

**Shrewsbury Drapers Holy Cross Limited
incorporating
Shrewsbury Drapers Company Charity**

Board Report and Financial Statements

For the year ended 31 December 2024



Homes and Communities Agency registration number: 4809

Company registration number: 07000798

Charity registration number: 1132671

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Financial Statements

Year Ended 31 December 2024

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Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Registered Social Housing Provider

Year Ended 31 December 2024

Members of the Board

Mr A Cross
Mrs J Boyd
Dr R Hatts
Mr I Davies
Mr N Prosser
Mrs A Thorn
Mrs G Davies
Mr T Hunt
Mrs N Sykes-Waller
Mr A Barbut (appointed 20/3/24)
Mr C Hudson (appointed 18/9/24)
Mrs L O'Loughlin (appointed 19/3/25)
Mr P McLoughlin (appointed 19/3/25)

Secretary

Mr C Hudson

Registered office

Drapers Place
Horsefair
Abbey Foregate
Shrewsbury
SY2 6BP

Auditor

WR Partners
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Solicitor

Hatchers Solicitors
Welsh Bridge
1 Frankwell
Shrewsbury
Shropshire
SY3 8JY

Bankers

Lloyds PLC
Pride Hill Branch
Shrewsbury
Shropshire

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Board Report

Year Ended 31 December 2024

The Board of Shrewsbury Drapers Holy Cross Limited, corporate trustee of the linked charity, Shrewsbury Drapers Company Charity present its report and the audited financial statements of Shrewsbury Drapers Holy Cross Limited for the year ended 31 December 2024.

The Trustees confirm that the Annual Report and financial statements of the Association comply with the current statutory requirements, the requirements of the Association's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to Registered Social Landlords, Housing SORP 2018, preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (January 2022).

Members of the Board

The members of the Board who have served during the year are as follows:

Mr A Cross
Mrs J Boyd
Dr R Hatts
Mr I Davies
Mr N Prosser
Mrs A Thorn
Mrs G Davies
Mr R Gough (retired 8/5/24)
Mr T Hunt
Mrs N Sykes-Waller
Mr A Barbut (appointed 20/3/24)
Mr C Hudson (appointed 18/9/24)

Objectives

Shrewsbury Drapers Holy Cross Limited (SDHC Ltd) is the corporate trustee of Shrewsbury Drapers Company Charity (SDCC).

The objectives of SDHC Ltd and SDCC are to continue to run their almshouses for the benefit of the elderly in need of support. Beneficiaries are ordinarily residents of Shrewsbury, the Counties of Shropshire and Powys or have a strong local connection with the same. An assessment of the level of support is made on application and the most appropriate applicant is chosen. The company provides social housing on the basis of independent living whilst developing community spirit of mutual support to prevent loneliness and improve well-being.

A subsidiary object of SDCC is to conserve and preserve specified historical items of furniture and other artefacts at Drapers Hall, Shrewsbury.

In setting objectives and planning for activities, the Board has given due consideration to the latest guidance published by the Charity Commission relating to public benefit and to safeguarding.

The very 'raison d'être' of Shrewsbury Drapers is the provision of affordable accommodation to elderly people within the Shropshire and Powys area. Without this accommodation, our residents would certainly have struggled to find suitable accommodation and been possibly homeless within a local environment where there is a serious shortage of suitable accommodation and where the local authority continue to be under huge funding and housing pressures of their own. During 2024 51 flats were available and were occupied (average 95% + occupancy over the year).

During 2024 a major project commenced to add 8 new flats permitting us to provide further quality accommodation to this group who are amongst those least likely to be able to look after themselves. This project is planned for completion by the end of 2025.

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Board Report

Year Ended 31 December 2024

In 2024 an external consultant was tasked with reviewing our existing estate to ensure that it is properly maintained and meeting all legislative standards

There are only two parttime paid staff with a great deal of the work of running and maintaining the estate by members of the Shrewsbury Drapers being done on a totally voluntary basis. This has enabled the organisation to successfully run the existing estate, commence a significant build programme as mentioned and yet ensure that the costs are minimised.

We believe that our donors, our residents (and their families) the local authorities involved and the general public are clear that our activities are directly for the public good and meet the required standards of being for the public benefit.

Mission Statement

Shrewsbury Drapers Holy Cross Limited (SDHC) is a registered charity and the corporate trustee of the linked charity Shrewsbury Drapers Company Charity.

Our Purpose is to provide safe, comfortable and affordable homes for people in their later years.

Our Vision is that SDHC is a modern, efficient and effective provider of affordable housing communities where:

Residents thrive in a safe and secure environment, free from isolation and loneliness. They and their families recognise they get high value for money, rapid response to building repairs or problems, periodic improvements and refurbishments, well-maintained communal facilities and gardens, assistance, organised meetings and events, and a listening ear.

