

Charity no: 1165878
Social Housing no: 4859

THE BLUE HOUSE

**The Bridge
Frome
Somerset
BA11 1AP.**

UNAUDITED FINANCIAL STATEMENTS

31st March 2024

R. E. Froud & Associates Ltd
Chartered Management Accountants
61 Robins Lane
Frome
Somerset
BA11 3ET

THE BLUE HOUSE

Chairman	M Cheal
Board members/Trustees	S Barnes J Dowling M England R Griffiths - appointed 19/06/2023 R Isherwood D Oakensen A Oakes S Sandon
Principal Office	The Bridge Frome Somerset BA11 1AP
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Examiner	Natalie Froud BMus MA ACMA CGMA FFA FIPA FISM MSWW R. E. Froud & Associates Ltd 61 Robins Lane Frome Somerset BA11 3ET
Registered Charity Number	1165878

THE BLUE HOUSE

TRUSTEES ANNUAL REPORT FOR YEAR ENDED 31 MARCH 2024

Structure, governance and management

The Blue House was registered with the Charity Commission as a Charitable Incorporated Organisation (CIO) with effect from 4th March 2016 under number 1165878. The governing document is the Constitution of The Blue House. A document entitled Rules of The Blue House Trustees, as allowed for in Clause 26 of the Constitution, was adopted by the Trustees at a Board meeting held on 4th April 2016. This document sets out the rules by which the Trustees manage the Blue House. The Blue House is registered with the Home and Communities Agency (HCA) (registered number 4859) as a non-profit private registered provider of social housing.

The Board of Trustees meets six times a year. The executive Sub Committee which did meet prior to each meeting, has now been merged into the main board meeting, with 2 residents reps in attendance at the start of each meeting.

Co-opted Trustees

Where a vacancy occurs, the Trustees will debate whether there are any areas of expertise that are not covered adequately by the Trustees and should try to recruit a suitable person to fill the vacancy.

In the event of more possible names being put forward than vacancies each prospective Trustee will be asked to prepare a brief statement of their skills and experiences, and to meet with the Chair. The decision will then be put to the vote at the next Trustees' meeting, providing there is a quorum.

The charity employs four part time staff including a manager, who deal with all day to day matters.

Objectives and activities

The Blue House provides residential accommodation for beneficiaries in accordance with its Constitution. This is to provide affordable housing to poor aged persons who were born in, or who are at the time of their appointment, inhabitants of the area of benefit. The area being the town of Frome and surrounding parishes. In the activities of the charity the Trustees have considered the Charity Commission's guidance on public benefit and fee charging. Income is mainly derived from the Weekly Maintenance Contributions (WMCs) of residents.

The Trustees aim to:

- keep WMCs at the minimum level using guidelines from Homes England;
- assist residents in claiming all benefits to which they are entitled;
- ensure high levels of occupancy;
- maintain the building to a high standard and improve accommodation as it becomes vacant;
- maintain the grounds as an amenity for residents;
- encourage and facilitate the involvement of residents.

Achievements and performance

This time last year I stated that the year had been less challenging than the previous two years and one would hope that the same or better could be said of this year. However, it has had different challenges mainly relating to the building itself and to the Trustees.

David Hoare has continued to be extremely vigilant and conscientious in his upgrading of the building and continuing to maintain it in a way that is appropriate for the 21st century. This has not come without its challenges including the finding of asbestos in some areas which has had to be removed as well as the upgrading of all the fire doors and associated systems. All of this has also led to some major internal refurbishment with associated fire risks (woodchip wallpaper, etc) having to be removed. The Tunstall emergency call system has been completely replaced and the tree works to the gardens have been done. We still wait to sort out the pear trees on the Bridge and their replacements. The flood channel has had to be cleaned out again with no support from the council or any of the neighbors associated with it. The boilers are also now beginning to give cause for concern and will need to be replaced in the foreseeable future. In the meantime, we have had to spend some £9,884 on repairing them to keep them working. Parking on the front curtilage of the Blue House continues to be a problem and David continues to monitor this to the best of his ability. His staff have continued to be outstanding.

