

Company registration number: 04699895

Charity registration number: 1097222

# NORTHERN LADIES ANNUITY SOCIETY

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2022

# Northern Ladies Annuity Society

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# Northern Ladies Annuity Society

## Reference and Administrative Details

|                                    |                                                                                                                                                                                                                                                                                                                  |
|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Trustees</b>                    | Mrs F E Emmerson, Chairman<br>Mrs C Morgan<br>Mrs A J Dickinson<br>Mrs S W Crone<br>Mrs A F Stephenson (resigned 29 July 2021)<br>Mrs A L Bryant<br>Mrs C M Wood<br>Mrs D M Braithwaite<br>Mrs D M A Barks<br>Mrs U E Martell<br>Mrs S E Armstrong, Vice Chairman<br>Mrs J F Swales (appointed 24 February 2022) |
| <b>Key Management Personnel</b>    | J Ferry<br>A Gray (retired May 2022)<br>S Brockley (appointed April 2022)                                                                                                                                                                                                                                        |
| <b>Registered Office</b>           | MEA House<br>Ellison Place<br>Newcastle upon Tyne<br>NE1 8XS                                                                                                                                                                                                                                                     |
| <b>Charity Registration Number</b> | 1097222                                                                                                                                                                                                                                                                                                          |
| <b>Solicitors:</b>                 | Eversheds<br>Central Square South<br>Orchard Street<br>Newcastle upon Tyne<br>NE1 3XX                                                                                                                                                                                                                            |
| <b>Auditor</b>                     | Azets Audit Services<br>Bulman House<br>Regent Centre<br>Gosforth<br>Newcastle upon Tyne<br>NE3 3LS                                                                                                                                                                                                              |
| <b>Investment Manager</b>          | Brewin Dolphin<br>Time Central<br>Gallowgate<br>Newcastle upon Tyne<br>NE1 4SR                                                                                                                                                                                                                                   |

# **Northern Ladies Annuity Society**

## **Reference and Administrative Details**

### **Bankers**

Lloyds  
National Clubs & Charity Centre  
Sedgemoor House  
Deane Gate Avenue  
Somerset  
TA1 2UF

**Company Registration Number** 04699895

# **Northern Ladies Annuity Society**

## **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2022.

### **Structure, governance and management**

#### ***Nature of governing document***

The Northern Ladies Annuity Society ("the Society" or "the Charity") is a company limited by guarantee. It was incorporated on 17th March 2003 and registered as a charity with the Charity Commission on 25th April 2003. Its memorandum and articles of association were last amended on 3rd June 2003.

The charitable company took over the operations, activities, assets and liabilities of Northern Ladies Annuity Society (formerly the Northern Counties Society for Granting Annuities to Governesses and Other Ladies in Reduced Circumstances), an unincorporated charity set up in 1868.

The trustees are the company directors for the purposes of the Companies Act 2006 and are also the sole members of the company. On retirement as a director, each trustee ceases to be a member.

#### ***Recruitment and appointment of trustees***

In accordance with the Articles of Association, the trustees must be at least 5 and not more than 18 individuals and all must be directors. The trustees may at any time co-opt any person duly qualified to be appointed as a trustee to fill a vacancy in their number or as an additional trustee. Every trustee must sign a declaration of willingness to act as a charity trustee of the charity before they are eligible to vote at any meeting of the trustees. There are no persons external to the charitable company who are entitled to appoint new trustees. Prospective new trustees are identified by the existing trustees to fill vacancies or to bring special skills to the board. The prospective trustees are invited to attend a monthly meeting as a guest and are briefed by the existing trustees as to their roles and responsibilities with respect to the Society and their legal duties under the Companies Act and the Charities Act.

#### ***Organisational structure***

The charitable company is administered by a board of trustees, numbering 12, which meets monthly. The board appoints two staff to run the day to day operations of the charitable company.

# Northern Ladies Annuity Society

## Trustees' Report

### Memorial to all those who left legacies which helped create the Society's Funds

Ash 1874; Adamson 1875; Hutchinson 1875; Abbott 1882; Hodgson 1882; Sunderland 1882; Armstrong 1886; Lady Beatrice Armstrong (Jesmond) 1887; Jesmond 1887; Victoria Jubilee 1887; Mather 1888; Oak 1888; Margaret 1889; Ivy 1889; Singers 1889; Straker 1889; Fleming 1891; Betsy Jackson 1891; Elm 1892; Lady Margaret Armstrong 1893; Elizabeth Harrison 1893; Heartsease 1894; Rowan Tree 1894; John Coppin 1894; Blackett 1895; Diamond Jubilee 1897; Sarah Dale 1898; John Henry Burn 1899; Primrose 1899; Elizabeth Hood Henderson 1899; E. Kersey 1899; Mary S. Woods 1899;

Jane Dunford 1900; Appleby 1900; Lady Joicey 1900; Anne Mitchell 1900; Ralph Atkinson 1900; Margaret Agnes Bartram 1901; Lucy Henderson 1901; Queen Victoria Memorial 1901; Catherine Abbott 1902; Easton 1902; Hannah Ochiltree 1904; Norman Wilson 1904; Collingwood Wilson 1904; Scarborough Collingwood Wilson Memorial 1904; Durham 1905; George Handyside 1905; Elizabeth Buchanan Adamson 1907; Russell Brown 1907; Margaret Elizabeth Brown 1907; Adelaide Daglish 1907; Swanston 1907; Caroline 1908; Marguerite Joicey 1908; Ruffman 1908; Hugh Taylor 1908; Mary Jane Tennant 1910;

Dorothy Joicey 1911; Jane Sutherland 1911; Allison Johnstone Sutherland 1911; Edward Armorer and Margaret Hedley 1911; Lady Oliver 1912; Mrs. Agnes Black 1913; Mary Ann Pigg 1913; Ann Bartram 1914; Mary Lilburn 1915; Isabella Straker Memorial Bequest 1915; Isabella Straker Memorial 1915; Sarah Hall 1916; Anna and Eliza Cail 1916; Wolsingham 1916; Joseph 1917; St. George's 1917; Frederick Milburn 1917; Margaret Taylor 1917; Margaret Garbutt 1918; Major James Leadbitter Knott, D.S.O. 1918; Captain Basil Knott 1918; Lady Doxford 1919; Byethorn 1919; Eleanor Jane Garbutt 1919; Joseph Henry Straker 1920; Thompson 1920;