Shropshire Council, Homes England, and regulators consider SDHC a responsible, professional registered housing provider and developer helping to solve Shropshire's housing issues.

Donors feel their money is efficiently and effectively spent on a worthwhile cause.

Community Groups appreciate the inexpensive community meeting room with excellent kitchens and AV facilities.

Staff and Volunteers feel valued and appreciated, while being given the opportunity to make a real difference to people's lives.

The people of Shropshire and Powys understand and value SDHC because of the benefits it brings to the area and the surrounding communities.

There is an Almshouses Management Committee who oversee the management of the properties and resident welfare. The liaison members who visit regularly and other volunteers who make individual visits such as the surveyors are required to undergo Disclosure and Barring Service checks. The management of the volunteers is through the Almshouses Management Committee which reports back to the Board. There is a complaints policy and procedure in place for residents which is set out on the website.

A Manager runs the office at Drapers Place, and manages the properties including the community facility, the Bradbury Suite. There is also a Finance and Admin Officer. There is considerable coordination and cooperation between the employees and volunteers.

Close relationships between residents and the Manager reflect the professional and supportive role played by employees. The Employees are given guidelines on their roles including relationships with the residents. These are reviewed every three years.

All the Board members are volunteers.

The charity relies significantly on volunteer support particularly in the management of the almshouses including secretarial and clerical work. Based on an analysis of volunteer time completed during the year, the benefit to the charity over the year is estimated to be around £100,000.

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Board Report

Year Ended 31 December 2024

Training and Induction of Board members

On appointment, Board members are given an induction which includes informing them of their duties and responsibilities within Charity and Company law and best practice. Within 3 months of their appointment, and thereafter once a year, all Board members are required to sign a declaration that they have completed the necessary training. This training includes a requirement to undergo certified Safeguarding training at least every 2 years.

On appointment and annually thereafter all Board members are required to sign a declaration of Trustee eligibility and Declaration of Interests.

Operational Highlights 2024

1. Occupancy and Residents

Our almshouses continue to be very popular. They are upgraded or redecorated as required when they become vacant. Occupancy is typically in excess of 95%. Demand and enquiries for accommodation remains high and any vacancies are filled within a relatively short space of time thanks to our staff and diligent volunteers. One apartment in Fairford Place has been deliberately kept vacant during the new build project at that venue in anticipation that it will be upgraded and refurbished as part of the refurbishment element of 12 existing bedsit apartments in 2025, as a part of the overall project.

2 Property Improvement

Our Draper Surveyor continues to assess and implement the required property maintenance across all four of our almshouses sites. One bungalow at St Giles has had a new kitchen fitted. The Master's appeal this year has raised funds to refurbish the Mulberry Community Room at Fairford Place, to be completed early in 2025.

3 Almshouse Development

The development of a new purpose-built block of 8 residential units at Fairford Place commenced in July. This will increase our capacity to 59 units in 2025. A refurbishment programme of 12 existing bedsits is also planned during 2025 to upgrade the accommodation to single bedroom apartments.

4 Staffing and Board of Directors

We continue to monitor our staffing levels with a view to our future needs and management of our Almshouse units. The Board has sought specialist advice on our compliance with the standards required by the regulator of social housing, staffing needs and issuing of resident's licences to occupy, including advice on the temporary relocation of residents during the refurbishment of their bedsit apartments. A new Company Secretary has been appointed during the year.

The Properties

Hospital of the Holy Cross: the 5 almshouses were built in the mid-1800s.

Part of the land behind the almshouses is leased to a crown green bowling club.

Fairford Place: there are 16 studio flats, built in the 1960s, set in a quiet location in Coleham, Shrewsbury conveniently placed near to local shops and for walking into town. Planning permission has been granted to replace the former Warden's lodge with 8 new units. In addition 12 of the studio flats are intended to be extensively altered to provide apartments which meet current thermal performance requirements. Improvements including redecoration and rewiring are carried out for the remaining 4 studio flats as they become vacant.

Hospital of St Giles: there are 4 one-bedroom bungalows near St Giles Church set back from Wenlock Road, Shrewsbury.

Drapers Place: : Drapers Place contains 21 one-bedroom and 4 two-bedroom apartments, an office for administration, two lounges for the residents, a hobbies room and the Bradbury Suite. The Bradbury Suite comprises a large meeting room with AV facilities and well equipped kitchen facilities, and is available for hire by local people or organisations.

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Board Report

Year Ended 31 December 2024

Newport: There is one remaining Almshouse (of 4) at Newport. Whilst this property is not fully up to the standards we set in terms of space, the strong preference of the remaining resident to remain has been respected. The resident will continue to enjoy full occupancy rights and, receives regular visits from Drapers, and support from the adjoining Haberdashers' Adams' Grammar School.

