

Charity Registration No. 1123799

Company Registration No. 06428240 (England and Wales)

THE PONTESBURY HOUSING TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

THE PONTESBURY HOUSING TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr I C Bradley	(Appointed 28 January 2021)
	Mr Philip Bradley	
	Mrs J Cooke	
	Dr J P A Richardson	
	Rev S M Small	
Secretary	Mrs J Withington	
Charity number	1123799	
Company number	06428240	
Registered office	Meadow Brook Little Minsterley Shrewsbury Shropshire SY5 0BP	
Auditor	James Holyoak & Parker Limited 1 Knights Court Archers Way Battlefield Enterprise Park Shrewsbury SY1 3GA	

THE PONTESBURY HOUSING TRUST

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THE PONTESBURY HOUSING TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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)".

Objectives and activities

The Pontesbury Housing Trust ("the Trust") is a charity, with a Christian ethos for public benefit.

The primary purpose of the Trust is to provide good quality tenanted accommodation for people with learning disabilities, at reasonable rents. Providing housing for vulnerable people benefits society and we believe that society as a whole benefits from people with learning disabilities living in, and contributing to, the local community. The charity aims to assure all tenants have a home for life if they so wish. The charity is non-discriminatory and inclusive, providing tenancies based on need. The charity took over the property portfolio of the Pontesbury Project (Charity number 702609) in 2009, when the former charity gifted freehold and leasehold property to the Pontesbury Housing Trust. The charity owns freehold properties in Pontesford, Pontesbury, Minsterley and a holiday home in North Wales.

The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

Achievements and performance

Financial review

The Pontesbury Housing Trust is committed to providing Christian care in the community by providing high quality accommodation to vulnerable people. The Pontesbury Housing Trust does not provide a support service for tenants but does provide tenants with an intensive property management service. The Charity has a close working relationship with the Pontesbury Project for People with Special Needs as described on page 2 of this report. This symbiotic relationship is key to the success of the Charity because our tenancies, which are intrinsically linked to support, are exempt from the housing benefit cap which means that we can provide affordable accommodation to people with disabilities.

Rents received during the year amounted to £175,839. Total incoming resources included a donation of £100,000. Net incoming resources for the year amounted to £70,916.

During the year the Charity completed the building of the extension at Meadow Brook. This property comprised a large flat and office suite, that was extended to meet the needs of the tenant. Whilst the Charity continued to manage and maintain its properties, no major repairs or re-decorations were carried out. This was due to the Covid-19 pandemic and the need for tenants to limit contact for infection control reasons. We continue to depreciate property in line with our accounting policies.

At 31st March 2021, the balance sheet value of freehold property was over £3 million. At the year end the Charity was in a strong financial position with net current assets of £584,326. Reserves were earmarked for the completion of ground works at the Hill Farm Complex, updating properties and the possible development of a building plot owned by the Trust.

THE PONTESBURY HOUSING TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Reserves policy

At the year end, unrestricted reserves totalled £3,732,590 and restricted reserves totalled £19,821.

The trustees have reviewed the Charity's needs for reserves in line with guidance issued by the Charity Commission. The trustees consider it prudent that unrestricted reserves should be sufficient:

- To avoid the necessity of realising fixed assets held for the Charity's use.
- To cover a minimum of 12 weeks running costs to ensure that the Charity can run efficiently and meet the needs of tenants.
- To finance any specific projects to be undertaken in the short or medium term, including the development or purchase of further properties.
- To provide financial security for tenants living in leasehold property.

Investment policy

Cash in hand is needed to cover the running costs of the charity. Cash is invested in safe, short notice accounts with major recognised banks and building societies.

Future developments

Our primary objective is to maintain our property portfolio to a high standard and to continue to offer homes for people with disabilities at reasonable rents. Subsequent to the financial year-end we completed the landscaping of the gardens at the Hill Farm Complex.

During the Covid-19 pandemic the ability to carry out maintenance and improvements was limited for infection control reasons and the need of our tenants to limit interaction with others. In the short-term future, we will focus on catching up with routine maintenance and carrying out property improvements where needed. We will also carry out a strategic review of all properties in the context of the changing needs of our tenants and procure a revaluation of our property portfolio.

