

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 5 April 2024
for
Sutton Turner Houses

Mellor Oxland LLP
Hine House
25 Regent Street
Nottingham
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NG1 5BS

Sutton Turner Houses

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Sutton Turner Houses

Report of the Trustees for the Year Ended 5 April 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 5 April 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's principal objective during the year was to provide low cost accommodation to people of limited financial means, who are of good character, and of not less than 60 years of age, who reside in the City of Derby.

Significant activities

The charity was created by the generosity of the late Annie Sutton who passed away in 1913. In her Will she bequeathed property and money for the purpose of providing Almshouses for the poor and elderly.

Following the merger with the Turner Almshouses, the charity now owns and operates 33 Almshouses through which it achieves its objectives. These comprise of 12 two bedroom bungalows at Windmill Hill, Derby, and a further 3 two bedroom and 10 single bedroom bungalows located at Sutton Close, Derby. In addition, the property that was transferred as part of the merger includes a further 4 bungalows and 4 houses at Ashbourne Road, Derby. The Almshouses are unfurnished dwellings, usually designed with the needs of older, independent people in mind. The aim is to provide convenient and comfortable accommodation, and residents are allowed to come and go as they please. The Almshouses each have a community call system installed, to allow residents to call for urgent assistance if required.

Public benefit

The Trustees have had regard to the Charities Commission guidance on public benefit. The charity is of benefit to those with limited financial means, specifically those of not less than 60 years of age. It therefore satisfies the benefit aspect of the requirements, and is not required to meet the public aspect as it assists in relieving or preventing poverty.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The charity's principal aim during the year was to provide accommodation to elderly people in the City of Derby who are of limited financial means. The charity has also undertaken statutory compliance checks, health and safety risk assessments, as well as producing detailed information on the current condition of the housing stock. This enables the charity to draw up a planned maintenance programme, which allows the Trustees to plan medium and long term objectives for maintenance work and the associated financial requirements.

The charity is also continuing to improve methods of communication with residents, having created a new website, made further updates to the residents' handbook and continued regular visits to the residents by the Trustees.

Sutton Turner Houses

Report of the Trustees for the Year Ended 5 April 2024

ACHIEVEMENT AND PERFORMANCE

Fundraising activities

The charity continued to receive maintenance contributions from residents, with very few void periods.

The quoted investments held by the Trustees are now managed by Abrdn (previously Rathbones Investment Management) and are considered to have performed satisfactorily; with realised losses totalling £865 (2023 £6,892 gains) arising on disposals, and an income return of £2,533 (2023 £7,688).

FINANCIAL REVIEW

Financial position

During the year the charity continued its policy of upgrading the existing property portfolio.

The charity has moved the investment portfolio to Abrdn from Rathbones Investment Management in the year and the holding is on a scale similar to the previous year.

At the year end the properties including various components and fixtures & fittings had a written down value of £1,082,018 (2023 £1,116,098), fixed asset investments with a value of £280,126 (2023 £287,941) and cash of £12,874 (2023 £20,212).

The freehold land and buildings were valued on 30 October 2017 by Gadsby Nicols at £3,475,000 on an open market basis.

Principal funding sources

The charity's principal source of funding is the weekly maintenance contributions received from its residents.

Investment policy and objectives

Subject to some funds being held in cash to meet more immediate requirements, the reserves are invested with the aim of producing a return above inflation and are measured on a total return basis. The invested funds are managed by an investment advisor on a cautious basis.

Reserves policy

The Trustees review the reserves policy on an annual basis.

The charity has set aside funds for regular maintenance and repair costs to ensure that the Almshouses are maintained in accordance with the standard required under the Government's Decent Homes Standard as applicable to Social Housing. Their current policy is detailed in Note 12 of the accounts.

Going concern

There are no material uncertainties about the charity's ability to continue.

FUTURE PLANS

The Trustees main aims for the future are to ensure the continued operation of the charity whilst maintaining the Almshouses to a high standard.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Sutton Turner Houses

Report of the Trustees for the Year Ended 5 April 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The Charity is governed by a Board of Trustees and co-opted Trustees as required under the trust deed. The Trustees provide their services on a voluntary basis.

Recruitment to the Board of Trustees is by application from those expressing an interest, giving details of their reasons, skills and experience. Candidates are interviewed by the Board of Trustees and if appropriate are appointed by a vote of the Board.

Each Trustee is provided with guidance on the role.

