

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Company Registration number: 08390520
Regulator of Social Housing Number: A2570

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY

Annual Report and Financial Statements for the Year Ended 31 March 2021

Contents	Page
General Information	3
Board Report	4 - 9
Independent Auditors' Report	10 – 13
Statement of Comprehensive Income	14
Statement of Changes in Reserves	15
Statement of Financial Position	16
Cash Flow Statement	17
Notes to the Financial Statements	18 - 27

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY

General Information

Board of Management	Mrs D Bradbury Mr T Jeffries Ms O Lyons Mr T Redford Father D Evans	Chair
Secretary	Mr P Medford from 17 th November 2020	
Managing Agent	Aspire Housing Limited	
Registered Office	Kingsley The Brampton Newcastle-under-Lyme ST5 0QW	
Registered Company Number	08390520	
Auditors	Dains LLP 15 Colmore Row Birmingham B3 2BH	
Bankers	Barclays Bank Plc Leicester LE87 2BB	
Investment Managers	Investec Wealth & Investment Ltd The Colmore Building Colmore Circus Birmingham B4 6AT	

Registered Charity Number: 1152689

Regulator of Social Housing registration number: A2570

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY

Board Report

The Board of Management (the “Board”) presents its Report and the audited financial statements for the year ended 31 March 2021.

Statement of Responsibilities of the Board of Management

The Board are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and regulations.

Registered social housing legislation requires 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 are 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

The Board are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enables them to ensure that the financial statements comply with the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing in England 2019. It has general responsibility for taking reasonable steps to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Statement of disclosure of information to auditors

We, the Board members of the Company 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 Company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as a Board in order to make ourselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Governance and Accountability

The Board retains ultimate responsibility for all aspects of the Company's activities and normally meets quarterly. Membership of the Board is reviewed from time-to-time to ensure its composition is appropriate for both the present and future planned activities of the Company.

From time to time, specific committees are established to consider some of the detailed work in policy formulation, strategic planning and performance monitoring in relation to key activities,

Responsibility for the day-to-day management and implementation of the Company's policies and procedures is delegated to the Managing Agent's Management Team.

The Company substantially complies with the National Housing Federation's revised Code of Governance. The exception is as follows:

- D2 – as a small local based company with no executive team of its own, some of the Board operate in de facto executive capacity and their retention beyond non-executive terms of office is viewed as key to the Company's success.

The legal title for the majority of the properties owned by The Hopkins and Sneyd Almshouse Charity reside with an unincorporated charity with the same name. The Hopkins and Sneyd Almshouse Charity (incorporated) is the sole corporate trustee of the unincorporated body, which holds the properties under a permanent endowment. The two bodies are linked via a Charity Commission Scheme so that only one set of financial statements needs to be produced.

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY

Board Report (continued)

Internal Controls Assurance

The Board acknowledges that it is responsible for the Company's systems of internal control which are designed to produce reasonable but not absolute assurances regarding the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial and other management information. The following procedures are in place, which are designed to produce effective internal control:

- An annual report to the Board from the Managing Agent on risk management and the Company's internal control processes.
- Clearly defined management and reporting structures set out in the Company's financial regulations and standing orders.
- Management information systems with quarterly reporting of financial results and key performance indicators compared with targets.
- Monitoring of control systems through audit.

Arrangements for managing the risks of fraud

The Company (via its managing agent) has robust arrangements in place for managing the risks of fraud.

These include:-

- prevention - the Company seeks to generate a strong anti-fraud culture supported by appropriate controls over operational and employment systems;
- detection - the Company has implemented comprehensive systems and procedures to detect evidence of fraud and to facilitate and encourage the reporting of fraud;
- investigation - the Company follows a comprehensive policy on fraud investigation and reporting and
- insurance - the Company has appropriate insurance cover in place to mitigate the potential financial losses associated with fraud.

There have been no weaknesses identified in the Company's internal controls which have resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements.

Charitable Donations

The Company has made no donations during the course of the year (2020 – Nil).

Public benefit

The Board have each received the Charity Commissions' guidelines on public benefit.