Financial review

The financial statements are prepared on an accruals basis and the accounts are subject to a full audit rather than an inspection.

For the year to 31 December 2024, the financial statements reported a surplus of £73,981 (2023:£12,816).

The net assets at the year-end were £4,114,255 (2023: £4,040,274).

The Board continually assess the financial performance of the company with a detailed site breakdown of income and costs. Monthly management accounts compare actual performance against budget with a detailed variance analysis. Performance metrics are reviewed on both a site and historic basis and provide information for future planning and budgeting.

Financial performance	2024	2023
New Supply	Nil	Nil
Gearing	19%	20%
Interest Cover	252%	245%
Social housing cost per unit	£2711	£2,091
Operating margin	25%	23%
Return on Capital Employed	2%	0%

a. Reserves policy

At the end of every financial year sufficient funds are set aside from income or existing financial assets to:

- a) cover the cost of the repair and the maintenance value of the existing physical assets; and
- b) fund other reserves, including a general reserve, for amounts as may be deemed to be appropriate in foreseeable circumstances.

The minimum level of reserves reflects the property folio and the Company's mortgage liability.

Free reserves at the year-end were £584,015 (2023: £863,616). An allocation of £366,469 was made in the year to the Designated Reserve in respect of the funding of the Fairford Place project and £100,000 for quinquennial maintenance costs.

b. Material investments policy

Investments are being managed by Brewin Dolphin under an agreed policy of diversified risk seeking a total return from the portfolio of both capital appreciation and income yield. Regular reviews take place.

c. Risk management

The Board examines annually the strategic and operational risks which the entity faces and confirm that systems are in place to enable regular reports to be produced so that the required steps may be taken to lessen those risks. They continue to review and improve such systems as may be necessary.

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Board Report

Year Ended 31 December 2024

The almshouses are on 5 sites. Each site is considered on an individual basis and where required improvements to properties continue.

The Board has identified that potential loss in revenue resulting from a lower than 90% occupancy rate could put a strain on finances with respect to repayment of the mortgage. The rate of occupancy has been higher than this year on year for some time, however the minimum level has been set at a prudent level. The current level of reserves is above this.

Key Objectives For 2025

1. Maintain Financial Sustainability

To maintain financial sustainability amidst rising inflationary pressures and continue with consistent effort to manage its resources effectively. Increasing costs of management, maintenance and inflation have driven up wages and material costs, impacting the overall expenditure, and energy prices have been volatile. Adaptive strategies to mitigate these inflationary pressures are ongoing as is the review of WMC with Shropshire Council.

2. Residents

To provide safe and secure environment for our residents within a community setting where their needs are understood while maintaining independent living within their own home. To carefully manage the re-housing of residents during the construction works and conversions of bedsits to one-bedroom flats at Fairford Place.

3. Compliance and Policy

Review our performance as an almshouse provider against relevant standards and ensure compliance with current regulatory and legislative requirements. Keep all policies up to date. Catherine Hinton has been engaged as consultant to report and assist with these matters.

4. Property Maintenance

To undertake a quinquennial report on Drapers Place, Fairford Place, St Giles and Holy Cross to assess the condition, availability, and performance of the housing stock. The purpose of this report is to evaluate housing quality, monitor energy efficiency, check compliance, plan maintenance and upgrades and assess demand and supply. To utilise report to make informed decisions regarding investments, maintenance and future development to continue to provide safe, appropriate and affordable housing.

5. Fairford Place Development and Refurbishment

Construction of the new unit of 8 apartments has commenced and is progressing to schedule and budget. Refurbished units to be started once new build is complete and residents will be re-homed within the 8 new apartments whilst the conversion from existing bedsits to one-bedroom flats is undertaken. Substantial donations and contributions from The Bradbury Foundation and Drapers members have been received in support of the project.

Shrewsbury Drapers Holy Cross Ltd. and its linked charity have demonstrated prudent financial management. With income from secure sources, not being reliant on charitable donations, and through effective resource allocation and strategic planning they have maintained a stable income stream and controlled expenditures. This financial stability allows them to continue providing secure, safe, and suitable housing for vulnerable elderly people, enabling them to enjoy independent living. By focusing on sustainable financial practices, Shrewsbury Drapers Holy Cross Ltd. ensures that their mission of supporting the elderly remains robust and resilient.

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Board Report

Year Ended 31 December 2024

Structure, governance and management

Shrewsbury Drapers Company

As an organised body, the Shrewsbury Drapers became prominent with the founding of almshouses in 1444, and became even more important when their Guild was incorporated by Royal Charter under the seal of King Edward IV in the year 1462. In this Charter the Shrewsbury Drapers were given the title 'A Fraternity or Guild of the Holy Trinity of the Men of the Mystery of Drapers in the town of Salop'. Following the enactment of the Municipal Corporations Act 1835 the members of the Guild continued as trustees of the Almshouses first established in 1444.