Structure, governance and management

The Pontesbury Housing Trust was incorporated on 15 November 2007 (Company Number 06428240) and is a company limited by guarantee. The company was awarded charitable status in May 2008 and is registered with the Charity Commission (Charity Number 1123799). The company is constituted under a Memorandum of Association.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr I C Bradley

Mr Philip Bradley

(Appointed 28 January 2021)

Mrs J Cooke

Dr J P A Richardson

Rev S M Small

Recruitment and appointment of Trustees

A prospective Director/Trustee is required to be a practicing Christian and is appointed by the serving Directors/Trustees. Board members have a varied skill set and are well qualified to manage the work of the Charity. In 2018 the Trustee carried out a skills audit to ensure that all requisite skills were represented on the Board. All Trustees are passionate about meeting the needs of people with learning disabilities in the community. Trustees receive no remuneration and meet within the Management Committee to receive reports, review the activities of the Charity and plan for future developments.

THE PONTESBURY HOUSING TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Management of the Charity

A management committee meets regularly to oversee the work and development of the Charity. The committee is comprised of Trustees (Directors), Company Secretary, Chief Executive and other individuals chosen for their expertise and professional background.

The Trustees have appointed a Chief Executive to be responsible for the day to day running of the Charity. Until her retirement on 5th April 2021, the role of Chief Executive was fulfilled Mrs J A Curtis. Mrs Curtis served as Chief Executive of the Charity since its formation having previously served in this role for its predecessor, an unincorporated Charity (now dissolved) since 1993. The Trustees wish Mrs Curtis well for her retirement and will be forever grateful for the way in which she developed and oversaw the growth and running of the Charity.

On 1st April 2021, Mr R M Anscomb-Gates was appointed as Chief Executive. Mr Anscomb-Gates has special expertise in the needs of people with learning disabilities – we look forward to a new chapter in the life of the Trust.

The Board has appointed Mrs J Withington as Company Secretary and Treasurer.

Induction and training of Trustees

New Trustees visit properties owned by the Trust and attend a management meeting before appointment. This helps them to understand the nature and work of the Charity. Trustees have a role description and subscribe to a code of conduct. All Trustees have access to Charity Commission and NCVO publications and resources and keep up to date, attending training courses when able.

Payment of key personnel

The Pontesbury Housing Trust does not directly employ staff but engages the services of the Chief Executive officer and Company Secretary/Treasurer through a contractual arrangement which is reviewed regularly.

Relationship with related parties

The Pontesbury Housing Trust shares a close working relationship with the Pontesbury Project for People with Special Needs. It is a requirement of all licenses that tenants receive a support package funded by the Local Authority. It is the responsibility of the Trust to ensure that tenants are supported by a suitable and registered provider. The care provider for our tenants is The Pontesbury Project for People with Special Needs which gives an exceptional and bespoke support service for all our tenants, is registered with the Care Quality Commission and rated as "good" in all areas.

Fundraising

The Charity occasionally receives donations but does not engage in any fundraising activities.

Auditor

James Holyoak & Parker Limited were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed. During the year the Board reviewed all risks and ensured that systems and procedures are in place to mitigate and manage those risks. More recently, Covid-19 is a new risk that presents concern for the Charity sector and the economy as a whole. The Trustees have considered the impact of the Covid-19 pandemic and it is not considered to significantly affect the Charity's ability to continue its activities.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

THE PONTESBURY HOUSING TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2021*

The report has been prepared having taken advantage of the small companies exemption in the Companies Act 2006.

The Trustees' report was approved by the Board of Trustees.



Mrs J Cooke

Trustee

Dated: 8 December 2021

THE PONTESBURY HOUSING TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees, who are also the directors of The Pontesbury Housing Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law 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 charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make 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 charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

THE PONTESBURY HOUSING TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE PONTESBURY HOUSING TRUST

Opinion

We have audited the financial statements of The Pontesbury Housing Trust (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE PONTESBURY HOUSING TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE PONTESBURY HOUSING TRUST

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor 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 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.

The audit team obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (FRS102 and the Companies Act 2006), the relevant tax compliance regulations, employment law, Health and Safety Regulations and the EU General Data Protection Regulation (GDPR).

