

# LAKELAND HOUSING TRUST

England & Wales · Charity number 1175184

## Details

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Other names	LAKELAND HOUSING TRUST, LAKELAND HOUSING TRUST LIMITED, THE LAKELAND HOUSING TRUST
Status	Registered
Legal form	Charitable company
Company number	<a href="#">10298071</a>
Registered	2017-10-17
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	Cumbria Tourist Business Centre Windermere Road Staveley Kendal Cumbria LA8 9PL
Phone	01539721375
Email	<a href="mailto:kendal@hhlandestates.co.uk">kendal@hhlandestates.co.uk</a>
Website	<a href="http://www.thelakelandhousingtrust.co.uk">http://www.thelakelandhousingtrust.co.uk</a>

## Activities

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**Objects:** THE PREVENTION OR RELIEF OF FINANCIAL HARDSHIP BY THE PROVISION OF HOUSING TO THOSE UNABLE TO RENT OR BUY LOCALLY

**Activities:** The provision of rented homes for local people who cannot afford to buy or long-term rent accommodation at current market rates.

## Classification

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- **How:** Other Charitable Activities
- **What:** Other Charitable Purposes
- **Who:** The General Public/mankind

## Geography

- Cumbria

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,158,819	£325,385	£7,507,418	0
2023-12-31	£471,702	£255,955	-	-
2022-12-31	£756,444	£181,058	£6,108,237	0
2021-12-31	£1,013,069	£155,554	£5,532,851	0
2020-12-31	£842,383	£149,093	£4,675,336	0

## Trustees

Name	Role	Appointed
<b>Christopher Thomas Stafford Batten</b>	Chair	2024-06-10
CHARLES ROBERT ANDREW FLANAGAN		
Claire McKeever		2023-05-16
DOREEN ANNE HALL		
Diana Ruth Matthews		2015-05-18
Helen Caldwell		
Ian Roger Bonham		2019-05-13
JOHN HOLMES		2015-05-18
James Law		2022-01-17
Marion Johnston		2022-07-25
Stuart Eric Woodall		2023-05-16
Susan Marjory Tomlinson		2019-05-13
Yasmin Blamire		2023-05-16

**LAKELAND HOUSING TRUST**

England & Wales - Charity number 1175184

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# Accounts

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Company registration number: 10298071

Charity registration number: 1175184

# Lakeland Housing Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2024

Stables Thompson & Briscoe Limited  
Chartered Accountants & Statutory Auditor  
Lowther House  
Lowther Street  
Kendal  
Cumbria  
LA9 4DX

# **Lakeland Housing Trust**

## **Contents**

Reference and Administrative Details	1
Trustees' Report	2 to 7
Independent Auditors' Report	8 to 10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Financial Statements	13 to 22

## **Lakeland Housing Trust**

### **Reference and Administrative Details**

<b>Trustees</b>	Ms Y Blamire Mr J H Law Mrs D A Hall Mr C R A Flanagan Mr J M Holmes Mr I R Bonham Mrs S M Tomlinson Mr C T S Batten Mr B R P Dobson Mrs H E Caldwell Mr S E Woodall Mrs M Johnston Mrs D R Matthews Mrs CN McKeever
<b>Charity Registration Number</b>	1175184
<b>Company Registration Number</b>	10298071
<b>Registered Office</b>	The charity is incorporated in England and Wales. c/o H&H Land & Estates Cumbria Tourism Business Centre Windermere Road Staveley LA8 9PL
<b>Auditor</b>	Stables Thompson & Briscoe Limited Chartered Accountants & Statutory Auditor Lowther House Lowther Street Kendal Cumbria LA9 4DX

## **Lakeland Housing Trust**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity'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 published in October 2019.

Formed in 1937, The Lakeland Housing Trust is a Registered Charitable Company, the operations were originally through an unincorporated Charity - No 701075 - all the assets and operations transferred on 1 January 2019 to this charitable company - Charity No 1175184.

The Trust currently owns and manages 53 properties in the central Lakeland area, all within the Lake District National Park boundary.

Tourism is an essential part of life in central Lakeland but the increasing second home and holiday let market means that house prices have increased at a rate that makes it very difficult for local people to buy or rent a home. As a consequence, the sense of 'local community' is being lost.

#### **Objectives and activities**

##### ***Objects and aims***

The Lakeland Housing Trust provides rented homes for local people who cannot afford to buy or long-term rent accommodation at current market prices. Our affordable rents have resulted in several of our tenants being able to save for deposits and subsequently buy their own home.

Vacancies are advertised in the local press and priority consideration is given on the basis of need, to local people working or retired in the area or who have strong local family connections. Current properties are situated mainly in the Ambleside, Coniston, Hawkshead and Troutbeck areas.

##### ***Fundraising disclosures***

The charity does not carry out significant fundraising activities. However, a recent focus on media and marketing activities has led to financial donations and offers to sell homes at significantly below market value.

##### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

##### ***Use of volunteers***

The trustees are all volunteers and provide essential advice and practical support in the running of the Trust.

#### **Achievements and performance**

Perhaps the greatest achievement of this 87 year-old charity is that it continues to offer the very service it was founded for - namely the provision of housing at a subsidised rate for local people in the Central/South Lakes area. The need for such housing is even more acute than it was in 1937 and we're pleased to report that our stock of 53 properties will be increasing to 54 with work having begun on a new-build cottage alongside our existing properties in Skelwith Bridge.

## Lakeland Housing Trust

### Trustees' Report

We continue to upgrade our properties to achieve an EPC 'C' rating (or better) as they are vacated and will continue that work in 2025. Other notable improvements to our properties that were completed in the year include:

*Grandy Nook (Kendal)* - external works were finished and all 6 apartments are now occupied. It was not possible to proceed with building redevelopment plans for the small bungalow in the grounds however plans are progressing to lease it to a local craftsman.

*Neaum Hurst Cottages (Skelwith)* - Nos. 3 and 4 have been completely refurbished and are now let.

*Sidey Bank (Troutbeck)* - reroofing and a new front door.

*5 Fitz Steps (Little Langdale)* - completely refurbished and now let.

*High Greengate (Near Sawrey)* - major refurbishment following extensive internal water damage. These works began during the year and will be completed in 2025.

All of the above is overseen by the Building Group, led by John Holmes and assisted by Stuart Woodall and other voluntary board members. Their work is invaluable and much appreciated.

Equally important is the work undertaken by the Rents and Tenancies Committee, led by Susan Tomlinson and assisted by other voluntary board members. Seven tenancies began in the year with only one of our properties (High Greengate) remaining vacant as described above. Each new tenancy is widely advertised with the Committee receiving a considerable volume of eligible applications on each occasion. Great care is taken to select candidates for interview, undertake background checks and offer properties to the most deserving tenants. The ongoing work of the committee, including overseeing biennial inspections of all our properties, is much appreciated.

Finally, we are pleased to report that a number of donations were received by the Trust during the year - we remain grateful for each and every one as it helps us to continually upgrade our properties. Of particular note, however, was a £750,000 legacy received during the year (with a final settlement due in 2025) which will enable us to add to our property portfolio. This very generous gift is to remain anonymous at the time of writing.

#### **Financial review**

The Trust received income of £1,158,819 in the year (2023 - £471,702) the increase mainly due to an increase of £631,565 in donations and legacies. Rental income was £21,395 higher reflecting the increase in the number of properties to rent.

Running expenses were also higher than last year at £325,385 (2023 - £255,956). Part of this increase related to contracted for repairs and improvements at Green Gate Cottage following flood damage which was completed after the end of the year and was partially covered by insurance.

The housing development costs capitalised were £364,468 in the year compared to £752,268 last year.

The net surplus transferred to funds was £833,434 (2023 - £215,746).

## **Lakeland Housing Trust**

### **Trustees' Report**

#### ***Policy on reserves***

It is the policy of the Trust to maintain unrestricted funds at a level which equates to approximately six months unrestricted expenditure. This provides sufficient funds to cover management and administration costs and to respond to emergency capital expenditure which can arise from time to time.

Free reserves at the year end were £535,665 (2023 - £65,391). This is equivalent to 20 months running costs and is largely due to the generous legacy received during the year.

The Finance Group regularly reviews the financial position of the Trust - ensuring that there are sufficient funds to cover current and planned future expenditure, whilst also ensuring that there is sufficient surplus for the repayment of its borrowings.

Further information in relation to anticipated financial issues is detailed under 'Future Plans'.

#### ***Principal funding sources***

The principal funding sources for the charity are the rentals obtained from the properties and legacies.

#### **Structure, governance and management**

##### ***Nature of 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.

##### ***Recruitment and appointment of trustees***

New trustees are nominated and appointed by the existing trustees.

##### ***Induction and training of trustees***

New trustees are selected based on their skills and knowledge of our local communities, ensuring that the Trust always has trustees with experience in financial and property management. New trustees are provided with copies of previous Board meeting minutes, information about the Trust, its properties, its tenants and the community needs within the Central Lakes area.

## Lakeland Housing Trust

### Trustees' Report

#### *Organisational structure*

The trust is managed locally by Trustees who have lived in the area for most of their lives and who give their services voluntarily. They have a deep commitment to the preservation and prosperity of integrated local communities and value the traditional vernacular architecture of the Lake District. All improvements are carried out sympathetically.

All the Trustees continue to give a great deal of advice and practical assistance in the running of the Trust.

The day-to-day administration of the Trust transferred from Ingalls Accountants, Kendal to H&H Land & Estates, Kendal in June 2019. This change was necessary due to the current and anticipated future growth of the Trust. The relevant experience and expertise of H&H Land and Estates staff has ensured that the Trust continues to be managed effectively.

The Trust's Buildings Group oversees the maintenance of the properties and plans for future works, ensuring compliance with relevant legislation. Trustee, John Holmes, has ably led the Group, supported by a local architect, Stuart Woodhall, who manages some of the larger projects on behalf of the Trust. Charles Flanagan, my predecessor, has also provided invaluable support.

The Trust's Rents and Tenancy Group is responsible for setting rents, selecting new tenants, undertaking rent review visits and ensuring compliance with legislation. Trustee, Sue Tomlinson has ably led this Group.

The Finance Group is responsible for monitoring and reviewing the financial health of the Trust. Our new trustee, James Law, who has his own accountancy business, has provided excellent support and advice and worked effectively with H&H Client Account Manager, Karen Philipson

The Trust's solicitors, Temple Heelis have continued to provide essential legal advice.

# Lakeland Housing Trust

## Trustees' Report

### *Major risks and management of those risks*

#### *Risk management*

#### Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Finances are managed by the finance officer at H&H Land and Estates, Kendal and overseen by the Lakeland Housing Trust Board of Trustees. Specific oversight responsibility sits with a trustee who is a chartered accountant. A 5-year financial plan is in place that is regularly monitored, ensuring that any unforeseen costs are catered for and that additional planned expenditure is affordable and carefully managed.

#### Conclusion

The need for affordable housing is as acute today as it was when The Lakeland Housing Trust was founded in 1937 (as the Lake Country Cottage Society). The Trust is committed to continuing to offer low cost rented housing - helping to keep villages alive and allowing local people to live and work in the heart of the Lake District. The Trust welcomes the excellent support of the Westmorland & Furness Council and the Lake District National Park Authority.

I am grateful for the support of fellow trustees and staff at H&H Land and Estates, Kendal.

### **Financial instruments**

#### *Objectives and policies*

The charity's activities expose it to a limited number of financial risks including cash flow risk, credit risk and liquidity risk. The charity does not use derivative financial instruments.

#### *Cash flow risk*

Underlying annual expenditure is covered by rental income from let properties with extraordinary capital expenditure generally funded from a modest annual surplus, donations and/or bank loans when required. Interest bearing assets and liabilities are held at a fixed rate to ensure certainty of cashflow. The charity's cash flow is monitored regularly by the Finance Group and at Trustee Board meetings.

#### *Credit risk*

The charity's principal financial assets are the properties it owns, fixed term savings accounts and bank balances. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings. The charity has no significant concentration of credit risk, with exposure spread over a number of counterparties.

#### *Liquidity risk*

In order to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of rental income, short term cash investments and long term debt finance. The charity is also fortunate to receive occasional cash donations and legacy income. Further details regarding liquidity risk can be found in Note 2 of the Financial Statements.

# Lakeland Housing Trust

## Trustees' Report

### Statement of trustees' responsibilities

The trustees (who are also the directors of Lakeland Housing Trust for the purposes of company law) 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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, comprising FRS 102 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.


### Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

### Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 28 April 2025 and signed on its behalf by:



.....  
Mr C T S Batten  
Trustee

## **Lakeland Housing Trust**

### **Independent Auditor's Report to the Members of Lakeland Housing Trust**

#### **Opinion**

We have audited the financial statements of Lakeland Housing Trust (the 'charity') for the year ended 31 December 2024, which comprise the Statement of Financial Activities, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 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 the Companies Act 2006.

#### **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 responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 the provisions available for small entities, in the circumstances set out in note to the financial statements, 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 trustees 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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual 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.

## **Lakeland Housing Trust**

### **Independent Auditor's Report to the Members of Lakeland Housing Trust**

#### **Opinion on other matter 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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where 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.

#### **Responsibilities of trustees**

As explained more fully in the Statement of trustees' responsibilities (set out on page 7), the trustees 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 trustees 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 trustees are responsible for assessing the charity'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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor 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.

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

## Lakeland Housing Trust

### Independent Auditor's Report to the Members of Lakeland Housing Trust

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our experience and from discussions with management. We reviewed any related correspondence and records of trustee meetings to assess compliance with laws and regulations and discussed the current position with management. We ensured the audit team were alert for any indications of non-compliance throughout the audit work.

The charitable company is managed by a management company which reduces the risk of fraud. We assessed the management company's policies and procedures on fraud risks. No instances of actual, suspected or alleged fraud were identified by us or the managing company in the year.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of nondetection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of controls. We are not responsible for preventing non-compliance and cannot be expected to detect compliance with all laws and regulations.