The Company provides affordable accommodation for the benefit of the elderly within the Rugeley area.

The Board confirm that they have complied with their duty to have due regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY

Board Report (continued)

Principal activity

The principal activity of The Hopkins and Sneyd Almshouse Charity is the provision of affordable accommodation of the elderly within the Rugeley area.

The Company is registered with the Regulator of Social Housing.

Aspire Housing Limited (Aspire), a registered provider based in Newcastle-under-Lyme, is the managing agent.

Review of Activities and Future Developments

The results of the Company for the year ended 31st March 2021 are set out on page 14. The operating surplus was £69,348 (2020: £143,384). The net surplus for the year was £107,502 (2020: £145,804).

Investment Powers, Policy and Performance

The Board intend that the real value of the Company's investments be maintained over the long term. The investments are managed by Investec Wealth and Investment Ltd on behalf of the Company.

Reserves Policy

All surpluses generated are re-invested by the Company with the objectives of keeping the weekly maintenance contribution at an affordable level, to maintain existing homes in good condition, and to enable development of additional homes.

The Company has a separate revaluation reserve. This reserve relates to the difference between the historic cost and market value of the Company's Investments. Any amount of the reserve which relates to current year disposals on investments is transferred to revenue reserves.

Accommodation Managed by Others

Management of the 47 (2020: 47) properties owned by the Company was undertaken by Aspire throughout the period. The Company has no other properties used for accommodation purposes.

Environmental and Community Protection

The Company recognises its business activities can have effects on the community and environment and has thus adopted the Trustees Corporate Policy on Environmental and Energy Conservation. It is the Company's policy to minimise any possible adverse effects of its operations through the application of high standards and establishment of best practices. In addition, the Company expects all parties connected with the delivery of its services to comply with all applicable laws and regulations.

Employees

The Company has no direct employees, as all services are provided by Aspire under the management arrangement.

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY

Board Report (continued)

Value for Money

Objectives

The Company has identified Value for Money as one of its core priorities, alongside satisfaction of residents and level of services provided. Specifically the Company's objectives in this regard are to ensure that:

- Costs are transparent and comparable
- Costs and charging structures are commercially competitive
- It operates all its businesses in an ethical manner and uses surpluses generated to pursue the Company's charitable objectives
- The benefits to the taxpayer of their investment are clearly articulated, and
- It continues to strive to provide better services for a similar or lower cost base, year on year.

How the Company Delivers Value for Money

Transparent Cost Structure

The Company's operations are managed by Aspire, a third party. Aspire strives to ensure that costs are visible and highlight the extent to which the Company's activity is exposed to the market. Over time this combination of exposure and transparency will place a downward pressure on costs.

Input costs

Input costs include:

- Supplier costs (procurement);
- Management costs; and
- Borrowing costs

The Company has loans which have been secured on the housing properties which it operates in order to reduce the interest charges payable.

Optimising returns on assets and investments

The Company's physical assets serve a single purpose in providing housing and support services to the elderly. Therefore to maximise the returns made on these properties means ensuring each property is being used to their full potential and minimising the time each property is not used.

The Company has a portfolio of investments, which is administered by Investec. This relationship has been established to maximise the potential returns from the Company's Investments. It is believed that the expertise and experience of Investec are good value for money against the returns made.

Taxpayer Returns

The Company currently holds £1.3 million of government grants against housing property assets. The Company is committed to making sure that this property is used for the good of the community.

The grant has ensured the continuing operation of the Company, meaning that the residents and the wider community all benefit from the government investment.

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY

Board Report (continued)

Value for Money metrics and targets

The new Value for Money standard published by the Regulator of Social Housing require Registered Providers to report on a number of Value for Money metrics within their financial statements, and these are set out in table below.

