

Registered number: 7860164

**LENCH'S TRUST
(Limited by Guarantee)**

Financial Statements

For year ended 31 December 2024

LENCH'S TRUST

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LENCH'S TRUST

TRUST INFORMATION

TRUSTEES

Mr Abdul Malik (Chairman)
Mr R Moxon (Deputy Chair)
Mr T Cuthbertson
Ms R Evans
Mr A O Sholuade
Ms A White
Mrs K Kaur Takhar
Mr I Singh Lotay
Mr F G Mandonga (Appointed 20th June 2024)
Mrs R Mander (Retired 12th December 2024)
Ms R Chiu (Retired 20th June 2024)
Ms S Davis (Retired 20th June 2024)

CHIEF EXECUTIVE

Dominic Bradley

REGISTERED OFFICE

William Lench Court
80 Ridgacre Road
Quinton
Birmingham
B32 2AQ

REGULATOR OF SOCIAL HOUSING NO.

A2074

REGISTERED CHARITY NO.

1145847

COMPANIES HOUSE REGISTERED NO.

7860164

AUDITOR

Forvis Mazars LLP
2 Chamberlain Square
Birmingham
B3 3AX

BANKERS

Lloyds Bank Plc
114-116 Colmore Row
Birmingham
B3 3BD

INVESTMENT ADVISORS

Evelyn Partners
103 Colmore Row
Birmingham
B3 3AG

TRUSTEES

Lench's Trust is an Almshouse Charity regulated by a scheme of the Charity Commissioners, charity registration number 1145847. It is also a Registered Provider of Social Housing and Care which means it is subject to monitoring by the Regulator of Social Housing (RSH) as well as the Care Quality Commission (CQC). The Trust are also registered under the Companies Act 2006, limited by guarantee.

It was founded in 1525 by William Lench, a tanner, for the benefit of the Citizens of Birmingham. For some 300 years, the work of the Trust was divided between the maintenance of streets and bridges and the care of the elderly and poor. With the incorporation of Birmingham in 1838 the Trustees became solely providers of Almshouses. Our policy is to provide care, according to our scheme, for people who are resident in the City, over 55 years of age and necessitous.

The scheme specifies twelve Trustees and their duties are to provide care for our residents to meet their needs and to give consideration to other possibilities of care as finances and facilities become available. The financial policy of the Trustees is to maintain and improve the value of their endowment for the use of future generations and to make further financial resources available for the progressive expansion of the Trust's caring activities.

The management of the Trust is led by a Chief Executive and a small team of office staff, with day to day care and Almshouse staffing carried out by our team of scheme managers. The Trustees also have a group of befrienders for each Almshouse who get to know our residents individually and play a major part with the scheme managers in offering companionship and seeking out their needs.

Our capacity and occupancy on 31 December 2024 was: -

	Units of accommodation	Number of residents
Lench's Close	64	66
Tanner's Close	24	27
William Lench Court	95	109
	<hr/>	<hr/>
	183	202
	<hr/>	<hr/>

All the properties have units which can accommodate couples, and this is reflected in the number of residents shown.

RISK MANAGEMENT

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity and are satisfied that there are systems in place to mitigate exposure to major risks.

FUTURE DEVELOPMENTS

Our previous 5-year capital programme, which was established in 2023, has been put on hold due to the cost of the developments and it proved not to be viable going forward. We have however, started planning for two developments within our other Schemes. At Lench's Close we are looking to add an additional 6 units, on the land that is currently known as the Spinney and at William Lench Court, we are reviewing how feasible it would be to create a Scheme that includes Eco-Pods, for people who are over 55 and are still working, this would be in woodlands at the back of the Quinton Scheme. Planning permissions should be going in between May and August this year.

LENCH'S TRUST – CHAIRMAN'S REPORT

As I reflect on the past year, I am once again reminded of the dedication and resilience of our team. It has been a year of transitions, progress, and new opportunities, and I am grateful for the privilege of serving as Chairman during this time.

Firstly, I extend my sincere gratitude to my fellow Trustees and the Management team. Your unwavering commitment continues to be the backbone of our Organisation, ensuring that we remain steadfast in our mission to serve our beneficiaries. This year, we bid farewell to valued Trustees, Sarah Davis, after 13 years of dedicated service, Rachel Chiu, who served with distinction for four years, and Rachel Mander, whose contributions from the perspective of residents in her 18 months with us were greatly appreciated. Their commitment and passion have helped shape the Trust, and we are deeply grateful for their service. Amid these changes, we also welcomed a new Trustee, George who brings fresh insight and energy to the board. I look forward to the valuable contributions he will undoubtedly make as we navigate the future.

Finance Report 2024

The operational surplus from lettings increased to £481,846 from £383,278 due to the maximisation process with regards to service charges the Trust went through during the back end of 2023 and into early 2024.

Net rental income from investment properties decreased slightly to £234,459 from £237,441 in 2024. The slight difference relates to one of our pieces of land, where the income is based on turnover, we currently lease this land to Good Value Parking Ltd and have done for a number of years, with the income changing to the basis of Turnover during COVID, when car parks were not being used.

The care service and catering team have seen increases in their losses again during 2024, compared with 2023. A lot of this increase in loss relates to staffing, staffing costs increase, yet income from both department is seemingly steady. The Trust are investing into both departments, some at the latter stages of 2024 and more into 2025, to ensure efficiencies are being made and we can reduce deficits for 2025 year-end.

Below our operating surplus, there have been slight changes within finance income and finance/ interest costs, due to the rates of interest reducing on our cash investments accounts and the mortgage term being under 5 years.

