

Report of the Trustees and
Financial Statements
for the Year Ended 31 December 2021
for
The Millar Charity Fund

Thorne Widgey Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

The Millar Charity Fund

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for the Year Ended 31 December 2021

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The Millar Charity Fund

Report of the Trustees for the Year Ended 31 December 2021

The trustees present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

ADMINISTRATIVE INFORMATION

Charity No.: 514381

Main Office: 147, St. Owen Street, Hereford, HR1 2JR.

Names of Trustees:

Cllr Polly Andrews (Chair as of 01.01.2022)
Cllr Susan Boulter
Mr David Fleet
Cllr Elizabeth Foxtan
Mrs Marian Hawkes
Mr Dave Howerski
Mr Paul Morris
Mr Robert Stevens (Resigned as Chair from 31.12.2021)

Chief Executive Office and Clerk: Dr Thomas Roderick, BA, PhD, PGCE, MIL

Accounts Administrator and General Assistant: Mrs Heather Hughes (to 30 June 2021)

Accounts Administrator and General Assistant: Ms Edwina Haffenden (from 1 July 2021)

Bankers: National Westminster Bank plc, Broad Street, Hereford, HR4 9AH

Solicitors: Gabbs (Solicitors), 14 Broad St, Hereford, HR4 9AP

Auditors: Thorne Widgey, 2 Wyevale Business Park, Kings Acre, Hereford, HR4 7BS

Investment Advisers: CCLA Investment Management Ltd, Cheapside, London

Land Agents: Sunderland, St. Peter's Square, Hereford, HR1 2PQ

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Will of Mr Robert Millar, dated 9th May 1962.

Recruitment and appointment of new trustees

The Board of Trustees consists of up to 12 competent persons, namely, two Nominative Trustees and ten Co-optative Trustees.

Nominative Trustees are appointed by the Parish Council of the City of Hereford (or its appropriate successor). Each appointment is made for a term of four years.

Co-optative Trustees are appointed for five years by a resolution of the Co-optative Trustees, passed at a Special Meeting; Trustees whose terms are expiring may not vote on the matter.

The Millar Charity Fund

Report of the Trustees for the Year Ended 31 December 2021

Organisational structure

General Meetings are normally held six times a year.

The Trustees, at their first meeting in each year (Annual General Meeting), elect one of their number to be Chairman until the commencement of the following year, and similarly with regard to a Deputy Chairman. There is a time limit of three years for the positions of Chairman and Deputy Chairman. At the AGM in January 2021, Mr Robert Stevens was re-elected as Chairman and Mrs Polly Andrews as Deputy Chairman.

A Special Meeting may be summoned by the Chairman or by two Trustees upon four days' notice being given to the other Trustees of the matter to be discussed, but, if the matters include an appointment of a Co-optative Trustee, then upon not less than 21 days' notice being so given.

There is a quorum when five Trustees are present at a meeting.

Every meeting is determined by the majority of votes of the Trustees present. In the case of an equality of votes, the Chairman has a casting vote.

Committees

The Trustees appoint as many committees as they think fit for the administration of the Charities. All acts and proceedings of the committees are reported to a General Meeting of the Board of Trustees for confirmation. At present, there are the following Committees:

Pastoral Committee: this comprises four Trustees and deals with the selection and appointment of residents and their subsequent welfare. It meets as necessary.

Working Group on Almshouses Maintenance: this comprises two Trustees and the Clerk, and keeps under review the condition of the Almshouses, reporting on necessary remedial and improvement work to the Board of Trustees.

Management

Clerk: the Trustees appoint a fit person for the day-to day running of the Trustees' business and provide suitable office accommodation and ancillary support for the efficient running of the Trustees' affairs. The current appointee is Dr Thomas Roderick.

Chaplain: the Trustees appoint a Minister of Religion as Chaplain of Price's Chapel in Bricknell Close (formerly the Rev'd Lynne Davis, who resigned in October 2021); arrangements for her successor are currently under review.

Good Neighbours: the Trustees have designated the following residents to be the Good Neighbours at the Whitecross Road/Bricknell Close site in order to provide support and assistance to the residents: Ms Anne Sterling and Mrs Dawn Jones, the latter replacing Mrs Linda Brown who resigned in June 2021.