Miss Isabella Mordue 1921; Aline Doxford 1922; John hunter Richardson 1922; Anne Adamson (Sunderland) 1923; Annie Catherine Burn 1923; Mabel Edwards 1923; Lady Stephenson 1923; Jane Eeles 1924; Mary Margaret Cooper 1924; Maude Forster 1924; Lady Sutherland 1925; Marion Loudon Constantine 1926; M. 1926; S. 1926; Frances Sybil Cochrane 1927; Elinor Frances Youll 1927; Mary Wilkinson McCartney 1928; Moor-Lee 1928; Mary Elizabeth Chalder 1929; Jane Hill Murray 1929; Lady Noble Of Kirkley 1929; Tynemouth 1929; L. V. Gray 1930; Lady Knott Fund 1930; Sir James Knott 1930; Alexander Laing 1930; Anne Mitcalfe 1930;

Georgina Isabella Cooper 1931; Emma Richardson 1931; Wallis Bequest 1931; John Winship 1931; A. C. 1932; F. M. Moore 1936; Ida Mcallum 1936; Ryder 1936; George VI Coronation 1937; Lindisfarne 1937; Theophilus Storey 1937; Elizabeth Sutherland 1937; Winship Trust 1937; Frances Isabella Duncan 1938; H. A. Kersey 1938; Todd 1938; Hunter 1939; Mona Taylor Fund 1939;

Emily Fielding 1941; Isabella Mary Reed 1941; William Robinson 1941; Mary H. Frazer and Frances Gibson 1942; Violet Short 1943; Thomas Burdon and Kate Ida Frazer 1943; Sarah Catherine Mather Bailey 1944; Helen Bell 1944; Mary Frazer 1944; Annie Ramsay 1944; William Dixon 1946; Gibson 1946; Charles and Annie Scott Humble 1946; George Hurst 1946; William Turnbull 1947; Alex Waugh and Margaret Dent Bequest 1947; Robert Watson Cooper 1948; William James and John Robinson 1948; J. E. Tully 1948;

# Northern Ladies Annuity Society

## Trustees' Report

George A. Cowieson Bequest 1951; Josephine Agnes Hogg 1951; Lady Cochrane Fund 1952; Hornsby 1952; Mary Mitcalfe 1952; Elizabeth Hall Viney Fund 1952; Marion Angus 1954; Eleanor Scott Briggs 1954; Margaret and Patricia Forster 1954; Miss E. J. Stephenson Fund 1954; Mary Elwen 1955; Margaret Ellen Elwen 1955; Eliza Ellen Elwen 1955; Catherine Irwin 1955; Arthur 1956; Mary Cleland 1956; Ridley 1957; Jessie Whyte Archbold 1958; Gertrude Arthur 1958; Eaglescliffe Fund 1959; Freeman Fund 1960; Westoll Priston 1960;

Sir Cecil Cochrane 1961; Edna Hayton 1961; M. Eva Fledley 1961; Constance Eleanor Bird 1963; J. Beckworth Lauderdale & Edith M. Lauderdale 1963; Mrs. E. B. Thompson 1965; Walter Sacker Hill 1967; E. K. Devey 1970;

Sykes Bequest 1971; Mary Joicey 1972; Elizabeth and Gladys Margaret Tindle Fund 1972; Knavesmire 1973; J. H. Edwards Fund 1974; Axel Frederick Ericsson 1974; Straker Smith 1974; Miss E. C. Scott Christmas Fund 1976; Seymour Bell 1979; Agnes Bell 1979; Craig Bequest 1979;

Kitcat & Robson 1987; Nora Hogg Fund 1988; Granger Holiday Fund 1989; Northern Counties Ladies Work Society 2000; The Pybus Fund 2005; Miss Dawson 2006; Mrs G Larby 2005; Miss L Winckler 2008; Mrs D Benson; Mrs A Ellis 2010; Mrs Burgess 2009; W A Handley Trust; JFT Fenwick Settlement CM Charitable Trust; Mrs A Swallow 2011; Mrs N Hogg 2013 - 2021; Mrs J Holden 2015; Mrs Britton 2016; Mrs R C Speires 2019.

### Objectives and activities

#### *Objects and aims*

The objective of the charity is the relief of poverty by giving assistance to governesses and other ladies who meet the Society's criteria.

There have been no significant changes in the principal activities of the company since last year which are those of providing annuities, grants and subsidised accommodation for ladies in reduced circumstances.

These are provided at the discretion of the trustees, in accordance with criteria which they set. The trustees set the criteria in order to take account of the minimum amount of money that the Government says, via the Department of Works and Pension, that a person must have each week taking account of specific circumstances. These criteria are as follows:

- Be a single lady, over the State Retirement Age, whether widow, spinster or divorced;
- Having an income of no more than £9,500 per annum;
- Reside in, or have resided in for many years, in the North of England; and
- Have savings of no more than £10,000.

#### *Fundraising disclosures*

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

# Northern Ladies Annuity Society

## Trustees' Report

### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

### ***Grant making policies***

In addition to the annuities that the charity pays out to beneficiaries, the trustees also consider applications for special grants from annuitants maintained by the charity. Applications are considered and measured against the charity's objectives at monthly trustee meetings. Successful applications are paid after approval. Grants are included in the accounts when the trustees have made an irrevocable commitment to pay.

### **Achievements and performance**

#### **Chairperson's statement**

The year to 31 March 2022 began whilst the country was still in lockdown due to Covid 19 restrictions. Happily, the office was able to re-open in mid - April although the work of the Society continued throughout, with Jean and Ann, our secretary and administrative assistant respectively, working from home with the occasional visit to the office which was accessible in a Covid secure way.