#### Use of our report

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



.....  
H M Holmes BSc FCA (Senior Statutory Auditor)  
For and on behalf of Stables Thompson & Briscoe Limited, Statutory Auditor

Lowther House  
Lowther Street  
Kendal  
Cumbria  
LA9 4DX

Date: 27 May 2020

## Lakeland Housing Trust

### Statement of Financial Activities for the Year Ended 31 December 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2024 £	Total 2023 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	755,669	755,669	124,104
Charitable activities	4	281,988	281,988	260,593
Investment income	5	17,832	17,832	16,405
Other income	6	<u>103,330</u>	<u>103,330</u>	<u>70,600</u>
Total income		<u>1,158,819</u>	<u>1,158,819</u>	<u>471,702</u>
<b>Expenditure on:</b>				
Raising funds	7	(10,452)	(10,452)	(6,477)
Charitable activities	8	<u>(314,933)</u>	<u>(314,933)</u>	<u>(249,479)</u>
Total expenditure		<u>(325,385)</u>	<u>(325,385)</u>	<u>(255,956)</u>
Net income		<u>833,434</u>	<u>833,434</u>	<u>215,746</u>
Net movement in funds		833,434	833,434	215,746
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>6,673,984</u>	<u>6,673,984</u>	<u>6,458,237</u>
Total funds carried forward	19	<u><u>7,507,418</u></u>	<u><u>7,507,418</u></u>	<u><u>6,673,983</u></u>

All of the charity's activities derive from continuing operations during the above two periods. All funds were unrestricted.

The funds breakdown for 2023 is shown in note 19.

**Lakeland Housing Trust**  
**(Registration number: 10298071)**  
**Balance Sheet as at 31 December 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	14	6,971,753	6,608,053
<b>Current assets</b>			
Debtors	15	63,356	8,912
Cash at bank and in hand	16	<u>864,148</u>	<u>800,132</u>
		927,504	809,044
<b>Creditors: Amounts falling due within one year</b>	17	<u>(193,151)</u>	<u>(35,291)</u>
<b>Net current assets</b>		<u>734,353</u>	<u>773,753</u>
<b>Total assets less current liabilities</b>		7,706,106	7,381,806
<b>Creditors: Amounts falling due after more than one year</b>	18	<u>(198,688)</u>	<u>(707,823)</u>
<b>Net assets</b>		<u>7,507,418</u>	<u>6,673,983</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>7,507,418</u>	<u>6,673,983</u>
<b>Total funds</b>	19	<u>7,507,418</u>	<u>6,673,983</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 11 to 22 were approved by the trustees, and authorised for issue on 28 April 2025 and signed on their behalf by:

  
 .....  
 Mr C T S Batten  
 Trustee

## Lakeland Housing Trust

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

c/o H&H Land & Estates  
Cumbria Tourism Business Centre  
Windermere Road  
Staveley  
LA8 9PL

These financial statements were authorised for issue by the trustees on 28 April 2025.

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### Basis of preparation

Lakeland Housing Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

##### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### Income and endowments

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

## **Lakeland Housing Trust**

### **Notes to the Financial Statements for the Year Ended 31 December 2024**

#### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

#### ***Investment income***

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Refurbishment and upgrading costs to existing properties are capitalised and shown as additions to freehold properties. General repairs and maintenance costs are expensed.

#### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## Lakeland Housing Trust

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### Tangible fixed assets

Individual fixed assets costing £1,000.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Freehold property is held at cost of purchase or value at the date of gifting and the cost of any improvements. No depreciation is provided on Freehold property as, in the trustees opinion, the market value of the properties is in excess of the net book value and as such any depreciation would not be material.

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold land and buildings	Not depreciated
Plant and machinery	Straight line over 20 years

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

## Lakeland Housing Trust

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

#### **Financial instruments**

##### *Classification*

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

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

##### *Recognition and measurement*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## Lakeland Housing Trust

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 3 Income from donations and legacies

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Donations and legacies;			
Donations from individuals	5,669	5,669	1,664
Legacies	750,000	750,000	122,440
	755,669	755,669	124,104

#### 4 Income from charitable activities

	Unrestricted funds General £	Total funds £
Property rentals	281,988	281,988
<b>Total for 2024</b>	281,988	281,988
<b>Total for 2023</b>	260,593	260,593

#### 5 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income;		
Interest receivable on bank deposits	17,832	17,832
<b>Total for 2024</b>	17,832	17,832
<b>Total for 2023</b>	16,405	16,405

#### 6 Other income

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Gains on sale of tangible fixed assets for charity's own use	-	-	70,600
Insurance proceeds	103,330	103,330	-
	103,330	103,330	70,600

## Lakeland Housing Trust

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 7 Expenditure on raising funds

##### a) Costs of generating donations and legacies

	Note	Unrestricted funds General £	Total funds £
Marketing and publicity		10,452	10,452
<b>Total for 2024</b>		<u>10,452</u>	<u>10,452</u>
<b>Total for 2023</b>		<u>6,477</u>	<u>6,477</u>
			<b>Total costs £</b>

#### 8 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2024 £	Total 2023 £
Property rentals		193,990	193,990	144,395
Local occupancy project		-	-	502
Finance costs		54,633	54,633	47,903
Depreciation, amortisation and other similar costs		767	767	767
Governance costs	9	<u>65,543</u>	<u>65,543</u>	<u>55,912</u>
		<u>314,933</u>	<u>314,933</u>	<u>249,479</u>

## Lakeland Housing Trust

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 9 Analysis of governance and support costs

##### Governance costs

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Audit fees			
Audit of the financial statements	5,642	5,642	5,563
Trustees remuneration and expenses	859	859	1,267
Legal fees	634	634	13
Cost of trustee meetings	-	-	585
Management fees	57,847	57,847	47,888
Trustees' liability insurance	561	561	596
	<u>65,543</u>	<u>65,543</u>	<u>55,912</u>

Trustee expenses includes a gift to a trustee on retirement of £119.

#### 10 Net incoming/outgoing resources

Net incoming resources for the year include:

	2024 £	2023 £
Audit fees	5,642	5,563
Profit on disposal of tangible fixed assets	-	(70,600)
Depreciation of fixed assets	<u>767</u>	<u>767</u>

#### 11 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

##### Mr M Tillyer

£268 (2023: £791) of expenses were reimbursed to Mr M Tillyer during the year.

##### Mr J M Holmes

£395 (2023: £476) of expenses were reimbursed to Mr J M Holmes during the year.

##### Mr C R A Flanagan

£77 (2023: £Nil) of expenses were reimbursed to Mr C R A Flanagan during the year.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

## Lakeland Housing Trust

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 12 Auditors' remuneration

	2024 £	2023 £
Audit of the financial statements	<u>5,642</u>	<u>5,563</u>

#### 13 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 14 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 January 2024	6,593,489	15,331	6,608,820
Additions	<u>364,467</u>	<u>-</u>	<u>364,467</u>
At 31 December 2024	<u>6,957,956</u>	<u>15,331</u>	<u>6,973,287</u>
<b>Depreciation</b>			
At 1 January 2024	-	767	767
Charge for the year	<u>-</u>	<u>767</u>	<u>767</u>
At 31 December 2024	<u>-</u>	<u>1,534</u>	<u>1,534</u>
<b>Net book value</b>			
At 31 December 2024	<u>6,957,956</u>	<u>13,797</u>	<u>6,971,753</u>
At 31 December 2023	<u>6,593,489</u>	<u>14,564</u>	<u>6,608,053</u>

#### 15 Debtors

	2024 £	2023 £
Trade debtors	4,988	3,575
Prepayments	7,088	5,337
Other debtors	<u>51,280</u>	<u>-</u>
	<u>63,356</u>	<u>8,912</u>

#### 16 Cash and cash equivalents

	2024 £	2023 £
Cash at bank	76,914	10,873
Short-term deposits	<u>787,234</u>	<u>789,259</u>
	<u>864,148</u>	<u>800,132</u>

## Lakeland Housing Trust

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 17 Creditors: amounts falling due within one year

	2024 £	2023 £
Bank loans	7,536	16,000
Trade creditors	176,159	10,291
Accruals	9,456	9,000
	193,151	35,291

Creditors due within one year includes the following liabilities, on which security has been given by the charity:

	2024 £	2023 £
Bank loan	7,536	16,000

#### 18 Creditors: amounts falling due after one year

	2024 £	2023 £
Bank loans	198,688	707,823

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the charity:

	2024 £	2023 £
Bank loan	198,688	707,823

Included in the creditors are the following amounts due after more than five years:

	2024 £	2023 £
After more than five years by instalments	168,544	633,823

#### Borrowings due after five years

The bank loan is secured on seven of the properties owned by the Trust. The loan is limited to £750,000 of which £750,000 was drawn down by the year end. The loan is to be repaid over 264 months from 8 March 2022 with interest charged at 2.5% pa over the Bank of England base rate with a minimum interest rate of 2.5%pa. The first 24 months were on an interest only basis.

#### 19 Funds

	Balance at 1 January 2024 £	Incoming resources £	Resources expended £	Balance at 31 December 2024 £
<b>Unrestricted funds</b>				
General	6,673,984	1,158,819	(325,385)	7,507,418

## Lakeland Housing Trust

### Notes to the Financial Statements for the Year Ended 31 December 2024

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Balance at 31 December 2023 £
<b>Unrestricted funds</b>				
General	<u>6,458,237</u>	<u>471,702</u>	<u>(255,956)</u>	<u>6,673,983</u>

#### 20 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 December 2024 £
Tangible fixed assets	6,971,753	6,971,753
Current assets	927,504	927,504
Current liabilities	(193,151)	(193,151)
Creditors over 1 year	<u>(198,688)</u>	<u>(198,688)</u>
Total net assets	<u>7,507,418</u>	<u>7,507,418</u>
	<b>Unrestricted funds General £</b>	<b>Total funds at 31 December 2023 £</b>
Tangible fixed assets	6,608,053	6,608,053
Current assets	809,044	809,044
Current liabilities	(35,291)	(35,291)
Creditors over 1 year	<u>(707,823)</u>	<u>(707,823)</u>
Total net assets	<u>6,673,983</u>	<u>6,673,983</u>

#### 21 Related party transactions

During the year the charity made the following related party transactions:

##### **S Woodall**

S Woodall is a trustee and also does work for the charity under the name of Green Swallow.

S Woodall does the work under the name of his company Green Swallow. He contributes a great deal of time voluntarily to the work of the charity and only charges for specific and necessary work projects. The amounts involved were £1,200 in 2024 and £2,920 in 2023.. At the balance sheet date the amount due to/from S Woodall was £Nil (2023 - £Nil).

## Lakeland Housing Trust

### Detailed Statement of Financial Activities for the Year Ended 31 December 2024

	Total 2024 £	Total 2023 £
<b>Income and Endowments from:</b>		
Donations and legacies (analysed below)	755,669	124,104
Charitable activities (analysed below)	281,988	260,593
Investment income (analysed below)	17,832	16,405
Other income (analysed below)	103,330	70,600
Total income	<u>1,158,819</u>	<u>471,702</u>
<b>Expenditure on:</b>		
Raising funds (analysed below)	(10,452)	(6,477)
Charitable activities (analysed below)	(314,933)	(249,479)
Total expenditure	<u>(325,385)</u>	<u>(255,956)</u>
Net income	<u>833,434</u>	<u>215,746</u>
Net movement in funds	833,434	215,746
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>6,673,984</u>	<u>6,458,237</u>
Total funds carried forward	<u>7,507,418</u>	<u>6,673,983</u>

This page does not form part of the statutory financial statements.

## Lakeland Housing Trust

### Detailed Statement of Financial Activities for the Year Ended 31 December 2024

	<b>Total 2024 £</b>	<b>Total 2023 £</b>
<i><b>Donations and legacies</b></i>		
Legacies and bequests	750,000	122,440
Appeals and donations	5,669	1,664
	<u>755,669</u>	<u>124,104</u>
<i><b>Charitable activities</b></i>		
Letting of non-investment property in furtherance of the charity's objects	281,988	260,593
	<u>281,988</u>	<u>260,593</u>
<i><b>Investment income</b></i>		
Interest on cash deposits	17,832	16,405
	<u>17,832</u>	<u>16,405</u>
<i><b>Other income</b></i>		
Gains on sale of tangible fixed assets for charity's own use	-	70,600
Other income	103,330	-
	<u>103,330</u>	<u>70,600</u>
<i><b>Raising funds</b></i>		
Advertising	(10,452)	(6,477)
	<u>(10,452)</u>	<u>(6,477)</u>
<i><b>Charitable activities</b></i>		
Rates and property expenses	(10,052)	(7,046)
Local occupancy project	-	(502)
Insurance	(19,729)	(14,717)
Repairs and maintenance	(158,171)	(117,677)
Legal and professional fees (property)	(6,038)	(4,955)
Bank charges	(181)	(226)
Loan interest	(54,452)	(47,677)
Depreciation of plant and machinery	(767)	(767)
The audit of the charity's annual accounts	(5,642)	(5,563)
Trustee expenses	(859)	(1,267)
Cost of trustee meetings	-	(585)
Management fees	(57,847)	(47,888)
Trustees' liability insurance	(561)	(596)
Legal and professional fees	(634)	(13)
	<u>(314,933)</u>	<u>(249,479)</u>

This page does not form part of the statutory financial statements.

Company registration number: 10298071

Charity registration number: 1175184

# Lakeland Housing Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2024

Stables Thompson & Briscoe Limited  
Chartered Accountants & Statutory Auditor  
Lowther House  
Lowther Street  
Kendal  
Cumbria  
LA9 4DX

# **Lakeland Housing Trust**

## **Contents**

Reference and Administrative Details	1
Trustees' Report	2 to 7
Independent Auditors' Report	8 to 10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Financial Statements	13 to 22

## **Lakeland Housing Trust**

### **Reference and Administrative Details**

<b>Trustees</b>	Ms Y Blamire Mr J H Law Mrs D A Hall Mr C R A Flanagan Mr J M Holmes Mr I R Bonham Mrs S M Tomlinson Mr C T S Batten Mr B R P Dobson Mrs H E Caldwell Mr S E Woodall Mrs M Johnston Mrs D R Matthews Mrs CN McKeever
<b>Charity Registration Number</b>	1175184
<b>Company Registration Number</b>	10298071
<b>Registered Office</b>	The charity is incorporated in England and Wales. c/o H&H Land & Estates Cumbria Tourism Business Centre Windermere Road Staveley LA8 9PL
<b>Auditor</b>	Stables Thompson & Briscoe Limited Chartered Accountants & Statutory Auditor Lowther House Lowther Street Kendal Cumbria LA9 4DX

## **Lakeland Housing Trust**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity'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 published in October 2019.

Formed in 1937, The Lakeland Housing Trust is a Registered Charitable Company, the operations were originally through an unincorporated Charity - No 701075 - all the assets and operations transferred on 1 January 2019 to this charitable company - Charity No 1175184.

The Trust currently owns and manages 53 properties in the central Lakeland area, all within the Lake District National Park boundary.

Tourism is an essential part of life in central Lakeland but the increasing second home and holiday let market means that house prices have increased at a rate that makes it very difficult for local people to buy or rent a home. As a consequence, the sense of 'local community' is being lost.