Investment Properties and Developments

Beyond changes, this year has also seen significant developments in our projects and estates. We successfully completed work on our first co-living space, Marion's Place, marking an exciting step forward in our commitment to innovative housing solutions. Additionally, we have finalised initial plans for an Eco Pods Scheme at William Lench Court, a project that reflects our focus on sustainability and forward-thinking design.

We also expanded our property portfolio with the purchase of the Midland Heart Property adjoining Lancaster Gate. Discussions with our advisors and interested parties regarding a potential sale of the whole site are ongoing, and we remain committed to ensuring the best outcome for the Trust and our beneficiaries. In light of recent developments and cost increases, we have decided to put the Conybere Gardens refurbishment on hold and have successfully extended the lease with St Basil's. This extension provides stability and allows us to assess the best path forward for the property.

Celebrations for our 500th Year!

One of the most exciting milestones ahead is our 500-year anniversary, a remarkable achievement that few organisations can claim. As we prepare to celebrate half a millennium of service, we are proud to have engaged Professor Carl Chinn, a highly respected historian, to research and curate a detailed timeline of our history and impact on Birmingham over the past five centuries. This work will not only honour our legacy but also serve as a foundation for our future, reinforcing the vital role we continue to play in our community.

As we move into the year ahead, we do so with a deep appreciation for those who have contributed to our journey and an unwavering commitment to growth, innovation, and service. With a strong team, a clear vision, and the momentous occasion of our 500th anniversary on the horizon, we are well-positioned to build upon our successes and embrace the opportunities that lie ahead.

VALUE FOR MONEY (VFM) & BENCHMARKING

Introduction

Lench's Trust is committed to the principle and delivery of VFM as defined by the RSH, which requires the Trust to "articulate and deliver a comprehensive and strategic approach to achieving VFM in meeting its organisational objectives".

The Board of Lench's Trust has overall responsibility for direction and governance.

Achieving VFM

Achieving VFM is fundamental to the attainment of Lench's Trust's key strategic goal to "develop vibrant, caring and safe communities for the benefit of the community served by the Trust" and to achieve this, the Trust has adopted several objectives which are further detailed and developed in the Annual Plans over the life cycle of its Ten-Year Strategy (2015-2025).

The Board and Executive Team are working to embed VFM principles within the organisation at all levels through active engagement with staff, residents, and other key stakeholders.

Over the past 18 months, significant efforts have been made to not only achieve Value for Money but also to streamline processes and enhance efficiency in our working practices. So far, we have realised overall cost savings of approximately £45k and have been able to improve some of the services we provide to our residents and wider stakeholders.

Benchmarking

Critical to the success in achieving VFM is benchmarking the Trust's performance with other housing providers. To this end, Lench's Trust joined a local benchmarking club under the auspices of HouseMark and uses HouseMark's benchmarking service to compare how the Trust performs with other housing providers of similar size.

In general, the outcomes from benchmarking highlight areas of strength and weakness, indicate whether the right balance between cost and quality has been obtained, and provide a point of reference for necessary business improvements.

Lench's Trust is committed to giving the beneficiaries of the Charity the best service that it can with the resources available and therefore is actively engaged with the benchmarking club to assess its performance and highlight areas for change and improvement.

In 2024, the Trust became a member of the Communities and Housing Investment Consortium Ltd (CHIC), a procurement portal. This membership enables the Trust to benchmark its Property and Maintenance services against a broader range of contractors and suppliers, ensuring that residents receive the best value.

Quality Performance

Lench's Trust is committed to continued ongoing engagement with the beneficiaries of the Charity to better understand the nature of any dissatisfaction and feed this back to housing staff and maintenance contractors to improve service delivery to residents and their homes. Meaningful engagement with customers and repairs contractors helps to reduce costs, improve efficiency (by reducing waste) and raise effectiveness (by doing the right things).

Additionally, Lench's Trust realises the value of increased engagement with residents to foster better relations, minimise misunderstandings, address areas of concern, revise methods of working and service delivery – this is achieved through various means of engagement such as one on one meetings with Trustees, Residents sitting on the Audit & Assurance Committee and an annual residents conference, which enables the residents to engage with the staff and trustees.

Value for Money Metrics			
Reinvestment %	2023	2024	Sector Median*
This metric looks at LT's investment in existing properties. This is calculated as a percentage of the value of total housing properties.	2.56%	1.64%	2.8%
Over the last 5 years we have invested heavily into our properties, and throughout 2024, we have been able to give our residents some breathing space, this goes hand in hand with the Headline Social Housing cost per unit, with the reduction in costs from previous years too.			

New supply delivered (social housing) as a % of total stock	2023	2024	Sector Median*
This sets out the number of new social housing units that have been acquired or developed in the year as a proportion of total units. LT do not develop non-social units.	0%	0%	0%
LT have not developed any further units during 2024.			
Gearing %	2023	2024	Sector Median *
This ratio sets out the proportion of borrowing compared with assets. A high gearing % could indicate that we have taken on too much borrowing however low gearing could indicate that we have capacity to borrow.	23.8%	28.68%	16.53%
Our gearing at 28.68%, is higher than the sector median of 16.53%, however, our banking covenants require for the Trust to keep the % under 40, therefore we are well within our limits.			
Headline social housing cost per unit	2023	2024	Sector Median *
The unit cost metric assesses the headline social housing cost per unit as defined by the regulator of social housing	£5,598	£5,947	£4,774
Headline social housing cost per unit has increased by £349 p.a compared with 2023. Within 2024, we have made changes throughout our processes, updating contracts and increasing efficiencies along with having had a steady year with works done within our Schemes too, we have however, still seen increases in staffing costs year on year.			
Operating Margin % Social Housing	2023	2024	Sector Median*
This % is an indicator of operating efficiency and business health as it measures the amount of surplus generated from turnover on our day-to-day activities.	19%	0.86%	16.99%
Our social housing operating margin has decreased from 19% in 2023 to 0.86% in 2024. This is a large decrease year on year, however, we have had increased deficits within catering and care, along with the restructure within the Care team, which has impacted the Trust financially.			
For 2025, the budget is showing an operating margin of 7% and will improve year on year with efficiencies that are being made.			