Board meetings were conducted via Zoom until the July meeting when it was once again possible to meet in person. Thankfully, this meant that the trustees were able to be together for the last meeting to be attended by Mrs April Stephenson who had given earlier notice of her intention to retire at that meeting. Mrs Stephenson became a trustee in 1964 and had been a very active trustee during all the years since. There was a celebration at the end of the meeting when Mrs Stephenson was thanked and presented with cards and gardening gifts to recognise her extraordinary commitment to the Society.

At the beginning of the business year, in April 2021, the Society was supporting 84 full annuitants, and 14 half annuitants. In addition, there were 54 suspended annuitants of whom 4 were in residential care. During the year the Society welcomed 5 new annuitants.

After the Annual Declaration Forms were analysed 8 ladies were suspended, and 2 were promoted from a half to a full annuity. The result is that by the end of March 2022, the Society was supporting 81 full annuitants, 9 half annuitants, with 62 suspended of whom 4 are in residential care.

The interesting development is that as the ladies become entitled to additional pension credits, they cease to meet the Society's financial criteria for full annuities so that some are reduced to half and others suspended. All are grateful for the support they have received when they needed it most.

The timing of need is increasingly felt by ladies over 60, but not yet of state pensionable age, who for reasons beyond their control find themselves unable to work up to state pensionable age. The trustees decided to amend the qualifying criteria to allow for applications from ladies in that position. In those circumstances, provided the trustees are satisfied that an applicant's financial circumstances will not improve before state pensionable age, a full or half annuity, as appropriate can be awarded.

In addition to the annuities, the Society makes available holiday grants of £250 per annum per annuitant applying. This is a benefit which is much enjoyed by the annuitants. Applications began to come in and were awarded, but not paid, until the travel restrictions imposed by HMG had been lifted. In the course of the year 17 holiday grants were awarded.

# Northern Ladies Annuity Society

## Trustees' Report

Applications for General Grants to help annuitants with unexpected expenditure, were surprisingly few during 2020 but began to recover in 2021. Grants were awarded towards replacement of beds, cookers, a TV, a microwave and a mobile phone as well as fridge freezers, carpets and decorating costs.

Our three Open Days were sadly unable to proceed. It is hoped that as we fully emerge from Covid 19 that the open days will recommence and be as popular as ever.

The twice-yearly Newsletter, issued in May and November was issued with an increasing number of entries coming from the annuitants themselves.

The annuitants are offered the opportunity to receive a Christmas Hamper and this year 85 hampers were sourced and distributed, and 2022 calendars were sent out to all annuitants including those suspended. The calendars continue to be purchased from the Mouth and Foot Painting Artists so that the expenditure by the Society supports another worthwhile third sector organisation.

Many annuitants occupy property owned by the Society which is let to them at subsidised rents. The Society is committed to maintaining the properties to a high standard and to acting as a kind and considerate landlord. Expenditure in recent years to improve properties as they have become vacant has led to reduced expenditure on repairs in the year under report.

Significant property improvements have, however, taken place as the Society is now frequently asked to upgrade bathrooms, remove baths and replace them with shower facilities. The work completed during the year includes 4 bathrooms and 1 kitchen

Proceedings were issued during the year to clarify the terms of the leases for the properties in Homeprior House as was anticipated last year. A date for a hearing is awaited. All payments due to the landlord, apart from the disputed amounts, have been paid.

During the year the IT system in the office was replaced with a cloud-based system and new equipment purchased which was a great improvement for office efficiency.

The Society is indebted to Jean and Ann, for their committed and loyal service to the Society and the annuitants. Sadly, Ann has decided to retire with effect from May 2022. A replacement office assistant has been appointed, Mrs Susan Blockley, and she will commence employment on 4th April 2022 to enable a suitable hand over period.

# **Northern Ladies Annuity Society**

## **Trustees' Report**

At the end of December 2021, Mrs Claire Morgan's period of office as Chair came to an end. Mrs Fiona Emmerson became Chair and Mrs Suzanne Armstrong Vice Chair.

The Trustees have noted the volatility in the stock markets around the world caused by the Covid-19 pandemic and the war in Ukraine. The Society is well advised by Brewin Dolphin and does not see any material impact on the Society's ability to maintain payment of the annuities and the discretionary grants. They are therefore happy to confirm that the Society remains a going concern.

Fiona Emmerson, Chair of the Board

# Northern Ladies Annuity Society

## Trustees' Report

### Annuities

During the year, the society supported 90 (2021 - 98) annuitants with full or half annuities of £1,300 and £650 as follows:

|      | 2022 |         | 2021 |         |
|------|------|---------|------|---------|
|      | No.  | £       | No.  | £       |
| Full | 335  | 108,875 | 331  | 107,575 |
| Half | 46   | 7,475   | 46   | 7,475   |

### Grants

During the year, the Society made additional discretionary grants as follows:

|                      | 2022 |        | 2021 |       |
|----------------------|------|--------|------|-------|
|                      | No.  | £      | No.  | £     |
| General              | 17   | 7,763  | 11   | 3,660 |
| Holiday              | 17   | 4,250  | 1    | 250   |
| Hampers              | 85   | 3,846  | 87   | 3,980 |
| Winter Heating grant | 90   | 11,200 | -    | -     |

### Accommodation

The society made available 32 (2021- 32) properties as subsidised accommodation to ladies of reduced circumstances. In total, 34 (2021 - 34) people were tenants of the Society of whom 22 (2021 - 22) were annuitants and subsidised tenants.

### Financial review

The financial activities of the charitable company are set out in the attached financial statements. The Trustees consider that the results were satisfactory given the activities performed.

Core activities focus on the provision of annuities, grants and accommodation for ladies in reduced circumstances. Funding for these activities comes from an investment portfolio managed by the charitable company and from rental contributions from tenants, including annuitants, who occupy the accommodation.

### Key Management Personnel

The board, who give their time freely and no trustees received remuneration in the year, have considered who the key management personnel (KMP) of the charitable company are, as noted in the Reference and Administration section. Together with the board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis.

The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with budget and forecast information, ensuring that the charitable company can afford any proposed increases. The board then agree any uplift to remuneration.