Regulator of Social Housing metrics

	Hopkins & Sneyd			Global accounts 19-20	
	2019-20 Actual	2020-21 Actual	2021-22 Target	Median	1 st Quartile
Re-investment %	3.9%	0.0%	0.0%	6.9%	9.8%
New Supply - social housing %	0.0%	0.0%	0.0%	1.4%	2.4%
Gearing	-3.2%	-6.8%	-7.4%	44.5%	33.2%
EBITDA-MRI interest cover	361.0%	718.6%	721.9%	170.8%	229.6%
Headline social housing cost per unit	£6,283	£4,640	£5,550	£3,711	£3,208
Operating margin (social housing units)	44.6%	21.4%	19.4%	26.8%	33.3%
Operating margin (overall)	25.9%	21.4%	19.2%	24.6%	30.6%
Return on capital employed (ROCE)	4.8%	2.2%	2.0%	3.5%	4.8%

The reinvestment and new supply metrics reflect the work done on properties in the year and no recent development activity.

Gearing remains low with high levels of cash resources held which are higher than the outstanding loan balance. As the loans are at fixed interest rates there is no financial benefit to breaking from the fix. Accordingly benchmarked against the sector gearing is in top quartile performance. The Company also hold investments which provide a return which supplements the Company's income.

Interest cover is influenced in 2020 by the disposal of land in the year and has returned to more normal levels in 2020-21.

The Company's overall social housing cost per unit reduced from £6,283 in 2019-20 to £4,2640 in 2020-21. This is forecast to increase again to £5,550 in 2021-22. The high costs compared to benchmark are reflective of the high level of service charges as the majority of the properties are sheltered scheme type accommodation. The costs also reflect the investment in properties; this investment provides a high standard of homes and results in extremely low void levels.

Operating margin levels, as a consequence of the high level of service charge income, recharged at cost, are low compared to sector benchmarks. Board acknowledge that the level of return is commensurate with the charitable objectives of the Company.

Return on capital employed has decreased as a result of the disposal of land in 2020 but is at usual levels expected. The levels of return are at the lower end of sector benchmarks but at the expected levels of return the Board require for future investment in homes.

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY

Board Report (continued)

Social and environmental benefits

As a Charitable organisation working closely with the community, a large part of the value the Company creates can be seen in the social and economic benefits generated in the neighbourhoods where it operates.

Aspire is committed to operating its businesses (including managed organisations such as the Company) in an ethical and responsible manner and has a team of staff dedicated to its corporate social responsibility and activities.

Auditors

A proposal to reappoint Dains LLP as auditors will be put forward at the Annual General Meeting.

In preparing this report the Board have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The Board report was approved on 19 August 2021 and signed on its behalf by:

DocuSigned by:

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Mrs D Bradbury
Chair

DocuSigned by:

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Father D Evans
Board Member

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY

Independent Auditor's Report to the Board of The Hopkins and Sneyd Almshouse Charity

Opinion

We have audited the financial statements of The Hopkins and Sneyd Almshouse Charity (the 'Company') for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, the Statement of Changes in Reserves, the Statement of Financial Position and the related 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 Company's affairs as at 31 March 2021, 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 Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing in England 2019.

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 Board's 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 board is responsible for the other information. The other information comprises the information included in the Board Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY

Independent Auditor's Report to the Board of The Hopkins and Sneyd Almshouse Charity (continued)

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 Company 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the board was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Board 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 set out on page 4, the board members (who are also the directors of the Company 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 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 intends to liquidate the Company 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 HOPKINS AND SNEYD ALMSHOUSE CHARITY

Independent Auditor's Report to the Board of The Hopkins and Sneyd Almshouse Charity (continued)

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the social housing sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.


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.

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY

Independent Auditor's Report to the Board of The Hopkins and Sneyd Almshouse Charity (continued) Use of our 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 and section 137 of the Housing and Regeneration Act 2008. 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.

DocuSigned by:

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Andrew Morris FCA (Senior Statutory Auditor)
For and on behalf of Dains LLP

Statutory Auditor
Chartered Accountants

Birmingham

Date: 20 August 2021

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY**Statement of Comprehensive Income for the Period to 31 March 2021**

	Notes	2021	2020
		£	£
Turnover	2	323,698	321,378
Operating costs	2	(254,350)	(237,994)
Gain on disposal of housing properties		-	60,000
Operating surplus	2,4	<u>69,348</u>	<u>143,384</u>
Gain / (Losses) on Sale of Investments		40,142	(796)
Interest receivable and similar income	8	11,311	16,632
Interest payable and similar charges	9	(13,299)	(13,416)
Surplus for the year	18	<u>107,502</u>	<u>145,804</u>
Gain/(Losses) on revaluation of investments		111,210	(59,471)
Comprehensive Income for the year	18	<u>218,712</u>	<u>86,333</u>

The above surpluses relate wholly to continuing activities.