*Sector Median taken from the West Midlands Smaller Housing benchmarking group figures for 2022/23.

FINANCIAL REPORT 2024

FIXED ASSETS

The net book value of housing properties is £15.4m. This is made up of four Schemes, three of which the Trust manage and use for people over the age of 55 and one, we lease to another Charity, St Basil's, who use the property to house homeless people between the ages of 16-25.

CURRENT ASSETS

Current assets are at £2.9m, comprised mainly of investment cash deposits of £2.4m, which will be used to cover developments and our asset management programme over the coming years.

CREDITORS

Creditors due within one year are £897k, this includes housing property loans of £546k.

FUNDS

The Trust's total funds at 31 December 2024 were £28m.

RESERVES POLICY

The Trustees have reviewed the Trust's need to retain free available reserves, defined as total assets less current liabilities in the Income Fund before deducting short term housing loans and less tangible assets comprising both housing properties and other fixed assets. The Trustees consider it prudent to retain funds equivalent to 6 months annual operating expenditure for the provision of the working capital needed to run the Trust efficiently and for unexpected contingencies. This amounts to approximately £631k. At the year-end free reserves are £584k.

Please see notes below regarding Going Concern and the Trustees views with the reserves policy.

STATEMENT OF COMPREHENSIVE INCOME

The surplus for the year was £269k. There was a maximisation project at the start of 2024, meaning we have seen an increase in housing property income of £330k year on year, this has gone towards our increase in comprehensive income for the year. We have seen a decrease in our interest and financing costs due to the mortgages steadily reducing with both loans now being due within 5 years and our investment portfolio increase in market value causing an increase in change in fair value.

INVESTMENT POLICY

The Trustees' investment policy is to look for long term holdings without undue risk and for an income which will grow in real terms.

GOING CONCERN

Under the governance requirements, the Trustees confirm that after making enquiries they have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the accounts.

Whilst there have been inflationary issues and a cost-of-living crisis, the Trust have made changes to housing income and have carried out a thorough Value for Money exercise, along with a restructure within the Care team to help to ensure the Trust's financial future.

On this basis, the Board has a reasonable expectation that Lench's Trust has adequate resources to continue in operational existence for the foreseeable future, being a period of twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

Approved by the Trustees on 19th June 2025
and signed on their behalf by


Abdul Malik (Jun 19, 2025 19:04 GMT+1)

A Malik
Chairman

INTERNAL FINANCIAL CONTROL

The Trustees have overall responsibility for the Trust's system of internal financial control, the effectiveness of which has been reviewed and reported on to the Trustees by the Finance Committee. The principal elements of the system, which is designed to recognise the specific characteristics and objectives of the Trust and the risks to which it is exposed, include:

- a clearly defined structure which delegates authority, responsibility and accountability, including responsibility for internal financial control to management;
- a well-established budgeting and reporting function, with budgets and results reviewed at a senior level within the Trust to provide a timely and regular monitoring of financial performance;
- an investment evaluation process to ensure Trustees' approval for all major capital expenditure commitments; and
- a regular review procedure carried out by the Trust of its risk exposure and of the systems of internal financial control in place to mitigate those risks, with annual reports of findings to the Trustees.

Internal financial control, by its nature, provides only reasonable and not absolute assurance against material misstatement or loss.

COMPLIANCE WITH THE REGULATOR'S GOVERNANCE AND FINANCIAL VIABILITY STANDARD

The Trustees confirm that the Trust complies with the Requirements of the revised Governance and Financial Viability Standard applicable for the year.

CODE OF GOVERNANCE

The Trust uses the regulator of social housing code of governance. Which means we must follow three economic standards, which consists of Governance and Financial Viability/ Value for Money and Rent.

The Trust have complied with all relevant provisions set out in the UK Corporate Governance Code throughout the accounting period.

RISK MANAGEMENT

Refer to strategic report page 2.

FUTURE DEVELOPMENTS

Refer to strategic report pages 2.

COMPLIANCE WITH THE NHF CODE OF GOVERNANCE

The Trustees confirm that the Charity complies with the requirements of the Code of Governance Standard applicable for the current year.

TRUSTEES

The Trustees are as set out on page 1.

TRUSTEES RESPONSIBILITIES

Social housing legislation requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the Trust as at the end of the financial year and of the income and expenditure of the Trust for the year ended on that date. In preparing those financial statements, suitable accounting policies have been used, framed to the best of the Trustees' knowledge and belief, by reference to reasonable and prudent judgements and estimates, and applied consistently. Applicable accounting standards have been followed. The Trustees are also required to indicate where the financial statements are prepared other than on the basis that the Trust is a going concern.

The Trustees are responsible for ensuring that arrangements are made for keeping proper books of account with respect to the Trust's transactions and its assets and liabilities and for maintaining a satisfactory system of control over

the Trust's books of account and transactions. The Trustees are also responsible for ensuring that arrangements are made to safeguard the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

TRUSTEES' LIABILITY INDEMNITY

All Trustees of the charity benefit from a 'Trustees Liability Insurance' policy operated through our insurers which provides £250,000 of cover.