# Northern Ladies Annuity Society

## Trustees' Report

### ***Policy on reserves***

It is the policy of the Society to maintain a level of funds sufficient to meet the ongoing annual obligations of the charity to existing and future annuitants and to ensure that the properties can be maintained to the highest order.

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charitable company to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. This exercise considered both the normal requirements for working capital and the loss of income of a hypothetical but reasonable reduction in the scale of operations. Accordingly, the trustees consider that free reserves of around £300,000 will allow the Society to pay the annuitants and administrative overheads for one year.

At the year end, free reserves were £21,560 (2021:£58,572), a decrease of £37,012 in the year. The trustees acknowledge availability of being able to easily realise further cash as required from cashing in some of the investments which were stated at a market value of £4,473,417. Whilst the board would ideally aim for a breakeven budget each year, they acknowledge that refurbishment of existing properties as they become available for re-let can give rise to additional expenditure. The provision of the property inline with the charitable objectives and the board accept that short term deficits are ultimately supported by the capital growth of other investments.

### **Going concern**

Following the COVID19 outbreak in previous years and the continued uncertainty arising from the ongoing conflict in Ukraine, the investment values have largely returned during the year to be in line with stock markets across the world. In the view of the Trustees, there are no uncertainties about the Trust's ability to continue as a going concern because of the high level of reserves.

### ***Investment policy and objectives***

The trustees have delegated discretionary management of the investment portfolio to the investment managers. The terms of this delegated authority are that the portfolio should aim to provide both an income and capital growth from a diversity of investments across suitable asset classes in conjunction with the Charity's risk profile. The objectives should have a slight bias towards providing a good income and relative security of capital so as to meet the Charity's own objectives and activities.

# Northern Ladies Annuity Society

## Trustees' Report

### Investment manager's report

During the year to 31st March 2022, the investment portfolio produced a total return of 5.9%%. Over the same period the benchmark, Brewin Dolphin's Risk Category 5, produced a total return of 7.2%. Whilst the overall slight underperformance is disappointing it is worth highlighting that the portfolio was outperforming the benchmark by 2.5% up until the end of 2021.

Markets made good progress in 2021, as investors looked to the future and the explosion in pent up demand across a variety of industries as lockdowns continued to ease. While the end of the calendar year brought a strangely familiar tone as we approached the festive period with offices closed and another round of vaccinations, the stock market still managed to end 2021 in fine fettle. Away from the most vulnerable areas of travel and leisure, share prices were in touching distance of all-time highs, led by the US market and a host of modern, digitally enabled businesses. Asia had a more difficult time, with regulatory headwinds and worries around the property market testing the composure of investors as authorities prioritised social goals.

The first months of 2022 have been far more challenging. As the year began, inflation was already high, but forecasters hoped it was close to its peak rate. Interest rates were still incredibly low, while many central banks were actively pursuing quantitative easing programmes. The tone from policymakers changed swiftly, and another threat emerged in the form of Russian troops invading Ukraine. When Covid struck the markets slumped, not because of the threat to life but because of fear of the economic consequences of lockdown. A sell off following the invasion of Ukraine reflected concerns about sanctions rather than casualties. This kind of dispassion from markets can be disconcerting. It is perhaps most evident in the investors' aphorism that you should "buy on the sounds of gunfire and sell on the sounds of trumpets", by which they mean that these horrific events often offer better opportunities to the courageous investor than the cautious one who waits until the outlook has brightened. In the weeks after the invasion, the stock market followed this time-honoured pattern once more.

Annual performance was driven by the overweight position to overseas equities, and while stock selection has helped relative returns in recent years, towards the end of the period, we saw a violent rotation in terms of the type of sectors that were performing well. Higher interest rates and rising inflation dented faster growing stocks, and more traditional areas such as banks and energy soared. Looking forward, the combination of inflation, rising interest rates and geopolitical rising presents a challenging backdrop, however over most reasonable time periods, investing in equities offers the greatest scope to protect against inflation.

As I have already commented, the first quarter of 2022 were not the best conditions for making money in stock markets. However, nor were they the worst. The threat of inflation was being partly driven by the reopening of economies as countries learn to live with the presence of Covid. It is quite common for stocks to continue to rise alongside interest rates, as both reflect strong economic activity. Investors hold stocks knowing that at some stage the economic cycle may need to take a turn for the worst. That might seem unintuitive, but inflation eats away at the real value of cash savings while bonds, which pay a fixed rate of interest, are less valuable as interest rates are expected to rise.

Over most reasonable time periods investing in stocks offers the greatest scope to protect wealth against the ravages of inflation, or even to grow it in real terms (after the deduction of inflation).

While the short-term response to inflation can only be demand-sapping policies from central banks and finance ministers, the driver of improved living standards comes from innovation by the

private sector finding new and improved ways of doing things with less cost and greater efficiency.

# **Northern Ladies Annuity Society**

## **Trustees' Report**

At some stage, cash and bonds will seem attractive relative to stocks, but it is devilishly difficult to judge what can be gained or lost from selling out of a bull market in the hope of trying to buy into a bear market. And while recessions have seen the value of shares fluctuate, the US has suffered eight distinct recessions since 1970 and the UK has suffered six. After each one, the stock market has recovered and moved onwards to make greater gains. As the legendary investor Peter Lynch said:

"Far more money has been lost by investors preparing for corrections, or trying to anticipate corrections, than has been lost in corrections themselves."

### **Plans for future periods**

The Chairperson's statement covers the future plans of the Charity.

### **Risk Management**

The trustees have assessed the major risks to which the charitable company is exposed, in particular those related to stock market fluctuations and the maintenance of the company's properties to let. The trustees are satisfied that there are systems in place to mitigate exposure to the major risks.

The properties are continually maintained to a high standard to avoid any fall in value, random visits are carried out to ensure this is the case. In addition, there is an annual roof inspection for all properties.

The trustees are advised on a regular basis by the Charity's fund managers on the various procedures to follow to ensure the investment portfolio is maintained to mitigate any losses due to stock market fluctuations.