We had a quinquennial survey carried out which praised the works undertaken over the last couple of years, but highlighted the need for the fire precaution works as well as the external work on the windows, masonry and roof that will now need to be carried out next year. We have had a provisional sum of £225,000 given to us and active fundraising now needs to take place to make this possible. A fundraising sub-committee has been set up under the leadership of Stuart Barnes (Trustee) and we are waiting his further feedback.

THE BLUE HOUSE

TRUSTEES ANNUAL REPORT FOR YEAR ENDED 31 MARCH 2024 (CONT'D)

Achievements and performance (cont'd)

The Wednesday morning (now weekly) coffee mornings are extremely popular, and we are grateful to the volunteers who run this every week. We celebrated the King's Coronation with the Trustees providing a lunch party for the Residents in the garden. The Songbirds Choir afternoon with teas, Open Gardens and Hidden Gardens were also successful events during this year and some £2136 was raised to go towards further maintenance. All of this highlights the importance of raising the profile of the Blue House in Frome and the fundraising committee have been tasked with this as well.

Four longstanding residents moved out of the Blue House because they were no longer able to live independently. Refurbishment of all these flats was necessary some at considerable expense but all the vacancies were filled very quickly and there are currently no voids.

The Trustees took the decision partway through the year to merge the Executive Committee meetings with the Trustee board meetings (who met every other month, opposite months to main Board). So far this is working well.

Two very longstanding Trustees, Janet Campbell and Chris Rose stepped down. Sadly, Chris died after several years of ill health. They will both be greatly missed, and the Trustees are working actively to replace them.

Financial review

The Charities Act 2011 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 Blue House at the end of the year and the surplus or deficiency for the year then ended.

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of The Blue House and to enable them to ensure that the financial statements comply with the Charities Act 2011.

The Trustees are also responsible for safeguarding the assets of The Blue House and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In preparing those financial statements, the Trustees are required to select suitable accounting policies as described in this document, and then apply them on a consistent basis, making judgments and estimates that are prudent and reasonable. The Trustees must also prepare financial statements on a going concern basis unless it is inappropriate to presume that The Blue House will continue in business.

The Blue House is obliged to invest in approved funds. The Admin & Finance Officer monitors the financial situation and makes any recommendations for changes to the Trustees.

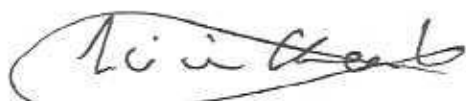
The permanent endowment investments are restricted to providing income and capital growth. Other holdings which are not restricted may be used for major repairs. Reserves are maintained sufficient to ensure the upkeep of the building and the maintenance of services.

Following a procurement process it was decided to terminate our relationship with accountants Burton Sweet. It was decided to ask R. E. Froud & Associates Ltd. to take over preparation of the Blue House accounts.

Plans for future periods

The Blue House will continue to provide accommodation within the existing premises to beneficiaries from the area of benefit. The building will be maintained in an appropriate manner in accordance with its historic status.

The trustees' annual report was approved on 6th August 2024 and signed on behalf of the board of trustees by:



Miriam Cheal (Chairman)
Trustee

THE BLUE HOUSE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES ON THE UNAUDITED FINANCIAL STATEMENTS OF THE BLUE HOUSE

I report on the financial statements for the year ended 31 March 2024, which comprise the statement of financial activities (including income and expenditure account), statement of financial position, and the related notes.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011. I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the Act. I am qualified to undertake the examination by being a qualified member of the Chartered Institute of Management Accountants (CIMA).

Independent examiner's statement

In connection with my examination, I confirm that no matter has come to my attention in connection with the examination giving me cause to believe that in any material respect:

- accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
- the accounts do not accord with those records; or
- the accounts 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 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.