DISCLOSURE OF INFORMATION TO THE AUDITOR

There is no relevant audit information outstanding of which the auditors are unaware, and we have taken all the steps we ought to have taken to make ourselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by the Trustees on 19th June 2025
and signed on their behalf by



Abdul Malik (Jun 19, 2025 19:04 GMT+1)

A Malik
Chairman

Opinion

We have audited the financial statements of Lench's Trust (the 'company') for the year ended 31 December 2024 which comprise Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Reserves, Statement of Cashflows 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, 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 company's affairs as at 31 December 2024 and of its surplus 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 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 company 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 company'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 Board Report, other than the financial statements and our auditor's report thereon. The Board are responsible for the other information contained within the annual 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 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.

INDEPENDENT AUDITOR'S REPORT
For the year ended 31 December 2024

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 strategic report and the Boards' report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the strategic report and the Boards' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Boards' 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 Boards' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Board

As explained more fully in the Trustees' responsibilities statement set out on page 7, the Board 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 are responsible for assessing the company'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 intend to liquidate the company or to cease operations, or have 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 the financial statements.

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

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.

INDEPENDENT AUDITOR'S REPORT
For the year ended 31 December 2024

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006, Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

In addition, we evaluated the Board and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Board and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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.

INDEPENDENT AUDITOR'S REPORT
For the year ended 31 December 2024

Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.


David Hoose (Jun 23, 2025 07:39 GMT+1)

David Hoose (Senior Statutory Auditor) for and on behalf of Forvis Mazars LLP

Chartered Accountants and Statutory Auditor

2 Chamberlain Square

Birmingham

B3 3AX

Date: **23/06/2025**

LENCH'S TRUST**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 December 2024**

	Notes	2024 £	2023 £
TURNOVER	3	3,048,869	2,672,448
Operating expenditure	3	(3,045,760)	(2,701,395)
OPERATING SURPLUS/ (DEFICIT)	3	3,109	(28,947)
Finance income	4	192,277	199,409
Interest and financing costs	6	(107,523)	(130,362)
Surplus on disposal of fixed assets	5	16,824	176,569
Change in fair value of investments	12	164,417	(8,322)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		269,104	208,347

The financial statements on pages 13 to 31 were approved by the Trustees on 19th June 2025 and were signed on their behalf by:


 Abdul Malik (Jun 19, 2025 19:04 GMT+1)
 A Malik - Chairman

LENCH'S TRUST

STATEMENT OF FINANCIAL POSITION
AT 31 December 2024

	Notes	2024 Total £	Capital Fund £	Income Fund £	2023 Total £
TANGIBLE FIXED ASSETS					
Housing properties – cost less depreciation	10	15,391,657	-	15,391,657	15,769,184
Investment properties	11	13,285,298	13,285,298	-	11,984,696
Investments	12	3,402,916	3,111,926	290,990	3,238,305
Other property, plant & equipment	13	780,347	-	780,347	694,352
TOTAL FIXED ASSETS		32,860,218	16,397,224	16,462,994	31,686,537
CURRENT ASSETS					
Investments - cash deposits	14	2,401,947	2,377,663	24,284	2,312,197
Trade and other debtors	15	378,231	-	378,231	271,941
Cash		126,807	-	126,807	1,839,674
		2,906,985	2,377,663	529,322	4,423,812
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	16	(897,532)	-	(897,532)	(848,302)
NET CURRENT ASSETS / (LIABILITIES)		2,009,453	2,377,663	(368,210)	3,575,510
TOTAL ASSETS LESS CURRENT LIABILITIES		34,869,671	18,774,887	16,094,784	35,262,047
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	17	(6,397,703)	-	(6,397,703)	(7,059,183)
NET ASSETS		28,471,968	18,774,887	9,697,081	28,202,864
Revenue reserve		25,647,482	15,950,401	9,697,081	25,393,460
Permanent endowment		2,824,486	2,824,486	-	2,809,404
TOTAL RESERVES		28,471,968	18,774,887	9,697,081	28,202,864

The financial statements on pages 13 to 31 were approved by the Trustees on 19th June 2025 and were signed on their behalf by:



Abdul Malik (Jun 19, 2025 19:04 GMT+1)

A Malik - Chairman

LENCH'S TRUST**STATEMENT OF CHANGES IN RESERVES
AT 31 December 2024**

	Revenue reserve £	Permanent endowment £	Total £
BALANCE AT 1 JANUARY 2024	25,393,460	2,809,404	28,202,864
Surplus from statement of comprehensive income	269,104		269,104
Transfer between reserves	(15,082)	15,082	-
BALANCE AT 31 DECEMBER 2024	<u>25,647,482</u>	<u>2,824,486</u>	<u>28,471,968</u>

	Revenue reserve £	Permanent endowment £	Total £
BALANCE AT 1 JANUARY 2023	25,303,409	2,691,108	27,994,517
Surplus from statement of comprehensive income	208,347	-	208,347
Transfer between reserves	(118,296)	118,296	-
BALANCE AT 31 DECEMBER 2023	<u>25,393,460</u>	<u>2,809,404</u>	<u>28,202,864</u>

See page 13 for details regarding the surplus/ (deficit) from statement of comprehensive income.

The transfer between reserves is the amount of gains/ (losses) realised on disposal of investments within the capital portfolio transferred from the revenue reserve into the Permanent Endowment account.