The Guild is now known as the Shrewsbury Drapers Company. It is not a registered charity.

Shrewsbury Drapers Holy Cross Limited (registered Charity 1132671)

Shrewsbury Drapers Holy Cross Limited was incorporated as a private Company limited by guarantee under the Companies Act 1985. It was set up by the Shrewsbury Drapers Company with its Memorandum of Association primarily to provide almshouse accommodation for needy elderly persons of good character who are either ordinarily residents of the immediate area of Shrewsbury, the wider area of the Counties of Shropshire and Powys, or who have strong connections with the same. It is a registered charity.

Shrewsbury Drapers Company Charity (Registered linked/subsidiary Charity 1132671-1)

The Freemen of Shrewsbury Drapers Company were responsible for the running of three individual sets of almshouses until 1 January 2015. From that date the charities formerly known as The Hospital of the Holy Cross (1132671-1), Hospital of St Giles (233903) and the Shrewsbury Drapers Company General Charities (213372) were merged into a new scheme to be known as Shrewsbury Drapers Company Charity (1132671-1), a linked or subsidiary charity with Shrewsbury Drapers Holy Cross Ltd (1132671) as the sole corporate trustee. The charities 233903 and 213372 were then de-registered.

a. Method of appointment or election of the Board

One of the Board members must be the Master of the Shrewsbury Drapers Company who normally will act as Chairman. The Master is elected annually by the Freemen of the Shrewsbury Drapers Company through their Court. The remainder of the Board must be Freemen of the Shrewsbury Drapers Company. At the Annual General Meeting in May 2015, the Board agreed to make all Freemen of Shrewsbury Drapers Company "Members" of Shrewsbury Drapers Holy Cross Ltd, all of whom having voting rights at future general meetings including election of new directors. The procedure must follow that prescribed in the Company Articles of Association.

The selection of the people put forward by the Board for election is made after assessing the areas of expertise that need to be strengthened. In most cases these individuals will have served time on the management sub-committees as part of their experience and training. The duties of Directors and Trustees are explained to them.

Decisions are made at the Board level apart from delegation to committees such as the Almshouses Management Committee which reports to the Board.

b. Organisational structure and decision making

The Shrewsbury Drapers Company (Guild) has up to 100 elected Freemen who are all Members of Shrewsbury Drapers Holy Cross Ltd.

All Directors on the Board of Shrewsbury Drapers Holy Cross Ltd have to be Freemen of Shrewsbury Drapers Company.

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Board Report

Year Ended 31 December 2024

Some Freemen are Trustees / Directors of Shrewsbury Drapers Hall Preservation Trust Ltd (Registered Charity 1073486) but any possible conflict of interest is declared. The possibility of a conflict is very low.

The Board of the Shrewsbury Drapers Holy Cross Ltd, as corporate trustee, has overall responsibility for the management of Shrewsbury Drapers Company Charity (1132671-1) in all its affairs.

The Almshouses Management Committee, is responsible for the daily management of all the almshouses owned by Shrewsbury Drapers Company Charity (1132671-1) and the remaining almshouse under the Adams Eleemosynary Charities and the residents. This committee reports to the Board of the Shrewsbury Drapers Holy Cross Ltd.

The Finance Committee is chaired by the Finance Director and makes recommendations to the Board on budgets and financial management matters.

The Board has adopted a code of governance based on template provided by the Almshouse Association.

In addition, Shrewsbury Drapers Company Charity is a member of the Almshouse Association which publishes "Standards of Almshouse Management" which is used for reference.

The Company is a registered provider of social housing with Homes England. The Board is duty bound to follow regulatory compliance from the Regulator of Social Housing (RSH) the Charity Commission, and Companies House.

c. Employee involvement and employment of the disabled

Employees are consulted on issues of concern to them by means of regular consultative and staff meetings and have been kept informed on specific matters directly by management. The Company carries out exit interviews for all staff leaving the organisation.

In accordance with the Company's equal opportunities policy, the Company has long established fair employment practices in the recruitment, selection, retention and training of disabled staff. Full details of this policy is available from the Company's office.

Board's responsibilities

The Board is responsible for preparing the report and financial statements in accordance with applicable law and regulations.

Company and charity law and registered social housing legislation require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of its income and expenditure for that period.

