

ASKEW HOUSING TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

ASKEW HOUSING TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ms. Hazel Bettison Rev. Adam Hood Mr. Michael Thomas Richardson Mr. Ian Hunter Hay Mr. Graham Ferguson Rev. Rachel Hudson
Secretary	Mr Mark Pentecost
Charity number	1156162
Principal address	4 Quay Walls Berwick-upon-Tweed Northumberland TD15 1HD
Independent examiner	Alan Patterson FCA Greaves West & Ayre 17 Walkergate Berwick-upon-Tweed Northumberland TD15 1DJ
Bankers	Royal Bank of Scotland 42 Hide Hill Berwick-upon-Tweed Northumberland TD15 1AB
Solicitors	Sanderson McCreath & Edney Limited 4 Quay Walls Berwick upon Tweed Northumberland TD15 1HD

ASKEW HOUSING TRUST

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ASKEW HOUSING TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable incorporated organisation's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Mission Statement

The Trust was set up to provide low cost housing for specific groups of qualifying people.

The trustees endeavour to select tenants and occupiers from disadvantaged backgrounds who are, in their opinion, deserving of the benefit of the charity.

Objectives and activities

In selecting tenants to meet the Trust's mission, the Trust's objects consider the following:

- i) such persons shall as far as possible be persons resident in or originally born in the Borough of Berwick upon Tweed, or the widows or widowers of such persons.
- ii) subject to the special merit or special circumstances of any particular applicant or applicants, the first preference shall so far as practicable be given to men, and the widows, children and dependents of men who have served in Her Majesty's Forces (Naval, Military or Air) in any War especially men who are by reason of such service totally or partially disabled from full or active work and the widows, children and dependents of men who were by reason of such service killed or totally or partially disabled from full or active work.
- iii) subject as aforesaid preference shall be given (among applicants whose claims are otherwise equal) to those who have been longest resident in the Borough of Berwick upon Tweed.
- iv) in default of any such persons being suitable applicants the trustees may select any other person or persons who in the opinion of the trustees is or are associated with the Borough of Berwick upon Tweed by family occupation or otherwise.
- v) the selection by the trustees shall be absolute and final in every respect.

The trustees continue a rolling repair programme on the properties of the Trust, having carried out general works during each year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable incorporated organisation should undertake.

The charitable incorporated organisation's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

ASKEW HOUSING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

The Trust has achieved its charitable objectives for the period and continues to meet the challenges arising from increased regulation. The Trustees note that the costs of complying with the regulations are also increasing.

The financial performance and position as at the period end are described below.

Grants and Donations

There were no capital commitments as at the balance sheet date (2021: £Nil).

Investment Policy

Sufficient surplus funds to cover any foreseeable contingency are held in cash deposits to allow for immediate access should this be required.

The Trust's funds deemed not to be immediately required are held on Treasury Deposit or invested in Charibond funds and Parmenion Ethical GIA to provide income, as well as benefiting from capital growth whilst minimising risk.

Listed investments are revalued annually as at the period end. Realised and unrealised gains or losses are reported through the Statement of Financial Activities.

Investment Performance

The value of the Charity's investments in Charibond funds has increased from £8,609 to £10,321. This reflects the increase in the stock market over the past twelve months. Income from this investment is in line with the previous year.

The charity made £120,000 investment in Parmenion Ethical Portfolio in the previous year to achieve capital growth over and above inflation whilst adopting a socially responsible stance towards investments. The value of the investment as at the balance sheet date increased to £126,633 from £108,965 due to the strong performance of the market during the year.

Employees and Volunteers

The Trust employed one member of staff during the year.

Financial review

The Trust's income for the period is composed primarily of tenants' rents. This is supplemented by income from cash deposits and investments. Total income for the year amounted to £93,864 (2021: £92,880).

Expenditure for charitable purposes, management of the Trust and Investment amounted to £76,809 (2021: £59,855). The net surplus for the year, including the unrealised gain on revaluation of investments of £2,549 (2021: £18,624) was £19,603 (2021: £51,649).

Closing reserves were therefore £365,263 as at the balance sheet date (2021: £345,659).

It is the policy of the charitable incorporated organisation that unrestricted funds which have not been designated for a specific use should be maintained at a minimum level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charitable incorporated organisation's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Risk Management

The trustees have assessed the major risks to which the charitable incorporated organisation is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

ASKEW HOUSING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Plans for the future

The Trust intends to continue to provide housing to those in need and to carry out repairs on the properties as necessary. Currently, funds are at a level which will allow this to be achieved.

