

Report of the Trustees and  
Financial Statements  
for the Year Ended 31 December 2023  
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

Contents of the Financial Statements  
for the Year Ended 31 December 2023

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## The Millar Charity Fund

### Report of the Trustees for the Year Ended 31 December 2023

The trustees present their report with the financial statements of the charity for the year ended 31 December 2023. 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

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

#### **Names of Trustees:**

Mrs Polly Andrews (Chairman)

Cllr Susan Boulter

Mr David Fleet (resigned 1 November 2023)

Cllr Elizabeth Foxton

Mrs Marian Hawkes

Cllr Catherine Hornsey (resigned 1 November 2023)

Mr David Howerski

Mr Paul Morris

Mr Brian Wilcox

**Chief Executive Office and Clerk :** Dr Thomas Roderick, BA, PhD, PGCE, MIL until 31/12/23

**Accounts Administrator and General Assistant :** Ms Edwina Haffenden

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

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

**Auditors:** Thorne Widgery, 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 10 competent persons, namely, two Nominative Trustees and eight 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 (renewable for not more than two terms) by a resolution of the Co-optative Trustees, passed at a Special Meeting; Trustees whose terms are expiring may not vote on the matter.

##### **Organisational structure**

## The Millar Charity Fund

### Report of the Trustees for the Year Ended 31 December 2023

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 2023, Mrs Polly Andrews was re-elected Chairman and Mr Paul Morris was re-elected 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. It meets as necessary.

### Management

**Chief Executive Officer and Clerk:** the Trustees appoint a fit person for the day-to day running of the Trustees' business, as well as and providing suitable office accommodation and support.

**Chaplain:** the Trustees appoint a Chaplain of Price's Chapel in Bricknell Close, currently Mr Steve Vince, a lay Reader at Holy Trinity Church, Hereford.

**Good Neighbours:** the Trustees have designated the following residents to be Good Neighbours at Whitecross Road/Bricknell Close, in order to provide support and assistance to the residents: Mrs Dawn Jones and Mrs Audrey Hirons.

### **Related parties**

Hereford Municipal Charities carries out the administration of the Millar Charity Fund (Charity No: 514381) and the Tudor Champion Fund (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 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 2023

#### **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 monthly maintenance contribution (MMC).

##### **Almshouse residents**

One resident died (Mr John Price) and an existing resident (Mrs Cynthia Powell) resident transferred there.

##### **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 Trustees have complied with the duty in Section 4 of the Charities Act 2006, to have due regard to public benefit guidance published by the Charity Commission.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

As in previous years, the Trustees approved a wide range of maintenance improvements during 2023. This included major adaptations to Almshouses, whenever they became vacant, including the installation of accessible shower rooms and the fitting of new kitchen units. In addition, the grounds and gardens 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 held again in December 2023 at the Green Dragon Hotel in Hereford, to the great delight and enjoyment of all who attended. 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 £23,388 (2022: deficit £15,087), after investment gains of £14,627 (2022: losses £21,969). Net assets amounted to £627,262 (2022: £603,874). Income from dividends increased by 10.5% (2022: increased by 4.7%) compared with the previous year, and the overall market value of investments rose this year after falling last year being affected by the events in Ukraine and the current economic climate in the UK, so rose by 7.5% (2022: fell by 10.1%).

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 2023.

##### **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.

## **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 £627,262 (2022: £603,874), of this £223,411 (2022: £209,183) was unrestricted funds and £403,851 (2022: £394,691) 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 £167,585 (2022: £155,744) as shown on the balance sheet.

### **Going concern**

The Trustees have to consider that the charity is in a sound financial position to continue for the foreseeable future, as noted above (Fundamentals of the Charities); it does 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 (2023 AND BEYOND)**

The Trustees will continue their well-trying policy of improving and renovating the almshouses.

The Trustees have decided to re-assess the Good Neighbours Scheme to adapt to current needs on both sites - Bricknell Close and St Owen Street. The Good Neighbours Scheme is not a statutory service, but it proved to be very beneficial and appreciated by the residents.

## **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).

The Millar Charity Fund

Report of the Trustees  
for the Year Ended 31 December 2023

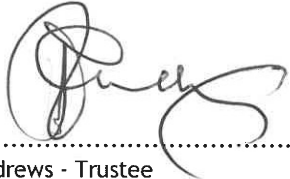
**STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

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 .....17.5.24..... and signed on its behalf by:



.....  
Mrs 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 2023 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 2023 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.

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

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](http://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 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 Widgery Accountancy Ltd*

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

Date: .....24/5/24.....