Natalie Froud BMus MA ACMA CGMA FFA FIPA FISM MSWW.
Independent Examiner

on behalf of R. E. Froud & Associates Ltd
61 Robins Lane
Frome
Somerset
BA11 3ET

Date:-

29/7/24

THE BLUE HOUSE

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2024

INCOME AND EXPENDITURE

		Unrestricted funds £	Restricted funds	2024 Endowment funds £	Total funds £	2023 Total funds £
Income	Note					
Donations and legacies		6,067	-	-	6,067	3,022
Charitable activities	2	150,626	-	-	150,626	122,035
Investments	3	8,544	-	-	8,544	887
Total income		165,237	-	-	165,237	125,944
Expenditure						
Expenditure on charitable activities	4	(178,018)	-	-	(178,018)	(135,646)
Expenditures on raising funds		(1,198)	-	-	(1,198)	(804)
Total expenditure		(179,216)	-	-	(179,216)	(136,450)
Net gains/(losses) on investments		6,278	-	-	6,278	(11,087)
Transfers between funds		141,020	(162,976)	21,956	0	-
Net income and net movement in funds		133,319	(162,976)	21,956	(7,701)	(21,594)
Reconciliation of funds						
Total funds brought forward		195,481	188,896	431,219	815,596	837,190
Total funds carried forward		328,800	25,920	453,175	807,895	815,596

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

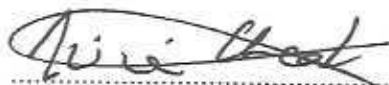
All of the above amounts relate to continuing activities.

THE BLUE HOUSE

STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2024

	Notes	2024	2023
		£	£
FIXED ASSETS			
Tangible Assets	9	453,175	431,219
Investments (at Market Value)	10	271,718	265,441
		<u>724,894</u>	<u>696,660</u>
CURRENT ASSETS			
Stock	100		100
Debtors	11	4,163	4,404
Cash at bank and in hand		<u>81,358</u>	<u>127,876</u>
		<u>85,621</u>	<u>132,380</u>
CREDITORS: Amounts falling due within one year	12	<u>(2,619)</u>	<u>(13,444)</u>
NET CURRENT ASSETS		<u>83,002</u>	<u>118,937</u>
NET ASSETS		<u>807,895</u>	<u>815,596</u>
FUNDS OF THE CHARITY			
Unrestricted funds	13	328,801	195,481
Restricted funds	13	25,920	188,896
Endowment funds	13	453,175	431,219
TOTAL CHARITY FUNDS		<u>807,895</u>	<u>815,596</u>

These financial statements were approved by the trustees on the 6th August 2024 and are signed on their behalf by:



M Cheal
Chairman

THE BLUE HOUSE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of accounting

These financial statements have been prepared in compliance with FRS 102. 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

The charity is a public benefit entity as defined under FRS 102. The Trustees consider that there are no material uncertainties affecting the ability of the charity to continue as a going concern.

Income

Income from donations is included in income when these are receivable, except as follows:

- when donors specify that donations given to the charity must be used in future accounting periods, the income is deferred until those periods;
- when donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred until the pre-conditions have been met.

Legacies are included on a receivable basis where charity is entitled to the income, it can be measured reliably and receipt is probable. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is not included in income but is treated as a contingent asset and disclosed if material.

Investment income is included on a receivable basis.

Donations in kind comprise donated services where the costs are measurable and the services would otherwise have to be paid for to maintain operational effectiveness.

Expenditure

Expenditure is recognised in the period in which it is incurred. Expenditure includes attributable VAT which cannot be recovered.

Raising funds

Raising funds expenditure include those costs incurred in seeking voluntary contributions, costs of goods sold and other costs which include the costs of running and participating in fundraising events and collections and cost of goods purchased for resale.

Charitable Activities

Grants awarded are allocated to charitable activities. Grants awarded are treated as expenditure and a liability in the accounts as soon as they become legal or constructive obligations. In the case of multi-year grant awards, the funding for all years is immediately recognised unless there are conditions which need to be met by the recipient to enable the release of subsequent years' funding.

Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity. Governance costs are included within support costs.

Allocation and apportionment costs

Certain expenditure is directly attributable to specific activities and this has been included in those cost categories. Other costs, which are attributable to more than one category, are apportioned across cost categories on the basis of an assessment of workload carried out from time to time. Overhead support costs have been allocated to charitable activities. The apportionment has been allocated on the basis of usage and is analysed in note 6.

Pension costs and other post retirement benefits

The charity contributes to defined contribution pension schemes. Contributions payable to the charity's pension schemes are charged to the Statement of Financial Activities in the period to which they relate.