Related parties

Hereford Municipal Charities carries out the administration of the Millar Charity Fund (Charity No: 514381) and the Tudor Campion Fun (Charity No: 1035990); both charities share common trustees with the Hereford Municipal Charities. Certain direct costs relating to these charities are charged by Hereford Municipal Charities and in addition an appropriate share of administrative costs is also borne by these connected charities.

Risk management

The major risks to which the Charity is exposed are identified and reviewed periodically by the Trustees. They have approved and implemented financial controls and have concluded that the risk of material financial fraud is low. They review annually comprehensive insurance policies and are satisfied that these are suitable for their purpose.

The Millar Charity Fund

Report of the Trustees for the Year Ended 31 December 2021

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Millar Charity was founded by Mr Robert Millar by his Will dated 9th May 1962, leaving the residue of his estate to Hereford Municipal Charities 'for the building and maintaining of rest houses', to be occupied 'by aged and respectable persons in reduced circumstances'.

The residents of the Millar Almshouses are beneficiaries of the charitable trust. No rent is charged but there is a weekly maintenance contribution (WMC).

Almshouse residents

There was no change to the residents in 2021.

Public benefit

The Charities meet the public benefit test by providing social housing, at a subsidised cost, for elderly residents of the City of Hereford.

In drafting this report, the Governors have complied with the duty in Section 4 of the Charities Act 2006, to have due regard to public benefit guidance published by the Charity Commission.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

As in previous years, the Trustees approved a wide range of maintenance improvements during 2021. This included major adaptations to Almshouses, whenever they became vacant, including the installation of wet rooms and the fitting of new kitchen units. The Trustees have taken the strategic decision to invest in repairs and refurbishment of the Almshouses as necessary: this seems much better long term value for the Charity's tangible resources than the meagre rate of return on cash deposits, which has remained so low for more than a decade. In addition, the grounds and gardens at both sites were kept in good condition by employing a contractor to cut and maintain the grass, trees and hedges.

The residents continued to enjoy a variety of benefits, including the Christmas Luncheon, which was revived in December 2021 at the Green Dragon Hotel in Hereford city, following its cancellation in 2020 because of the Covid-19 pandemic. In addition, the group television licence was renewed, thereby allowing those in residence before 2012 to watch television without paying for their own licences.

Fundraising activities

The Charity does not fund raise or actively seek bequests, as it has its own endowments and owns no land on which to expand.

FINANCIAL REVIEW

Financial position

The results for the year show a surplus of £56,594 (2020: surplus £19,123, after investment gains of £26,702 (2020: gains £7,459). Net assets amounted to £624,635 (2020: £568,041). Income from dividends increased by 0.2% (2020: increased by 1.99%) compared with the previous year, and the overall market value of investments rose by 14.19% (2020: rose by 13.89%).

Further details can be seen in the Achievements and Performance section of this report and in the Statement of Financial Activities in the Accounts for 2021.

Administrative costs

The Trustees ensure that the administrative and staffing costs of the Trust are under a tight rein and are kept as low as possible consistent with effective management and control. The Trustees would like to place on record their grateful thanks to the staff for their dedication and hard work on behalf of the Trust.

Principal funding sources

The principal funding source of the charity is the licence fees received from the tenant of the Almshouses, along with dividend and interest income from the investments.

The Millar Charity Fund

Report of the Trustees for the Year Ended 31 December 2021

FINANCIAL REVIEW

Investment policy and objectives

The investments in stocks and shares are managed by CCLA (Church, Charity and Local Authority) Investment Management Limited. The Trustees' investment policy is, in conjunction with charges to residents, to provide sufficient income to maintain and improve their properties and to enhance the value of invested funds for the benefit of residents now and in the future. The Charity's investments are managed by CCLA in accordance with guidelines agreed by the Trustees. CCLA has an ethical policy to which the Trustees subscribe.

The Trustees review the investments with CCLA annually to ensure that they meet the needs of the Charities, making changes as necessary in consultation with their professional advisers.

Reserves policy

The Trustees regularly review the level of reserves available (both unrestricted and restricted) and have considered the balance between the need to use some reserves to take advantage of key opportunities to advance the work and development of the organisation, and to ensure that a secure financial base is maintained.

Total reserves at the balance sheet date totalled £624,635 (2020: £568,041), of this £215,106 (2020: £174,342) was unrestricted funds and £409,529 (2020: £393,699) endowment funds.

The Trustees wish to retain unrestricted funds at a level equivalent to one year's income.