In preparing these financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Board Report

Year Ended 31 December 2024

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable it to ensure that the financial statements comply with the Accounting Direction for private registered providers of social housing in England 2022. It has general responsibility for taking reasonable steps to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Disclosure of information to the auditors

We, the Board members who held office at the date of approval of these Financial Statements as set out above, each confirm, so far as we are aware, that:


- there is no relevant audit information of which the auditors are unaware;
- we have taken all the steps that we ought to have taken as Board members in order to make ourselves aware of any relevant audit information and to establish that the auditors are aware of that information; and

Assessment of compliance with the Governance and Financial Viability Standard

We, the Board members who held office at the date of approval of these Financial Statements as set out above, each confirm, so far as we are aware, that:

- we comply with the Governance and Financial Viability Standard applicable to registered providers of social housing.

On behalf of the Board



Mrs N Sykes-Waller
Chair

30 April 2025

Independent Auditor's Report to the Members of Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Opinion

We have audited the financial statements of Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity (the 'Association') for the year ended 31 December 2024 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Association's affairs as at 31 December 2024 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, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2022.

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 association 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 Boards' 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 Association'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 Board 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 board are responsible for the other information contained within the audit report. 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.

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

We have nothing to report in this regard.

Independent Auditor's Report to the Members of Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Opinions 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 board report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the board 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 association and its environment obtained in the course of the audit, we have not identified material misstatements in the board report. We have nothing to report in respect of the following matters in relation to which 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 directors' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit;
- the board were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Responsibilities of the board

As explained more fully in the board's responsibilities statement, the board members (who are also the directors of the association for the purposes 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 board 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 board is responsible for assessing the association'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 board either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

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;

The audit team obtained an understanding of the legal and regulatory frameworks that are applicable to the Association and determined that the most significant are those that relate to the reporting framework (FRS102, the Statement of Recommended Practice for Social Housing Providers 2022 and the Accounting Direction for private registered providers of social housing in England 2022), employment law, Health and Safety Regulations, and the EU General Data Protection Regulation (GDPR).

We understood how the Association is complying with these frameworks by making enquiries of management and those responsible for legal and compliance procedures. We have also reviewed board minutes to identify

Independent Auditor's Report to the Members of Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

any recorded instances of irregularity or non-compliance that might have a material impact on the financial statements.

We have assessed the susceptibility of the Association's financial statements to material misstatement, including how fraud might occur by meeting with key management to understand where they considered there was 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the Association's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Association's members 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 Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

WR Partners

WR Partners
Chartered Accountants
Statutory Auditors

Belmont House
Shrewsbury Business Park
Shrewsbury, Shropshire, SY2 6LG

Date: *2 May 2025*

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity
Statement of Comprehensive Income (including Income & Expenditure Account)
Year Ended 31 December 2024

		2024	2023
	Note	Total £	Total £
Turnover	2	317,466	299,410
Cost of sales	3	(138,252)	(106,643)
Gross surplus		179,214	192,767
Administrative expenditure	4	(26,196)	(20,418)
Operating surplus before depreciation		153,018	172,349
Exceptional items	10	-	(27,044)
Depreciation		(73,959)	(76,044)
Operating surplus after depreciation		79,059	69,061
Investment portfolio income and gains	7	45,216	174
Interest receivable and similar income	8	10,317	2,793
Interest payable and similar charges		(60,611)	(59,212)
Surplus on ordinary activities and total comprehensive income for the year		73,981	12,816

All activities relate to continuing operations

The notes on pages 17 to 26 form part of these financial statements.

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity**Balance Sheet****Year Ended 31 December 2024****Company registration number: 07000798**

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets	13	3,973,784	3,526,945
Investments	14	554,411	909,355
		<u>4,528,195</u>	<u>4,436,300</u>
Current assets			
Debtors	15	1,063	1,543
Cash at bank and in hand		<u>1,231,217</u>	<u>436,701</u>
		<u>1,232,280</u>	<u>438,244</u>
Creditors: amounts falling due within one year	16	(891,060)	(64,422)
Net current assets		<u>341,220</u>	<u>373,822</u>
Creditors: amounts falling due after more than one year	17	(755,160)	(769,848)
Total net assets		<u>4,114,255</u>	<u>4,040,274</u>
Reserves			
Income and expenditure reserve	19a	941,629	1,225,988
Revaluation reserve	19b	770,572	797,572
Restricted reserve	19c	528,500	552,285
Endowment reserve	19d	1,043,604	1,332,629
Designated reserve	19a	829,950	131,800
Total Reserves		<u>4,114,255</u>	<u>4,040,274</u>

The financial statements were approved on 30 April 2025 and signed on behalf of the Board by

Mrs N Sykes-Waller
Director



Mr I Davies
Director



The notes on pages 17 to 26 form part of these financial statements.