Tangible fixed assets

Fixed assets are held at cost less accumulated depreciation. Depreciation is calculated so as to write off the cost of an asset, less its estimated ultimate residual value, over the useful life of that asset. No depreciation is provided on the freehold endowment property on the basis that annual repairs and maintenance expenditure counteracts any depreciation in value.

THE BLUE HOUSE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTES TO THE FINANCIAL STATEMENTS - cont'd

Fixed asset investments

Investments are included at market value at 31 March. The SOFA includes the net gains and losses arising on revaluations and disposals during the year.

Stock

Stocks are valued at the lower cost and net realisable value, after making due allowance for obsolete and slow moving items. Donated items are not valued in stock and recognised in income only when sold.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objects 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. Designated funds form part of the unrestricted funds and have been identified as being for particular purposes by the Trustees. They are not restricted and can be transferred to general funds at any time at the discretion of the Trustees.

2. CHARITABLE ACTIVITIES

	2024			2023
	Unrestricted funds	Restricted funds	Endowment funds	Total funds
	£	£	£	£
Weekly maintenance, contributions & utilities	150,626	-	-	122,035
	<u>150,626</u>	<u>-</u>	<u>-</u>	<u>122,035</u>

3. INVESTMENTS

	2024			2023
	Unrestricted funds	Restricted funds	Endowment funds	Total funds
	£	£	£	£
Interest received	8,544	-	-	887
	<u>8,544</u>	<u>-</u>	<u>-</u>	<u>887</u>

4. EXPENDITURE CHARITABLE ACTIVITIES

	Direct Costs	Support Costs (Note 6)	Total Funds 2024
	£	£	£
Core activity costs - almshouse	156,969	21,049	178,018
	<u>156,969</u>	<u>21,049</u>	<u>178,018</u>

Prior year comparative	Direct Costs	Support Costs (Note 6)	Total Funds 2023
	£	£	£
Core activity costs - almshouse	112,641	23,005	135,646
	<u>112,641</u>	<u>23,005</u>	<u>135,646</u>

THE BLUE HOUSE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTES TO THE FINANCIAL STATEMENTS - cont'd

5. PARTICULARS OF INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS

	2024 £	2023 £
<i>Income from letting activity</i>		
Weekly maintenance contributions and utilities	150,626	122,035
Turnover from social housing lettings	<u>150,626</u>	<u>122,035</u>
Management	42,236	37,598
Maintenance	89,491	45,639
Utilities & insurance	25,242	29,405
Other support costs	21,049	23,005
Operating expenditure on social housing lettings	<u>178,018</u>	<u>135,646</u>
Operating surplus/(deficit) on social housing lettings	<u>(27,392)</u>	<u>(13,611)</u>

6. SUPPORT COSTS

	2024 £	2023 £
Staff costs	10,188	8,700
IT & telephone	5,288	8,056
Office costs	1,619	2,468
Governance costs	3,953	3,781
	<u>21,049</u>	<u>23,005</u>

7. GOVERNANCE COSTS

	2024 £	2023 £
Accountancy, legal and professional		
Fees & subscriptions	3,831	3,708
Bank charges	122	74
	<u>3,953</u>	<u>3,781</u>

8. STAFF COSTS AND NUMBERS

	2024 £	2023 £
Wages & Salaries	51,115	44,306
	<u>51,115</u>	<u>44,306</u>
	No.	No.
Management and administration staff	<u>4</u>	<u>4</u>

No employees received emoluments of more than £60,000 in the current or prior year.
No trustee received any remuneration during the current or prior year.

THE BLUE HOUSE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTES TO THE FINANCIAL STATEMENTS - cont'd

9. TANGIBLE FIXED ASSETS

	Freehold Property £	Total £
Cost		
At 31 March 2023	431,219	431,219
Additions	21,956	21,956
At 31 March 2024	<u>453,175</u>	<u>453,175</u>
Depreciation		
At 31 March 2023 & 31 March 2024	<u>-</u>	<u>-</u>
Net book value		
At March 2024	<u>453,175</u>	<u>453,175</u>
At March 2023	<u>431,219</u>	<u>431,219</u>

The freehold property represents the Blue House, a Grade 1 listed building built in 1726 as an almshouse and boy's charity school and situated on an island in the River Frome adjacent to the town centre.