The notes on pages 18 to 27 form part of these financial statements.

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY**Statement of Changes in Reserves**

	Revenue Reserve	Revaluation Reserve	Total
	£	£	£
At 1 April 2019	1,441,638	59,087	1,500,725
Total comprehensive income for the year	145,804	(59,471)	86,333
Transfers (for realised gains on investments)	(384)	384	-
At 1 April 2020	1,587,058	-	1,587,058
Total comprehensive income for the year	107,502	111,210	218,712
Transfers (for realised losses on investments)	27,755	(27,755)	-
At 31 March 2021	1,722,315	83,455	1,805,770

The notes on pages 18 to 27 form part of these financial statements.


THE HOPKINS AND SNEYD ALMSHOUSE CHARITY

Statement of Financial Position as at 31 March 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Properties – depreciated cost	10	2,196,640	2,232,150
Other operating assets	11	118,132	118,057
Investments	12	643,162	498,844
		2,957,934	2,849,051
CURRENT ASSETS			
Debtors due within one year	13	9,536	16,234
Cash at bank and in hand		282,640	195,024
		292,176	211,258
CREDITORS: Amounts falling due within one year	14	(82,062)	(89,146)
NET CURRENT ASSETS		210,114	122,112
TOTAL ASSETS LESS CURRENT LIABILITIES		3,168,048	2,971,163
CREDITORS:			
Amounts falling due after more than one year	15	(1,362,278)	(1,384,105)
TOTAL NET ASSETS		1,805,770	1,587,058
RESERVES			
Revaluation Reserve	18	83,455	-
Revenue reserve	18	1,722,315	1,587,058
		1,805,770	1,587,058

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006.

The financial statements were approved and authorised for issue by the Board on 19 August 2021 and signed on their behalf by:

DocuSigned by:

 5F9CF927BCD1404...
 Mrs D Bradbury
 Chair

DocuSigned by:

 48EA692770D644E...
 Father D Evans
 Board Member

The notes on pages 18 to 27 form part of these financial statements.

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY**Cash Flow Statement for the Year Ended 31 March 2021**

	Notes	2020 £	2019 £
NET CASH GENERATED FROM OPERATING ACTIVITIES	17	94,581	90,523
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(10,892)	(124,720)
Disposal in the period		-	60,000
Grants received		-	-
Proceeds from sales of investments		147,411	27,570
Purchase of investments		(139,776)	(33,374)
Interest receivable		11,311	16,632
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		8,054	(53,892)
CASH FLOW FROM FINANCING ACTIVITIES			
Interest payable		(13,299)	(13,416)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES		(13,299)	(13,416)
NET CHANGE IN CASH AND CASH EQUIVALENTS		89,336	23,215
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		109,703	86,488
CASH AND CASH EQUIVALENTS AT END OF YEAR		199,039	109,703
CASH AND CASH EQUIVALENTS CONSISTS OF:			
Cash at bank and in hand		282,640	195,024
Cash held by investment managers		32,554	31,953
Bank loans	15	(116,155)	(117,274)
CASH AND CASH EQUIVALENTS AT 31 MARCH		199,039	109,703

The notes on pages 18 to 27 form part of these financial statements.

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY

Notes to the Financial Statements for the Year Ended 31 March 2021

1. Principal Accounting Policies

The company is a private company, limited by guarantee and incorporated in the United Kingdom under the Companies Act 2006, is a registered charity under the Charities Act 2011, and is a Registered Provider of Social Housing. The address of the registered office is given on page 3 of these financial statements. The nature of the Company's activities is the provision of social housing.

The Company constitutes a public benefit entity as defined by Financial Reporting Standard 102.