There have been significant falls in the value of the investment during the year because of falls in stock markets across the world caused by the coronavirus outbreak. Although it is not possible to quantify the level of any future losses due to the fluctuations of the stock market performance, the Society has sufficient levels of funds to support current and future annuitants.

# Northern Ladies Annuity Society

## Trustees' Report

### Statement of Trustees' Responsibilities

The trustees (who are also the directors of Northern Ladies Annuity Society for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Disclosure of information to auditor

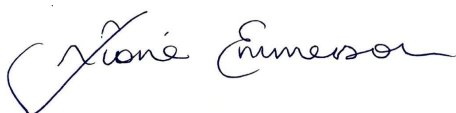
Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

### Reappointment of auditor

Azets Audit Services Limited, trading as Azets Audit Services, were appointed auditor to the company following their acquisition of the trade of Tait Walker LLP, trading as MHA Tait Walker, on 1 May 2022.

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 30/06/2022 and signed on its behalf by:



Mrs F E Emmerson  
Chairman and trustee

# **Northern Ladies Annuity Society**

## **Independent Auditor's Report to the Members of Northern Ladies Annuity Society**

### **Opinion**

We have audited the financial statements of Northern Ladies Annuity Society (the 'charity') for the year ended 31 March 2022, which comprise the Statement of Financial Activities, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor 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 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 were 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.

# **Northern Ladies Annuity Society**

## **Independent Auditor's Report to the Members of Northern Ladies Annuity Society**

### **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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 13, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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.

# **Northern Ladies Annuity Society**

## **Independent Auditor's Report to the Members of Northern Ladies Annuity Society**

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Enquiries with management, about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment law (including the Working Time Directive); and compliance with the UK Companies Act and Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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 auditor's report.

## Northern Ladies Annuity Society

### Independent Auditor's Report to the Members of Northern Ladies Annuity Society

#### Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Brown BA ACA DChA (Senior Statutory Auditor)

For and on behalf of  
Azets Audit Services  
Chartered Accountants  
Statutory Auditor

Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

Date: 1/7/2022

Azets Audit Services is a trading name of Azets Audit Services Limited

# Northern Ladies Annuity Society

## Statement of Financial Activities for the Year Ended 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

|                                    | Note | Unrestricted<br>£       | Total<br>2022<br>£      | Total<br>2021<br>£      |
|------------------------------------|------|-------------------------|-------------------------|-------------------------|
| <b>Income and Endowments from:</b> |      |                         |                         |                         |
| Donations and legacies             | 3    | 4,985                   | 4,985                   | 16,913                  |
| Charitable activities              | 4    | 144,567                 | 144,567                 | 152,922                 |
| Investment income                  | 5    | 91,945                  | 91,945                  | 93,603                  |
| Total Income                       |      | <u>241,497</u>          | <u>241,497</u>          | <u>263,438</u>          |
| <b>Expenditure on:</b>             |      |                         |                         |                         |
| Raising funds                      | 6    | (24,672)                | (24,672)                | (21,137)                |
| Charitable activities              | 7    | <u>(340,085)</u>        | <u>(340,085)</u>        | <u>(313,064)</u>        |
| Total Expenditure                  |      | <u>(364,757)</u>        | <u>(364,757)</u>        | <u>(334,201)</u>        |
| Gains/losses on investment assets  |      | <u>176,158</u>          | <u>176,158</u>          | <u>718,140</u>          |
| Net income                         |      | <u>52,898</u>           | <u>52,898</u>           | <u>647,377</u>          |
| Net movement in funds              |      | 52,898                  | 52,898                  | 647,377                 |
| <b>Reconciliation of funds</b>     |      |                         |                         |                         |
| Total funds brought forward        |      | <u>5,823,861</u>        | <u>5,823,861</u>        | <u>5,176,484</u>        |
| Total funds carried forward        | 19   | <u><u>5,876,759</u></u> | <u><u>5,876,759</u></u> | <u><u>5,823,861</u></u> |

All of the charity's activities derive from continuing operations during the above two periods.

# Northern Ladies Annuity Society

## Comparative Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

|                                    | Note | Unrestricted<br>£       | Total<br>2021<br>£      |
|------------------------------------|------|-------------------------|-------------------------|
| <b>Income and Endowments from:</b> |      |                         |                         |
| Donations and legacies             | 3    | 16,913                  | 16,913                  |
| Charitable activities              | 4    | 152,922                 | 152,922                 |
| Investment income                  | 5    | 93,603                  | 93,603                  |
| Total income                       |      | <u>263,438</u>          | <u>263,438</u>          |
| <b>Expenditure on:</b>             |      |                         |                         |
| Raising funds                      | 6    | (21,137)                | (21,137)                |
| Charitable activities              | 7    | (313,064)               | (313,064)               |
| Total expenditure                  |      | <u>(334,201)</u>        | <u>(334,201)</u>        |
| Gains/losses on investment assets  |      | <u>718,140</u>          | <u>718,140</u>          |
| Net income                         |      | <u>647,377</u>          | <u>647,377</u>          |
| Net movement in funds              |      | 647,377                 | 647,377                 |
| <b>Reconciliation of funds</b>     |      |                         |                         |
| Total funds brought forward        |      | <u>5,176,484</u>        | <u>5,176,484</u>        |
| Total funds carried forward        | 19   | <u><u>5,823,861</u></u> | <u><u>5,823,861</u></u> |