LENCH'S TRUST

STATEMENT OF CASH FLOWS For the year ended 31 December 2024

		2024	2023
	Notes	£	£
NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES	A	360,589	(327,543)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends, Interest & Rent received		449,646	464,656
Interest paid		(107,523)	(130,362)
Housing loan (repaid)/ received		(523,593)	(500,721)
		(181,470)	(166,427)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of housing properties (including components) (Note 10)		(252,379)	(680,010)
Purchase of other property, plant, equipment and investment properties		(1,592,729)	(305,102)
Decrease in investment deposits		(89,750)	2,398,070
Proceeds from sale of property, plant & equipment		26,857	-
Proceeds from sale of Investments		336,338	510,559
Purchase of investments (Note 12)		(320,323)	(331,553)
		(1,891,986)	1,591,964
NET CHANGE IN CASH AND CASH EQUIVALENTS		(1,712,867)	1,097,994
Cash and cash equivalents at the beginning of the year		1,839,674	741,680
Cash and cash equivalents at the end of the year		126,807	1,839,674

A) RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES

	2024	2023
	£	£
Operating surplus/ (deficit) for the year	3,109	(28,947)
(Increase)/ decrease in debtors	(106,290)	(73,891)
Increase/ (decrease) in creditors	26,446	(548,297)
Depreciation	759,135	704,170
Abortive costs – capitalised in 2023, released in 2024	50,889	-
Amortisation of Government grant	(115,331)	(115,331)
Rents from investments	(257,369)	(265,247)
Net cash (outflow)/inflow from operating activities	(360,589)	(327,543)

LENCH'S TRUST

STATEMENT TO CASH FLOWS

For the year ended 31 December 2024

ANALYSIS OF CHANGES IN NET DEBT

	At the start of the year	Cashflows	Fair value Movements	Other non-cash changes	At the end of the year
Cash	1,839,674	(1,712,867)			126,807
Short term current asset investments	27,880	(3,597)			24,283
Long term current asset investments	2,220,919	156,744			2,377,663
Borrowings within 1 year	(523,593)	(22,556)			(546,149)
Borrowings over 1 year	(2,160,513)	546,148			(1,614,365)
	1,404,367	1,036,128	-	-	368,239

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. ACCOUNTING POLICIES**(a) Basis of accounting**

The financial statements are presented in Sterling (£) and are prepared under the historical cost convention, as modified to include certain items at fair value, in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022, the Statement of Recommended Practice for Registered Social Housing Providers 2018 (SORP) and the Housing and Regeneration Act 2008. Lench's Trust is a public benefit entity (PBE), as defined in FRS 102 and applies the relevant paragraphs prefixed "PBE" in FRS 102. The Trust is registered under the Companies Act 2006 and is a registered provider of social housing.

The principle activities of Lench's Trust are to provide housing to over 55's in the Birmingham area and to prevent or relieve poverty for our residents.

(b) Going Concern

Under the governance requirements, the Trustees confirm that after making enquiries they have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the accounts.

Whilst the Trust are dealing with the Cost-of-Living crisis, the Senior Management & Executive team have taken steps to mitigate the impact these Challenges will have to the Organisation. The Service Charges have been revised for 2024/2025, to maximise the income across our Housing stock. Budgets and forecasts have been prepared for the current year, which show the Trust meeting its Banking Covenants and the cashflow remains in a strong position.

On this basis, the Board has a reasonable expectation that Lench's Trust has adequate resources to continue in operational existence for the foreseeable future, being a period of twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

(c) Turnover

Turnover represents residents' contributions receivable in respect of Almshouses (net of losses from voids), rents receivable from investment properties, proceeds from first tranche shared ownership sales, revenue grants receivable from Local Authorities and Homes England, together with donations.

(d) Capital fund

The capital fund represents the original endowment of the Trustees together with subsequent accumulations. The capital now consists of freehold property, producing rental income, loans and investments.

(e) Income fund

All the Trust's income is accounted for through the income fund account.

(f) Recognition of housing properties and other fixed assets

Cost includes the cost of acquiring land and buildings, directly attributable development costs and borrowing costs directly attributable to the construction of new housing properties during the development. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

(g) Depreciation

Depreciation is charged to write down the cost of freehold housing properties to their estimated residual value on a straight-line basis over their expected useful economic lives as follows:

Freehold land	Not depreciated
Housing properties	100 or 50 years

Major components are treated as separable assets and depreciated over their estimated useful economic lives or the lives of the properties to which they relate, if shorter, at the following annual rates:

Roofs	50 years
Kitchens	10 years
Bathrooms	10 years
Boilers	10 years

STATEMENT TO CASH FLOWS
For the year ended 31 December 2024

Windows & Doors 20 years

Depreciation is calculated to write off the cost of other property, plant & equipment (PPE) on a straight-line basis over their estimated useful lives at the following annual rates:

Office premises	30 years
Office equipment	5 years
Accommodation equipment	5 years
Motor vehicles	4 years

(h) Impairment of social housing properties

Properties held for their social benefit are not held solely for the cash inflows they generate and are held for their service potential.

An assessment is made at each reporting date as to whether an indicator of impairment exists. If such an indicator exists, an impairment assessment is carried out and an estimate of the recoverable amount of the asset is made. Where the carrying amount of asset exceeds its recoverable amount, an impairment loss is recognised in surplus or deficit in the Statement of Comprehensive Income. The recoverable amount of an asset is the higher of its value in use and fair value less costs to sell. Where assets are held for their service potential, value in use is determined by the present value of the asset's remaining service potential plus the net amount expected to be received from its disposal. Depreciated replacement cost is taken as a suitable measurement model.

An impairment loss is reversed if the reasons for the impairment loss have ceased to apply and included in surplus or deficit in the Statement of Comprehensive Income.

(i) Works to existing properties

Expenditure on housing properties which results in an enhancement of the economic benefits of the property is capitalised, in accordance with the requirements of the SORP.

(j) Social Housing Grant (SHG) other capital and government grants

Grants relating to assets are recognised as income on a systematic basis over the expected useful life of the asset. Grants received for housing properties are recognised as income over the expected useful life of the housing property structure.

Grants received from non-government sources are recognised as revenue using the performance model.

(k) Investments

Investments are measured at cost on initial recognition and subsequently at fair value as at the year-end, with changes in fair value recognised as a surplus or deficit in the Statement of Comprehensive Income.