The financial statements have been prepared in accordance with applicable United Kingdom financial reporting standards, including Financial Reporting Standard 102 *The Financial Standard Applicable in the UK and Republic of Ireland* and comply with the Statement of Recommended Practice for Social Housing Providers 2018 and the Accounting Direction for Private Registered Providers of Social Housing in England 2019. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008 and the Companies Act 2006. The financial statements have been prepared on a going concern basis.

Accounting convention

The financial statements are prepared under the historical cost convention, except as modified by the revaluation of investments.

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.

Turnover

Turnover is measured at the fair value of the consideration received or receivable.

Turnover represents rental and service charges income receivable in the year (net of rent and service charge losses from voids) and Supporting People income.

Tangible fixed assets

Properties are stated at cost less accumulated depreciation. The cost of such properties includes the following:

- a) Cost of acquiring land and buildings;
- b) Construction costs including internal equipment and fitting;
- c) Directly attributable development administration costs;
- d) Cost of capital employed during the development period;
- e) Expenditure incurred in respect of improvements and extensions to existing properties;
- f) Construction costs incurred but not yet certified at the Balance Sheet date.

Freehold land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Structure	50 – 100 years
Door and entry systems	10 – 40 years
Bathrooms	40 years
External works	15 – 20 years
Heating system	30 – 40 years
Kitchens	30 years
Lifts	10 years
Green technologies	25 years
Roof coverings	50 years
Windows	40 years
Electrical wiring	30 years
Furniture and Equipment	20 years
Boilers	15 years

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

1. Principal Accounting Policies (continued)

Tangible fixed assets (continued)

Expenditure on housing properties which is either capable of generating increased future rents, extends their useful life, or significantly reduces future maintenance costs, is capitalised.

All other repairs and maintenance are charged to the Statement of Comprehensive Income during the financial year in which they are incurred.

Impairment

All properties are considered for impairment annually and detailed reviews of assets for impairment are carried out if there is an indication that impairment has occurred or if they are not being depreciated.

Social Housing Grant (SHG) and other grants

Social Housing Grant (SHG) is receivable from Homes England and is utilised to reduce the capital costs of housing properties, including land costs. SHG and other grants are held as a deferred asset (income) on the Statement of Financial Position and amortised to the Statement of Comprehensive Income, within turnover, over the life of the main fabric of the property to which it relates.

SHG due from Homes England or received in advance is included as a current asset or liability on the Statement of Financial Position. SHG received in respect of revenue expenditure is credited to the Statement of Comprehensive Income in the same period as the expenditure to which it relates.

SHG is subordinated to the repayment of loans by agreement with Homes England. SHG released on the sale of a property may be repayable but is normally available to be recycled and is credited to a Recycled Capital Grant Fund and included on the Statement of Financial Position in creditors.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Gains and losses arising on revaluation and disposals throughout the year are recognised through the Statement of comprehensive income.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised costs using the effective interest rate method, less impairment. If an arrangement constitutes a financing transaction it is measured at present value.

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

1. Principal Accounting Policies (continued)

Provisions

Provisions are recognised when the Company has an obligation at the balance sheet date as result of a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at a transaction value and subsequently measures at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Property Managed by Agents

As the company carries the financial risk on property managed by agents, all the income and expenditure arising from the property is included in the Statement of Comprehensive Income.

Judgements and key sources of estimation uncertainty

The following judgements have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Housing properties are stated at cost less any provision for impairment (representing a diminution in the recoverable service potential of the asset below its carrying value in the balance sheet) less depreciation. Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development and expenditure incurred in respect of improvements. Indicators of impairment would include significant changes in the market or economic environment in which the Company operates, higher levels than expected of unplanned maintenance expenditure on housing property assets or a material increase in the level of voids which exceeds those forecast.

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing the assets lives, factors such as product lifecycles and maintenance programmes are taken into account. Residual values consider such things as future market conditions, the remaining life of the asset and projected disposal values, plans to dispose of an asset before the previously expected date, and changes in funding which impact on the future viability of schemes resulting in assets being no longer required.