Organisational structure

The trust deed provides for a maximum of eight Trustees, the board of Trustees is now wholly co-opted with Derby City Council no longer having rights of nomination.

The Trustees are collectively responsible for decision making within the charity. Decisions on the running of the charity are made, and risks faced by the charity discussed, at regular Trustee meetings.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07914471 (England and Wales)

Registered Charity number

1155069

Registered office

Sterne House
Lodge Lane
Derby
DE1 3WD

Trustees

I S Beck
D G Poynton
B J Thorpe (Chairman)
D L Spademan (Deputy Chairman)
J A Carter
A Smith

Independent Examiner

Mellor Oxland LLP
Hine House
25 Regent Street
Nottingham
Nottinghamshire
NG1 5BS

Sutton Turner Houses

Report of the Trustees for the Year Ended 5 April 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Nelsons
Sterne House
Lodge Lane
Derby
DE1 3WD

Clerk to Trustees

G Neville

Approved by order of the board of trustees on and signed on its behalf by:



.....
B J Thorpe (Chairman) - Trustee



**Independent Examiner's Report to the Trustees of
Sutton Turner Houses**

Independent examiner's report to the trustees of Sutton Turner Houses ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 5 April 2024.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



D L Caine

Mellor Oxland LLP
Hine House
25 Regent Street
Nottingham
Nottinghamshire
NG1 5BS

Date: 16 December 2024

Sutton Turner Houses

Statement of Financial Activities for the Year Ended 5 April 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Provision of accommodation to people of limited financial means & elderly people of the City of Derby					
		155,504	-	155,504	144,385
Investment income	2	3,235	-	3,235	7,875
Total		158,739	-	158,739	152,260
EXPENDITURE ON					
Charitable activities					
Provision of accommodation to people of limited financial means & elderly people of the City of Derby					
		140,127	-	140,127	182,417
Raising funds		5,036	-	5,036	4,987
Other		101,190	-	101,190	(31,914)
Total		246,353	-	246,353	155,490
Net gains/(losses) on investments		20,289	-	20,289	(25,668)
NET INCOME/(EXPENDITURE)		(67,325)	-	(67,325)	(28,898)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,445,423	-	1,445,423	1,474,321
TOTAL FUNDS CARRIED FORWARD		1,378,098	-	1,378,098	1,445,423

The notes form part of these financial statements

Balance Sheet
5 April 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	8	1,082,018	-	1,082,018	1,116,098
Investments	9	280,126	-	280,126	287,941
		<u>1,362,144</u>	<u>-</u>	<u>1,362,144</u>	<u>1,404,039</u>
CURRENT ASSETS					
Debtors	10	-	-	-	1,676
Prepayments and accrued income		7,399	-	7,399	4,237
Cash at bank and in hand		12,899	-	12,899	38,967
		<u>20,298</u>	<u>-</u>	<u>20,298</u>	<u>44,880</u>
CREDITORS					
Amounts falling due within one year	11	(4,344)	-	(4,344)	(3,496)
		<u>15,954</u>	<u>-</u>	<u>15,954</u>	<u>41,384</u>
NET CURRENT ASSETS					
		<u>15,954</u>	<u>-</u>	<u>15,954</u>	<u>41,384</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>1,378,098</u>	<u>-</u>	<u>1,378,098</u>	<u>1,445,423</u>
NET ASSETS					
		<u>1,378,098</u>	<u>-</u>	<u>1,378,098</u>	<u>1,445,423</u>
FUNDS					
Unrestricted funds	12			1,378,098	1,445,423
TOTAL FUNDS					
				<u>1,378,098</u>	<u>1,445,423</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 5 April 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 5 April 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

Balance Sheet - continued
5 April 2024

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

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:



.....
B J Thorpe (Chairman) - Trustee



.....
D L Spademan (Deputy Chairman) - Trustee

**Notes to the Financial Statements
for the Year Ended 5 April 2024**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life as follows:

Freehold property - 2% on cost

Building components - at varying rates on cost

Fixtures and fittings - 20% on cost

Housing properties are principally properties available for occupation and 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, and expenditure incurred in respect of improvements.

Improvements are works to existing properties which result in the net management charges being maintained or enhanced, by a reduction in ongoing maintenance costs or a significant extension of the economic life of the property. Major components of housing properties, such as kitchens, bathrooms, windows and central heating systems have been accounted for and depreciated separately from the housing property itself, over their expected economic lives.