Public Benefit

Throughout this report the trustees have sought to highlight those activities undertaken by the Trust in furtherance of its charitable objectives for the public benefit.

The Trust continually considers its activities and policies with particular regard to the public benefit guidance published by the Charity Commission under section 4 of the Charities Act 2011.

Structure, governance and management

The charitable incorporated organisation was established by a constitution on 13 March 2014. On this date, the assets of Askew Housing Trust, an unincorporated charity, number 0231176, were transferred to the charitable incorporated organisation (CIO).

The Trust is a registered CIO, number 1156162.

Trustees act in a voluntary capacity and do not receive any remuneration. Trustees are appointed in accordance with the terms of the constitution.

The trustees who served during the year and up to the date of signature of the financial statements were:

Ms. Hazel Bettison

Rev. Adam Hood

Mr. Michael Thomas Richardson

Mr. Ian Hunter Hay

Mr. Graham Ferguson

Rev. Rachel Hudson

The trustees have assessed the major risks to which the trust is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

ASKEW HOUSING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable incorporated organisation and of the incoming resources and application of resources of the charitable incorporated organisation for that year.

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

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charitable incorporated organisation and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charitable incorporated organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Mr Mark Pentecost

Secretary

Dated: 9 June 2022

ASKEW HOUSING TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ASKEW HOUSING TRUST

I report to the trustees on my examination of the financial statements of Askew Housing Trust (the charitable incorporated organisation) for the year ended 31 March 2022.

Responsibilities and basis of report

As the trustees of the charitable incorporated organisation you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charitable incorporated organisation's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

- 1 accounting records were not kept in respect of the charitable incorporated organisation as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

I confirm that there are 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 financial statements to be reached.

Alan Patterson FCA

Greaves West & Ayre
17 Walkergate
Berwick-upon-Tweed
Northumberland
TD15 1DJ

Dated: 9 June 2022

ASKEW HOUSING TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
<u>Income from:</u>			
Income from charitable activities	3	91,163	90,016
Investments	4	2,701	2,864
Total income		93,864	92,880
<u>Expenditure on:</u>			
Raising funds	5	1,693	1,644
Charitable activities	6	75,116	58,211
Total resources expended		76,809	59,855
(Losses)/gains on investments	10	2,549	18,624
Net movement in funds		19,604	51,649
Fund balances at 1 April 2021		345,659	294,010
Fund balances at 31 March 2022		365,263	345,659

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

All income and expenditure derive from continuing activities.

ASKEW HOUSING TRUST

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	11		108,503		108,503
Investments	12		140,014		136,954
			<u>248,517</u>		<u>245,457</u>
Current assets					
Cash at bank and in hand		120,109		102,006	
Creditors: amounts falling due within one year	15	<u>(3,363)</u>		<u>(1,804)</u>	
Net current assets			116,746		100,202
Total assets less current liabilities			<u>365,263</u>		<u>345,659</u>
Income funds					
Unrestricted funds			365,263		345,659
			<u>365,263</u>		<u>345,659</u>

The financial statements were approved by the Trustees on 9 June 2022

Ms. Hazel Bettison
Trustee

ASKEW HOUSING TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Askew Housing Trust is a charitable incorporated organisation which was established by a constitution on 13 March 2014. The Trust is a registered CIO, number 1156162.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable incorporated organisation's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charitable incorporated organisation is a Public Benefit Entity as defined by FRS 102.

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

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

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

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable incorporated organisation.

1.4 Incoming resources

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

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

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

ASKEW HOUSING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Tangible fixed assets

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

Tangible fixed assets are stated at cost. No depreciation is provided on freehold properties as in the trustees' opinion the residual value will be in excess of any carrying value.

The freehold land and property is held in furtherance of the charity's objectives and not as investments.

All assets are capitalised whatever their value. All assets are reviewed for impairment and written down to their recoverable amount, where necessary.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

ASKEW HOUSING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable incorporated organisation's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable incorporated organisation is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Rent

Rent received in respect of the Trust's property lets is accounted for in the period in which it is receivable.