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Statement of Changes in Reserves

Year Ended 31 December 2024

	Income & expenditure reserve £	Revaluation reserve £	Designated reserve £	Restricted reserve £	Endowment reserve £	Total £
At 1 January 2023	1,167,641	824,572	130,000	565,285	1,339,960	4,027,458
Surplus / (deficit) for the year	12,816	-	-	-	-	12,816
Internal transfers:						
Depreciation	68,500	(27,000)	-	(13,000)	(28,500)	-
Capital repayments	(21,169)	-	-	-	21,169	-
Designated projects movements	(1,800)	-	1,800	-	-	-
At 31 December 2023 and 1 January 2024	1,225,988	797,572	131,800	552,285	1,332,629	4,040,274
Surplus / (deficit) for the year	73,981					73,981
Internal transfers:						
Depreciation	68,500	(27,000)		(13,000)	(28,500)	-
Capital repayments	(17,221)				17,221	-
Designated projects movements	(409,619)		698,150	(10,785)	(277,746)	-
At 31 December 2024	941,629	770,572	829,950	528,500	1,043,604	4,114,255

The notes on pages 17 to 26 form part of these financial statements.

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Statement of Cash Flows

Year Ended 31 December 2024

	Note	2024 £	2023 £
Cash flow from operating activities	20	992,830	145,891
Net cash flow from operating activities		<u>992,830</u>	<u>145,891</u>
Cash flow from investing activities			
Payments to acquire tangible fixed asset		(520,798)	(4,484)
Interest received		10,317	2,793
Sale of investments		400,000	50,000
Net cash flow from investing activities		<u>(110,481)</u>	<u>48,309</u>
Cash flow from financing activities			
Interest paid		(60,611)	(59,212)
Loans received/(repaid)		(27,222)	(31,169)
Net cash flow from financing activities		<u>(87,833)</u>	<u>(90,381)</u>
Net increase/(decrease) in cash and cash equivalents		794,516	103,819
Cash and cash equivalents at 1 January 2024		436,701	332,882
Cash and cash equivalents at 31 December 2024		<u>1,231,217</u>	<u>436,701</u>
Cash and cash equivalents consists of:			
Short term deposits		1,231,217	436,701
Cash and cash equivalents at 31 December 2024		<u>1,231,217</u>	<u>436,701</u>

The notes on pages 17 to 26 form part of these financial statements.

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Notes to the Financial Statements

Year Ended 31 December 2024

1 Summary of significant accounting policies

(a) General information and basis of preparation

Shrewsbury Drapers Company Charity is a charity and a private registered provider of social housing in the United Kingdom. The address of the registered office is given in the information on page 1 of these financial statements. The nature of the Association's operations and principal activities is to continue to run its Almshouses for the benefit of the elderly in need of support.

The Association constitutes a public benefit Association as defined by FRS 102.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2019, and with the Accounting Direction for private registered providers of social housing in England 2022. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the Association, and rounded to the nearest £1.

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

(b) Tangible fixed assets

Tangible fixed assets (including social housing properties) are stated at deemed cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended such as the cost of acquiring land and buildings, developments costs, interest charges on loans during the development period and expenditure on improvements. Expenditure on improvements will only be capitalised when it results in incremental future benefits such as increasing maintenance contributions, reducing maintenance costs or resulting in a significant extension of the useful economic life of the property.

The company separately identifies the major components which comprise its housing properties, and charges depreciation so as to write-down the cost of each component to its estimated residual value, on a straight line basis over its estimated useful economic life. The useful economic life of these components varies from 150 years for the structure to 25 years for components such as heating systems, windows and doors. The properties in their entirety are depreciated over an average of approximately 50 years.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Land	Nil
Housing properties, complete	50 years
Fixtures and Fittings	15% Straight Line

Housing properties under construction and the associated fixtures and fittings are not depreciated until they are in use.

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Notes to the Financial Statements

Year Ended 31 December 2024

(c) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in other administrative expenses.

(d) Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value through the statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

(e) Tax

The Association is recognised by HMRC as a charity and therefore exempt from corporation tax.

(f) Turnover and other income

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts. The policies adopted for the recognition of turnover are as follows:

Turnover represents maintenance contributions and service charges income (where applicable) receivable in the year net of maintenance contributions and service charge losses from voids.

(g) Interest and dividends receivable

Interest income is recognised using the effective interest method and dividend income is recognised as the Association's right to receive payment is established.

(h) Restricted / Endowment Reserves

Restricted / endowment reserves are those reserves which are only expendable in accordance with the wishes of the funder or regulatory body. Restricted reserves include funds raised in response to a specific appeal. Endowment funds represent those assets which must be held permanently. Revenue and expenditure cannot be directly set against restricted / endowment reserves but is taken through the statement of comprehensive income and then a transfer to restricted / endowment reserves is made as appropriate.