(l) Investment properties

Investment properties consist of land and commercial properties not held for the social benefit but for use in the business.

Investment properties are measured at cost on initial recognition and subsequently at fair value as at the year end, with changes in fair value recognised in Statement of Comprehensive Income (revaluations are done every 3 years).

As at 31st December 2024, the investment properties were agreed by the Board of Trustees, to be held at the appropriate value, due to being revalued by Savills in 2022.

(m) Operating leases

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

STATEMENT TO CASH FLOWS
For the year ended 31 December 2024

(n) Interest and financing costs

Interest charges incurred on the financing of housing properties are capitalised up to the date of practical completion. Interest charges arising after that date are charged to the statement of comprehensive income. This is common practice and supported by the SORP.

(o) Pensions

The Trust operates defined contribution pension schemes, the costs of which are written off to the Statement of Comprehensive Income on an accrual basis. The assets of the schemes are held separately from those of the Trust in independently administered funds.

(p) Shared ownership properties

The Trust has adopted the SORP accounting treatment for shared ownership properties. All properties are split between fixed and current assets in line with the expectation relating to the first tranche sale percentage. The expected first tranche proportion is classified as a current asset until the point of the first tranche sale.

The current asset is then transferred to cost of sales and matched against sales proceeds within the operating surplus in the statement of comprehensive income. Any operating surplus is restricted to the overall surplus which takes account of the Existing Use Value – Social Housing (EUV-SH) of the remaining fixed asset element.

The remaining element of the asset is classified as a fixed asset and included in housing properties at cost, less any provision for depreciation or impairment.

(q) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and demand deposits, together with other short term, highly liquid investments that are readily known amounts of cash and are subject to an insignificant risk of change in value.

(r) Financial instruments

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

Financial assets carried at amortised cost

Financial assets carried at amortised cost comprise rent arrears, trade and other receivables and cash and cash equivalents. Financial assets are initially recognised at fair value plus directly attributable transaction costs. After initial recognition, they are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

If there is objective evidence that there is an impairment loss, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced accordingly.

A financial asset is derecognised when the contractual rights to the cash flows expire, or when the financial asset and all substantial risks and reward are transferred.

If an arrangement constitutes a financing transaction, the financial asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial liabilities carried at amortised cost

These financial liabilities include trade and other payables and interest bearing loans and borrowings.

Non-current debt instruments which meet the necessary conditions in FRS 102, are initially recognised at fair value adjusted for any directly attributable transaction cost and subsequently measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs in the Statement of Comprehensive Income. Discounting is omitted where the effect of discounting is immaterial.

A financial liability is derecognised only when the contractual obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.

STATEMENT TO CASH FLOWS
For the year ended 31 December 2024

Financing transactions

For rent arrears where the arrangement constitutes, in effect, a financing transaction because of extended credit arrangements the arrears are measured at the present value of the future payments discounted at an appropriate market rate of interest.

(s) Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the year end and is carried forward to future years.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

2. SIGNIFICANT MANAGEMENT JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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 and in any future periods affected.

Significant management judgements

Depreciation and residual values

The Trustees have reviewed the asset lives and associated residual values of all fixed asset classes, and in particular, the useful economic life and residual values of properties, and have concluded that asset lives and residual values are appropriate.

Provisions and accruals

Management bases its judgements on the circumstances relating to each specific event and upon currently available information. However, given the inherent difficulties in estimating liabilities in these areas, it cannot be guaranteed that additional costs will not be incurred beyond the amounts accrued.

Estimation uncertainty

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Investment property valuation

The Trust carries its investment properties at fair value and engages independent valuers to determine fair value using valuation techniques. The calculated fair value of the investment property uses assumptions which are subject to judgement, such as the estimated yield and the long-term vacancy rate. The carrying value of the Trust's investment properties can be found in note 11 of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

3. TURNOVER AND OPERATING COSTS**2024**

	Turnover £	Operating costs £	Operating surplus/ (deficit) £
Income and expenditure from lettings (note 3a)	2,318,066	(1,836,220)	481,846
Other income and expenditure			
Care services	388,223	(534,699)	(146,476)
Catering services	75,191	(121,182)	(45,991)
Rents from investment properties	257,369	(22,910)	234,459
Management Charges	5,000	-	5,000
Donations	20	-	20
Other administrative costs	5,000	(530,749)	(525,749)
Total	<u>3,048,869</u>	<u>(3,045,760)</u>	<u>3,109</u>

2023

	Turnover £	Operating costs £	Operating surplus/ (deficit) £
Income and expenditure from lettings (note 3a)	1,987,599	(1,604,321)	383,278
Other income and expenditure			
Care services	339,838	(474,603)	(134,765)
Catering services	74,751	(110,513)	(35,762)
Rents from investment properties	265,247	(27,806)	237,441
Management Charges	5,000	-	5,000
Donations	13	-	13
Other administrative costs	-	(484,152)	(484,152)
Total	<u>2,672,448</u>	<u>(2,701,395)</u>	<u>(28,947)</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

3a. PARTICULARS OF INCOME AND EXPENDITURE FROM LETTINGS

	2024	2023
	£	£
<i>Income from lettings</i>		
Housing contributions receivable net of voids - rented	2,107,161	1,777,035
- shared ownership	45,374	44,127
Other housing rent	50,200	51,106
Amortisation of SHG	115,331	115,331
	<u>2,318,066</u>	<u>1,987,599</u>
<i>Expenditure from lettings</i>		
Housing accommodation:		
Services	248,153	185,059
Management	560,035	523,795
Depreciation of housing properties	727,268	652,945
Repairs and maintenance	300,764	242,522
	<u>1,836,220</u>	<u>1,604,321</u>
Total housing operating costs	<u>1,836,220</u>	<u>1,604,321</u>
Operating surplus from lettings	<u>481,846</u>	<u>383,278</u>

Void losses for the year were £22,702 (2023: £16,730).