#### **Objectives and activities**

##### ***Objects and aims***

The Lakeland Housing Trust provides rented homes for local people who cannot afford to buy or long-term rent accommodation at current market prices. Our affordable rents have resulted in several of our tenants being able to save for deposits and subsequently buy their own home.

Vacancies are advertised in the local press and priority consideration is given on the basis of need, to local people working or retired in the area or who have strong local family connections. Current properties are situated mainly in the Ambleside, Coniston, Hawkshead and Troutbeck areas.

##### ***Fundraising disclosures***

The charity does not carry out significant fundraising activities. However, a recent focus on media and marketing activities has led to financial donations and offers to sell homes at significantly below market value.

##### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

##### ***Use of volunteers***

The trustees are all volunteers and provide essential advice and practical support in the running of the Trust.

#### **Achievements and performance**

Perhaps the greatest achievement of this 87 year-old charity is that it continues to offer the very service it was founded for - namely the provision of housing at a subsidised rate for local people in the Central/South Lakes area. The need for such housing is even more acute than it was in 1937 and we're pleased to report that our stock of 53 properties will be increasing to 54 with work having begun on a new-build cottage alongside our existing properties in Skelwith Bridge.

## Lakeland Housing Trust

### Trustees' Report

We continue to upgrade our properties to achieve an EPC 'C' rating (or better) as they are vacated and will continue that work in 2025. Other notable improvements to our properties that were completed in the year include:

*Grandy Nook (Kendal)* - external works were finished and all 6 apartments are now occupied. It was not possible to proceed with building redevelopment plans for the small bungalow in the grounds however plans are progressing to lease it to a local craftsman.

*Neaum Hurst Cottages (Skelwith)* - Nos. 3 and 4 have been completely refurbished and are now let.

*Sidey Bank (Troutbeck)* - reroofing and a new front door.

*5 Fitz Steps (Little Langdale)* - completely refurbished and now let.

*High Greengate (Near Sawrey)* - major refurbishment following extensive internal water damage. These works began during the year and will be completed in 2025.

All of the above is overseen by the Building Group, led by John Holmes and assisted by Stuart Woodall and other voluntary board members. Their work is invaluable and much appreciated.

Equally important is the work undertaken by the Rents and Tenancies Committee, led by Susan Tomlinson and assisted by other voluntary board members. Seven tenancies began in the year with only one of our properties (High Greengate) remaining vacant as described above. Each new tenancy is widely advertised with the Committee receiving a considerable volume of eligible applications on each occasion. Great care is taken to select candidates for interview, undertake background checks and offer properties to the most deserving tenants. The ongoing work of the committee, including overseeing biennial inspections of all our properties, is much appreciated.

Finally, we are pleased to report that a number of donations were received by the Trust during the year - we remain grateful for each and every one as it helps us to continually upgrade our properties. Of particular note, however, was a £750,000 legacy received during the year (with a final settlement due in 2025) which will enable us to add to our property portfolio. This very generous gift is to remain anonymous at the time of writing.

#### **Financial review**

The Trust received income of £1,158,819 in the year (2023 - £471,702) the increase mainly due to an increase of £631,565 in donations and legacies. Rental income was £21,395 higher reflecting the increase in the number of properties to rent.

Running expenses were also higher than last year at £325,385 (2023 - £255,956). Part of this increase related to contracted for repairs and improvements at Green Gate Cottage following flood damage which was completed after the end of the year and was partially covered by insurance.

The housing development costs capitalised were £364,468 in the year compared to £752,268 last year.

The net surplus transferred to funds was £833,434 (2023 - £215,746).

## **Lakeland Housing Trust**

### **Trustees' Report**

#### ***Policy on reserves***

It is the policy of the Trust to maintain unrestricted funds at a level which equates to approximately six months unrestricted expenditure. This provides sufficient funds to cover management and administration costs and to respond to emergency capital expenditure which can arise from time to time.

Free reserves at the year end were £535,665 (2023 - £65,391). This is equivalent to 20 months running costs and is largely due to the generous legacy received during the year.

The Finance Group regularly reviews the financial position of the Trust - ensuring that there are sufficient funds to cover current and planned future expenditure, whilst also ensuring that there is sufficient surplus for the repayment of its borrowings.

Further information in relation to anticipated financial issues is detailed under 'Future Plans'.

#### ***Principal funding sources***

The principal funding sources for the charity are the rentals obtained from the properties and legacies.

#### **Structure, governance and management**

##### ***Nature of 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.

##### ***Recruitment and appointment of trustees***

New trustees are nominated and appointed by the existing trustees.

##### ***Induction and training of trustees***

New trustees are selected based on their skills and knowledge of our local communities, ensuring that the Trust always has trustees with experience in financial and property management. New trustees are provided with copies of previous Board meeting minutes, information about the Trust, its properties, its tenants and the community needs within the Central Lakes area.

## Lakeland Housing Trust

### Trustees' Report

#### *Organisational structure*

The trust is managed locally by Trustees who have lived in the area for most of their lives and who give their services voluntarily. They have a deep commitment to the preservation and prosperity of integrated local communities and value the traditional vernacular architecture of the Lake District. All improvements are carried out sympathetically.

All the Trustees continue to give a great deal of advice and practical assistance in the running of the Trust.

The day-to-day administration of the Trust transferred from Ingalls Accountants, Kendal to H&H Land & Estates, Kendal in June 2019. This change was necessary due to the current and anticipated future growth of the Trust. The relevant experience and expertise of H&H Land and Estates staff has ensured that the Trust continues to be managed effectively.

The Trust's Buildings Group oversees the maintenance of the properties and plans for future works, ensuring compliance with relevant legislation. Trustee, John Holmes, has ably led the Group, supported by a local architect, Stuart Woodhall, who manages some of the larger projects on behalf of the Trust. Charles Flanagan, my predecessor, has also provided invaluable support.

The Trust's Rents and Tenancy Group is responsible for setting rents, selecting new tenants, undertaking rent review visits and ensuring compliance with legislation. Trustee, Sue Tomlinson has ably led this Group.

The Finance Group is responsible for monitoring and reviewing the financial health of the Trust. Our new trustee, James Law, who has his own accountancy business, has provided excellent support and advice and worked effectively with H&H Client Account Manager, Karen Philipson

The Trust's solicitors, Temple Heelis have continued to provide essential legal advice.

# Lakeland Housing Trust

## Trustees' Report

### *Major risks and management of those risks*

#### *Risk management*

#### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Finances are managed by the finance officer at H&H Land and Estates, Kendal and overseen by the Lakeland Housing Trust Board of Trustees. Specific oversight responsibility sits with a trustee who is a chartered accountant. A 5-year financial plan is in place that is regularly monitored, ensuring that any unforeseen costs are catered for and that additional planned expenditure is affordable and carefully managed.

#### **Conclusion**

The need for affordable housing is as acute today as it was when The Lakeland Housing Trust was founded in 1937 (as the Lake Country Cottage Society). The Trust is committed to continuing to offer low cost rented housing - helping to keep villages alive and allowing local people to live and work in the heart of the Lake District. The Trust welcomes the excellent support of the Westmorland & Furness Council and the Lake District National Park Authority.

I am grateful for the support of fellow trustees and staff at H&H Land and Estates, Kendal.

#### **Financial instruments**

#### *Objectives and policies*

The charity's activities expose it to a limited number of financial risks including cash flow risk, credit risk and liquidity risk. The charity does not use derivative financial instruments.

#### *Cash flow risk*

Underlying annual expenditure is covered by rental income from let properties with extraordinary capital expenditure generally funded from a modest annual surplus, donations and/or bank loans when required. Interest bearing assets and liabilities are held at a fixed rate to ensure certainty of cashflow. The charity's cash flow is monitored regularly by the Finance Group and at Trustee Board meetings.

#### *Credit risk*

The charity's principal financial assets are the properties it owns, fixed term savings accounts and bank balances. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings. The charity has no significant concentration of credit risk, with exposure spread over a number of counterparties.

#### *Liquidity risk*

In order to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of rental income, short term cash investments and long term debt finance. The charity is also fortunate to receive occasional cash donations and legacy income. Further details regarding liquidity risk can be found in Note 2 of the Financial Statements.

# Lakeland Housing Trust

## Trustees' Report

### Statement of trustees' responsibilities

The trustees (who are also the directors of Lakeland Housing Trust for the purposes of company law) 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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, comprising FRS 102 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.


### Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

### Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 28 April 2025 and signed on its behalf by:



.....  
Mr C T S Batten  
Trustee

## **Lakeland Housing Trust**

### **Independent Auditor's Report to the Members of Lakeland Housing Trust**

#### **Opinion**

We have audited the financial statements of Lakeland Housing Trust (the 'charity') for the year ended 31 December 2024, which comprise the Statement of Financial Activities, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 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 the Companies Act 2006.

#### **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 responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 the provisions available for small entities, in the circumstances set out in note to the financial statements, 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 trustees 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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual 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.

## **Lakeland Housing Trust**

### **Independent Auditor's Report to the Members of Lakeland Housing Trust**

#### **Opinion on other matter 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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where 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.

#### **Responsibilities of trustees**

As explained more fully in the Statement of trustees' responsibilities (set out on page 7), the trustees 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 trustees 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 trustees are responsible for assessing the charity'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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor 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.

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

## Lakeland Housing Trust

### Independent Auditor's Report to the Members of Lakeland Housing Trust

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our experience and from discussions with management. We reviewed any related correspondence and records of trustee meetings to assess compliance with laws and regulations and discussed the current position with management. We ensured the audit team were alert for any indications of non-compliance throughout the audit work.

The charitable company is managed by a management company which reduces the risk of fraud. We assessed the management company's policies and procedures on fraud risks. No instances of actual, suspected or alleged fraud were identified by us or the managing company in the year.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of nondetection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of controls. We are not responsible for preventing non-compliance and cannot be expected to detect compliance with all laws and regulations.

#### Use of our report

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



.....  
H M Holmes BSc FCA (Senior Statutory Auditor)  
For and on behalf of Stables Thompson & Briscoe Limited, Statutory Auditor

Lowther House  
Lowther Street  
Kendal  
Cumbria  
LA9 4DX

Date: 27 May 2020

## Lakeland Housing Trust

### Statement of Financial Activities for the Year Ended 31 December 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2024 £	Total 2023 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	755,669	755,669	124,104
Charitable activities	4	281,988	281,988	260,593
Investment income	5	17,832	17,832	16,405
Other income	6	<u>103,330</u>	<u>103,330</u>	<u>70,600</u>
Total income		<u>1,158,819</u>	<u>1,158,819</u>	<u>471,702</u>
<b>Expenditure on:</b>				
Raising funds	7	(10,452)	(10,452)	(6,477)
Charitable activities	8	<u>(314,933)</u>	<u>(314,933)</u>	<u>(249,479)</u>
Total expenditure		<u>(325,385)</u>	<u>(325,385)</u>	<u>(255,956)</u>
Net income		<u>833,434</u>	<u>833,434</u>	<u>215,746</u>
Net movement in funds		833,434	833,434	215,746
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>6,673,984</u>	<u>6,673,984</u>	<u>6,458,237</u>
Total funds carried forward	19	<u><u>7,507,418</u></u>	<u><u>7,507,418</u></u>	<u><u>6,673,983</u></u>

All of the charity's activities derive from continuing operations during the above two periods. All funds were unrestricted.

The funds breakdown for 2023 is shown in note 19.

**Lakeland Housing Trust**  
**(Registration number: 10298071)**  
**Balance Sheet as at 31 December 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	14	6,971,753	6,608,053
<b>Current assets</b>			
Debtors	15	63,356	8,912
Cash at bank and in hand	16	<u>864,148</u>	<u>800,132</u>
		927,504	809,044
<b>Creditors: Amounts falling due within one year</b>	17	<u>(193,151)</u>	<u>(35,291)</u>
<b>Net current assets</b>		<u>734,353</u>	<u>773,753</u>
<b>Total assets less current liabilities</b>		7,706,106	7,381,806
<b>Creditors: Amounts falling due after more than one year</b>	18	<u>(198,688)</u>	<u>(707,823)</u>
<b>Net assets</b>		<u>7,507,418</u>	<u>6,673,983</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>7,507,418</u>	<u>6,673,983</u>
<b>Total funds</b>	19	<u>7,507,418</u>	<u>6,673,983</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 11 to 22 were approved by the trustees, and authorised for issue on 28 April 2025 and signed on their behalf by:

  
 .....  
 Mr C T S Batten  
 Trustee

## Lakeland Housing Trust

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

c/o H&H Land & Estates  
Cumbria Tourism Business Centre  
Windermere Road  
Staveley  
LA8 9PL

These financial statements were authorised for issue by the trustees on 28 April 2025.

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### Basis of preparation

Lakeland Housing Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

##### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### Income and endowments

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

## **Lakeland Housing Trust**

### **Notes to the Financial Statements for the Year Ended 31 December 2024**

#### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

#### ***Investment income***

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Refurbishment and upgrading costs to existing properties are capitalised and shown as additions to freehold properties. General repairs and maintenance costs are expensed.

#### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## Lakeland Housing Trust

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### Tangible fixed assets

Individual fixed assets costing £1,000.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Freehold property is held at cost of purchase or value at the date of gifting and the cost of any improvements. No depreciation is provided on Freehold property as, in the trustees opinion, the market value of the properties is in excess of the net book value and as such any depreciation would not be material.

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold land and buildings	Not depreciated
Plant and machinery	Straight line over 20 years

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

## Lakeland Housing Trust

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

#### **Financial instruments**

##### *Classification*

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

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

##### *Recognition and measurement*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## Lakeland Housing Trust

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 3 Income from donations and legacies

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Donations and legacies;			
Donations from individuals	5,669	5,669	1,664
Legacies	750,000	750,000	122,440
	755,669	755,669	124,104

#### 4 Income from charitable activities

	Unrestricted funds General £	Total funds £
Property rentals	281,988	281,988
<b>Total for 2024</b>	281,988	281,988
<b>Total for 2023</b>	260,593	260,593

#### 5 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income;		
Interest receivable on bank deposits	17,832	17,832
<b>Total for 2024</b>	17,832	17,832
<b>Total for 2023</b>	16,405	16,405

#### 6 Other income

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Gains on sale of tangible fixed assets for charity's own use	-	-	70,600
Insurance proceeds	103,330	103,330	-
	103,330	103,330	70,600

## Lakeland Housing Trust

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 7 Expenditure on raising funds

##### a) Costs of generating donations and legacies

	Note	Unrestricted funds General £	Total funds £
Marketing and publicity		10,452	10,452
<b>Total for 2024</b>		<b>10,452</b>	<b>10,452</b>
<b>Total for 2023</b>		<b>6,477</b>	<b>6,477</b>
			<b>Total costs £</b>

#### 8 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2024 £	Total 2023 £
Property rentals		193,990	193,990	144,395
Local occupancy project		-	-	502
Finance costs		54,633	54,633	47,903
Depreciation, amortisation and other similar costs		767	767	767
Governance costs	9	65,543	65,543	55,912
		<b>314,933</b>	<b>314,933</b>	<b>249,479</b>

## Lakeland Housing Trust

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 9 Analysis of governance and support costs

##### Governance costs

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Audit fees			
Audit of the financial statements	5,642	5,642	5,563
Trustees remuneration and expenses	859	859	1,267
Legal fees	634	634	13
Cost of trustee meetings	-	-	585
Management fees	57,847	57,847	47,888
Trustees' liability insurance	561	561	596
	<u>65,543</u>	<u>65,543</u>	<u>55,912</u>

Trustee expenses includes a gift to a trustee on retirement of £119.