The Millar Charity Fund

Statement of Financial Activities  
for the Year Ended 31 December 2023

|                                    | Notes | Unrestricted<br>fund<br>£ | Designated<br>funds<br>£ | Endowment<br>fund<br>£ | 31.12.23<br>Total<br>funds<br>£ | 31.12.22<br>Total<br>funds<br>£ |
|------------------------------------|-------|---------------------------|--------------------------|------------------------|---------------------------------|---------------------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>  |       |                           |                          |                        |                                 |                                 |
| <b>Charitable activities</b>       |       |                           |                          |                        |                                 |                                 |
| Almshouses                         |       | 38,025                    | -                        | -                      | 38,025                          | 34,550                          |
| Investment income                  | 2     | 5,363                     | 744                      | -                      | 6,107                           | 5,526                           |
| <b>Total</b>                       |       | <u>43,388</u>             | <u>744</u>               | <u>-</u>               | <u>44,132</u>                   | <u>40,076</u>                   |
| <b>EXPENDITURE ON</b>              |       |                           |                          |                        |                                 |                                 |
| <b>Charitable activities</b>       |       |                           |                          |                        |                                 |                                 |
| Almshouses                         |       | <u>35,371</u>             | <u>-</u>                 | <u>-</u>               | <u>35,371</u>                   | <u>33,194</u>                   |
| Net gains/(losses) on investments  |       | <u>3,824</u>              | <u>1,643</u>             | <u>9,160</u>           | <u>14,627</u>                   | <u>(21,969)</u>                 |
| <b>NET INCOME/(EXPENDITURE)</b>    |       | 11,841                    | 2,387                    | 9,160                  | 23,388                          | (15,087)                        |
| <b>RECONCILIATION OF FUNDS</b>     |       |                           |                          |                        |                                 |                                 |
| Total funds brought forward        |       | <u>155,744</u>            | <u>53,439</u>            | <u>394,691</u>         | <u>603,874</u>                  | <u>618,961</u>                  |
| <b>TOTAL FUNDS CARRIED FORWARD</b> |       | <u><u>167,585</u></u>     | <u><u>55,826</u></u>     | <u><u>403,851</u></u>  | <u><u>627,262</u></u>           | <u><u>603,874</u></u>           |

**CONTINUING OPERATIONS**

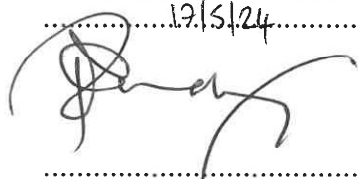
All income and expenditure has arisen from continuing activities.

The Millar Charity Fund

Balance Sheet  
31 December 2023

|  | Notes | Unrestricted fund<br>£ | Designated funds<br>£ | Endowment fund<br>£ | 31.12.23<br>Total funds<br>£ | 31.12.22<br>Total funds<br>£ |
|--|-------|------------------------|-----------------------|---------------------|------------------------------|------------------------------|
| <b>FIXED ASSETS</b>                          |       |                        |                       |                     |                              |                              |
| Tangible assets                              | 8     | -                      | -                     | 282,138             | 282,138                      | 282,138                      |
| Investments                                  | 9     | -                      | -                     | 121,713             | 121,713                      | 112,553                      |
|  |       | -                      | -                     | 403,851             | 403,851                      | 394,691                      |
| <b>CURRENT ASSETS</b>                        |       |                        |                       |                     |                              |                              |
| Debtors                                      | 10    | 2,444                  | -                     | -                   | 2,444                        | 2,233                        |
| Investments                                  | 11    | 59,375                 | 28,108                | -                   | 87,483                       | 82,015                       |
| Cash at bank                                 |       | 123,916                | 27,718                | -                   | 151,634                      | 176,502                      |
|  |       | 185,735                | 55,826                | -                   | 241,561                      | 260,750                      |
| <b>CREDITORS</b>                             |       |                        |                       |                     |                              |                              |
| Amounts falling due within one year          | 12    | (18,150)               | -                     | -                   | (18,150)                     | (51,567)                     |
| <b>NET CURRENT ASSETS</b>                    |       | 167,585                | 55,826                | -                   | 223,411                      | 209,183                      |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | 167,585                | 55,826                | 403,851             | 627,262                      | 603,874                      |
| <b>NET ASSETS</b>                            |       | 167,585                | 55,826                | 403,851             | 627,262                      | 603,874                      |
| <b>FUNDS</b>                                 |       |                        |                       |                     |                              |                              |
| Unrestricted funds                           | 13    |                        |                       |                     | 223,411                      | 209,183                      |
| Endowment funds                              |       |                        |                       |                     | 403,851                      | 394,691                      |
| <b>TOTAL FUNDS</b>                           |       |                        |                       |                     | 627,262                      | 603,874                      |

The financial statements were approved by the Board of Trustees and authorised for issue on .....17/15/24..... and were signed on its behalf by:



.....  
P A Andrews - Trustee

## 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**

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the company has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

### **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.

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.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2023