The current reserves exceed this as a matter of prudence in the current economic climate. Free reserves (i.e. unrestricted funds less fixed assets) at the year amounted to £215,106 (2020: £174,342) as shown on the balance sheet.

Going concern

In 2021, the trustees had to consider the effect of the COVID19 pandemic on the future of the charity and believed that it is in a sound financial position to continue for the foreseeable future, as noted above (Fundamentals of the Charities): they do not need to fund-raise or actively seek bequests.

Further details are provided in the accounting policies note, included in the notes to the financial statements.

PLANS FOR THE FUTURE (2022 AND BEYOND)

During 2021, the Trustees terminated discussions about converting to a Charitable Incorporated Organisation (CIO), having concluded that this status was no longer necessary. They considered that working since May 1962 in conjunction with the Trustees of Hereford Municipal Charities (HMC) and within the structures laid down by the Municipal Corporations Act of 1837 and the HMC Charity Commission Scheme of 24 April 1972 has stood it in good stead for many years and will continue to do so in the future.

The Trustees will continue its well-tried policy of improving and renovating the almshouses.

STRUCTURE, GOVERNANCE AND MANAGEMENT

REFERENCE AND ADMINISTRATIVE DETAILS

See page 1

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

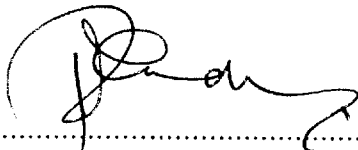
STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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.

Approved by order of the board of trustees on 10/16/22 and signed on its behalf by:



.....
Cllr P A Andrews - Trustee

Report of the Independent Auditors to the Trustees of
The Millar Charity Fund

Opinion

We have audited the financial statements of The Millar Charity Fund (the 'charity') for the year ended 31 December 2021 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 the provisions available for small entities, in the circumstances set out in note 15 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 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 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.

Report of the Independent Auditors to the Trustees of
The Millar Charity Fund

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 reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance
- results of our enquiries of management about their own identification and assessment of the risks of irregularities
- any matters we identified having obtained and reviewed the policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations
- the matters discussed among the audit engagement team and involving internal specialists, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud

As a result of these procedures we considered the opportunities that may exist within the organisation for fraud and identified the greatest potential for fraud in income, which was raised as a key audit matter in the current year. In common with all UK audits we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework the organisation operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context include the Companies Act, Charities Act and Charities SORP and tax legislation.

In addition we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the organisation's ability to operate. These include health and safety.

In addition to the above, our procedures to respond to risks identified include the following:

- reviewing the financial statements disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having an effect in the financial statements
- enquiring of management concerning actual and potential litigation claims
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatements due to fraud
- reading minutes of meetings of those charged with governance
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing with their judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant laws and regulations and potential fraud risks to all engagement team members, including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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.

Report of the Independent Auditors to the Trustees of
The Millar Charity Fund

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 extent 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.

Thorne Widgey Accountancy Ltd

Thorne Widgey Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Date:16/6/22.....

The Millar Charity Fund

Statement of Financial Activities
for the Year Ended 31 December 2021

	Notes	Unrestricted fund £	Designated funds £	Endowment fund £	31.12.21 Total funds £	31.12.20 Total funds £
INCOME AND ENDOWMENTS FROM						
Charitable activities						
Almshouses		39,354	-	-	39,354	36,552
Investment income	2	5,275	2	-	5,277	5,174
Total		<u>44,629</u>	<u>2</u>	<u>-</u>	<u>44,631</u>	<u>41,726</u>
EXPENDITURE ON						
Charitable activities						
Almshouses		20,413	-	-	20,413	30,062
Net gains on investments		7,817	3,055	15,830	26,702	7,459
NET INCOME		<u>32,033</u>	<u>3,057</u>	<u>15,830</u>	<u>50,920</u>	<u>19,123</u>
RECONCILIATION OF FUNDS						
Total funds brought forward		124,332	50,010	393,699	568,041	548,918
TOTAL FUNDS CARRIED FORWARD		<u>156,365</u>	<u>53,067</u>	<u>409,529</u>	<u>618,961</u>	<u>568,041</u>

CONTINUING OPERATIONS

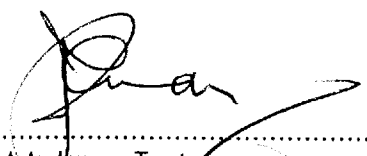
All income and expenditure has arisen from continuing activities.