#### 10 Net incoming/outgoing resources

Net incoming resources for the year include:

	2024 £	2023 £
Audit fees	5,642	5,563
Profit on disposal of tangible fixed assets	-	(70,600)
Depreciation of fixed assets	<u>767</u>	<u>767</u>

#### 11 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

##### Mr M Tillyer

£268 (2023: £791) of expenses were reimbursed to Mr M Tillyer during the year.

##### Mr J M Holmes

£395 (2023: £476) of expenses were reimbursed to Mr J M Holmes during the year.

##### Mr C R A Flanagan

£77 (2023: £Nil) of expenses were reimbursed to Mr C R A Flanagan during the year.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

## Lakeland Housing Trust

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 12 Auditors' remuneration

	2024 £	2023 £
Audit of the financial statements	<u>5,642</u>	<u>5,563</u>

#### 13 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 14 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 January 2024	6,593,489	15,331	6,608,820
Additions	<u>364,467</u>	<u>-</u>	<u>364,467</u>
At 31 December 2024	<u>6,957,956</u>	<u>15,331</u>	<u>6,973,287</u>
<b>Depreciation</b>			
At 1 January 2024	-	767	767
Charge for the year	<u>-</u>	<u>767</u>	<u>767</u>
At 31 December 2024	<u>-</u>	<u>1,534</u>	<u>1,534</u>
<b>Net book value</b>			
At 31 December 2024	<u>6,957,956</u>	<u>13,797</u>	<u>6,971,753</u>
At 31 December 2023	<u>6,593,489</u>	<u>14,564</u>	<u>6,608,053</u>

#### 15 Debtors

	2024 £	2023 £
Trade debtors	4,988	3,575
Prepayments	7,088	5,337
Other debtors	<u>51,280</u>	<u>-</u>
	<u>63,356</u>	<u>8,912</u>

#### 16 Cash and cash equivalents

	2024 £	2023 £
Cash at bank	76,914	10,873
Short-term deposits	<u>787,234</u>	<u>789,259</u>
	<u>864,148</u>	<u>800,132</u>

## Lakeland Housing Trust

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 17 Creditors: amounts falling due within one year

	2024 £	2023 £
Bank loans	7,536	16,000
Trade creditors	176,159	10,291
Accruals	9,456	9,000
	193,151	35,291

Creditors due within one year includes the following liabilities, on which security has been given by the charity:

	2024 £	2023 £
Bank loan	7,536	16,000

#### 18 Creditors: amounts falling due after one year

	2024 £	2023 £
Bank loans	198,688	707,823

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the charity:

	2024 £	2023 £
Bank loan	198,688	707,823

Included in the creditors are the following amounts due after more than five years:

	2024 £	2023 £
After more than five years by instalments	168,544	633,823

#### Borrowings due after five years

The bank loan is secured on seven of the properties owned by the Trust. The loan is limited to £750,000 of which £750,000 was drawn down by the year end. The loan is to be repaid over 264 months from 8 March 2022 with interest charged at 2.5% pa over the Bank of England base rate with a minimum interest rate of 2.5%pa. The first 24 months were on an interest only basis.

#### 19 Funds

	Balance at 1 January 2024 £	Incoming resources £	Resources expended £	Balance at 31 December 2024 £
<b>Unrestricted funds</b>				
General	6,673,984	1,158,819	(325,385)	7,507,418

## Lakeland Housing Trust

### Notes to the Financial Statements for the Year Ended 31 December 2024

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Balance at 31 December 2023 £
<b>Unrestricted funds</b>				
General	<u>6,458,237</u>	<u>471,702</u>	<u>(255,956)</u>	<u>6,673,983</u>

#### 20 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 December 2024 £
Tangible fixed assets	6,971,753	6,971,753
Current assets	927,504	927,504
Current liabilities	(193,151)	(193,151)
Creditors over 1 year	<u>(198,688)</u>	<u>(198,688)</u>
Total net assets	<u>7,507,418</u>	<u>7,507,418</u>
	<b>Unrestricted funds General £</b>	<b>Total funds at 31 December 2023 £</b>
Tangible fixed assets	6,608,053	6,608,053
Current assets	809,044	809,044
Current liabilities	(35,291)	(35,291)
Creditors over 1 year	<u>(707,823)</u>	<u>(707,823)</u>
Total net assets	<u>6,673,983</u>	<u>6,673,983</u>

#### 21 Related party transactions

During the year the charity made the following related party transactions:

##### **S Woodall**

S Woodall is a trustee and also does work for the charity under the name of Green Swallow.

S Woodall does the work under the name of his company Green Swallow. He contributes a great deal of time voluntarily to the work of the charity and only charges for specific and necessary work projects. The amounts involved were £1,200 in 2024 and £2,920 in 2023.. At the balance sheet date the amount due to/from S Woodall was £Nil (2023 - £Nil).

## Lakeland Housing Trust

### Detailed Statement of Financial Activities for the Year Ended 31 December 2024

	<b>Total 2024 £</b>	<b>Total 2023 £</b>
<b>Income and Endowments from:</b>		
Donations and legacies (analysed below)	755,669	124,104
Charitable activities (analysed below)	281,988	260,593
Investment income (analysed below)	17,832	16,405
Other income (analysed below)	103,330	70,600
	<u>1,158,819</u>	<u>471,702</u>
<b>Expenditure on:</b>		
Raising funds (analysed below)	(10,452)	(6,477)
Charitable activities (analysed below)	(314,933)	(249,479)
	<u>(325,385)</u>	<u>(255,956)</u>
Total expenditure	<u>(325,385)</u>	<u>(255,956)</u>
Net income	<u>833,434</u>	<u>215,746</u>
Net movement in funds	833,434	215,746
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>6,673,984</u>	<u>6,458,237</u>
Total funds carried forward	<u>7,507,418</u>	<u>6,673,983</u>

This page does not form part of the statutory financial statements.

## Lakeland Housing Trust

### Detailed Statement of Financial Activities for the Year Ended 31 December 2024

	<b>Total 2024 £</b>	<b>Total 2023 £</b>
<i><b>Donations and legacies</b></i>		
Legacies and bequests	750,000	122,440
Appeals and donations	5,669	1,664
	<u>755,669</u>	<u>124,104</u>
<i><b>Charitable activities</b></i>		
Letting of non-investment property in furtherance of the charity's objects	281,988	260,593
	<u>281,988</u>	<u>260,593</u>
<i><b>Investment income</b></i>		
Interest on cash deposits	17,832	16,405
	<u>17,832</u>	<u>16,405</u>
<i><b>Other income</b></i>		
Gains on sale of tangible fixed assets for charity's own use	-	70,600
Other income	103,330	-
	<u>103,330</u>	<u>70,600</u>
<i><b>Raising funds</b></i>		
Advertising	(10,452)	(6,477)
	<u>(10,452)</u>	<u>(6,477)</u>
<i><b>Charitable activities</b></i>		
Rates and property expenses	(10,052)	(7,046)
Local occupancy project	-	(502)
Insurance	(19,729)	(14,717)
Repairs and maintenance	(158,171)	(117,677)
Legal and professional fees (property)	(6,038)	(4,955)
Bank charges	(181)	(226)
Loan interest	(54,452)	(47,677)
Depreciation of plant and machinery	(767)	(767)
The audit of the charity's annual accounts	(5,642)	(5,563)
Trustee expenses	(859)	(1,267)
Cost of trustee meetings	-	(585)
Management fees	(57,847)	(47,888)
Trustees' liability insurance	(561)	(596)
Legal and professional fees	(634)	(13)
	<u>(314,933)</u>	<u>(249,479)</u>

This page does not form part of the statutory financial statements.

28 April 2025

The Trustees  
Lakeland Housing Trust  
Cumbria Tourism Business Centre  
Windermere Road  
Staveley  
Cumbria  
LA8 9PL

Dear Sirs,

**REPORT TO MANAGEMENT**

During the course of our audit for the year ended 31 December 2024 only one matter arose which we consider should be brought to your attention.

Accompanying this letter is a memorandum noting this point together with any recommendations we have for possible improvements which could be made.

This matter came to light during the course of our normal audit tests which are designed to assist us in forming our opinion on the financial statements. Our tests may not necessarily disclose all errors or irregularities and should not be relied upon to do so. However, if any irregularity did come to our attention during our audit tests, we would, of course, inform you immediately.

We would be grateful if you could enter management's comments against each point under the "management response" column of the memorandum and return it to us in due course.

We have complied with the Financial Reporting Council's Ethical Standard and all threats to our independence, as identified to you, have been properly addressed through appropriate safeguards. No additional facts or matters have arisen during the course of the audit that we wish to draw to your attention and we confirm that we are independent and able to express an objective opinion on the financial statements.

This report has been prepared for the sole use of the trustees of Lakeland Housing Trust and must not be shown to third parties without our prior consent. No responsibilities are accepted by Stables Thompson & Briscoe towards any party acting or refraining from action as a result of this report.

Finally, we would like to express our thanks to all members of the charity's staff who assisted us in carrying out our work.

Yours faithfully,

Kendal Office:

Lowther House, Lowther Street, Kendal, Cumbria LA9 4DX  
Tel: (01539) 720465 Email: [enquiries@stb-accountants.co.uk](mailto:enquiries@stb-accountants.co.uk)

Kirkby Stephen Office:

Unit 27, Cumberland House, Kirkby Stephen Business Park, St Luke's Road, Kirkby Stephen, Cumbria CA17 4HT  
Tel: (017683) 71272 Email: [kirkby@stb-accountants.co.uk](mailto:kirkby@stb-accountants.co.uk)

## **SIGNIFICANT MATTERS RELEVANT TO OUR AUDIT FOR THE YEAR ENDED 31 DECEMBER 2024**

### **Audit Approach**

Our general audit approach was determined by our assessment of the audit risk, both in terms of the potential misstatement in the financial statements and of the control environment in which the charitable company operates.

To summarise our approach, we:

- updated our understanding of the business and its environment;
- reviewed the design and implementation of key internal financial control systems; and
- planned and performed an audit with professional scepticism recognising that circumstances may exist that cause the financial statements to be materially misstated.

Significant risks arise on most audits and are often derived from business risks that may result in a material misstatement, relate to unusual transactions that occur infrequently, or judgemental matters where measurement is uncertain. In areas where we identified the potential for significant risk, we extended our audit testing to include more detailed substantive work. Our work in other areas was proportionally less.

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements. In general, misstatements, including omissions, are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Judgments about materiality are made in the light of surrounding circumstances and are affected by our perception of the financial information needs of users of the financial statements, and by the size or nature of a misstatement, or a combination of both.

There were no changes to our audit approach as discussed at our meeting.

### **Summary of significant audit findings**

Nothing has been noted.

### **Internal controls**

The purpose of the audit was for us to express an opinion on the financial statements. The audit included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. Our audit is, therefore, not designed to identify all control weaknesses and the matters reported below are limited to those deficiencies that we have identified during the audit.

Control weakness identified	Potential implications and recommendations	Management response
Procedures at H&H refer to Landmark software rather than QuickBooks.	Small issue though it could imply that controls are not up to date and may miss key procedures.	

#### **Summary of audit differences and draft letter of representation**

The unadjusted misstatements were not considered to be material and are listed in the letter of representation.

We have sent the letter of management representations required in connection with our audit separately for your approval.

#### **Outstanding Matters**

Prior to issuing our audit report we require:

- the signed letter of representation

#### **Anticipated audit report**

We anticipate that we will issue an unmodified audit report for the year, subject to the satisfactory clearance of any outstanding/unresolved the matters outlined in this report.

**LAKELAND HOUSING TRUST**

England & Wales - Charity number 1175184

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# Accounts

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**REGISTERED COMPANY NUMBER: 10298071 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1175184**

**Report of the Trustees and**  
**Audited Financial Statements for the Year Ended 31 December 2023**  
**for**  
**Lakeland Housing Trust**  
**(A Company Limited by Guarantee)**

**Stables Thompson & Briscoe**  
**Chartered Accountants & Statutory Auditor**  
**Lowther House**  
**Lowther Street**  
**Kendal**  
**LA9 4DX**

**Lakeland Housing Trust**

**Contents of the Financial Statements  
for the Year Ended 31 December 2023**

	<b>Page</b>
<b>Reference and Administrative Details</b>	1
<b>Report of the Trustees</b>	2 to 7
<b>Report of the Independent Auditors</b>	8 to 10
<b>Statement of Financial Activities</b>	11
<b>Balance Sheet</b>	12 to 13
<b>Cash Flow Statement</b>	14
<b>Notes to the Cash Flow Statement</b>	15
<b>Notes to the Financial Statements</b>	16 to 23
<b>Detailed Statement of Financial Activities</b>	24 to 25

**Lakeland Housing Trust**

**Reference and Administrative Details  
for the Year Ended 31 December 2023**

**TRUSTEES**

I R Bonham  
R D L Brownson (resigned 16.5.23)  
Mrs H E Caldwell  
P Davies (resigned 16.5.23)  
C R A Flanagan  
Mrs D A Hall  
J M Holmes  
N F Hutchinson (resigned 16.5.23)  
Mrs D R Matthews  
M Tillyer  
Mrs S M Tomlinson  
B R P Dobson  
Mrs M Johnston  
J H Law  
Ms Y Blamire Solicitor (appointed 16.5.23)  
Mrs C N McKeever Director (appointed 16.5.23)  
S E Woodall Architect (appointed 16.5.23)

**REGISTERED OFFICE**

c/o H&H Land & Estates  
Cumbria Tourism Business Centre  
Windermere Road  
Staveley  
LA8 9PL

**REGISTERED COMPANY  
NUMBER**

10298071 (England and Wales)

**REGISTERED CHARITY  
NUMBER**

1175184

**AUDITORS**

Stables Thompson & Briscoe  
Chartered Accountants & Statutory Auditor  
Lowther House  
Lowther Street  
Kendal  
LA9 4DX

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2023**

The Trustees present their report and the audited financial statements of the charity for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity'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 published in October 2019.