Taxation

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

**Notes to the Financial Statements - continued
for the Year Ended 5 April 2024**

1. ACCOUNTING POLICIES - continued

Fund accounting

General reserves are unrestricted funds which can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2. INVESTMENT INCOME

	2024	2023
	£	£
Investment dividends received	1,825	3,622
Deposit account interest	702	187
Investment interest received	708	4,066
	<u>3,235</u>	<u>7,875</u>

3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024	2023
	£	£
Depreciation - owned assets	34,080	(31,914)
Independent examiners remuneration	<u>4,052</u>	<u>3,498</u>

The total costs of £145,163 (2023 £187,404) attributable to the provision of accommodation to people of limited financial means and elderly people of the City of Derby, as shown on page 6, is comprised of £140,127 (2023 £118,918) of charitable activities costs and £72,146 (2023 £68,486) of management costs.

The negative figure of £31,914 in the comparative period (2023) described as Other, is the total of depreciation corrections and charges for the year as noted above.

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 5 April 2024 nor for the year ended 5 April 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 5 April 2024 nor for the year ended 5 April 2023.

**Notes to the Financial Statements - continued
for the Year Ended 5 April 2024**

5. 2023 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Provision of accommodation to people of limited financial means & elderly people of the City of Derby	144,385	-	144,385
Investment income	7,875	-	7,875
Total	<u>152,260</u>	<u>-</u>	<u>152,260</u>
EXPENDITURE ON			
Charitable activities			
Provision of accommodation to people of limited financial means & elderly people of the City of Derby	182,417	-	182,417
Raising funds	4,987	-	4,987
Other	(31,914)	-	(31,914)
Total	<u>155,490</u>	<u>-</u>	<u>155,490</u>
Net gains/(losses) on investments	<u>(25,668)</u>	<u>-</u>	<u>(25,668)</u>
NET INCOME/(EXPENDITURE)	(28,898)	-	(28,898)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,474,321	-	1,474,321
TOTAL FUNDS CARRIED FORWARD	<u><u>1,445,423</u></u>	<u><u>-</u></u>	<u><u>1,445,423</u></u>

Sutton Turner Houses

Notes to the Financial Statements - continued for the Year Ended 5 April 2024

6. MANAGEMENT FEES

Mr G Neville of Messrs. Nelsons Solicitors served in the role as Clerk to the Trustees. Payments amounting to £63,058 (2023 £60,000) were made during the year in respect of his services.

7. VALUE FOR MONEY METRICS

The Value for Money Standard and accompanying Code of Practice issued by the Regulator of Social Housing in April 2018 introduced a requirement for all social housing providers to publish details of performance using a standard set of metrics, and to include these in their statutory accounts. The trustees have considered the requirements therein and as the charity qualifies as a small provider, have followed the relevant guidance. The metrics which they are required to report are as follows:

Metric 1 - Reinvestment 0% (2023 0%)
 Metric 2a - New Supply (Social Housing Units) 0% (2023 0%)
 Metric 2b - New Supply (Non-social Housing Units) 0% (2023 0%)
 Metric 3 - Gearing -1.19% (2023 -3.49%)
 Metric 4 - EBITDA MRI Interest Cover 0% (2023 0%)
 Metric 5 - Headline Social Housing Cost per unit £3,752 (2023 £3,166)
 Metric 6a - Operating Margin (Social Housing Lettings) 7.28% (2023 15.21%)
 Metric 6b - Operating Margin (Overall) -42.41% (2023 18.99%)
 Metric 7 - Return on Capital Employed -4.89% (2022 2.00%)

8. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Fixtures and fittings £	Totals £
COST				
At 6 April 2023 and 5 April 2024	990,725	365,187	8,314	1,364,226
DEPRECIATION				
At 6 April 2023	148,117	91,697	8,314	248,128
Charge for year	19,810	14,270	-	34,080
At 5 April 2024	167,927	105,967	8,314	282,208
NET BOOK VALUE				
At 5 April 2024	822,798	259,220	-	1,082,018
At 5 April 2023	842,608	273,490	-	1,116,098

The freehold property consists of 2 estates, namely the Elizabeth Turner Estate, which has a market value of £870,000, and the Annie Sutton Estate which has a market value of £2,605,000. These valuations are not reflected in the financial statements.

The freehold land and buildings were valued at 30 October 2017 by Gadsby Nichols on an open market basis.

