interest received for previous periods.

3 Income from charitable activities

	General Funds 2025 £	Designated Funds 2025 £	Endowment Funds 2025 £	Total Funds 2025 £
Weekly Maintenance Contributions & Housing Benefit	292,991	-	-	292,991
	292,991	-	-	292,991

	General Funds 2024 £	Designated Funds 2024 £	Endowment Funds 2024 £	Total Funds 2024 £
Weekly Maintenance Contributions & Housing Benefit	270,362	-	-	270,362
	270,362	-	-	270,362

4 Investment Income

	General Funds 2025 £	Designated Funds 2025 £	Endowment Funds 2025 £	Total Funds 2025 £
Interest	20,526	-	-	20,526
Dividends	76,516	-	-	76,516
	97,043	-	-	97,043

	General Funds 2024 £	Designated Funds 2024 £	Endowment Funds 2024 £	Total Funds 2024 £
Interest	16,939	-	-	16,939
Dividends	69,526	-	-	69,526
	86,465	-	-	86,465

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2025

5 Other Income

	General Funds 2025 £	Designated Funds 2025 £	Endowment Funds 2025 £	Total Funds 2025 £
Wayleaves	2	-	-	2
Insurance Refunds	-	-	-	-
Other Refunds and Reimbursements	2,433	-	-	2,433
	2,435	-	-	2,435

	General Funds 2024 £	Designated Funds 2024 £	Endowment Funds 2024 £	Total Funds 2024 £
Wayleaves	1	-	-	1
Insurance Refunds	-	99,581	-	99,581
Other Refunds and Reimbursements	-	-	360,000	360,000
	1	99,581	360,000	459,582

6 Expenditure on Charitable Activities

	General Funds 2025 £	Designated Funds 2025 £	Endowment Funds 2025 £	Total Funds 2025 £
Maintenance of Site Properties	152,792	41,913	32,196	226,901
Residents' Amenities	52,489	-	-	52,489
Other Running Costs	68,568	-	-	68,568
	273,850	41,913	32,196	347,958

	General Funds 2024 £	Designated Funds 2024 £	Endowment Funds 2024 £	As restated Total Funds 2024 £
Maintenance of Site Properties	128,886	112,118	312,490	553,494
Residents' Amenities	48,595			48,595
Other Running Costs	58,605	-	-	58,605
	236,086	112,118	312,490	660,694

7 Maintenance of Site Properties

	General Funds 2025 £	Designated Funds 2025 £	Endowment Funds 2025 £	Total Funds 2025 £
Maintenance & general upkeep	73,348	41,913	-	115,261
Exceptional repairs	-	-	(300)	(300)
Amortisation	412	-	32,496	32,908
Maintenance salaries	33,895	-	-	33,895
Landscaping, gardening & grounds	-	-	-	-
Light & Heat	12,770	-	-	12,770
Rates & Insurance	32,368	-	-	32,368
	152,792	41,913	32,196	226,901

	General Funds 2024 £	Designated Funds 2024 £	Endowment Funds 2024 £	As restated Total Funds 2024 £
Maintenance & general upkeep	39,943	112,118	-	152,061
Exceptional repairs			279,994	279,994
Amortisation	412		32,496	32,908
Maintenance salaries	33,417			33,417
Landscaping, gardening & grounds	6,841			6,841
Light & Heat	20,537			20,537
Rates & Insurance	27,736			27,736
	128,886	112,118	312,490	553,494

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2025

8 Residents' Amenities

	General Funds 2025 £	Designated Funds 2025 £	Endowment Funds 2025 £	Total Funds 2025 £
Wages & NI	40,308	-	-	40,308
Alarm System	2,054	-	-	2,054
Residents' Amenities & Welfare	10,128	-	-	10,128
	52,489	-	-	52,489

	General Funds 2024 £	Designated Funds 2024 £	Endowment Funds 2024 £	Total Funds 2024 £
Wages & NI	39,762	-	-	39,762
Alarm System	2,012	-	-	2,012
Residents' Amenities & Welfare	6,821	-	-	6,821
	48,595	-	-	48,595

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2025

9 Other Running Costs

	General Funds 2025 £	Designated Funds 2025 £	Endowment Funds 2025 £	Total Funds 2025 £
Clerk's Salary	35,070	-	-	35,070
Telephone, Postage & Stationery	5,218	-	-	5,218
Subscriptions	782	-	-	782
Sundry expenses	546	-	-	546
Office equipment & Computer Maintenance	4,935	-	-	4,935
Recruitment & Training	445	-	-	445
Audit	4,789	-	-	4,789
Trustees' expenses	377	-	-	377
Financial services	14,299	-	-	14,299
Professional fees	2,106	-	-	2,106
	68,568	-	-	68,568