Included within housing contributions receivable is service charge income of £1,121,363 for the current year (2023: £924,354)

4. FINANCE INCOME

	2024	2023
	£	£
Investment income	85,710	88,187
Bank interest	106,567	111,222
	<u>192,277</u>	<u>199,409</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

5. SURPLUS ON DISPOSAL OF FIXED ASSETS

	2024	2023
	£	£
Surplus on sale of quoted investments	16,209	188,488
Deficit on disposal of other fixed assets	615	(11,919)
	<u>16,824</u>	<u>176,569</u>

6. INTEREST AND FINANCING COSTS

	2024	2023
	£	£
Bank loans not wholly repayable within five years	107,523	130,362
	<u>107,523</u>	<u>130,362</u>

7. SURPLUS ON ORDINARY ACTIVITIES

	2024	2023
	£	£
Surplus on ordinary activities is stated after charging/(crediting):		
Depreciation of fixed assets	759,363	704,170
Amortisation of Government grants	(115,331)	(115,331)
Auditor's remuneration:		
In their capacity as auditor	13,148	12,250
Other services	813	4,667
Lease payments recognised as expense during the year	13,667	13,667
	<u>759,363</u>	<u>704,170</u>

8. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	1,181,189	1,095,610
Social security costs	92,234	85,530
Other pension costs	99,791	94,833
	<u>1,373,214</u>	<u>1,275,973</u>

Average number of full-time equivalent persons employed during the year:

	Number	Number
Office	8	8
Other scheme staff	12	11
Care team	16	16
Catering team	3	3
	<u>39</u>	<u>38</u>

Average number of employees is calculated using the number of hours worked by each employee.
Full time hours are based on 35 hours per week.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

9. CHIEF EXECUTIVE'S EMOLUMENTS

	2024	2023
	£	£
Chief executive's salary	76,125	78,931
Chief executive's pension contributions	7,613	6,768
Employer's NI	8,766	8,720
	<u>76,125</u>	<u>78,931</u>
The emoluments of chief executive disclosed above, excluding pension contributions, include amounts paid to:		
The highest paid employee	<u>76,125</u>	<u>78,931</u>

The Chief Executive is classified as key management personnel and is a member of the Trust's defined contribution pension scheme on the same terms as all other employees, no special terms apply.

The Trustees do not receive any emoluments, and no expenses were reimbursed to Trustees during the year (2023: nil).

The full-time equivalent number of staff who received remuneration greater than £60,000 (including the executive team):

	2024	2023
	Number	Number
£60,000 - £80,000	2	1

10. FIXED ASSETS – Housing properties

	Completed	Shared	Total
	£	ownership	£
		£	
COST			
At 1 January 2024	19,835,668	574,124	20,409,792
Additions	252,379	-	252,379
Re-purchase of properties	116,250	(116,250)	-
Disposals	(56,769)	-	(56,769)
	<u>20,147,528</u>	<u>457,874</u>	<u>20,605,402</u>
At 31 December 2024			
	<u>20,147,528</u>	<u>457,874</u>	<u>20,605,402</u>
DEPRECIATION			
At 1 January 2024	4,506,157	134,451	4,640,608
Charge for year	590,967	8,880	599,847
Disposals	(4,611)	(22,099)	(26,710)
	<u>5,092,513</u>	<u>121,232</u>	<u>5,213,745</u>
At 31 December 2024			
	<u>5,092,513</u>	<u>121,232</u>	<u>5,213,745</u>
NET BOOK VALUE			
At 31 December 2024	<u>15,055,015</u>	<u>336,642</u>	<u>15,391,657</u>
At 31 December 2023	<u>15,329,511</u>	<u>439,673</u>	<u>15,769,184</u>

All housing properties are freehold.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

11. FIXED ASSETS – Investment land and properties (Freehold)

	2024	2023
	£	£
COST OR FAIR VALUE		
At 1 January	11,984,696	11,949,100
Revaluation	-	-
Additions	1,300,602	35,596
	<u>13,285,298</u>	<u>11,984,696</u>
At 31 December	<u><u>13,285,298</u></u>	<u><u>11,984,696</u></u>

Investment properties consist of land and commercial properties not held for the social benefit but for use in the business.

12. FIXED ASSETS – Listed investments

	2024	2023
	£	£
<u>Income and Capital</u>		
Cost:		
At 1 January	2,466,735	2,457,253
Additions	320,323	331,553
Disposals	(320,129)	(322,071)
	<u>2,466,929</u>	<u>2,466,735</u>
At 31 December	<u><u>2,466,929</u></u>	<u><u>2,466,735</u></u>

	Cost		Market value	
	2024	2023	2024	2023
	£	£	£	£
British Government fixed interest investments	50,996	32,454	47,531	30,023
Other listed investments	2,415,933	2,434,281	3,355,385	3,208,282
	<u>2,466,929</u>	<u>2,466,735</u>	<u>3,402,916</u>	<u>3,238,305</u>
Total investments	<u><u>2,466,929</u></u>	<u><u>2,466,735</u></u>	<u><u>3,402,916</u></u>	<u><u>3,238,305</u></u>

	2024	2023
	£	£
Market Value:		
At 1 January	3,238,305	3,237,145
Add: Additions to investment at cost	320,323	331,553
Less: Disposals at carrying value	(320,129)	(322,071)
(Less)/add: Change in fair value of investments	164,417	(8,322)
	<u>3,402,916</u>	<u>3,238,305</u>
At 31 December	<u><u>3,402,916</u></u>	<u><u>3,238,305</u></u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2024