Formed in 1937, The Lakeland Housing Trust is a Registered Charitable Company, the operations were originally through an unincorporated Charity - No 701075 - all the assets and operations transferred on 1 January 2019 to this charitable company - Charity No 1175184.

The Trust currently owns and manages 53 properties in the central Lakeland area, all within the Lake District National Park boundary.

Tourism is an essential part of life in central Lakeland but the increasing second home and holiday let market means that house prices have increased at a rate that makes it very difficult for local people to buy or rent a home. As a consequence, the sense of 'local community' is being lost.

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The Lakeland Housing Trust provides rented homes for local people who cannot afford to buy or long-term rent accommodation at current market prices. Our affordable rents have resulted in several of our tenants being able to save for deposits and subsequently buy their own home.

Vacancies are advertised in the local press and priority consideration is given on the basis of need, to local people working or retired in the area or who have strong local family connections. Current properties are situated mainly in the Ambleside, Coniston, Hawkshead and Troutbeck areas.

##### **Public benefit**

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

##### **Volunteers**

The trustees are all volunteers and provide essential advice and practical support in the running of the Trust.

## **Wakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2023**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

##### **Developments:**

##### **No.2, New Street, Broughton in Furness**

In the first half of 2023 this property newly bought was extensively upgraded, including new double-glazed windows front and rear, new kitchen, general repairs and decorations and floor finishes to improve its EPC. This property now has a tenant.

##### **Gable Cottage, Hawkshead.**

This property was partially upgraded in 2022 but required extensive rendering to a rear wall. This necessitated applying for List building Approval and at the same time applying to replace the existing windows with double glazed ones. It is anticipated that these works can progress in the early part of 2024. Also, improvements are being made to the ventilation of the property to eliminate condensation.

##### **Sidey Bank, Troutbeck.**

Whilst the septic tank serving this property and 4 others had been replaced with a treatment plant in 2022 difficulties were encountered in agreeing with our tenant to take an electric supply from that to Sidey Bank to connect to the treatment plant (separately metered). This was resolved and the necessary electric work completed.

It was also agreed that this property required reroofing which in turn involved bat surveys and applying for planning. These are now in place and the reroofing works will be carried out in the spring of 2024.

##### **South Parrock, Troutbeck**

This property became vacant in the year and the opportunity was taken to carry out further upgrades and internal and external repairs and decorations, new floor coverings were completed.

##### **Grandy Nook, Kendal.**

This site includes five apartments in the main building plus a separate cottage. Also, a separate 'weekend' bungalow which was intended for the temporary use of tenant's visitors. Throughout 2023 all these apartments were extensively refurbished with new bathrooms, kitchens, heating and electrical systems, decorations and flooring. This was possible due to the apartments becoming available for reletting throughout the year.

Extensive repairs have been carried out to the external elevations of the buildings. Whilst external decorations to walls etc were started towards the end of 2023 weather conditions in the Autumn/Winter delay completion which is due to recommence in the spring of 2024.

Little progress on the remodelling of the Bungalow was achieved in 2023 but this work will be carried out in 2024.

##### **Neaum Hurst, Skelwith Bridge**

No.4 has been completely stripped out and refurbished as a single bedroom house throughout the year and is now in the process of letting.

The initial application to create an extension to the property (4A) to create an additional unit was rejected, as the site is considered to be in a flood plain. We are currently preparing a flood risk survey and anticipate that this should not provide an obstacle to the application. The site has not flooded in living memory. It is intended that this additional house can proceed in 2024.

Towards the end of 2023 No.1 became vacant and the tenant from No.3 applied to move into No.1. Renovations to No.1 were completed over the year end 23/24 and will allow refurbishment of No.3 in the early part of 2024.

##### **Spedding Cottage, Clappersgate, Ambleside.**

At the beginning of the year, it became necessary to re-site the gas meter. This meant that the entire gas main in the short street had to be upgraded (Steel to Alkathene) by British Gas and the connections to ours and the other properties to be replaced. Apart from the notional cost of reconnecting our gas meter the total costs were the responsibility of British Gas. These works were completed in 2023.

##### **No.2, Kirkfield, Ambleside.**

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2023**

This property became vacant during the year and was extensively refurbished including a new kitchen, upgrades to bathroom, electrics and heating, redecoration and floor finishes.

Also, the existing ceilings which contained asbestos were stripped out and replaced with new plasterboard,.

#### **Fitzsteps, Little Langdale**

No. 5 became vacant toward the end of the year and it is proposed to partially strip out and refurbish the property including wall and floor insulation etc to improve the EPC.

#### **No.2, The Green, Ambleside.**

This property was upgraded with double glazed windows and doors. Also, the kitchen replaced and repairs to the front door lobby.

#### **No.3, Lakefield Cottages, Sawrey.**

Instruction to replace the windows and doors with timber sliding sash double glazing were given during the year. These are on an extensive delivery period but will be available for replacing during the early part of 2024.

Also, a Stone Plaque depicting the background to this site development by LHT was erected.

General Maintenance to properties continues including external decorations against a 5-year plan.

Addressing the Quinquennial Surveys started during the year and will continue throughout 2024.

#### **Fundraising activities**

The charity does not carry out significant fundraising activities. However, a recent focus on media and marketing activities has led to financial donations and offers to sell homes at significantly below market value.

#### **The Properties:**

##### **(a) Repairs and Improvements**

Most of the properties have now been brought up to the standards required by legislation. Over 90% have modern heating systems and are insulated to a good level. All now comply with the government's energy targets apart from three, for which exemption certificates have been applied.

Electrical inspections were carried out on all properties and, where appropriate, remedial work undertaken.

A programme was developed by the Buildings Group to prioritise work to bring all the other properties up to standard. The work is nearly complete.

##### **(b) Rents & Tenancies**

Income from rents increased by nearly 5% reflecting the number of properties that were due for rent reviews. It should be noted that rents are only reviewed every other year.

Monthly rents average £428 The Trust's policy is to charge rents equivalent to or slightly lower than other social landlords.

There remains keen interest in any vacancies and no shortage of candidates fitting the Trust's strict criteria as shown on the trust website [www.thelakelandhousingtrust.co.uk](http://www.thelakelandhousingtrust.co.uk).

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2023**

#### **FINANCIAL REVIEW**

##### **Financial position**

The Finance Group regularly reviews the financial position of the Trust - ensuring that there are sufficient funds to cover current and planned future expenditure, whilst also ensuring that there is a sufficient surplus for the repayment of its borrowings.

The Trust received income of £756,445 in the year, lower than the £1,013,069 received last year as it included a legacy of £230,000 received on 1 March 2022. Rental income was £13,148 higher reflecting the increase in the number of properties to rent.

Running expenses were slightly higher than last year at £162,328 (2021 - £155,055). There was also £8,018 spent on the local occupancy project (2021 - Nil).

The development costs capitalised were £282,066 in the year compared to £537,983 last year.

The net surplus transferred to funds was £575,386 (2021 - £857,515).

##### **Principal funding sources**

The principal funding sources for the charity are the rentals obtained from the properties and legacies.

##### **Reserves policy**

It is the policy of the Trust to maintain unrestricted funds at a level which equates to approximately six months unrestricted expenditure. This provides sufficient funds to cover management and administration costs and to respond to emergency expenditure which arises from time to time.

Free reserves at the year end were £65,391 (2022 - £617,016). This is equivalent to three months running costs. The trustees are looking to build up these reserves following investments in property in the year.

The Finance Group regularly reviews the financial position of the Trust - ensuring that there are sufficient funds to cover current and planned future expenditure, whilst also ensuring that there is sufficient surplus for the repayment of its borrowings.

Further information in relation to anticipated financial issues is detailed under 'Future Plans'.

#### **FUTURE PLANS**

##### **Media & Marketing**

The Trust is investing more time in Media & Marketing initiatives and this is already bearing fruit - leading to additional donations and future legacies.

##### **Section 106 Unilateral Undertaking**

This LHT initiative has been progressed in partnership with LDNPA - it will encourage owners to place Unilateral Undertakings on their properties meaning that they cannot be used for holiday letting or as second homes.

Two additional properties (at Neaum Hurst, Skelwith Bridge and Grandy Nook, Kendal) will increase the LHT's portfolio of properties to 55 by the end of 2024.

Malcolm Tillyer will be standing down as Chair of the LHT at this year's AGM. Chris Batten will be proposed as the new Chair at the meeting.

#### **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.

##### **Recruitment and appointment of new trustees**

New trustees are nominated and appointed by the existing trustees.

## **1 Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2023**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Organisational structure**

The trust is managed locally by Trustees who have lived in the area for most of their lives and who give their services voluntarily. They have a deep commitment to the preservation and prosperity of integrated local communities and value the traditional vernacular architecture of the Lake District. All improvements are carried out sympathetically.

All the Trustees continue to give a great deal of advice and practical assistance in the running of the Trust.

The day-to-day administration of the Trust transferred from Ingalls Accountants, Kendal to H&H Land & Estates, Kendal in June 2019. This change was necessary due to the current and anticipated future growth of the Trust. The relevant experience and expertise of H&H Land and Estates staff has ensured that the Trust continues to be managed effectively.

The Trust's Buildings Group oversees the maintenance of the properties and plans for future works, ensuring compliance with relevant legislation. Trustee, John Holmes, has ably led the Group, supported by a local architect, Stuart Woodhall, who manages some of the larger projects on behalf of the Trust. Charles Flanagan, my predecessor, has also provided invaluable support.

The Trust's Rents and Tenancy Group is responsible for setting rents, selecting new tenants, undertaking rent review visits and ensuring compliance with legislation. Trustee, Sue Tomlinson has ably led this Group.

The Finance Group is responsible for monitoring and reviewing the financial health of the Trust. Our new trustee, James Law, who has his own accountancy business, has provided excellent support and advice and worked effectively with H&H Client Account Manager, Karen Philipson

The Trust's solicitors, Temple Heelis have continued to provide essential legal advice.

##### **Induction and training of new trustees**

New trustees are selected based on their skills and knowledge of our local communities, ensuring that the Trust always has trustees with experience in financial and property management. New trustees are provided with copies of previous Board meeting minutes, information about the Trust, its properties, its tenants and the community needs within the Central Lakes area.

##### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Finances are managed by the finance officer at H&H Land and Estates, Kendal and overseen by the Lakeland Housing Trust Board of Trustees. Specific oversight responsibility sits with a trustee who is a chartered accountant. A 5-year financial plan is in place that is regularly monitored, ensuring that any unforeseen costs are catered for and that additional planned expenditure is affordable and carefully managed.

##### **Conclusion**

The need for affordable housing is as acute today as it was when The Lakeland Housing Trust was founded in 1937 (as the Lake Country Cottage Society). The Trust is committed to continuing to offer low cost rented housing - helping to keep villages alive and allowing local people to live and work in the heart of the Lake District. The Trust welcomes the excellent support of the Westmorland & Furness Council and the Lake District National Park Authority.

I am grateful for the support of fellow trustees and staff at H&H Land and Estates, Kendal.

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Lakeland Housing Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**Lakeland Housing Trust**

**Report of the Trustees  
for the Year Ended 31 December 2023**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

Company law 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 company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

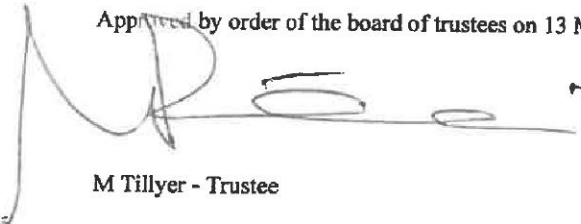
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 13 May 2024 and signed on its behalf by:



M Tillyer - Trustee

## **Report of the Independent Auditors to the Trustees of Lakeland Housing Trust**

### **Opinion**

We have audited the financial statements of Lakeland Housing Trust (the 'charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 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 the Companies Act 2006.

### **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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable 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 trustees' 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 charitable 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 trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## **Report of the Independent Auditors to the Trustees of Lakeland Housing Trust**

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable 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 trustees 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

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

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our experience and from discussions with management. We reviewed any related correspondence and records of trustee meetings to assess compliance with laws and regulations and discussed the current position with management. We ensured the audit team were alert for any indications of non-compliance throughout the audit work.