2 Critical accounting estimates and judgements

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

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

ASKEW HOUSING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

3 Income from charitable activities

	2022 £	2021 £
Rent	91,163	90,016
	<u> </u>	<u> </u>

4 Investments

	2022 £	2021 £
Investment income	2,690	2,828
Interest receivable	11	36
	<u> </u>	<u> </u>
	<u>2,701</u>	<u>2,864</u>

5 Raising funds

	2022 £	2021 £
Investment management	1,693	1,644
	<u> </u>	<u> </u>
	<u>1,693</u>	<u>1,644</u>

ASKEW HOUSING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

6 Charitable activities

	Direct charitable expenditure	Governance costs	Total 2022	Total 2021
	£	£	£	£
Staff costs	5,203	-	5,203	5,005
Heat and light	1,607	-	1,607	1,674
Council tax and water rates	4,490	-	4,490	27,369
Insurances	5,588	-	5,588	4,962
Repairs	43,640	-	43,640	7,415
General administration expenses	1,264	-	1,264	807
Secretary's fees	1,500	-	1,500	-
	<u>63,292</u>	<u>-</u>	<u>63,292</u>	<u>47,232</u>
Share of governance costs (see note 7)	-	11,824	11,824	10,979
	<u>63,292</u>	<u>11,824</u>	<u>75,116</u>	<u>58,211</u>

7 Support costs

	2022 £	2021 £	Basis of allocation
Secretary's fees	8,206	7,965	Governance
Accountancy	3,618	3,014	Governance
	<u>11,824</u>	<u>10,979</u>	
Analysed between			
Charitable activities	<u>11,824</u>	<u>10,979</u>	

Governance costs includes payments to the independent examiner of £2,160 (2021: £2,040) for independent examination fees.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses during the year (2021: £Nil).

ASKEW HOUSING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Average number of employees	1	1

Employment costs

	2022 £	2021 £
Wages and salaries	5,203	5,005

There were no employees whose annual remuneration was £60,000 or more.

10 Net gains/(losses) on investments

	2022 £	2021 £
Revaluation (loss)/gain on investments	2,549	18,624

11 Tangible fixed assets

	Land and buildings £	Property improvements £	Total £
Cost			
At 1 April 2021	43,213	65,290	108,503
At 31 March 2022	43,213	65,290	108,503
Carrying amount			
At 31 March 2022	43,213	65,290	108,503
At 31 March 2021	43,213	65,290	108,503

The trustees acknowledge that the market value of the property is much greater than its carrying value. However, they do not feel that a revaluation is required as there is no intention to dispose of any property in the future.

ASKEW HOUSING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

12 Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 April 2021 & 31 March 2022	126,633	10,321	136,954
Carrying amount			
At 31 March 2022	126,633	10,321	136,954
At 31 March 2021	126,633	10,321	136,954

13 Financial instruments

	2022 £	2021 £
Carrying amount of financial assets		
Equity instruments measured at cost less impairment	140,014	136,954
Carrying amount of financial liabilities		
Measured at amortised cost	3,363	1,804

14 Loans and overdrafts

	2022 £	2021 £
Bank overdrafts	-	669
Payable within one year	-	669

15 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank overdrafts	14	-	669
Trade creditors		184	-
Accruals and deferred income		3,179	1,135
		3,363	1,804

ASKEW HOUSING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

16 Analysis of net assets between funds

Unrestricted Funds General

£

Fund balances at 31 March 2022 are represented by:

Tangible assets	108,503
Investments	140,014
Current assets/(liabilities)	116,746
	<hr/>
	365,263
	<hr/>

17 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

ASKEW HOUSING TRUST

DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	£	2022 £	£	2021 £
Investment income				
Deposit account interest	11		36	
Investment income	2,690		2,828	
		2,701		2,864
Incoming resources from charitable activities				
Rent		91,163		90,016
Total incoming resources		93,864		92,880
<u>Resources expended</u>				
Investment management costs				
Investment management costs		(1,693)		(1,644)
Direct charitable expenditure				
Wages	5,203		5,005	
Heat and light	1,607		1,674	
Council tax and water rates	4,490		27,369	
Insurances	5,588		4,962	
Repairs	43,640		7,415	
General administration expenses	1,264		807	
Resident fuel payments	1,500		-	
		(63,292)		(47,232)
Governance costs				
Secretary's fees	8,206		7,965	
Accountancy	3,618		3,014	
		(11,824)		(10,979)
Net gains/losses on investments				
Revaluation of investments		2,549		18,624
Surplus for the Year		19,604		51,649