We understood how the company is complying with these frameworks by making enquiries of management and those responsible for legal and compliance procedures.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by meeting with key management to understand where they considered there was a susceptibility to fraud. Based on our understanding, our procedures involved enquiries of management and those charged with governance, manual journal entry testing, cashbook reviews for large and unusual items and the challenge of significant accounting estimates used in preparing the financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE PONTESBURY HOUSING TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE PONTESBURY HOUSING TRUST

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.



Mr Robert Humphreys BEng FCA (Senior Statutory Auditor)
for and on behalf of James Holyoak & Parker Limited

14 December 2021
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Chartered Accountants
Statutory Auditor

1 Knights Court
Archers Way
Battlefield Enterprise Park
Shrewsbury
SY1 3GA

James Holyoak & Parker Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

THE PONTESBURY HOUSING TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
Income from:							
Donations and legacies	3	100,018	-	100,018	200,000	-	200,000
Charitable activities	4	175,839	-	175,839	174,189	-	174,189
Investments	5	1,644	-	1,644	2,150	-	2,150
Total income		277,501	-	277,501	376,339	-	376,339
Expenditure on:							
Charitable activities	6	192,285	14,300	206,585	212,860	18,482	231,342
Other	10	-	-	-	15,898	-	15,898
Total resources expended		192,285	14,300	206,585	228,758	18,482	247,240
Net Income/(expenditure) for the year/ Net movement in funds		85,216	(14,300)	70,916	147,581	(18,482)	129,099
Fund balances at 1 April 2020		3,647,374	34,121	3,681,495	3,499,793	52,603	3,552,396
Fund balances at 31 March 2021		3,732,590	19,821	3,752,411	3,647,374	34,121	3,681,495

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE PONTESBURY HOUSING TRUST

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	11		3,168,085		3,202,836
Current assets					
Debtors	13	6,733		3,361	
Cash at bank and in hand		603,584		486,951	
			610,317		490,312
Creditors: amounts falling due within one year	14	(25,991)		(11,653)	
Net current assets			584,326		478,659
Total assets less current liabilities			3,752,411		3,681,495
Income funds					
Restricted funds	15	19,821		34,121	
Unrestricted funds		3,732,590		3,647,374	
			3,752,411		3,681,495

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 8 December 2021



Mrs J Cooke
Trustee

Company Registration No. 06428240

THE PONTESBURY HOUSING TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company Information

The Pontesbury Housing Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Meadow Brook, Little Minsterley, Shrewsbury, Shropshire, SY5 0BP.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE PONTESBURY HOUSING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Resources expended

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.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2.5% on cost
Fixtures and fittings	33-50% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other recognised gains and losses and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in net income/(expenditure) or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and loss are recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

THE PONTESBURY HOUSING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.11 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.

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

1.12 Debtors

Prepayments are valued at the amount prepaid. Accrued income is recognised at the settlement amount due.

1.13 Creditors

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 reliably. Creditors and provisions are normally recognised at their settlement amount.

THE PONTESBURY HOUSING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	100,018	200,000

4 Charitable activities

	Rental income	Launderette Income	Total Rental Income 2021	
	2021	2021		2020
	£	£	£	£
Sales within charitable activities	167,787	8,052	175,839	174,189

5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	1,644	2,150

THE PONTESBURY HOUSING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

6 Charitable activities

	2021 £	2020 £
Depreciation and impairment	106,734	114,591
Premises	51,024	71,181
Consultancy	13,819	12,000
General expenses	17,786	12,649
Vehicles	6,000	6,102
Hire of equipment	1,001	1,001
	<u>196,364</u>	<u>217,524</u>
Share of governance costs (see note 7)	10,221	13,818
	<u>206,585</u>	<u>231,342</u>
Analysis by fund		
Unrestricted funds	192,285	212,860
Restricted funds	14,300	18,482
	<u>206,585</u>	<u>231,342</u>

7 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Audit fees	-	5,688	5,688	-	1,506	1,506
Administrative expenses	-	4,533	4,533	-	12,312	12,312
	<u>-</u>	<u>10,221</u>	<u>10,221</u>	<u>-</u>	<u>13,818</u>	<u>13,818</u>
Analysed between						
Charitable activities	-	10,221	10,221	-	13,818	13,818
	<u>-</u>	<u>10,221</u>	<u>10,221</u>	<u>-</u>	<u>13,818</u>	<u>13,818</u>

Governance costs includes payments to the auditors of £5,688 (2020 - £1,506) for audit fees.