The charitable company is managed by a management company which reduces the risk of fraud. We assessed the management company's policies and procedures on fraud risks. No instances of actual, suspected or alleged fraud were identified by us or the managing company in the year.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of nondetection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of controls. We are not responsible for preventing non-compliance and cannot be expected to detect compliance with all laws and regulations.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Trustees of  
Lakeland Housing Trust**

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Stables Thompson & Briscoe  
Chartered Accountants & Statutory Auditor  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
Lowther House  
Lowther Street  
Kendal  
LA9 4DX

Date: 14 May 2024

**Lakeland Housing Trust**

**Statement of Financial Activities  
for the Year Ended 31 December 2023**

	Notes	Unrestricted funds £	Restricted funds £	31.12.23 Total funds £	31.12.22 Total funds as restated £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	124,104	-	124,104	427,366
Investment income	3	276,998	-	276,998	245,720
Other income	4	70,600	-	70,600	83,358
<b>Total</b>		<u>471,702</u>	<u>-</u>	<u>471,702</u>	<u>756,444</u>
<b>EXPENDITURE ON</b>					
Raising funds	5	6,477	-	6,477	10,713
<b>Charitable activities</b>					
Rental properties	6	248,976	-	248,976	162,327
Local occupancy project		502	-	502	8,018
<b>Total</b>		<u>255,955</u>	<u>-</u>	<u>255,955</u>	<u>181,058</u>
<b>NET INCOME</b>		215,747	-	215,747	575,386
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>					
As previously reported		6,108,237	-	6,108,237	5,532,851
Prior year adjustment	11	350,000	-	350,000	350,000
<b>As restated</b>		<u>6,458,237</u>	<u>-</u>	<u>6,458,237</u>	<u>5,882,851</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>6,673,984</u>	<u>-</u>	<u>6,673,984</u>	<u>6,458,237</u>

The notes form part of these financial statements

**Lakeland Housing Trust**

**Balance Sheet  
31 December 2023**

	Notes	Unrestricted funds £	Restricted funds £	31.12.23 Total funds £	31.12.22 Total funds as restated £
<b>FIXED ASSETS</b>					
Tangible assets	12	6,608,053	-	6,608,053	5,841,221
<b>CURRENT ASSETS</b>					
Debtors	13	8,913	-	8,913	7,172
Cash at bank		<u>800,132</u>	<u>-</u>	<u>800,132</u>	<u>1,395,916</u>
		809,045	-	809,045	1,403,088
<b>CREDITORS</b>					
Amounts falling due within one year	14	(35,291)	-	(35,291)	(70,251)
<b>NET CURRENT ASSETS</b>		<u>773,754</u>	<u>-</u>	<u>773,754</u>	<u>1,332,837</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		7,381,807	-	7,381,807	7,174,058
<b>CREDITORS</b>					
Amounts falling due after more than one year	15	(707,823)	-	(707,823)	(715,821)
<b>NET ASSETS FUNDS</b>		<u>6,673,984</u>	<u>-</u>	<u>6,673,984</u>	<u>6,458,237</u>
Unrestricted funds	18			<u>6,673,984</u>	<u>6,458,237</u>
<b>TOTAL FUNDS</b>				<u>6,673,984</u>	<u>6,458,237</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2023.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

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.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

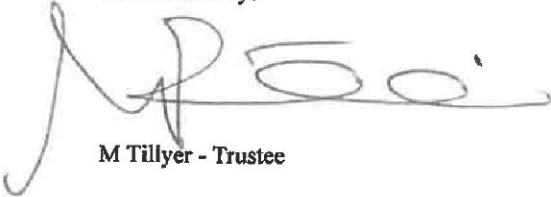
The notes form part of these financial statements

**Lakeland Housing Trust**

**Balance Sheet - continued  
31 December 2023**

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 13 May 2024 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'M Tillyer', is written over a horizontal line. The signature is stylized with a large initial 'M' and a long horizontal stroke.

**M Tillyer - Trustee**

The notes form part of these financial statements

**Lakeland Housing Trust****Cash Flow Statement  
for the Year Ended 31 December 2023**

	Notes	31.12.23 £	31.12.22 as restated £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	147,633	753,613
Interest paid		<u>(47,677)</u>	<u>(27,650)</u>
Net cash provided by operating activities		<u>99,956</u>	<u>725,963</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(767,599)	(672,066)
Sale of tangible fixed assets		70,600	473,358
Interest received		<u>16,405</u>	<u>510</u>
Net cash used in investing activities		<u>(680,594)</u>	<u>(198,198)</u>
<b>Cash flows from financing activities</b>			
New loans in year		-	700,000
Loan repayments in year		<u>(15,146)</u>	<u>(11,031)</u>
Net cash (used in)/provided by financing activities		<u>(15,146)</u>	<u>688,969</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		(595,784)	1,216,734
<b>Cash and cash equivalents at the beginning of the reporting period</b>			
		<u>1,395,916</u>	<u>179,182</u>
<b>Cash and cash equivalents at the end of the reporting period</b>			
		<u>800,132</u>	<u>1,395,916</u>

The notes form part of these financial statements

**Lakeland Housing Trust**

**Notes to the Cash Flow Statement  
for the Year Ended 31 December 2023**

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.12.23	31.12.22 as restated
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	215,747	575,386
<b>Adjustments for:</b>		
Depreciation charges	767	-
Profit on disposal of fixed assets	(70,600)	(83,358)
Interest received	(16,405)	(510)
Interest paid	47,677	27,650
(Increase)/decrease in debtors	(1,741)	226,821
(Decrease)/increase in creditors	(27,812)	7,624
<b>Net cash provided by operations</b>	<u>147,633</u>	<u>753,613</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.1.23 £	Cash flow £	At 31.12.23 £
<b>Net cash</b>			
Cash at bank	<u>1,395,916</u>	<u>(595,784)</u>	<u>800,132</u>
	<u>1,395,916</u>	<u>(595,784)</u>	<u>800,132</u>
<b>Debt</b>			
Debts falling due within 1 year	(23,148)	7,148	(16,000)
Debts falling due after 1 year	<u>(715,821)</u>	<u>7,998</u>	<u>(707,823)</u>
	<u>(738,969)</u>	<u>15,146</u>	<u>(723,823)</u>
<b>Total</b>	<u>656,947</u>	<u>(580,638)</u>	<u>76,309</u>

The notes form part of these financial statements

**Notes to the Financial Statements  
for the Year Ended 31 December 2023**

**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.

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of the registered office is given on the charity information page of these financial statements.

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

**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.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

**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.

Refurbishment and upgrading costs to existing properties are capitalised and shown as additions to freehold properties. General repairs and maintenance costs are expensed.

**Tangible fixed assets**

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

## Lakeland Housing Trust

### Notes to the Financial Statements - continued for the Year Ended 31 December 2023

#### 1. ACCOUNTING POLICIES - continued

##### Tangible fixed assets

Plant and machinery - Straight line over 20 years

Freehold property is held at cost of purchase or value at the date of gifting and the cost of any improvements. No depreciation is provided on Freehold property as, in the trustees opinion, the market value of the properties is in excess of the net book value and as such any depreciation would not be material.

##### Taxation

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

##### Fund accounting

Unrestricted funds 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

#### 2. DONATIONS AND LEGACIES

	31.12.23	31.12.22 as restated
	£	£
Donations	1,664	354
Legacies	122,440	427,012
	<u>124,104</u>	<u>427,366</u>

#### 3. INVESTMENT INCOME

	31.12.23	31.12.22 as restated
	£	£
Rents received	260,593	245,210
Deposit account interest	16,405	510
	<u>276,998</u>	<u>245,720</u>

#### 4. OTHER INCOME

	31.12.23	31.12.22 as restated
	£	£
Gain on sale of tangible fixed assets	<u>70,600</u>	<u>83,358</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2023**

**5. RAISING FUNDS**

**Raising donations and legacies**

	31.12.23	31.12.22 as restated
	£	£
Support costs	<u>6,477</u>	<u>10,713</u>

**6. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 7) £	Totals £
Rental properties	145,161	103,815	248,976
Local occupancy project	502	-	502
	<u>145,663</u>	<u>103,815</u>	<u>249,478</u>

**7. SUPPORT COSTS**

	Management £	Finance £	Governance costs £	Totals £
Raising donations and legacies	6,477	-	-	6,477
Rental properties	-	47,903	55,912	103,815
	<u>6,477</u>	<u>47,903</u>	<u>55,912</u>	<u>110,292</u>

**8. NET INCOME/(EXPENDITURE)**

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

	31.12.23	31.12.22 as restated
	£	£
Auditors' remuneration	5,563	5,781
Depreciation - owned assets	767	-
Surplus on disposal of fixed assets	<u>(70,600)</u>	<u>(83,358)</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

**Trustees' expenses**

	31.12.23	31.12.22 as restated
	£	£
Trustees' expenses	<u>1,267</u>	<u>764</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2023**

**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds	Restricted funds	Total funds as restated
	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	427,366	-	427,366
Investment income	245,720	-	245,720
Other income	83,358	-	83,358
<b>Total</b>	<u>756,444</u>	<u>-</u>	<u>756,444</u>
<b>EXPENDITURE ON</b>			
Raising funds	10,713	-	10,713
<b>Charitable activities</b>			
Rental properties	162,327	-	162,327
Local occupancy project	8,018	-	8,018
<b>Total</b>	<u>181,058</u>	<u>-</u>	<u>181,058</u>
<b>NET INCOME</b>			
Transfers between funds	575,386	-	575,386
Net movement in funds	230,000	(230,000)	-
	<u>805,386</u>	<u>(230,000)</u>	<u>575,386</u>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>			
As previously reported	5,302,851	230,000	5,532,851
Prior year adjustment	350,000	-	350,000
<b>As restated</b>	<u>5,652,851</u>	<u>230,000</u>	<u>5,882,851</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>6,458,237</u>	<u>-</u>	<u>6,458,237</u>

**11. PRIOR YEAR ADJUSTMENT**

A property worth £350,000 was gifted to the charity on 5 March 2021 but was not reflected in the accounts to 31 December 2021. This has now been brought into the accounts and reflected in Freehold Housing Property as a prior year adjustment.

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2023**

**12. TANGIBLE FIXED ASSETS**

	Freehold property £	Plant and machinery £	Totals £
<b>COST</b>			
At 1 January 2023	5,841,221	-	5,841,221
Additions	752,268	15,331	767,599
At 31 December 2023	<u>6,593,489</u>	<u>15,331</u>	<u>6,608,820</u>
<b>DEPRECIATION</b>			
Charge for year	-	767	767
<b>NET BOOK VALUE</b>			
At 31 December 2023	<u>6,593,489</u>	<u>14,564</u>	<u>6,608,053</u>
At 31 December 2022	<u>5,841,221</u>	<u>-</u>	<u>5,841,221</u>

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.23 £	31.12.22 as restated £
Rent arrears	3,575	2,113
Prepayments	<u>5,338</u>	<u>5,059</u>
	<u>8,913</u>	<u>7,172</u>

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.23 £	31.12.22 as restated £
Bank loans and overdrafts (see note 16)	16,000	23,148
Trade creditors	10,292	39,053
Accruals and deferred income	200	-
Accrued expenses	<u>8,799</u>	<u>8,050</u>
	<u>35,291</u>	<u>70,251</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2023**

**15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.12.23	31.12.22 as restated
	£	£
Bank loans (see note 16)	<u>707,823</u>	<u>715,821</u>

**16. LOANS**

An analysis of the maturity of loans is given below:

	31.12.23	31.12.22 as restated
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>16,000</u>	<u>23,148</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>17,000</u>	<u>23,148</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>57,000</u>	<u>69,443</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	633,823	623,230

**17. SECURED DEBTS**

The following secured debts are included within creditors:

	31.12.23	31.12.22 as restated
	£	£
Bank loans	<u>723,823</u>	<u>738,969</u>

The bank loan is secured on seven of the properties owned by the Trust. The loan is limited to £750,000 of which £750,000 was drawn down by the year end. The loan is to be repaid over 264 months with interest charged at 2.5% pa over the Bank of England base rate with a minimum interest rate of 2.5%pa. The first 24 months are on an interest only basis.

**18. MOVEMENT IN FUNDS**

	At 1.1.23 £	Prior year adjustment £	Net movement in funds £	At 31.12.23 £
<b>Unrestricted funds</b>				
General fund	6,108,237	350,000	215,747	6,673,984
<b>TOTAL FUNDS</b>	<u>6,108,237</u>	<u>350,000</u>	<u>215,747</u>	<u>6,673,984</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2023**

**18. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	471,702	(255,955)	215,747
<b>TOTAL FUNDS</b>	<u>471,702</u>	<u>(255,955)</u>	<u>215,747</u>

**Comparatives for movement in funds**

	At 1.1.22 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
<b>Unrestricted funds</b>					
General fund	5,302,851	350,000	575,386	230,000	6,458,237
<b>Restricted funds</b>					
Legacy to cover new houses in Grasmere	230,000	-	-	(230,000)	-
<b>TOTAL FUNDS</b>	<u>5,532,851</u>	<u>350,000</u>	<u>575,386</u>	<u>-</u>	<u>6,458,237</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	756,444	(181,058)	575,386
<b>TOTAL FUNDS</b>	<u>756,444</u>	<u>(181,058)</u>	<u>575,386</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2023**

**18. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.22 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
<b>Unrestricted funds</b>					
General fund	5,302,851	700,000	791,133	230,000	7,023,984
<b>Restricted funds</b>					
Legacy to cover new houses in Grasmere	230,000	-	-	(230,000)	-
<b>TOTAL FUNDS</b>	<u>5,532,851</u>	<u>700,000</u>	<u>791,133</u>	<u>-</u>	<u>7,023,984</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,228,146	(437,013)	791,133
<b>TOTAL FUNDS</b>	<u>1,228,146</u>	<u>(437,013)</u>	<u>791,133</u>

**19. CAPITAL COMMITMENTS**

	31.12.23 £	31.12.22 as restated £
Contracted but not provided for in the financial statements	<u>-</u>	<u>50,246</u>

**20. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 December 2023.

**21. LEGACIES**

The charity has been notified of a legacy consisting of various investments which will be received at an unspecified date in the future. As there is no way of determining the likely proceeds at this point no provision for this legacy has been made in these accounts.

**Lakeland Housing Trust****Detailed Statement of Financial Activities  
for the Year Ended 31 December 2023**

	31.12.23	31.12.22
	£	as restated £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	1,664	354
Legacies	<u>122,440</u>	<u>427,012</u>
	124,104	427,366
<b>Investment income</b>		
Rents received	260,593	245,210
Deposit account interest	<u>16,405</u>	<u>510</u>
	276,998	245,720
<b>Other income</b>		
Gain on sale of tangible fixed assets	<u>70,600</u>	<u>83,358</u>
<b>Total incoming resources</b>	<u>471,702</u>	<u>756,444</u>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Rates and property expenses	7,046	7,687
Insurance	14,717	12,087
Repairs and maintenance	117,677	51,597
Property related legal fees	4,954	9,804
Local occupancy project	502	8,018
Plant and machinery depreciation	<u>767</u>	<u>-</u>
	145,663	89,193
<b>Support costs</b>		
<b>Management</b>		
Advertising	6,477	10,713
<b>Finance</b>		
Bank charges	226	215
Bank loan interest	<u>47,677</u>	<u>27,650</u>
	47,903	27,865
<b>Governance costs</b>		
Trustees' expenses	1,267	764
Auditors' remuneration	5,563	5,781
Legal and professional fees	13	188
Management fees	47,888	45,375
Trustees liability insurance	596	495
Hall hire	<u>585</u>	<u>684</u>
	55,912	53,287

This page does not form part of the statutory financial statements

**Lakeland Housing Trust**

**Detailed Statement of Financial Activities  
for the Year Ended 31 December 2023**

	31.12.23	31.12.22 as restated
	<u>£</u>	<u>£</u>
Total resources expended	<u>255,955</u>	<u>181,058</u>
Net income	<u>215,747</u>	<u>575,386</u>

This page does not form part of the statutory financial statements





# STABLES THOMPSON & BRISCOE

CHARTERED ACCOUNTANTS & REGISTERED AUDITORS

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Lowther House, Lowther Street, Kendal, Cumbria LA9 4DX  
Tel: (01539) 720465  
Email: [enquiries@stb-accountants.co.uk](mailto:enquiries@stb-accountants.co.uk) [www.stb-accountants.co.uk](http://www.stb-accountants.co.uk)

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17 April 2024

The Trustees  
Lakeland Housing Trust  
Cumbria Tourism Business Centre  
Windermere Road  
Staveley  
Cumbria  
LA8 9PL

Dear Sirs,

## REPORT TO MANAGEMENT

During the course of our audit for the year ended 31 December 2023 a number of matters arose which we consider should be brought to your attention.