	General Funds 2024 £	Designated Funds 2024 £	Endowment Funds 2024 £	Total Funds 2024 £
Clerk's Salary	32,129	-	-	32,129
Telephone, Postage & Stationery	2,852	-	-	2,852
Subscriptions	662	-	-	662
Sundry expenses	511	-	-	511
Office equipment & Computer Maintenance	843	-	-	843
Recruitment & Training	903	-	-	903
Audit	3,488	-	-	3,488
Trustees' expenses	427	-	-	427
Financial services	15,290	-	-	15,290
Professional fees	1,500	-	-	1,500
	58,605	-	-	58,605

10 Staff costs

	2025	2024
	£	£
Wages & Salaries	103,536	97,836
Social security costs	2,631	4,537
Contribution to defined contribution pension scheme	3,106	2,935
	109,273	105,308

The average number of staff during the year was 3 (2024: 3). No employee received remuneration amounting to more than £60,000 in either year.

Key management is represented by the charities trustees who give their time freely and do not receive any remuneration.

11 Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024: £Nil).
During the year, 2 (2024: 2) Trustees had expenses reimbursed toalling £124 (2024) £427).

12 Tangible Fixed Assets

	Flats	Old Cottages	Jubilee Cottages	Other Land	Total
	£	£	£	£	£
Cost or valuation					
At 1 January & 31 December 2025	674,629	2,384,226	1,299,717	14,789	4,373,361
Amortisation					
At 1 January 2025 (as restated)	317,327	2,384,226	292,436	-	2,993,989
Charge for the year	(11,244)	-	(21,664)	-	(32,908)
At 31 December 2025	328,571	2,384,226	314,100	-	3,026,897
Net book value					
At 31 December 2025	346,058	-	985,617	14,789	1,346,464
At 31 December 2024	357,302	-	1,007,281	14,789	1,379,372

The Charity owns the freehold to 6.3 acres of land at Chipping Barnet together with 20 cottages and 11 flats, being 30 units of accommodation for residents, and one residents' guest suite.

The land together with the 12 original cottage homes was donated to the Charity by the Founders in 1913. This cost attributed to the original cottages is their 2008 valuation and the Trustees have adopted this figure for the purposes of FRS 102. It will not be subject to further revaluation and the depreciation charged recognises that they have been occupied for charitable purposes for in excess of 60 years, being the period of amortisation adopted as explained below.

12 Tangible Fixed Assets (continued)

On 25th January 1995, the Charity Commissioners authorised the Trustees of the Charity to expend from its permanent endowment not more than £600,000 (increased to £650,000 on 8th September 1995) towards the construction of at least eleven flats. Construction commenced during 1995 and final payments were made during 1998 on contract value of £674,629. The cost in excess of the Charity Commission authorisation has been met from interest earned on the £650,000 during the course of development. The Trustees are required to recoup the sums expended by transfer from income over 60 years. The depreciation method adopted reflects the recoupment period and has therefore been set to write off the cost of buildings over 60 years. As a result, the original cottages are considered fully depreciated and amortisation provisions continue to be made for the flats and Jubilee cottages.

On 18th. February 2010, the Charity Commissioners authorised the Trustees of the Charity to expend from its permanent endowment not more than £1,300,000, towards the construction of eight cottages. Work was completed during 2011 and the Trustees will be required to recoup the sum expended by transfer from income over 60 years and this is reflected in the depreciation charge.

The cost of other land represents the expenditure incurred during 2008 in securing the land not considered available for sale. This is considered by the Trustees to be a reasonable estimate of the value of that land.

13 Fixed asset investments

	Listed Investments £
Cost or valuation	
At 1 January 2025	2,723,825
Revaluations	7,616
At 31 December 2025	2,731,441
Net book value	
At 31 December 2025	2,731,441
At 31 December 2024	2,723,825

	Cost £	Value 2025 £	Value 2024 £
Endowment Fund			
4.125% IndexLink TSY Stock 2030	392,206	394,039	392,264
2% IndexLink TSY Stock 2035	149,890	127,115	128,352
C.O.I.F. investment income shares - 58,915.50	750,004	1,484,561	1,559,196
BLK Charities UK Equity Fund - A	185,106	438,003	385,588
BLK Charities UK Bond Fund - Class A Inc	50,000	37,799	37,274
M&G Charity Multi Asset Fund	25,828	209,845	180,273
	1,553,034	**2,691,361**	**2,682,947**
General Fund			
156.85 COIF Accum. Shares (2002: Cost £3,000)	**3,000**	**40,080**	**40,878**
	1,556,034	**2,731,441**	**2,723,825**

14 Debtors

	2025	2024
	£	£
Prepayments	12,565	7,606
Accrued income	22,751	21,792
Trade debtors	5,160	-
	40,476	29,398