13. OTHER PROPERTY, PLANT & EQUIPMENT

	Office premises £	Office and accommodation equipment £	Motor vehicles £	Total £
COST				
At 1 January 2024	244,043	1,043,399	75,275	1,362,717
Additions	-	253,237	38,890	292,127
Disposals	-	(9,333)	(43,202)	(52,535)
	<u>244,043</u>	<u>1,287,303</u>	<u>70,963</u>	<u>1,602,309</u>
At 31 December 2024	<u>244,043</u>	<u>1,287,303</u>	<u>70,963</u>	<u>1,602,309</u>
DEPRECIATION				
At 1 January 2024	40,531	584,390	43,444	668,365
Depreciation for the year	8,135	163,095	10,157	181,387
Disposals	-	(9,238)	(18,552)	(27,790)
	<u>48,666</u>	<u>738,247</u>	<u>35,049</u>	<u>821,962</u>
At 31 December 2024	<u>48,666</u>	<u>738,247</u>	<u>35,049</u>	<u>821,962</u>
NET BOOK VALUE				
At 31 December 2024	<u>195,377</u>	<u>549,056</u>	<u>35,914</u>	<u>780,347</u>
At 31 December 2023	<u>203,512</u>	<u>459,009</u>	<u>31,831</u>	<u>694,352</u>
Depreciation rates	3.33%	20%	25%	

14. CURRENT ASSET INVESTMENTS

	2024 £	2023 £
Charities Deposit Fund and National Savings Bank Investment Account redeemable within one year and funds held by Broker pending investment.		
Income fund	24,284	39,605
Capital fund	2,377,663	2,272,592
	<u>2,401,947</u>	<u>2,312,197</u>

15. DEBTORS

	2024 £	2023 £
<i>Income fund</i>		
Trade debtors	91,657	74,362
Prepayments and accrued income	275,270	185,606
Other debtors	11,304	11,973
	<u>378,231</u>	<u>271,941</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

16. CREDITORS (AMOUNTS FALLING DUE WITHIN ONE YEAR)

<i>Income fund</i>	2024 £	2023 £
Housing loans	546,149	523,593
Trade creditors	129,717	120,980
Taxation and social security	25,272	20,339
Accruals and deferred income	69,655	57,683
Other creditors	11,408	10,376
Government grants (note 19)	115,331	115,331
	<u>897,532</u>	<u>848,302</u>

17. CREDITORS (AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR)

<i>Income fund</i>	2024 £	2023 £
Housing loans		
Lloyds Bank loan	1,614,364	2,160,513
Total housing loans	<u>1,614,364</u>	<u>2,160,513</u>
Government grants (note 19)	4,783,339	4,898,670
	<u>6,397,703</u>	<u>7,059,183</u>
Analysis of Housing loans:		
Amounts repayable by instalments, not wholly repayable within five years:		
Repayable within five years	1,614,364	1,737,710
Repayable after five years	-	422,803
	<u>1,614,364</u>	<u>2,160,513</u>

The housing loan from Lloyds Bank are secured by specific charges on the Trust's housing properties (1st charge over Lench's Close, dated 27th January 2015/ 1st charges over William Lench Court, dated 20th June 2014) and are repayable at a fixed rates of interest of 4.2% and 5.2%.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2024

18. FINANCIAL INSTRUMENTS

The carrying values of the Company's financial assets and liabilities are summarised by category below:

	2024	2023
	£	£
Financial assets		
Measured at fair value through Statement of Comprehensive Income		
• Listed investments (see note 12)	3,402,916	3,238,305
• Investment properties (see note 11)	13,285,298	11,984,696
	<u> </u>	<u> </u>
	2024	2023
	£	£
Financial liabilities		
Measured at amortised cost		
• Loans payable (see notes 16 & 17)	2,160,513	2,684,106
	<u> </u>	<u> </u>
Measured at undiscounted amount payable	141,125	131,356
• Trade and other creditors (see note 16)	<u> </u>	<u> </u>

19. DEFERRED INCOME – GOVERNMENT GRANTS

	2024	2023
	£	£
At 1 January	5,014,003	5,129,334
Grants receivable		
Amortisation to statement of comprehensive income	(115,331)	(115,331)
	<u> </u>	<u> </u>
At 31 December	4,898,672	5,014,003
	<u> </u>	<u> </u>
Due < 1 year	115,333	115,333
	<u> </u>	<u> </u>
Due > 1 year	4,783,339	4,898,670
	<u> </u>	<u> </u>

The cumulative amount of SHG received by the Trust is £6,749,124.

20. ACCOMMODATION IN MANAGEMENT

At the year end accommodation in management was as follows:

	2024	2023
	Number	Number
Supported Housing (Extra Care)	88	87
Housing for older people	88	88
Shared ownership	7	8
	<u> </u>	<u> </u>
Total units owned and managed	183	183
	<u> </u>	<u> </u>

There were no units in development at the year-end (2023: nil).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

21. LEGISLATIVE PROVISIONS

The Trust is an Almshouse Charity registered by a Scheme of the Charity Commissioners and registered in England and Wales under the Companies Act 2006.

22. RELATED PARTY TRANSACTIONS

There are no related party transactions to report.

23. OPERATING LEASE COMMITMENTS

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2024	2023
	£	£
Payments due: -		
Within one year	3,754	13,667
Between one and five years	1,409	5,162
	<u>5,163</u>	<u>18,829</u>

24. PENSION COMMITMENTS

The Trust operates defined contribution retirement benefit schemes for all qualifying employees. The total expense charged to the statement of comprehensive income in the year ended 31 December 2024 was £99,791 (2023: £94,833). Contributions of £Nil (2023: Nil) were payable to the fund at the Balance Sheet date and were included within creditors due within one year.