Accompanying this letter is a memorandum noting these points together with any recommendations we have for possible improvements which could be made.

These matters came to light during the course of our normal audit tests which are designed to assist us in forming our opinion on the financial statements. Our tests may not necessarily disclose all errors or irregularities and should not be relied upon to do so. However, if any irregularity did come to our attention during our audit tests, we would, of course, inform you immediately.

We would be grateful if you could enter management's comments against each point under the "management response" column of the memorandum and return it to us in due course.

We have complied with the Financial Reporting Council's Ethical Standard and all threats to our independence, as identified to you, have been properly addressed through appropriate safeguards. No additional facts or matters have arisen during the course of the audit that we wish to draw to your attention and we confirm that we are independent and able to express an objective opinion on the financial statements.

This report has been prepared for the sole use of the trustees of Lakeland Housing Trust and must not be shown to third parties without our prior consent. No responsibilities are accepted by Stables Thompson & Briscoe towards any party acting or refraining from action as a result of this report.

Finally, we would like to express our thanks to all members of the charity's staff who assisted us in carrying out our work.

Yours faithfully,

Control weakness identified	Potential implications and recommendations	Management response
Uncleared amount of £55.30 from 23/05/22 still not cleared on Quickbooks	This is obviously a trivial amount but needs to be cleared up as it is likely to be a duplicate/ mistake.	Requested accountant to ledger off in 2023.
No 5-year budget prepared at time of audit	This impacts going concern as this budget is needed to see how Lakeland Housing Trust will operate in the future.	Being planned.
The charity name at Companies House is "Lakeland Housing Trust" but the name at the Charity Commission is "The Lakeland Housing Trust".	Ideally the charity name should be the same on both platforms as this could cause issues in the future.	Now changed on Charities Commission website to Lakeland Housing Trust
Legacy for Joan Dominicus to be received requires a note in the accounts	Note required to show legacy expected to come in following financial year.	Accountants to do note as unable to confirm amount at the moment.
For one invoice the wrong supplier was entered into QuickBooks	Purchase ledger control account incorrect	Will be investigated.

#### Summary of audit differences and draft letter of representation

The unadjusted misstatements were not considered to be material and are listed in the letter of representation.

We have sent the letter of management representations required in connection with our audit separately for your approval.

#### Outstanding Matters

Prior to issuing our audit report we require:

- the signed letter of representation

#### Anticipated audit report

We anticipate that we will issue an unmodified audit report for the year, subject to the satisfactory clearance of any outstanding/unresolved the matters outlined in this report.

**LAKELAND HOUSING TRUST**

England & Wales - Charity number 1175184

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# Accounts

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**REGISTERED COMPANY NUMBER: 10298071 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1175184**

**Report of the Trustees and**  
**Audited Financial Statements for the Year Ended 31 December 2022**  
**for**  
**Lakeland Housing Trust**  
**(A Company Limited by Guarantee)**

Stables Thompson & Briscoe  
Chartered Accountants & Statutory Auditor  
Lowther House  
Lowther Street  
Kendal  
LA9 4DX

**Lakeland Housing Trust**

**Contents of the Financial Statements  
for the Year Ended 31 December 2022**

	<b>Page</b>
<b>Reference and Administrative Details</b>	1
<b>Report of the Trustees</b>	2 to 6
<b>Report of the Independent Auditors</b>	7 to 9
<b>Statement of Financial Activities</b>	10
<b>Balance Sheet</b>	11 to 12
<b>Cash Flow Statement</b>	13
<b>Notes to the Cash Flow Statement</b>	14
<b>Notes to the Financial Statements</b>	15 to 22
<b>Detailed Statement of Financial Activities</b>	23 to 24

**Lakeland Housing Trust**

**Reference and Administrative Details  
for the Year Ended 31 December 2022**

**TRUSTEES**

I R Bonham  
R D L Brownson  
Mrs H E Caldwell  
P Davies  
C R A Flanagan  
Mrs D A Hall  
J M Holmes  
N F Hutchinson  
Mrs D R Matthews  
M Tillyer  
Mrs S M Tomlinson  
B R P Dobson (appointed 17.1.22)  
Mrs M Johnston (appointed 25.7.22)  
J H Law (appointed 3.3.22)

**REGISTERED OFFICE**

36 Finkle Street

Kendal  
Cumbria  
LA9 4AB

**REGISTERED COMPANY  
NUMBER**

10298071 (England and Wales)

**REGISTERED CHARITY  
NUMBER**

1175184

**AUDITORS**

Stables Thompson & Briscoe  
Chartered Accountants & Statutory Auditor  
Lowther House  
Lowther Street  
Kendal  
LA9 4DX

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2022**

The Trustees present their report and the audited financial statements of the charity for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity'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 published in October 2019.

Formed in 1937, The Lakeland Housing Trust is a Registered Charitable Company, the operations were originally through an unincorporated Charity - No 701075 - all the assets and operations transferred on 1 January 2019 to this charitable company - Charity No 1175184.

The Trust currently owns and manages 53 properties in the central Lakeland area, all within the Lake District National Park boundary.

Tourism is an essential part of life in central Lakeland but the increasing second home and holiday let market means that house prices have increased at a rate that makes it very difficult for local people to buy or rent a home. As a consequence, the sense of 'local community' is being lost.

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The Lakeland Housing Trust provides rented homes for local people who cannot afford to buy or long-term rent accommodation at current market prices. Our affordable rents have resulted in several of our tenants being able to save for deposits and subsequently buy their own home.

Vacancies are advertised in the local press and priority consideration is given on the basis of need, to local people working or retired in the area or who have strong local family connections. Current properties are situated mainly in the Ambleside, Coniston, Hawkshead and Troutbeck areas.

##### **Public benefit**

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

##### **Volunteers**

The trustees are all volunteers and provide essential advice and practical support in the running of the Trust.

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2022**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

###### **Developments:**

Hawthorn Close (Cragfoot, Grasmere).

The development of this site to provide two 3-bedroom houses completed in early 2022 and two young families are now tenants at the properties.

These houses have been built to Passive House standard (a much higher standard of energy saving than current Building Regs stipulate). A Grant secured from South Lakeland District Council has helped offset the extraordinary costs of developing this difficult site and building to a much higher specification.

Purchase of 2, New Street Yard, Broughton in Furness.

Middle Bleansley, Broughton Mills was bequeathed to the Trust during 2022. The property is very large, isolated and in a poor state. Trustees considered that it was not suitable for the LHT. It was sold and the funds used to purchase 2, New Street, Broughton in Furness.

Gable Cottage - Hawkshead.

This property was extensively refurbished during the latter part of 2021 and completed in 2022. New tenants now live there.

Ciceley Parrock, Troutbeck & Grandy Nook Kendal

A variety of upgrades comprising new kitchens, bathrooms and double glazing have been carried out.

Quinquennial Surveys.

These was commissioned during 2021 completed during 2022.

The surveys will enable a full 5 year rolling programme of refurbishments to be carried out.

##### **Fundraising activities**

The charity does not carry out significant fundraising activities. However, a recent focus on media and marketing activities has led to financial donations and offers to sell homes at significantly below market value.

###### **The Properties:**

###### **(a) Repairs and Improvements**

Most of the properties have now been brought up to the standards required by legislation. Over 90% have modern heating systems and are insulated to a good level. All now comply with the government's energy targets apart from three, for which exemption certificates have been applied.

Electrical inspections were carried out on all properties and, where appropriate, remedial work undertaken.

A programme was developed by the Buildings Group to prioritise work to bring all the other properties up to standard. The work is nearly complete.

###### **(b) Rents & Tenancies**

Income from rents increased by nearly 5% reflecting the number of properties that were due for rent reviews and the additional rent from the newly acquired Spedding Cottage. It should be noted that rents are only reviewed every other year.

Rents average £94.00 a week. The Trust's policy is to charge rents equivalent to or slightly lower than other social landlords.

There remains keen interest in any vacancies and no shortage of candidates fitting the Trust's strict criteria.

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2022**

#### **FINANCIAL REVIEW**

##### **Financial position**

The Finance Group regularly reviews the financial position of the Trust - ensuring that there are sufficient funds to cover current and planned future expenditure, whilst also ensuring that there is a sufficient surplus for the repayment of its borrowings.

The Trust received income of £756,445 in the year, lower than the £1,013,069 received last year as it included a legacy of £230,000 received on 1 March 2022. Rental income was £13,148 higher reflecting the increase in the number of properties to rent.

Running expenses were slightly higher than last year at £162,328 (2021 - £155,055). There was also £8,018 spent on the local occupancy project (2021 - Nil).

The development costs capitalised were £282,066 in the year compared to £537,983 last year.

The net surplus transferred to funds was £575,386 (2021 - £857,515).

##### **Principal funding sources**

The principal funding sources for the charity are the rentals obtained from the properties and legacies.

##### **Reserves policy**

It is the policy of the Trust to maintain unrestricted funds at a level which equates to approximately six months unrestricted expenditure. This provides sufficient funds to cover management and administration costs and to respond to emergency expenditure which arises from time to time.

Free reserves at the year end were £617,016 (2021 - £93,696). This is equivalent to forty-six months running costs, however the trustees are looking into the best use of these new funds in terms of development and new housing opportunities.

The Finance Group regularly reviews the financial position of the Trust - ensuring that there are sufficient funds to cover current and planned future expenditure, whilst also ensuring that there is sufficient surplus for the repayment of its borrowings.

Further information in relation to anticipated financial issues is detailed under 'Future Plans'.

#### **FUTURE PLANS**

##### **Media & Marketing**

The Trust is investing more time in Media & Marketing initiatives and this is already bearing fruit - leading to a property soon to be purchased at significantly below market value in Windermere, as well as other financial donations.

##### **Unilateral Undertaking for Local Occupancy**

Progress partnership with LDNPA - implementing an LHT initiative which will encourage owners to place Unilateral Undertakings for Local Occupancy on their properties.

##### **Neaum Hurst Development**

The long-term tenant at 4, Neaum Hurst died during 2022. The property, together with adjoining outhouses will be converted into two one bedroomed properties.

##### **House in Windermere**

It is likely that in 2023 the Trust will purchase a house in Windermere at significantly below market value. It will be subject to full renovation.

Three new Trustees will be appointed at the AGM on 16th May 2023.

#### **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.

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2022**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Recruitment and appointment of new trustees**

New trustees are nominated and appointed by the existing trustees.

##### **Organisational structure**

The trust is managed locally by Trustees who have lived in the area for most of their lives and who give their services voluntarily. They have a deep commitment to the preservation and prosperity of integrated local communities and value the traditional vernacular architecture of the Lake District. All improvements are carried out sympathetically.

All the Trustees continue to give a great deal of advice and practical assistance in the running of the Trust.

The day-to-day administration of the Trust transferred from Ingalls Accountants, Kendal to H&H Land & Estates, Kendal in June 2019. This change was necessary due to the current and anticipated future growth of the Trust. The relevant experience and expertise of H&H Land and Estates staff has ensured that the Trust continues to be managed effectively.

The Trust's Buildings Group oversees the maintenance of the properties and plans for future works, ensuring compliance with relevant legislation. Trustee, John Holmes, has ably led the Group, supported by a local architect, Stuart Woodhall, who manages some of the larger projects on behalf of the Trust. Charles Flanagan, my predecessor, has also provided invaluable support.

The Trust's Rents and Tenancy Group is responsible for setting rents, selecting new tenants, undertaking rent review visits and ensuring compliance with legislation. Trustee, Sue Tomlinson has ably led this Group.

The Finance Group is responsible for monitoring and reviewing the financial health of the Trust. Our new trustee, James Law, who has his own accountancy business, has provided excellent support and advice and worked effectively with H&H Client Account Manager, Karen Philipson

The Trust's solicitors, Temple Heelis have continued to provide essential legal advice.

##### **Induction and training of new trustees**

New trustees are selected based on their skills and knowledge of our local communities, ensuring that the Trust always has trustees with experience in financial and property management. New trustees are provided with copies of previous Board meeting minutes, information about the Trust, its properties, its tenants and the community needs within the Central Lakes area.

##### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Finances are managed by the finance officer at H&H Land and Estates, Kendal and overseen by the Lakeland Housing Trust Board of Trustees. Specific oversight responsibility sits with a trustee who is a recently retired chartered accountant and head of finance for South Lakeland District Council. A 5-year financial plan is in place that is regularly monitored, ensuring that any unforeseen costs are catered for and that additional planned expenditure is affordable and carefully managed.

##### **Conclusion**

The need for affordable housing is as acute today as it was when The Lakeland Housing Trust was founded in 1937 (as the Lake Country Cottage Society). The Trust is committed to continuing to offer low cost rented housing - helping to keep villages alive and allowing local people to live and work in the heart of the Lake District. The Trust welcomes the excellent support of the South Lakes District Council and the Lake District National Park Authority.

I am grateful for the support of fellow trustees and staff at H&H Land and Estates, Kendal.

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Lakeland Housing Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

## Lakeland Housing Trust

### Report of the Trustees for the Year Ended 31 December 2022

#### STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law 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 company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

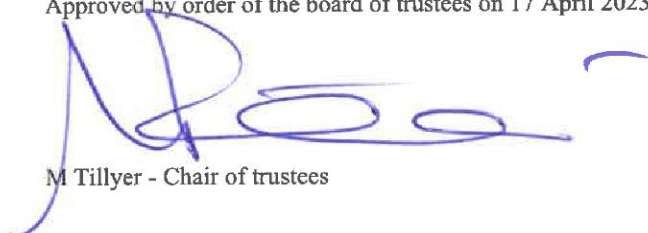
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 17 April 2023 and signed on its behalf by:



M Tillyer - Chair of trustees

## **Report of the Independent Auditors to the Trustees of Lakeland Housing Trust**

### **Opinion**

We have audited the financial statements of Lakeland Housing Trust (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 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 the Companies Act 2006.

### **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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable 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 trustees' 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 charitable 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 trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## **Report of the Independent Auditors to the Trustees of Lakeland Housing Trust**

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable 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 trustees 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

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

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our experience and from discussions with management. We reviewed any related correspondence and records of trustee meetings to assess compliance with laws and regulations and discussed the current position with management. We ensured the audit team were alert for any indications of non-compliance throughout the audit work.