# Northern Ladies Annuity Society

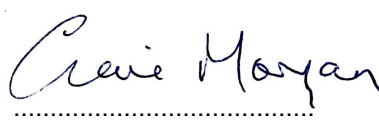
(Registration number: 04699895)  
Balance Sheet as at 31 March 2022

|                                                       | Note | 2022<br>£        | 2021<br>£        |
|-------------------------------------------------------|------|------------------|------------------|
| <b>Fixed assets</b>                                   |      |                  |                  |
| Tangible assets                                       | 13   | 1,381,782        | 1,397,834        |
| Investments                                           | 14   | <u>4,473,417</u> | <u>4,367,455</u> |
|                                                       |      | <u>5,855,199</u> | <u>5,765,289</u> |
| <b>Current assets</b>                                 |      |                  |                  |
| Debtors                                               | 15   | 24,062           | 27,202           |
| Cash at bank and in hand                              | 16   | <u>20,986</u>    | <u>53,692</u>    |
|                                                       |      | 45,048           | 80,894           |
| <b>Creditors: Amounts falling due within one year</b> | 17   | <u>(23,488)</u>  | <u>(22,322)</u>  |
| <b>Net current assets</b>                             |      | <u>21,560</u>    | <u>58,572</u>    |
| <b>Net assets</b>                                     |      | <u>5,876,759</u> | <u>5,823,861</u> |
| <b>Funds of the charity:</b>                          |      |                  |                  |
| <b>Unrestricted income funds</b>                      |      |                  |                  |
| Unrestricted funds                                    |      | <u>5,876,759</u> | <u>5,823,861</u> |
| <b>Total funds</b>                                    | 19   | <u>5,876,759</u> | <u>5,823,861</u> |

The financial statements on pages 18 to 34 were approved by the trustees, and authorised for issue on 30/06/2022 and signed on their behalf by:



Mrs F E Emmerson  
Chairman



Mrs C Morgan  
Trustee

# **Northern Ladies Annuity Society**

## **Notes to the Financial Statements for the Year Ended 31 March 2022**

### **1 Charity status**

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is: MEA House, Ellison Place, Newcastle upon Tyne, NE1 8XS

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets, liabilities and investments measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Northern Ladies Annuity Society meets the definition of a public benefit entity under FRS 102.

#### **Going concern**

The trustees have considered the financial position in light of the ongoing situation in relation to the Covid-19 virus and on conclusion of this work, given the strong cash and investment balance, consider that there are no material uncertainties about the charity's ability to continue as a going concern.

#### **Exemption from preparing a cash flow statement**

The charity opted to adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

# **Northern Ladies Annuity Society**

## **Notes to the Financial Statements for the Year Ended 31 March 2022**

### **Estimation uncertainty and judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported.

Management have approved depreciation, prepayments, accruals and other cut-off adjustments. Whilst management believe that these estimates and judgements are accurate, there is every likelihood that they will not be exact.

The trustees include an investment portfolio at market value and annually consider the market value.

These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### **Income and endowments**

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

### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

### ***Investment income***

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

### ***Charitable activities***

Rental income is recognised for the period the rent is due and properly receivable.

# Northern Ladies Annuity Society

## Notes to the Financial Statements for the Year Ended 31 March 2022

### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

### ***Rents Receivable***

Rents are recognised on a monthly basis and are billed to clients based on their agreed rental terms.

### ***Grant provisions***

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

# Northern Ladies Annuity Society

## Notes to the Financial Statements for the Year Ended 31 March 2022

### Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### Tangible fixed assets

All fixed assets are initially recorded at cost.

Freehold and leasehold properties held by the charity in the course of achieving its aims and objectives are not considered to be investment properties and are held at historic cost.

### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| Asset class                    | Depreciation method and rate |
|--------------------------------|------------------------------|
| Freehold Property              | 2% straight line             |
| Leasehold Property             | 2% straight line             |
| Fixtures, Fittings & Equipment | 10% - 25% straight line      |

### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

### Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

### Trade debtors

Trade and other debtors are amounts due to the charity in the ordinary course of its charitable business. Trade debtors are recognised initially at the transaction price.

# Northern Ladies Annuity Society

## Notes to the Financial Statements for the Year Ended 31 March 2022

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## 3 Income from donations and legacies

|                                   | Unrestricted<br>funds<br>General<br>£ | Restricted<br>funds<br>£ | Total<br>2022<br>£ | Total<br>2021<br>£ |
|-----------------------------------|---------------------------------------|--------------------------|--------------------|--------------------|
| Donations and legacies;           |                                       |                          |                    |                    |
| Donations                         | 2,750                                 | -                        | 2,750              | 2,750              |
| Legacies                          | 2,235                                 | -                        | 2,235              | 4,163              |
| Grants, including capital grants; |                                       |                          |                    |                    |
| Government grants                 | -                                     | -                        | -                  | 10,000             |
| Total for 2022                    | 4,985                                 | -                        | 4,985              | 16,913             |
| Total for 2021                    | 16,913                                | -                        | 16,913             |                    |

# Northern Ladies Annuity Society

## Notes to the Financial Statements for the Year Ended 31 March 2022

### 4 Income from charitable activities

|                                                                                | Unrestricted<br>funds<br>General<br>£ | Restricted<br>funds<br>£ | Total<br>2022<br>£ | Total<br>2021<br>£ |
|--------------------------------------------------------------------------------|---------------------------------------|--------------------------|--------------------|--------------------|
| Income from non-investment property in furtherance of the charity's objectives | 144,567                               | -                        | 144,567            | 152,922            |
| Total for 2022                                                                 | 144,567                               | -                        | 144,567            | 152,922            |
| Total for 2021                                                                 | 152,922                               | -                        | 152,922            |                    |

### 5 Investment income

|                                           | Unrestricted<br>funds<br>General<br>£ | Restricted<br>funds<br>£ | Total<br>2022<br>£ | Total<br>2021<br>£ |
|-------------------------------------------|---------------------------------------|--------------------------|--------------------|--------------------|
| Interest receivable and similar income;   |                                       |                          |                    |                    |
| Interest receivable on bank deposits      | -                                     | -                        | -                  | 25                 |
| Other income from fixed asset investments | 91,945                                | -                        | 91,945             | 93,578             |
| Total for 2022                            | 91,945                                | -                        | 91,945             | 93,603             |
| Total for 2021                            | 93,603                                | -                        | 93,603             |                    |

### 6 Expenditure on raising funds

#### a) Investment management costs

|                              | Unrestricted<br>funds<br>General<br>£ | Restricted<br>funds<br>£ | Total<br>2022<br>£ | Total<br>2021<br>£ |
|------------------------------|---------------------------------------|--------------------------|--------------------|--------------------|
| Investment management costs; |                                       |                          |                    |                    |
| Portfolio management costs   | 24,672                                | -                        | 24,672             | 21,137             |
| Total for 2022               | 24,672                                | -                        | 24,672             | 21,137             |
| Total for 2021               | 21,137                                | -                        | 21,137             |                    |