Notes to the Financial Statements - continued
for the Year Ended 5 April 2024

9. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 6 April 2023	287,941
Additions	267,252
Disposals	(296,221)
Revaluations	21,154
	<hr/>
At 5 April 2024	280,126
	<hr/>
NET BOOK VALUE	
At 5 April 2024	280,126
	<hr/>
At 5 April 2023	287,941
	<hr/>

The investments are overseen by a Fund Manager and IFA who are both UK based. In addition to the amounts noted above cash of £24 (2023 £18,755) was held by Abrdn (2023 Rathbones). The cash is included in the Cash at bank and in hand figure in the balance sheet.

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Maintenance contributions due	-	1,676
	<hr/>	<hr/>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Accrued expenses - accountancy	4,050	3,496
Maintenance contributions refundable	294	-
	<hr/>	<hr/>
	4,344	3,496
	<hr/>	<hr/>

Notes to the Financial Statements - continued
for the Year Ended 5 April 2024

12. MOVEMENT IN FUNDS

	At 6.4.23 £	Net movement in funds £	At 5.4.24 £
Unrestricted funds			
General fund	1,410,198	(32,100)	1,378,098
Property maintenance fund (formerly Extraordinary repair fund)	35,225	(35,225)	-
	<u>1,445,423</u>	<u>(67,325)</u>	<u>1,378,098</u>
TOTAL FUNDS	<u>1,445,423</u>	<u>(67,325)</u>	<u>1,378,098</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	158,739	(211,128)	20,289	(32,100)
Property maintenance fund (formerly Extraordinary repair fund)	-	(35,225)	-	(35,225)
	<u>158,739</u>	<u>(246,353)</u>	<u>20,289</u>	<u>(67,325)</u>
TOTAL FUNDS	<u>158,739</u>	<u>(246,353)</u>	<u>20,289</u>	<u>(67,325)</u>

Comparatives for movement in funds

	At 6.4.22 £	Net movement in funds £	At 5.4.23 £
Unrestricted funds			
General fund	1,439,096	(28,898)	1,410,198
Property maintenance fund (formerly Extraordinary repair fund)	35,225	-	35,225
	<u>1,474,321</u>	<u>(28,898)</u>	<u>1,445,423</u>
TOTAL FUNDS	<u>1,474,321</u>	<u>(28,898)</u>	<u>1,445,423</u>

Notes to the Financial Statements - continued
for the Year Ended 5 April 2024

12. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	152,260	(155,490)	(25,668)	(28,898)
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>152,260</u>	<u>(155,490)</u>	<u>(25,668)</u>	<u>(28,898)</u>

The Trustees have reduced the allocation of funds in the Property maintenance fund (formerly the Extraordinary repair fund) on the basis that the funds currently being held in a building society account represent an appropriate level of cash reserve, readily available to cover any unexpected property maintenance, and all other assets therefore represent the General fund.

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 5 April 2024.

Sutton Turner Houses

Detailed Statement of Financial Activities for the Year Ended 5 April 2024

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Investment income		
Investment dividends received	1,825	3,622
Deposit account interest	702	187
Investment interest received	708	4,066
	<hr/>	<hr/>
	3,235	7,875
 Charitable activities		
Weekly maintenance contributions	159,635	156,700
Voids	(4,131)	(12,315)
	<hr/>	<hr/>
	155,504	144,385
 Total incoming resources	<hr/>	<hr/>
	158,739	152,260
 EXPENDITURE		
Charitable activities		
Rates and water	2,469	1,905
Insurance	3,797	3,897
Light and heat	1,384	1,596
Call alarm system	6,448	4,736
Garden maintenance	21,774	13,042
Sundries	2,201	2,306
Property maintenance	17,303	19,469
Extraordinary maintenance	59,542	58,798
Reactive maintenance	25,209	13,169
	<hr/>	<hr/>
	140,127	118,918
 Other		
Depreciation	34,080	(31,914)
 Support costs		
Management		
Accountancy and legal fees	4,052	3,499
Clerk's remuneration	63,058	60,000
	<hr/>	<hr/>
	67,110	63,499
 Finance		
Investment advisor charges	5,036	4,987

This page does not form part of the statutory financial statements

Sutton Turner Houses

Detailed Statement of Financial Activities for the Year Ended 5 April 2024

	2024 £	2023 £
Total resources expended	246,353	155,490
Net expenditure before gains and losses	(87,614)	(3,230)
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	(865)	6,892
Net (expenditure)/income	(88,479)	3,662

This page does not form part of the statutory financial statements