The Millar Charity Fund

Balance Sheet
31 December 2021

	Notes	Unrestricted fund £	Designated funds £	Endowment fund £	31.12.21 Total funds £	31.12.20 Total funds £
FIXED ASSETS						
Tangible assets	8	-	-	282,138	282,138	282,138
Investments	9	-	-	127,391	127,391	111,561
		-	-	409,529	409,529	393,699
CURRENT ASSETS						
Debtors	10	1,943	-	-	1,943	1,899
Investments	11	62,890	26,257	-	89,147	78,274
Cash at bank		129,698	26,810	-	156,508	128,437
		194,531	53,067	-	247,598	208,610
CREDITORS						
Amounts falling due within one year	12	(38,166)	-	-	(38,166)	(34,268)
NET CURRENT ASSETS		156,365	53,067	-	209,432	174,342
TOTAL ASSETS LESS CURRENT LIABILITIES		156,365	53,067	409,529	618,961	568,041
NET ASSETS		156,365	53,067	409,529	618,961	568,041
FUNDS						
Unrestricted funds	13				209,432	174,342
Endowment funds					409,529	393,699
TOTAL FUNDS					618,961	568,041

The financial statements were approved by the Board of Trustees and authorised for issue on 10/6/21 and were signed on its behalf by:


.....
P A Andrews - Trustee

Notes to the Financial Statements
for the Year Ended 31 December 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Going Concern

Due to the ongoing issues with the COVID19 pandemic, the trustees have seriously considered the basis on which the financial statements have been prepared and feel the going concern basis is appropriate due to the following factors:

- There are currently significant levels of cash in the bank and we continue to receive our monthly maintenance contributions from our residents and the local authority as appropriate.
- Although the level might be affected by the pandemic, we continue to receive our Stock Market income quarterly. Admittedly, the Stock Market has been very turbulent lately but that matters not to us as we take a long term view of stocks and shares and have no intention of selling any stock.
- We do not have significant salary costs and are able to reduce the level of repairs and maintenance, being our major cost, to essential maintenance only if required.
- We have net current assets of £214,722 at the year end and our future predictions indicate this level will not alter significantly in the foreseeable future.
- The charity has been in existence for nearly 60 years, through some economically difficult times, so has proven to stand the test of time to date.
- We do not rely on continual donations from the public as a source of income

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Freehold property is stated at cost and is not depreciated, as it is considered that the remaining useful economic life of the property is of such a length that any depreciation charge would be immaterial.

All expenditure of repair, improvement or enhancement of freehold properties is written off in the year in which it is incurred.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds exist in the form of tangible fixed assets and investments.

The Millar Charity Fund

Notes to the Financial Statements - continued for the Year Ended 31 December 2021

1. ACCOUNTING POLICIES - continued

Fund accounting

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Fixed asset and current investments

Investments are stated at market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later). Realised and unrealised gains are not separated in the Statement of Financial Activities.

Debtors

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

Cash and bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

2. INVESTMENT INCOME

	Unrestricted funds	Endowment funds	31.12.21 Total funds	31.12.20 Total funds
	£	£	£	£
Dividends and interest	5,277	-	5,277	5,174

The Millar Charity Fund

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

3. SUPPORT COSTS

	Other	Governance	Totals
	£	costs	£
	£	£	£
Almshouses	<u>7,213</u>	<u>1,857</u>	<u>9,070</u>

4. AUDITORS' REMUNERATION

	31.12.21	31.12.20
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>1,735</u>	<u>1,615</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

6. STAFF COSTS

	31.12.21	31.12.20
	£	£
Wages and salaries	6,204	5,844
Other pension costs	<u>213</u>	<u>320</u>
	<u>6,417</u>	<u>6,164</u>

Key Management Remuneration

The key management personnel of the charity is considered to be the trustees and the Chief Executive Officer. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the charity was £3,853 (2020: £3,855).