8 Trustees

No trustees' remuneration or other benefits were paid to any trustees for the year ended 31 March 2021 nor for the year ended 31 March 2020.

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

THE PONTESBURY HOUSING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	-	-

10 Other

	Total £ 2021	Unrestricted funds 2020
Net loss on disposal of tangible fixed assets	-	15,898

11 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 April 2020	3,345,897	109,775	3,455,672
Additions	65,748	6,236	71,984
At 31 March 2021	3,411,645	116,011	3,527,656
Depreciation and impairment			
At 1 April 2020	162,425	90,412	252,837
Depreciation charged in the year	85,291	21,443	106,734
At 31 March 2021	247,716	111,855	359,571
Carrying amount			
At 31 March 2021	3,163,929	4,156	3,168,085
At 31 March 2020	3,183,472	19,364	3,202,836

The freehold properties were revalued at 26th March 2018 by Halls Holdings Limited. The Board has reviewed the value of the properties and consider that the value in the financial statements remains appropriate.

At 31 March 2021, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £2,699,901 (2020 - £2,710,529).

The policy of the charitable company is to only capitalise items of capital expenditure over £500.

THE PONTESBURY HOUSING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

12 Financial Instruments	2021 £	2020 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	608,764	488,433
Carrying amount of financial liabilities		
Measured at amortised cost	25,991	11,653

Financial assets measured at amortised cost consists of other debtors and cash at bank and in hand.

Financial liabilities measured at amortised cost consists of accruals and other creditors.

In relation to the debt instruments measured at amortised cost, Interest income of £1,644 (2020 - £2,150) has been recognised in the year.

13 Debtors	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	5,180	1,482
Prepayments and accrued income	1,553	1,879
	6,733	3,361

14 Creditors: amounts falling due within one year	2021 £	2020 £
Other creditors	5,177	4,311
Accruals and deferred income	20,814	7,342
	25,991	11,653

THE PONTESBURY HOUSING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2020 £	Resources expended £	Balance at 31 March 2021 £
Client welfare	34,121	(14,300)	19,821

The purpose of the restricted fund of £19,821 is to enhance tenants' wellbeing. Income received specifically for this purpose will be added to the fund in the year in which it is received. The fund will be reduced by any expenditure on tenant welfare, or projects for the direct benefit of any tenants, in the year in which it is spent, as well as any depreciation of fixed assets that have been allocated as restricted.

16 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	3,158,206	9,879	3,168,085	3,178,657	24,179	3,202,836
Current assets/ (liabilities)	574,384	9,942	584,326	468,717	9,942	478,659
	<u>3,732,590</u>	<u>19,821</u>	<u>3,752,411</u>	<u>3,647,374</u>	<u>34,121</u>	<u>3,681,495</u>

THE PONTESBURY HOUSING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

17 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	13,819	12,000

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

The Pontesbury Housing Trust shares a close working relationship with The Pontesbury Project for People with Special Needs (PPSN) another charitable company that supports people with learning and other difficulties.

The Pontesbury Housing Trust is landlord of property rented by PPSN and also of service users supported by the Domiciliary Care Agency operated by PPSN. During the year PPSN paid rent of £36,600 (2020 - £39,100) to The Pontesbury Housing Trust for the various properties rented.

The Pontesbury Housing Trust does not employ any staff but has secured the services of a consultant to manage and develop the work of the Charity. The Pontesbury Housing Trust pays a service charge to the PPSN for administrative services and use of vehicles. During the year £19,819 (2020 - £18,312) was paid for the administrative services and use of vehicles.

During the year PPSN made an unrestricted donation of £100,000 to The Pontesbury Housing Trust.

At the year end £5,180 is due from PPSN (2020 - £4,311 was due to PPSN).