1. ACCOUNTING POLICIES - continued

**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<br>funds<br>£ | Endowment<br>funds<br>£ | 31.12.23<br>Total<br>funds<br>£ | 31.12.22<br>Total<br>funds<br>£ |
|------------------------|----------------------------|-------------------------|---------------------------------|---------------------------------|
| Dividends and interest | 6,107                      | -                       | 6,107                           | 5,526                           |

3. SUPPORT COSTS

|            | Other<br>£ | Governance<br>costs<br>£ | Totals<br>£ |
|------------|------------|--------------------------|-------------|
| Almshouses | 8,349      | 2,094                    | 10,443      |

4. AUDITORS' REMUNERATION

|  | 31.12.23<br>£ | 31.12.22<br>£ |
|--|---------------|---------------|
| Fees payable to the charity's auditors for the audit of the charity's financial statements | 1,888         | 1,820         |

**5. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

**6. STAFF COSTS**

|                     | 31.12.23     | 31.12.22     |
|---------------------|--------------|--------------|
|                     | £            | £            |
| Wages and salaries  | 6,576        | 6,238        |
| Other pension costs | 749          | 756          |
|                     | <u>7,325</u> | <u>6,994</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 £4,174 (2022: £3,997).

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

|                      | 31.12.23 | 31.12.22 |
|----------------------|----------|----------|
| Administrative staff | <u>2</u> | <u>2</u> |

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

**7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

|                                   | Unrestricted<br>fund<br>£ | Designated<br>funds<br>£ | Endowment<br>fund<br>£ | Total<br>funds<br>£ |
|-----------------------------------|---------------------------|--------------------------|------------------------|---------------------|
| <b>INCOME AND ENDOWMENTS FROM</b> |                           |                          |                        |                     |
| <b>Charitable activities</b>      |                           |                          |                        |                     |
| Almshouses                        | 34,550                    | -                        | -                      | 34,550              |
| Investment income                 | 5,362                     | 164                      | -                      | 5,526               |
| <b>Total</b>                      | <u>39,912</u>             | <u>164</u>               | <u>-</u>               | <u>40,076</u>       |
| <b>EXPENDITURE ON</b>             |                           |                          |                        |                     |
| <b>Charitable activities</b>      |                           |                          |                        |                     |
| Almshouses                        | 33,194                    | -                        | -                      | 33,194              |
| Net gains/(losses) on investments | (7,339)                   | 208                      | (14,838)               | (21,969)            |
| <b>NET INCOME/(EXPENDITURE)</b>   | <b>(621)</b>              | <b>372</b>               | <b>(14,838)</b>        | <b>(15,087)</b>     |
| <b>RECONCILIATION OF FUNDS</b>    |                           |                          |                        |                     |
| Total funds brought forward       | 156,365                   | 53,067                   | 409,529                | 618,961             |

The Millar Charity Fund

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2023

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

|                             | Unrestricted<br>fund<br>£ | Designated<br>funds<br>£ | Endowment<br>fund<br>£ | Total<br>funds<br>£ |
|-----------------------------|---------------------------|--------------------------|------------------------|---------------------|
| TOTAL FUNDS CARRIED FORWARD | 155,744                   | 53,439                   | 394,691                | 603,874             |

8. TANGIBLE FIXED ASSETS

|  | Freehold<br>property<br>£ |
|--|---------------------------|
| <b>COST</b>                            |                           |
| At 1 January 2023 and 31 December 2023 | 282,138                   |
| <b>NET BOOK VALUE</b>                  |                           |
| At 31 December 2023                    | 282,138                   |
| At 31 December 2022                    | 282,138                   |

Included in cost or valuation of land and buildings is freehold land of £282,138 (2022 - £282,138) which is not depreciated.

9. FIXED ASSET INVESTMENTS

|                       | Listed<br>investments<br>£ |
|-----------------------|----------------------------|
| <b>MARKET VALUE</b>   |                            |
| At 1 January 2023     | 112,553                    |
| Revaluations          | 9,160                      |
| At 31 December 2023   | 121,713                    |
| <b>NET BOOK VALUE</b> |                            |
| At 31 December 2023   | 121,713                    |
| At 31 December 2022   | 112,553                    |

There were no investment assets outside the UK.