The average monthly number of employees during the year was as follows:

	31.12.21	31.12.20
Administrative staff	<u>2</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

The Millar Charity Fund

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Designated funds £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Charitable activities				
Almshouses	36,552	-	-	36,552
Investment income	5,130	44	-	5,174
Total	41,682	44	-	41,726
EXPENDITURE ON				
Charitable activities				
Almshouses	30,062	-	-	30,062
Net gains/(losses) on investments	2,377	(762)	5,844	7,459
NET INCOME/(EXPENDITURE)	13,997	(718)	5,844	19,123
RECONCILIATION OF FUNDS				
Total funds brought forward	110,335	50,728	387,855	548,918
TOTAL FUNDS CARRIED FORWARD	124,332	50,010	393,699	568,041

8. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 January 2021 and 31 December 2021	282,138
NET BOOK VALUE	
At 31 December 2021	282,138
At 31 December 2020	282,138

Included in cost or valuation of land and buildings is freehold land of £282,138 (2020 - £282,138) which is not depreciated.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

9. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2021	111,561
Revaluations	<u>15,830</u>
At 31 December 2021	<u>127,391</u>
NET BOOK VALUE	
At 31 December 2021	<u>127,391</u>
At 31 December 2020	<u>111,561</u>

There were no investment assets outside the UK.

Cost or valuation at 31 December 2021 is represented by:

	Listed investments £
Cost	<u>127,391</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Prepayments and accrued income	<u>1,943</u>	<u>1,899</u>

11. CURRENT ASSET INVESTMENTS

	31.12.21	31.12.20
	£	£
Listed investments	<u>89,147</u>	<u>78,274</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Other creditors	<u>38,166</u>	<u>34,268</u>

The Millar Charity Fund

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

13. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
Unrestricted fund	124,332	32,033	156,365
Designated Cyclical maintenance fund	26,808	2	26,810
Designated Extraordinary repairs fund	23,202	3,055	26,257
	<hr/>	<hr/>	<hr/>
	174,342	35,090	209,432
Endowment funds			
Endowment fund	393,699	15,830	409,529
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>568,041</u>	<u>50,920</u>	<u>618,961</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted fund	44,629	(20,413)	7,817	32,033
Designated Cyclical maintenance fund	2	-	-	2
Designated Extraordinary repairs fund	-	-	3,055	3,055
	<hr/>	<hr/>	<hr/>	<hr/>
	44,631	(20,413)	10,872	35,090
Endowment funds				
Endowment fund	-	-	15,830	15,830
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>44,631</u>	<u>(20,413)</u>	<u>26,702</u>	<u>50,920</u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
Unrestricted fund	110,335	13,997	124,332
Designated Cyclical maintenance fund	26,764	44	26,808
Designated Extraordinary repairs fund	23,964	(762)	23,202
	<hr/>	<hr/>	<hr/>
	161,063	13,279	174,342
Endowment funds			
Endowment fund	387,855	5,844	393,699
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>548,918</u>	<u>19,123</u>	<u>568,041</u>

The Millar Charity Fund

Notes to the Financial Statements - continued for the Year Ended 31 December 2021

13. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted fund	41,682	(30,062)	2,377	13,997
Designated Cyclical maintenance fund	44	-	-	44
Designated Extraordinary repairs fund	-	-	(762)	(762)
	<u>41,726</u>	<u>(30,062)</u>	<u>1,615</u>	<u>13,279</u>
Endowment funds				
Endowment fund	-	-	5,844	5,844
	<u>-</u>	<u>-</u>	<u>5,844</u>	<u>5,844</u>
TOTAL FUNDS	<u>41,726</u>	<u>(30,062)</u>	<u>7,459</u>	<u>19,123</u>

Unrestricted fund

The 'free reserves' after allowing for all designated funds

Designated cyclical maintenance fund

A designated fund for the purpose of providing for those items of ordinary repairs and maintenance which recur at infrequent intervals.

Extraordinary repairs fund

A designated fund for the repair, improvement or rebuilding of the property.

Endowment fund

An endowment fund from Mr Robert Millar who bequeathed the residue of his estate for 'the building and maintaining of rest houses'. The fund consists of eight properties and an investment portfolio to provide income for the management of the properties.

14. RELATED PARTY DISCLOSURES

Hereford Municipal Charities (Charity Number: 218738) carries out the administration of the Millar Charity Fund (Charity Number: 514381. Certain direct costs relating to these charities are charged by Hereford Municipal Charities and in addition an appropriate share of administrative costs is also borne by these connected charities.

During the year expenditure of £14,011 (2020: £14,585) was recharged from the Hereford Municipal Charity. At the year end £37,647 (2020: £31,394) was due to the charity.

15. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.