15 Cash at Bank and Cash equivalents

	2025	2024
	£	£
Cash at bank and in hand	217,933	193,808
Cash equivalents	411,143	402,294
	629,076	596,102

16 Creditors due within 1 year

	2025	2024
	£	£
Accruals	11,247	49,071
Deferred Income	15,754	13,770
Trade creditors	4,537	1,217
Other Tax & Social Security	1,515	2,307
Sundry	-	54
	33,053	66,419

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 December 2025

17 Statement of Funds - current year

	Balance at 1.1.25 £	Income £	Expenditure £	Gains/ (Losses) £	Transfers £	Balance at 31.12.25 £
General fund	193,327	392,468	(273,850)	(1,056)	(112,496)	**198,393**
Designated funds						
Extraordinary Repair Fund	84,023	-	(17,780)		42,000	**108,243**
Cyclical Maintenance Fund	104,506	-	(24,132)		38,000	**118,374**
Total Designated	188,529	-	(41,913)	-	80,000	226,616
Endowment Fund	4,280,422	-	(32,196)	8,672	32,496	**4,289,394**
Total funds	4,662,278	392,468	(347,958)	7,616	-	4,714,404

Statement of Funds - prior year

	Balance at 1.1.24 £	Income £	Expenditure £	Gains/ (Losses) £	Transfers £	Balance at 31.12.24 £
General fund (as restated)	172,976	356,828	(236,086)	2,363	(102,754)	193,327
Designated funds						
Extraordinary Repair Fund	61,302	99,581	(107,085)		30,225	84,023
Cyclical Maintenance Fund	69,506	-	(5,033)		40,033	104,506
Total Designated	130,808	99,581	(112,118)	-	70,258	188,529
Endowment Fund	4,159,640	360,000	(312,490)	40,776	32,496	4,280,422
Total funds	**4,463,424**	**816,409**	**(660,694)**	**43,139**	-	**4,662,278**

18 Analysis of net assets between funds - current period

	General Funds 2025 £	Designated Funds 2025 £	Endowment Funds 2025 £	Total funds 2025 £
Tangible Fixed Assets	13,335	-	1,333,541	1,346,876
Fixed Asset Investments	40,080		2,691,361	2,731,441
Current Assets				
Debtors	40,476	-	-	40,476
Cash/ Cash equivalents	137,555	226,616	264,493	628,664
Total Current Assets	**178,031**	**226,616**	**264,493**	**669,140**
Current liabilities	(33,053)	-	-	(33,053)
Total	198,393	226,616	4,289,395	4,714,404

should be

Analysis of net assets between funds - prior period

	As restated General Funds 2024 £	Designated Funds 2024 £	Endowment Funds 2024 £	Total funds 2024 £
Tangible Fixed Assets	13,747	-	1,366,037	1,379,784
Fixed Asset Investments	40,878	-	2,682,947	2,723,825
Current Assets				
Debtors	29,399	-	-	29,399
Cash/ Cash equivalents	135,746	193,563	266,379	595,688
Total Current Assets	**165,145**	**193,563**	**266,379**	**625,087**
Current liabilities	(26,444)	(5,034)	(34,941)	(66,419)
Total	193,327	188,529	4,280,422	4,662,278

19 Reserves

As noted in the Risk Assessment section of the Trustees' Report, the principal purpose of the general reserve is to provide for relocation and care of residents in the event of a major incident depriving the Trustees of the use of the residential buildings. The Charity also requires funds to plan for growth and this is specifically assessed from time to time.

20 Financial Instruments

	2025	2024
	£	£
Financial Assets measured at fair value through the SOFA	2,731,441	2,723,825
	2,731,441	2,723,825

21 Related Party Transactions

During the year ended 2025, there were no transactions with related parties (2024: none)

22 Restatement of prior year's figures

During the year the trustees identified that amortisation relating to the Flats at Colgate Court had not been fully recognised in prior accounting periods. As a result, accumulated amortisation was understated and the unrestricted (general) fund balance was overstated in the previously reported financial statements.

The financial statements have therefore been restated to recognise the additional amortisation that should have been charged in earlier periods. The adjustment consists of a restatement of opening unrestricted funds at 1 January 2024 of £10,882, representing amortisation that should have been recognised in periods prior to 2024 and an increase in amortisation expense in the 2024 comparative year of £412, reducing the surplus reported for that year.

Comparative figures have been restated accordingly.

Impact of the prior period adjustment

	£
Reduction in opening unrestricted funds at 1 January 2024	10,882
Increase in amortisation charge for the year ended 31 December 2024	412
Total reduction in funds and net assets	**11,294**

The adjustment increases accumulated amortisation by £11,294 and reduces the net book value of fixed assets and unrestricted funds by the same amount.