(i) Judgments and key sources of estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and others factors, including expectations of future events that are believed to be reasonable under the circumstances. The company makes estimates and assumptions concerning the future. The resulting accounting estimates, will by definition, seldom equal the related actual results. In the opinion of the directors there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year.

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Notes to the Financial Statements

Year Ended 31 December 2024

(j) Going Concern

After making appropriate enquiries, the Board members have a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. The Association therefore continues to adopt the going concern basis in preparing the accounts. The Board members are not aware of any material uncertainties in relation to the Association's ability to continue as a going concern for the foreseeable future.

2 Turnover

	2024 £	2023 £
Social Housing turnover (note 5)	287,303	264,305
Fundraising income	10,200	15,185
Other income	19,963	19,920
	<hr/>	<hr/>
	317,466	299,410

3 Cost of sales

	2024 £	2023 £
Repairs and maintenance	43,473	22,206
Staff salaries	36,484	31,557
Telephone	1,686	1,818
Energy	21,053	19,322
Insurance	8,190	8,027
Water rates	2,780	2,473
Cleaning and sundries	8,055	5,893
Garden upkeep	12,792	11,931
Alarm system	3,739	3,416
Social Housing activity expenditure (note 5)	<hr/> 138,252	<hr/> 106,643
Fundraising expenditure	-	-
	<hr/>	<hr/>
	138,252	106,643

4 Administrative expenditure

	2024 £	2023 £
Management and administration	14,455	12,952
Legal and professional fees	2,812	-
Auditors remuneration – current year	8,929	7,466
	<hr/>	<hr/>
	26,196	20,418

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Notes to the Financial Statements

Year Ended 31 December 2024

5 Social housing turnover and costs

	2024	2023
	£	£
Maintenance contributions receivable excluding service charges	287,303	264,305
Social housing activity expenditure	(138,252)	(106,643)
Operating surplus from social housing activities	<u>149,051</u>	<u>157,662</u>

6 Accommodation owned and in management

	Number of units at 31 December 2024	Number of units at 31 December 2023
Owned and in management	50	50
Unowned and in management	<u>1</u>	<u>1</u>
	<u>51</u>	<u>51</u>

7 Investment portfolio movements

	2024	2023
	£	£
Profit on the disposal of investments	31,048	18,918
Loss on revaluation of investments	(723)	(33,356)
Income from investments	22,272	23,142
Investment management costs	(7,381)	(8,530)
	<u>45,216</u>	<u>174</u>

8 Interest and other finance income and charges

	2024	2023
	£	£
Bank interest receivable	10,317	2,793
	<u>10,317</u>	<u>2,793</u>

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Notes to the Financial Statements

Year Ended 31 December 2024

9 Surplus on ordinary activities

Surplus on ordinary activities is stated after charging / (crediting):

	2024 £	2023 £
Auditors remuneration	8,929	7,466
Profit / (Loss) on fair value movement in investments	(723)	(33,356)
	<hr/>	<hr/>

10 Exceptional Items

	2024 £	2023 £
Development project fees	-	27,244
	<hr/>	<hr/>
	-	27,244

11 Board and key management personnel remuneration

The Board and key management personnel neither received nor waived any remuneration during the year (2023: Nil).

12 Staff costs

The average number of employees, calculated on a full time equivalent was 2 (2023: 2).

Total staff costs in the year were £41,684 (2023: £33,057).

There are no employees who received more than £60,000 as their employee package.

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Notes to the Financial Statements

Year Ended 31 December 2024

13 Tangible fixed assets – housing properties

	Freehold Land and Buildings £	Fixtures and fittings £	Assets under Construction	Total £
Cost:				
At 1 January 2024	5,427,575	60,556		5,488,131
Additions		700	520,098	520,798
At 31 December 2024	5,427,575	61,256	520,098	6,008,929
Depreciation:				
At 1 January 2024	1,918,755	42,431		1,961,186
Charge for year	68,500	5,459		73,959
At 31 December 2024	1,987,255	47,890		2,035,145
Net book value:				
At 31 December 2024	3,440,320	13,366	520,098	3,973,784
At 31 December 2023	3,508,820	18,125	-	3,526,945

Tangible fixed assets held at deemed cost

Certain freehold land and buildings included above were recognised using a previous market valuation as a deemed cost on transition to FRS 102. These assets are being depreciated from their valuation date of 31 December 2013 and have a net book value of £1,144,820 (2023: £1,141,820). The historic cost equivalent of these assets is £344,248.