Grants for capital expenditure are recognised as deferred income and released to other comprehensive income annually over the life of the main fabric of the property to which they relate.

An allowance for doubtful debts is maintained for estimated losses resulting from the ability of the Company's former residents to make required payments, based on regular assessment by the Board.

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY**Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)****2. Turnover, Operating Costs and Operating Surplus**

	2021	2021	2021	2020	2020	2020
	Turnover	Operating costs	Operating surplus	Turnover	Operating costs	Operating surplus
	£	£	£	£	£	£
Social Housing Lettings (Note 3)	323,698	(254,350)	69,348	321,128	(237,994)	83,134
	323,698	(254,350)	69,348	321,128	(237,994)	83,134
Other						
Other social housing activities	-	-	-	250	-	250
Gain on disposal of housing properties	-	-	-	-	-	60,000
Total	323,698	(254,350)	69,348	321,378	(237,994)	143,384

3. Income and Expenditure from Social Housing Lettings

	2021	2020
	Rented housing £	Rented housing £
Income from lettings		
Maintenance Contributions	215,413	211,153
Service charges	90,501	91,418
Amortised government grants	20,578	20,578
Gross rental income	326,492	323,149
Voids	(2,794)	(2,021)
Turnover from social housing lettings	323,698	321,128
Expenditure on lettings		
Management	(122,422)	(116,423)
Services	(51,350)	(44,195)
Routine maintenance	(43,793)	(39,260)
Bad debt charges	(763)	(705)
Depreciation	(36,022)	(37,411)
Operating costs from social housing lettings	(254,350)	(237,994)
Operating surplus from social housing lettings	69,348	83,134

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY**Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)****4. Operating Surplus**

	2021	2020
	£	£
The operating surplus is arrived at after charging/ (crediting):		
Amortisation of government grants	(20,578)	(20,578)
Depreciation of properties - residential freehold	36,022	37,411
Depreciation of operating fixed assets	10,305	8,647
Auditors' remuneration - audit services	5,796	4,560
	<u>5,796</u>	<u>4,560</u>

5. Taxation

The registered provider has charitable status and is therefore exempt from U.K. Corporation Tax under Section 505 of the Income and Corporation Taxes Act 1988.

6. Board Emoluments

None of the Board received remuneration for their services (2020 – £Nil).

7. Employee Information

The Company does not employ staff directly but is charged for staffing by the managing agent.

8. Interest Receivable and Similar Income

	2021	2020
	£	£
Interest receivable from:		
Short-term cash deposits	115	458
Other	11,196	16,174
	<u>11,311</u>	<u>16,632</u>

9. Interest Payable and Similar Charges

	2021	2020
	£	£
Bank loans, overdrafts and other loans:		
Repayable wholly or partly in more than 5 years	13,299	13,416
		<u>13,416</u>

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY13,29913,416**Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)****10. Fixed Assets - Properties**

Freehold Land and Buildings	Completed	Under Construction	Total
	£	£	£
Cost			
At 1st April 2020	2,462,082	-	2,462,082
Additions during the period	512	-	512
Disposals	-	-	-
At 31 March 2021	<u>2,462,594</u>	<u>-</u>	<u>2,462,594</u>
Depreciation			
At 1st April 2020	229,932	-	229,932
Charge for the period	36,022	-	36,022
Released on disposals	-	-	-
At 31 March 2021	<u>265,954</u>	<u>-</u>	<u>265,954</u>
Depreciated Cost	<u>2,196,640</u>	<u>-</u>	<u>2,196,640</u>

Social Housing Assistance

	2021	2020
	£	£
Total SHG due by 31 March	<u>1,440,425</u>	<u>1,440,425</u>
Recognised in the Statement of Comprehensive Income	<u>172,475</u>	<u>151,897</u>
Held as deferred income	<u>1,267,950</u>	<u>1,288,528</u>
	<u>1,440,425</u>	<u>1,440,425</u>

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY**Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)****11. Fixed Assets – Other Operating Assets**