# Northern Ladies Annuity Society

## Notes to the Financial Statements for the Year Ended 31 March 2022

### 7 Expenditure on charitable activities

|                                 | Activity<br>undertaken<br>directly<br>£ | Grant<br>funding of<br>activity<br>£ | Activity<br>support<br>costs<br>£ | 2022<br>£      | 2021<br>£      |
|---------------------------------|-----------------------------------------|--------------------------------------|-----------------------------------|----------------|----------------|
| Annuities for relief of poverty | -                                       | 116,350                              | 41,601                            | 157,951        | 176,272        |
| Special grants                  | -                                       | 27,909                               | -                                 | 27,909         | 8,393          |
| Subsidised accommodation        | 113,644                                 | -                                    | 34,521                            | 148,165        | 123,899        |
| Governance costs                | -                                       | -                                    | 6,060                             | 6,060          | 4,500          |
|                                 | <u>113,644</u>                          | <u>144,259</u>                       | <u>82,182</u>                     | <u>340,085</u> | <u>313,064</u> |

# Northern Ladies Annuity Society

## Notes to the Financial Statements for the Year Ended 31 March 2022

### 8 Analysis of governance and support costs

#### Support costs allocated to charitable activities

|                       | <b>Annuities for<br/>the relief of<br/>poverty<br/>£</b> | <b>Subsidised<br/>accommodation<br/>£</b> | <b>Total<br/>2022<br/>£</b> | <b>Total<br/>2021<br/>£</b> |
|-----------------------|----------------------------------------------------------|-------------------------------------------|-----------------------------|-----------------------------|
| Staff costs           | 23,014                                                   | 34,521                                    | 57,535                      | 68,349                      |
| Premises              | 13,032                                                   | -                                         | 13,032                      | 10,203                      |
| Communications and IT | 1,237                                                    | -                                         | 1,237                       | 1,090                       |
| Travel costs          | 158                                                      | -                                         | 158                         | -                           |
| Office costs          | 2,392                                                    | -                                         | 2,392                       | 1,774                       |
| Sundry expenses       | 1,768                                                    | -                                         | 1,768                       | 990                         |
| Audit fees            | 6,060                                                    | -                                         | 6,060                       | 4,500                       |
|                       | <u>47,661</u>                                            | <u>34,521</u>                             | <u>82,182</u>               | <u>86,906</u>               |

#### Governance costs

|                                      | <b>Unrestricted<br/>funds<br/>General<br/>£</b> | <b>Restricted<br/>funds<br/>£</b> | <b>Total<br/>2022<br/>£</b> | <b>Total<br/>2021<br/>£</b> |
|--------------------------------------|-------------------------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Audit fees                           |                                                 |                                   |                             |                             |
| Audit of the financial<br>statements | 6,060                                           | -                                 | 6,060                       | 4,500                       |
| Total for 2022                       | <u>6,060</u>                                    | <u>-</u>                          | <u>6,060</u>                | <u>4,500</u>                |
| Total for 2021                       | <u>4,500</u>                                    | <u>-</u>                          | <u>4,500</u>                |                             |

# Northern Ladies Annuity Society

## Notes to the Financial Statements for the Year Ended 31 March 2022

### 9 Net incoming/outgoing resources

Net outgoing resources for the year include:

|                                         | 2022<br>£ | 2021<br>£ |
|-----------------------------------------|-----------|-----------|
| Audit fees                              | 6,060     | 4,500     |
| Depreciation of fixed assets            | 47,947    | 45,753    |
| Employer contributions to pension plans | 1,741     | 1,695     |

### 10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

### 11 Staff costs

The aggregate payroll costs were as follows:

|                                          | 2022<br>£     | 2021<br>£     |
|------------------------------------------|---------------|---------------|
| <b>Staff costs during the year were:</b> |               |               |
| Wages and salaries                       | 53,920        | 64,978        |
| Social security costs                    | 1,874         | 1,676         |
| Pension costs                            | 1,741         | 1,695         |
|                                          | <u>57,535</u> | <u>68,349</u> |

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

|                 | 2022<br>No | 2021<br>No |
|-----------------|------------|------------|
| Number of staff | <u>2</u>   | <u>2</u>   |

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £57,535 (2021 - £68,349).

# Northern Ladies Annuity Society

## Notes to the Financial Statements for the Year Ended 31 March 2022

### 12 Taxation

The charity is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### 13 Tangible fixed assets

|                       | Land and<br>buildings<br>£ | Furniture and<br>equipment<br>£ | Total<br>£ |
|-----------------------|----------------------------|---------------------------------|------------|
| <b>Cost</b>           |                            |                                 |            |
| At 1 April 2021       | 1,749,603                  | 207,921                         | 1,957,524  |
| Additions             | -                          | 31,895                          | 31,895     |
| At 31 March 2022      | 1,749,603                  | 239,816                         | 1,989,419  |
| <b>Depreciation</b>   |                            |                                 |            |
| At 1 April 2021       | 415,138                    | 144,552                         | 559,690    |
| Charge for the year   | 34,992                     | 12,955                          | 47,947     |
| At 31 March 2022      | 450,130                    | 157,507                         | 607,637    |
| <b>Net book value</b> |                            |                                 |            |
| At 31 March 2022      | 1,299,473                  | 82,309                          | 1,381,782  |
| At 31 March 2021      | 1,334,465                  | 63,369                          | 1,397,834  |

Included within the net book value of land and buildings above is £472,297 (2021 - £484,673) in respect of freehold land and buildings and £827,176 (2021 - £849,792) in respect of leaseholds.