Cost or valuation at 31 December 2023 is represented by:

|                   | Listed<br>investments<br>£ |
|-------------------|----------------------------|
| Valuation in 2022 | 70,128                     |
| Cost              | 51,585                     |
|                   | 121,713                    |

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2023

|   |                |               |                |
|---|----------------|---------------|----------------|
| <b>10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>   |                | 31.12.23      | 31.12.22       |
|   |                | £             | £              |
| Prepayments and accrued income                            |                | 2,444         | 2,233          |
|   |                | <u>2,444</u>  | <u>2,233</u>   |
| <b>11. CURRENT ASSET INVESTMENTS</b>                      |                | 31.12.23      | 31.12.22       |
|   |                | £             | £              |
| Listed investments  |                | 87,483        | 82,015         |
|   |                | <u>87,483</u> | <u>82,015</u>  |
| <b>12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b> |                | 31.12.23      | 31.12.22       |
|   |                | £             | £              |
| Other creditors   |                | 18,150        | 51,567         |
|   |                | <u>18,150</u> | <u>51,567</u>  |
| <b>13. MOVEMENT IN FUNDS</b>                              |                |               |                |
|   |                | Net           | At             |
|   | At 1.1.23      | movement      | 31.12.23       |
|   | £              | in funds      | £              |
|   |                | £             |                |
| <b>Unrestricted funds</b>                                 |                |               |                |
| Unrestricted fund   | 155,744        | 11,841        | 167,585        |
| Designated Cyclical maintenance fund                      | 26,974         | 744           | 27,718         |
| Designated Extraordinary repairs fund                     | 26,465         | 1,643         | 28,108         |
|   | <u>209,183</u> | <u>14,228</u> | <u>223,411</u> |
| <b>Endowment funds</b>                                    |                |               |                |
| Endowment fund  | 394,691        | 9,160         | 403,851        |
|   | <u>394,691</u> | <u>9,160</u>  | <u>403,851</u> |
| <b>TOTAL FUNDS</b>  | <u>603,874</u> | <u>23,388</u> | <u>627,262</u> |

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

|                                       | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Movement<br>in funds<br>£ |
|---------------------------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| <b>Unrestricted funds</b>             |                            |                            |                          |                           |
| Unrestricted fund                     | 43,388                     | (35,371)                   | 3,824                    | 11,841                    |
| Designated Cyclical maintenance fund  | 744                        | -                          | -                        | 744                       |
| Designated Extraordinary repairs fund | -                          | -                          | 1,643                    | 1,643                     |
|                                       | <u>44,132</u>              | <u>(35,371)</u>            | <u>5,467</u>             | <u>14,228</u>             |
| <b>Endowment funds</b>                |                            |                            |                          |                           |
| Endowment fund                        | -                          | -                          | 9,160                    | 9,160                     |
|                                       | <u>-</u>                   | <u>-</u>                   | <u>9,160</u>             | <u>9,160</u>              |
| <b>TOTAL FUNDS</b>                    | <u>44,132</u>              | <u>(35,371)</u>            | <u>14,627</u>            | <u>23,388</u>             |

## The Millar Charity Fund

### Notes to the Financial Statements - continued for the Year Ended 31 December 2023

#### 13. MOVEMENT IN FUNDS - continued

##### Comparatives for movement in funds

|                                       | At 1.1.22<br>£ | Net<br>movement<br>in funds<br>£ | At<br>31.12.22<br>£ |
|---------------------------------------|----------------|----------------------------------|---------------------|
| <b>Unrestricted funds</b>             |                |                                  |                     |
| Unrestricted fund                     | 156,365        | (621)                            | 155,744             |
| Designated Cyclical maintenance fund  | 26,810         | 164                              | 26,974              |
| Designated Extraordinary repairs fund | 26,257         | 208                              | 26,465              |
|                                       | <hr/>          | <hr/>                            | <hr/>               |
|                                       | 209,432        | (249)                            | 209,183             |
| <b>Endowment funds</b>                |                |                                  |                     |
| Endowment fund                        | 409,529        | (14,838)                         | 394,691             |
|                                       | <hr/>          | <hr/>                            | <hr/>               |
| <b>TOTAL FUNDS</b>                    | <u>618,961</u> | <u>(15,087)</u>                  | <u>603,874</u>      |

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

|                                       | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Movement<br>in funds<br>£ |
|---------------------------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| <b>Unrestricted funds</b>             |                            |                            |                          |                           |
| Unrestricted fund                     | 39,912                     | (33,194)                   | (7,339)                  | (621)                     |
| Designated Cyclical maintenance fund  | 164                        | -                          | -                        | 164                       |
| Designated Extraordinary repairs fund | -                          | -                          | 208                      | 208                       |
|                                       | <hr/>                      | <hr/>                      | <hr/>                    | <hr/>                     |
|                                       | 40,076                     | (33,194)                   | (7,131)                  | (249)                     |
| <b>Endowment funds</b>                |                            |                            |                          |                           |
| Endowment fund                        | -                          | -                          | (14,838)                 | (14,838)                  |
|                                       | <hr/>                      | <hr/>                      | <hr/>                    | <hr/>                     |
| <b>TOTAL FUNDS</b>                    | <u>40,076</u>              | <u>(33,194)</u>            | <u>(21,969)</u>          | <u>(15,087)</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.

The Millar Charity Fund

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2023

**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 £17,476 (2022: £17,516) was recharged from the Hereford Municipal Charity. At the year end £17,476 (2022: £51,055) 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.