	Furniture and Equipment £
Cost	
At 1 st April 2020	153,106
Additions	10,380
At 31 March 2021	163,486
Depreciation	
At 1 st April 2020	35,049
Charge for period	10,305
At 31 March 2021	45,354
Net Book Value	
At 31 March 2021	118,132
At 31 March 2020	118,057

12. Investments

Fixed asset investments	Listed 2021 £	Listed 2020 £
At 1 st April 2020	466,891	521,354
Additions	139,776	33,374
Disposals	(107,269)	(28,366)
Revaluation	111,210	(59,471)
At 31 March 2021	610,608	466,891
Cash held by investment managers	32,554	31,953
Total Investments	643,162	498,844

At 31 March 2021 the historical cost of listed investments was £527,448 (2020: £467,185).

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY**Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)****13. Debtors**

	2021	2020
	£	£
Maintenance Contribution debtors	1,714	1,526
Prepayments and other debtors	7,822	14,708
	9,536	16,234

Maintenance contribution debtor balances are net of a provision of £2,791 (2020: £1,988).

14. Creditors: Amounts Falling Due Within One Year

	2021	2020
	£	£
Bank loans and mortgages	1,250	1,119
Trade creditors	5,413	2,347
Grants to be amortised within one year	20,578	20,578
Other creditors and accruals	54,821	65,102
	82,062	89,146

15. Creditors: Amounts Falling Due After More Than One Year

	2021	2020
	£	£
Bank loans and mortgages	114,905	116,155
Government grants	1,247,373	1,267,950
	1,362,278	1,384,105

Based on the lender's earliest repayment date, bank loans fall due as follows:

	2021	2020
	£	£
Due within one year	1,250	1,119
Due in more than one year but less than five years	6,643	5,948
Due in more than five years	108,262	110,207
	116,155	117,274

The Company has provided security in the form of charges on housing stock for its loan at the balance sheet date. The loan is subject to fixed repayment terms with an interest rate of 11.37%.

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY**Notes to the Financial Statements for the year Ended 31 March 2021 (continued)****16. Deferred Capital Grant**

	2021	2020
	£	£
At 1 April 2020	1,288,528	1,309,106
Released to income in the year	(20,578)	(20,578)
At 31 March 2021	<u>1,267,950</u>	<u>1,288,528</u>

17. Reconciliation of Operating Surplus to Net Cash Inflow from Operating Activities

	2021	2020
	£	£
Surplus for the period	107,502	145,804
Depreciation of housing properties	36,022	37,411
Depreciation of other fixed assets	10,305	8,647
Amortisation of grants	(20,578)	(20,578)
Decrease / (Increase) in debtors	6,699	(3,901)
(Decrease) in creditors	(7,215)	(14,440)
(Gains) / Losses on investments	(40,142)	796
	92,593	153,739
Adjustments for Investing or Financing Activities		
Gain on sale of property	-	(60,000)
Interest payable	13,299	13,416
Interest received	(11,311)	(16,632)
Net Cash Inflow from Operating Activities	<u>94,581</u>	<u>90,523</u>

18. Reserves**a) Revenue Reserve**

The revenue reserve represents cumulative surplus and deficits net of other adjustments.

b) Revaluation Reserve

The revaluation reserve represents increases and decreases in the value of listed fixed asset investments which have not yet been realised.

THE HOPKINS AND SNEYD ALMSHOUSE CHARITY**Notes to the Financial Statements for the year Ended 31 March 2021 (continued)****19. Capital Commitments**

	2021	2020
	£	£
Expenditure contracted for but not provided in the accounts	-	-

20. Related Party Transactions

There were no related party transactions in the year to 31st March 2021.

21. Company Limited by Guarantee

The company is limited by guarantee and does not have a share capital. The liability of each member in the event of winding up is limited to £1.

22. Financial instruments

The Company's financial instruments may be analysed as follows:

	2021	2020
	£	£
Financial assets		
Financial assets measured at amortised cost		
Cash at bank and in hand	282,640	195,024
Accrued income	3,359	7,654
Other debtors	4,463	7,054
Financial liabilities		
Financial liabilities measured at amortised cost		
Trade creditors	5,413	2,347
Accruals	42,571	52,189
Other creditors	12,250	12,913