# Northern Ladies Annuity Society

## Notes to the Financial Statements for the Year Ended 31 March 2022

### 14 Fixed asset investments

|             | 2022<br>£        | 2021<br>£        |
|-------------|------------------|------------------|
| Investments | <u>4,473,417</u> | <u>4,367,455</u> |

### Investments

|                          | Listed<br>investments<br>£ | Cash or cash<br>equivalents<br>£ | Total<br>£       |
|--------------------------|----------------------------|----------------------------------|------------------|
| <b>Cost or Valuation</b> |                            |                                  |                  |
| At 1 April 2021          | 4,284,253                  | 83,202                           | 4,367,455        |
| Additions                | 389,270                    | (53,848)                         | 335,422          |
| Disposals                | (372,519)                  | -                                | (372,519)        |
| Revaluation              | <u>143,059</u>             | <u>-</u>                         | <u>143,059</u>   |
| At 31 March 2022         | <u>4,444,063</u>           | <u>29,354</u>                    | <u>4,473,417</u> |
| <b>Net book value</b>    |                            |                                  |                  |
| At 31 March 2022         | <u>4,444,063</u>           | <u>29,354</u>                    | <u>4,473,417</u> |
| At 31 March 2021         | <u>4,284,253</u>           | <u>83,202</u>                    | <u>4,367,455</u> |

The market value of the listed investments at 31 March 2022 was £4,444,063 (2021 - £4,284,253).

With cash held by the broker totalling £29,354 (2021 - £83,202).

All investments shown above are held at valuation.

The movement in cash or cash equivalents is recognised within additions.

The historical cost of the investments as at the balance sheet date was £3,393,243 (2021: £3,321,291)

At the year end, the following investments represented more than 5% of the total value of the investment portfolio:

Vanguard Inv Ser UK Government Bond -n/a 2022, less than 5% of total value of the investment portfolio (2021: £215,042).

# Northern Ladies Annuity Society

## Notes to the Financial Statements for the Year Ended 31 March 2022

### 15 Debtors

|                | 2022<br>£     | 2021<br>£     |
|----------------|---------------|---------------|
| Trade debtors  | 1,605         | 6,097         |
| Prepayments    | 18,691        | 16,764        |
| Accrued income | 3,766         | 4,341         |
|                | <u>24,062</u> | <u>27,202</u> |

### 16 Cash and cash equivalents

|                     | 2022<br>£     | 2021<br>£     |
|---------------------|---------------|---------------|
| Cash on hand        | 12            | 47            |
| Cash at bank        | 20,258        | 52,679        |
| Short-term deposits | 716           | 966           |
|                     | <u>20,986</u> | <u>53,692</u> |

### 17 Creditors: amounts falling due within one year

|                                    | 2022<br>£     | 2021<br>£     |
|------------------------------------|---------------|---------------|
| Trade creditors                    | 9,145         | 4,509         |
| Other taxation and social security | 1,291         | 1,291         |
| Other creditors                    | 894           | 894           |
| Accruals                           | 12,158        | 15,628        |
|                                    | <u>23,488</u> | <u>22,322</u> |

### 18 Commitments

#### Capital commitments

The total amount contracted for but not provided in the financial statements was £Nil (2021 - £28,445).

#### Other financial commitments

The total amount of other financial commitments not provided in the financial statements was £2,673 (2021 - £3,213).

# Northern Ladies Annuity Society

## Notes to the Financial Statements for the Year Ended 31 March 2022

### 19 Funds

|                     | Balance at<br>1 April<br>2021<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Other<br>recognised<br>gains/(losses)<br>£ | Balance at<br>31 March<br>2022<br>£ |
|---------------------|------------------------------------|----------------------------|----------------------------|--------------------------------------------|-------------------------------------|
| <b>Unrestricted</b> |                                    |                            |                            |                                            |                                     |
| General             | <u>5,823,861</u>                   | <u>241,497</u>             | <u>(364,757)</u>           | <u>176,158</u>                             | <u>5,876,759</u>                    |
|                     | Balance at<br>1 April<br>2020<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Other<br>recognised<br>gains/(losses)<br>£ | Balance at<br>31 March<br>2021<br>£ |
| <b>Unrestricted</b> |                                    |                            |                            |                                            |                                     |
| General             | <u>5,176,484</u>                   | <u>263,438</u>             | <u>(334,201)</u>           | <u>718,140</u>                             | <u>5,823,861</u>                    |

### 20 Analysis of net assets between funds

|                         | Unrestricted<br>funds<br>General<br>£ | Total funds<br>at 31 March<br>2022<br>£ |
|-------------------------|---------------------------------------|-----------------------------------------|
| Tangible fixed assets   | 1,381,782                             | 1,381,782                               |
| Fixed asset investments | 4,473,417                             | 4,473,417                               |
| Current assets          | 45,048                                | 45,048                                  |
| Current liabilities     | <u>(23,488)</u>                       | <u>(23,488)</u>                         |
| Total net assets        | <u>5,876,759</u>                      | <u>5,876,759</u>                        |
|                         | Unrestricted<br>funds<br>General<br>£ | Total funds<br>at 31 March<br>2021<br>£ |
| Tangible fixed assets   | 1,397,834                             | 1,397,834                               |
| Fixed asset investments | 4,367,455                             | 4,367,455                               |
| Current assets          | 80,894                                | 80,894                                  |
| Current liabilities     | <u>(22,322)</u>                       | <u>(22,322)</u>                         |
| Total net assets        | <u>5,823,861</u>                      | <u>5,823,861</u>                        |

# Northern Ladies Annuity Society

## Notes to the Financial Statements for the Year Ended 31 March 2022

### 21 Analysis of net funds

|                          | At 1 April<br>2020<br>£ | Financing<br>cash flows<br>£ | At 31 March<br>2021<br>£ |
|--------------------------|-------------------------|------------------------------|--------------------------|
| Cash at bank and in hand | 39,179                  | 14,513                       | 53,692                   |
| Net debt                 | 39,179                  | 14,513                       | 53,692                   |
|                          | At 1 April<br>2021<br>£ | Financing<br>cash flows<br>£ | At 31 March<br>2022<br>£ |
| Cash at bank and in hand | 53,692                  | (32,706)                     | 20,986                   |
| Net debt                 | 53,692                  | (32,706)                     | 20,986                   |

### 22 Related party transactions

There were no related party transactions in the year.