14 Fixed asset investments

	Listed investments £
At 1 January 2024	909,355
Income received	22,272
Profit on disposals	31,048
Revaluation	(723)
Management fees	(7,541)
Withdrawals	(400,000)
At 31 December 2024	554,411

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Notes to the Financial Statements

Year Ended 31 December 2024

15 Debtors

	2024 £	2023 £
Trade debtors	200	1,125
Other debtors	863	418
	<u>1,063</u>	<u>1,543</u>

16 Creditors: amounts falling due within one year

	2024 £	2023 £
Other creditors	846,053	1,270
Trade creditors and accruals	19,732	25,504
Bank loan	8,236	20,770
Other loan	15,000	15,000
Taxation and social security	<u>2,039</u>	<u>1,878</u>
	<u>891,060</u>	<u>64,422</u>

The bank loan is secured over the freehold property of the Charity.

Other loans include balances lent to the charitable company by some of its members (see note 21) and these balances are all interest free.

Included within other creditors is a capital grant of £823,477 and donations of £18,050 relating to the Fairford Place development project. Both amounts have been accounted for in accordance with the performance model stipulated by the Housing SORP. The donations are expected to be released to the statement of comprehensive income in 2025 when the performance obligations have been completed.

17 Creditors: amounts falling due after more than one year

	2024 £	2023 £
Bank loan	745,160	749,848
Other loan	<u>10,000</u>	<u>20,000</u>
	<u>755,160</u>	<u>769,848</u>

The bank loan is secured over the freehold property of the Charity.

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Notes to the Financial Statements

Year Ended 31 December 2024

18 Creditors: bank loans falling due after more than one year

Bank loans falling due after more than one year are repayable as follows:

	2024	2023
	£	£
One to two years	8,610	22,729
Two to five years	30,604	80,398
Five years or more	705,946	646,721
	<u>745,160</u>	<u>749,848</u>

19 Reserves

a) Unrestricted reserves

	Income & expenditure reserve £	Designated reserve £
At 1 January 2024	1,225,988	131,800
Surplus / (deficit)	73,981	
Internal transfer:	(358,340)	698,150
	<u>941,629</u>	<u>829,950</u>

The designated reserve is made up of £712,200 in relation to designated funding for the Fairford Place project, £100,000 in relation to quinquennial maintenance costs and the balance relates to the major repairs and development funds.

b) Revaluation reserve

	£
At 1 January 2024	797,572
Internal transfer	(27,000)
	<u>770,572</u>

The revaluation reserve relates to the revaluation of the almshouses on 31 December 2013.

The transfer out relates to the revalued element of the depreciation charged in the year.

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Notes to the Financial Statements

Year Ended 31 December 2024

19 Reserves (continued)

c) Restricted reserve

	£
At 1 January 2024	552,285
Internal transfer	(23,785)
	<hr/>
At 31 December 2024	528,500

The restricted reserve relates to the net book value of the land and buildings of the Holy Cross Almshouses. The transfer of £10,785 from the Adams Eleemosynary Charities in 2019 has been transferred to Designated Reserves to be applied to the Fairford Place Project. The transfer out relates to the depreciation charged for the year ended 31 December 2024 and the designated funds transfer.

d) Endowed reserves

	£
At 1 January 2024	1,332,629
Internal transfer	(289,025)
	<hr/>
At 31 December 2024	1,043,604

The endowed fund relates to Drapers Place Almshouses and a transfer of £277,746 from the Adams Eleemosynary Charities in 2019 which has now been transferred to Designated Reserves to be applied to the Fairford Place Project. The transfer out relates to the depreciation charged for the year ended 31 December 2024, bank loan repayments and the designated funds transfer.

Shrewsbury Drapers Holy Cross Limited incorporating Shrewsbury Drapers Company Charity

Notes to the Financial Statements

Year Ended 31 December 2024

20 Reconciliation of operating surplus to cash flow from operating activities

	2024 £	2023 £
Surplus/(Deficit) for the year	73,981	12,816
Interest payable	60,611	59,212
Interest received	(10,317)	(2,793)
Depreciation of tangible fixed assets	73,959	76,044
Revaluation of fixed asset investments	723	33,356
(Gain)/Loss on sale of fixed asset investments	(31,048)	(18,918)
Income from investments	(22,272)	(23,142)
Increase / (decrease) in creditors	839,172	944
Investment management fees	7,541	9,062
Decrease / (increase) in debtors	480	(690)
Net cash flow from operating activities	<u>992,830</u>	<u>145,891</u>

21 Related Party disclosure

In previous years, some of the members lent amounts to the charitable company. The balances outstanding at 31 December 2024 were £5,000. These balances are included within other loans and are all unsecured and interest free.

During the year, the charitable company incurred expenditure of £43,674 to the Almhouse Consortium (Fairford Place Project) for which a trustee is a director under the terms of the funding. There were no balances outstanding as at year end.

Directors J Boyd, C Hudson, A Thorn, G Davies, I Davies, N Sykes-Waller, T Hunt, and P McLoughlin are members of the Management Committee of the Shrewsbury Drapers Company Guild.