10. INVESTMENTS

	2024 £	2023 £
Valuation		
At 1st April	265,441	276,668
Net gains/(losses)	6,278	(11,227)
Net book value at 31 March	<u>271,718</u>	<u>265,441</u>

Investments in the year comprise of M&G securities, Black Rock, and CAF investments.

11. DEBTORS

	2024 £	2023 £
Trade debtors	2,115	1,265
Prepayments and accrued income	2,047	3,139
Other debtors	-	-
	<u>4,163</u>	<u>4,404</u>

12. CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade creditors	1,056	480
Taxation and social security	-	878
Accruals and deferred income	1,563	12,086
	<u>2,619</u>	<u>13,444</u>

THE BLUE HOUSE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTES TO THE FINANCIAL STATEMENTS - cont'd

13. MOVEMENT IN FUNDS

	At 1 April 2023	Income	Expenditure	Gains / Losses	Transfers	At 31 March 2024
	£	£	£	£	£	£
Unrestricted funds	195,481	165,237	(179,216)	6,278	141,020	328,800
Restricted funds						
Extraordinary repairs fund	108,101	-	-	-	(108,101)	-
Cyclical maintenance fund	54,875	-	-	-	(54,875)	-
Clock maintenance fund	25,920	-	-	-	-	25,920
	188,896	-	-	-	(162,976)	25,920
Endowment funds	431,219	-	-	-	-	431,219
Total funds	<u>815,596</u>	<u>165,237</u>	<u>(179,216)</u>	<u>6,278</u>	<u>21,956</u>	<u>807,895</u>

Prior Year	At 1 April 2022	Income	Expenditure	Gains / Losses	Transfers	At 31 March 2023
	£	£	£	£	£	£
Unrestricted funds	240,381	125,944	(136,450)	(11,087)	(23,306)	195,481
Restricted funds						
Clock maintenance fund	25,920	-	-	-	-	25,920
Extraordinary repairs fund	108,101	-	-	-	-	108,101
Cyclical maintenance fund	54,875	-	-	-	-	54,875
	188,896	-	-	-	-	188,896
Endowment funds	407,913	-	-	-	-	407,913
Total funds	<u>837,190</u>	<u>125,944</u>	<u>(136,450)</u>	<u>(11,087)</u>	<u>23,306</u>	<u>815,596</u>

Clock Maintenance Fund - this is a restricted fund given to the Blue House which may only be used by the Trustees to repair and maintain the Clock and the Clock Tower.

Endowment Fund - this fund represents the grade 1 listed property.

14. RELATED PARTY TRANSACTIONS

There are no transactions with trustees or other related parties other than those disclosed as required by the SORP elsewhere in the financial statements.

THE BLUE HOUSE

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2024

DETAILED INCOME AND EXPENDITURE ACCOUNT

	2024		2023	
	£	£	£	£
INCOME				
Coffee Morning sales	1,902		607	
Donations	700		-	
Frome Festival	573		422	
Hire of church hall	1,065		330	
Interest receivable	8,544		887	
Knit & Natter sales	1,160		1,085	
Use of guest room	666		578	
Utilities	61,510		38,330	
WMC	89,116		83,705	
		<u>165,237</u>		<u>125,944</u>
EXPENDITURE				
Coffee Morning expenses	729		782	
Flat 21 update	3,662		504	
Frome Festival costs	22		22	
Parties and gifts	447		317	
Residents support	650		1,298	
Repairs and maintenance	74,360		42,526	
Utilities	17,948		17,632	
Rates	2,224		7,330	
Tools and equipment	660		329	
Salaries and wages	51,115		44,306	
Staff costs	604		435	
Office costs	6,178		8,858	
Insurance	5,071		4,443	
Travel and subsistence	55		260	
Accountancy, legal and professional	3,101		3,109	
Health and safety	11,184		2,522	
Subscriptions	730		598	
Bank charges	122		74	
Advertising & PR	344		80	
Sundry expenses	12		1,026	
		<u>179,216</u>		<u>136,450</u>
Net gains/(losses) on investments		6,278		(11,087)
OPERATING SURPLUS/(DEFICIT) FOR THE YEAR		<u>(7,701)</u>		<u>(21,594)</u>