The charitable company is managed by a management company which reduces the risk of fraud. We assessed the management company's policies and procedures on fraud risks. No instances of actual, suspected or alleged fraud were identified by us or the managing company in the year.


Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of controls. We are not responsible for preventing non-compliance and cannot be expected to detect compliance with all laws and regulations.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Trustees of  
Lakeland Housing Trust**

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Stables Thompson & Briscoe  
Chartered Accountants & Statutory Auditor  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
Lowther House  
Lowther Street  
Kendal  
LA9 4DX

Date: 22 May 2023

**Lakeland Housing Trust**

**Statement of Financial Activities  
for the Year Ended 31 December 2022**

	Notes	Unrestricted funds £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	427,366	-	427,366	644,368
<b>Charitable activities</b>					
Rental properties	4	-	-	-	136,825
Investment income	3	245,720	-	245,720	231,876
Other income	5	83,358	-	83,358	-
<b>Total</b>		<u>756,444</u>	<u>-</u>	<u>756,444</u>	<u>1,013,069</u>
<b>EXPENDITURE ON</b>					
Raising funds	6	10,713	-	10,713	499
<b>Charitable activities</b>					
Rental properties	7	162,327	-	162,327	155,055
Local occupancy project		8,018	-	8,018	-
<b>Total</b>		<u>181,058</u>	<u>-</u>	<u>181,058</u>	<u>155,554</u>
<b>NET INCOME</b>		575,386	-	575,386	857,515
Transfers between funds	19	230,000	(230,000)	-	-
<b>Net movement in funds</b>		<u>805,386</u>	<u>(230,000)</u>	<u>575,386</u>	<u>857,515</u>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		5,302,851	230,000	5,532,851	4,675,336
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>6,108,237</u></u>	<u><u>-</u></u>	<u><u>6,108,237</u></u>	<u><u>5,532,851</u></u>

The notes form part of these financial statements

**Lakeland Housing Trust**

**Balance Sheet  
31 December 2022**

	Notes	Unrestricted funds £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	13	5,491,221	-	5,491,221	5,209,155
<b>CURRENT ASSETS</b>					
Debtors	14	7,172	-	7,172	3,993
Prepayments and accrued income		-	-	-	230,000
Cash at bank		1,395,916	-	1,395,916	179,182
		<u>1,403,088</u>	<u>-</u>	<u>1,403,088</u>	<u>413,175</u>
<b>CREDITORS</b>					
Amounts falling due within one year	15	(70,251)	-	(70,251)	(39,479)
<b>NET CURRENT ASSETS</b>		<u>1,332,837</u>	<u>-</u>	<u>1,332,837</u>	<u>373,696</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		6,824,058	-	6,824,058	5,582,851
<b>CREDITORS</b>					
Amounts falling due after more than one year	16	(715,821)	-	(715,821)	(50,000)
<b>NET ASSETS FUNDS</b>		<u>6,108,237</u>	<u>-</u>	<u>6,108,237</u>	<u>5,532,851</u>
Unrestricted funds	19			6,108,237	5,302,851
Restricted funds				-	230,000
<b>TOTAL FUNDS</b>				<u>6,108,237</u>	<u>5,532,851</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

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.

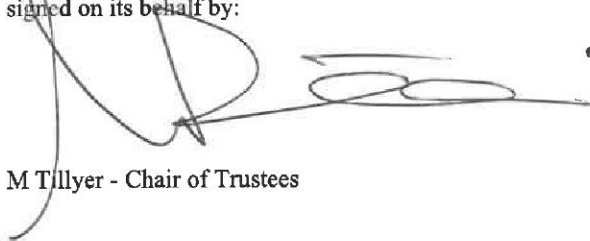
These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

**Lakeland Housing Trust**

**Balance Sheet - continued**  
**31 December 2022**

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 17 April 2023 and were signed on its behalf by:

A handwritten signature in black ink, appearing to be 'M Tillyer', written over a horizontal line. The signature is cursive and somewhat stylized.

M Tillyer - Chair of Trustees

**Lakeland Housing Trust**

**Cash Flow Statement  
for the Year Ended 31 December 2022**

	Notes	31.12.22 £	31.12.21 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	753,613	691,560
Interest paid		(27,650)	(8,803)
Net cash provided by operating activities		<u>725,963</u>	<u>682,757</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(672,066)	(537,983)
Sale of tangible fixed assets		473,358	-
Interest received		510	26
Net cash used in investing activities		<u>(198,198)</u>	<u>(537,957)</u>
<b>Cash flows from financing activities</b>			
New loans in year		700,000	-
Loan repayments in year		(11,031)	-
Net cash provided by financing activities		<u>688,969</u>	<u>-</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		1,216,734	144,800
<b>Cash and cash equivalents at the beginning of the reporting period</b>			
		<u>179,182</u>	<u>34,382</u>
<b>Cash and cash equivalents at the end of the reporting period</b>			
		<u>1,395,916</u>	<u>179,182</u>

The notes form part of these financial statements

**Lakeland Housing Trust**

**Notes to the Cash Flow Statement  
for the Year Ended 31 December 2022**

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.12.22	31.12.21
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	575,386	857,515
<b>Adjustments for:</b>		
Profit on disposal of fixed assets	(83,358)	-
Interest received	(510)	(26)
Interest paid	27,650	8,803
Decrease/(increase) in debtors	226,821	(199,822)
Increase in creditors	7,624	25,090
<b>Net cash provided by operations</b>	<u>753,613</u>	<u>691,560</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.1.22	Cash flow	At 31.12.22
	£	£	£
<b>Net cash</b>			
Cash at bank	<u>179,182</u>	<u>1,216,734</u>	<u>1,395,916</u>
	<u>179,182</u>	<u>1,216,734</u>	<u>1,395,916</u>
<b>Debt</b>			
Debts falling due within 1 year	-	(23,148)	(23,148)
Debts falling due after 1 year	<u>(50,000)</u>	<u>(665,821)</u>	<u>(715,821)</u>
	<u>(50,000)</u>	<u>(688,969)</u>	<u>(738,969)</u>
<b>Total</b>	<u>129,182</u>	<u>527,765</u>	<u>656,947</u>

The notes form part of these financial statements

**Notes to the Financial Statements  
for the Year Ended 31 December 2022**

**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.

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of the registered office is given on the charity information page of these financial statements.

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

**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.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

**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**

No depreciation is provided on Freehold property as, in the trustees opinion, the market value of the properties is in excess of the net book value and as such any depreciation would not be material.

**Taxation**

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

## Lakeland Housing Trust

### Notes to the Financial Statements - continued for the Year Ended 31 December 2022

#### 1. ACCOUNTING POLICIES - continued

##### Fund accounting

Unrestricted funds 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

#### 2. DONATIONS AND LEGACIES

	31.12.22	31.12.21
	£	£
Donations	354	2
Legacies	427,012	644,366
	<u>427,366</u>	<u>644,368</u>

#### 3. INVESTMENT INCOME

	31.12.22	31.12.21
	£	£
Rents received	245,210	231,850
Deposit account interest	510	26
	<u>245,720</u>	<u>231,876</u>

#### 4. INCOME FROM CHARITABLE ACTIVITIES

	31.12.22	31.12.21
	£	£
Grants	-	136,825

Grants received, included in the above, are as follows:

	31.12.22	31.12.21
	£	£
SLDC Affordable Housing	-	136,825

#### 5. OTHER INCOME

	31.12.22	31.12.21
	£	£
Gain on sale of tangible fixed assets	83,358	-

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**6. RAISING FUNDS**

**Raising donations and legacies**

	31.12.22	31.12.21
	£	£
Support costs	<u>10,713</u>	<u>499</u>

**7. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 8) £	Totals £
Rental properties	81,175	81,152	162,327
Local occupancy project	<u>8,018</u>	<u>-</u>	<u>8,018</u>
	<u>89,193</u>	<u>81,152</u>	<u>170,345</u>

**8. SUPPORT COSTS**

	Management £	Finance £	Governance costs £	Totals £
Raising donations and legacies	10,713	-	-	10,713
Rental properties	<u>-</u>	<u>27,865</u>	<u>53,287</u>	<u>81,152</u>
	<u>10,713</u>	<u>27,865</u>	<u>53,287</u>	<u>91,865</u>

**9. NET INCOME/(EXPENDITURE)**

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

	31.12.22	31.12.21
	£	£
Auditors' remuneration	5,781	4,358
Surplus on disposal of fixed assets	<u>(83,358)</u>	<u>-</u>

**10. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

**Trustees' expenses**

	31.12.22	31.12.21
	£	£
Trustees' expenses	<u>764</u>	<u>-</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**11. MATERIAL TRANSFERS**

The restricted legacy of £230,000 received was spent in the year on the properties at Hawthorne Close in accordance with the donor's wishes and so has been transferred to unrestricted funds.

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	414,368	230,000	644,368
<b>Charitable activities</b>			
Rental properties	-	136,825	136,825
Investment income	231,876	-	231,876
<b>Total</b>	<u>646,244</u>	<u>366,825</u>	<u>1,013,069</u>
<b>EXPENDITURE ON</b>			
Raising funds	499	-	499
<b>Charitable activities</b>			
Rental properties	155,055	-	155,055
<b>Total</b>	<u>155,554</u>	<u>-</u>	<u>155,554</u>
<b>NET INCOME</b>	490,690	366,825	857,515
<b>Transfers between funds</b>	136,825	(136,825)	-
<b>Net movement in funds</b>	<u>627,515</u>	<u>230,000</u>	<u>857,515</u>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	4,675,336	-	4,675,336
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>5,302,851</u>	<u>230,000</u>	<u>5,532,851</u>

**13. TANGIBLE FIXED ASSETS**

	Freehold property £
<b>COST</b>	
At 1 January 2022	5,209,155
Additions	672,066
Disposals	(390,000)
At 31 December 2022	<u>5,491,221</u>
<b>NET BOOK VALUE</b>	
At 31 December 2022	<u>5,491,221</u>
At 31 December 2021	<u>5,209,155</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

<b>14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	31.12.22	31.12.21
	£	£
Rent arrears	2,113	886
Prepayments	<u>5,059</u>	<u>3,107</u>
	<u>7,172</u>	<u>3,993</u>

The charity received notification of a further legacy before the year end, but as this was a property which is to be sold at auction to provide funds to reinvest in properties suitable for letting there was no firm price to allow for this to be accrued at the year end. This will be reflected in next year's accounts.

<b>15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	31.12.22	31.12.21
	£	£
Bank loans and overdrafts (see note 17)	23,148	-
Trade creditors	39,053	24,623
Accrued expenses	<u>8,050</u>	<u>14,856</u>
	<u>70,251</u>	<u>39,479</u>

<b>16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	31.12.22	31.12.21
	£	£
Bank loans (see note 17)	<u>715,821</u>	<u>50,000</u>

**17. LOANS**

An analysis of the maturity of loans is given below:

	31.12.22	31.12.21
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>23,148</u>	<u>-</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>23,148</u>	<u>50,000</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>69,443</u>	<u>-</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	623,230	-

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**18. SECURED DEBTS**

The following secured debts are included within creditors:

	31.12.22	31.12.21
	£	£
Bank loans	<u>738,969</u>	<u>50,000</u>

The bank loan is secured on seven of the properties owned by the Trust. The loan is limited to £750,000 of which £750,000 was drawn down by the year end. The loan is to be repaid over 264 months with interest charged at 2.5% pa over the Bank of England base rate with a minimum interest rate of 2.5%pa. The first 24 months are on an interest only basis.

**19. MOVEMENT IN FUNDS**

	At 1.1.22	Net movement in funds	Transfers between funds	At 31.12.22
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	5,302,851	575,386	230,000	6,108,237
<b>Restricted funds</b>				
Legacy to cover new houses in Grasmere	230,000	-	(230,000)	-
<b>TOTAL FUNDS</b>	<u>5,532,851</u>	<u>575,386</u>	<u>-</u>	<u>6,108,237</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
<b>Unrestricted funds</b>			
General fund	756,444	(181,058)	575,386
<b>TOTAL FUNDS</b>	<u>756,444</u>	<u>(181,058)</u>	<u>575,386</u>

**Comparatives for movement in funds**

	At 1.1.21	Net movement in funds	Transfers between funds	At 31.12.21
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	4,675,336	490,690	136,825	5,302,851
<b>Restricted funds</b>				
Capital grants	-	136,825	(136,825)	-
Legacy to cover new houses in Grasmere	-	230,000	-	230,000
	-	366,825	(136,825)	230,000
<b>TOTAL FUNDS</b>	<u>4,675,336</u>	<u>857,515</u>	<u>-</u>	<u>5,532,851</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**19. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	646,244	(155,554)	490,690
<b>Restricted funds</b>			
Capital grants	136,825	-	136,825
Legacy to cover new houses in Grasmere	230,000	-	230,000
	<u>366,825</u>	<u>-</u>	<u>366,825</u>
<b>TOTAL FUNDS</b>	<u>1,013,069</u>	<u>(155,554)</u>	<u>857,515</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
<b>Unrestricted funds</b>				
General fund	4,675,336	1,066,076	366,825	6,108,237
<b>Restricted funds</b>				
Capital grants	-	136,825	(136,825)	-
Legacy to cover new houses in Grasmere	-	230,000	(230,000)	-
	<u>-</u>	<u>366,825</u>	<u>(366,825)</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>4,675,336</u>	<u>1,432,901</u>	<u>-</u>	<u>6,108,237</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,402,688	(336,612)	1,066,076
<b>Restricted funds</b>			
Capital grants	136,825	-	136,825
Legacy to cover new houses in Grasmere	230,000	-	230,000
	<u>366,825</u>	<u>-</u>	<u>366,825</u>
<b>TOTAL FUNDS</b>	<u>1,769,513</u>	<u>(336,612)</u>	<u>1,432,901</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**20. CAPITAL COMMITMENTS**

	31.12.22	31.12.21
	£	£
Contracted but not provided for in the financial statements	<u>50,246</u>	<u>50,246</u>

**21. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 December 2022.

**REGISTERED COMPANY NUMBER: 10298071 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1175184**

**Report of the Trustees and**  
**Audited Financial Statements for the Year Ended 31 December 2022**  
**for**  
**Lakeland Housing Trust**  
**(A Company Limited by Guarantee)**

Stables Thompson & Briscoe  
Chartered Accountants & Statutory Auditor  
Lowther House  
Lowther Street  
Kendal  
LA9 4DX

## **Lakeland Housing Trust**

### **Contents of the Financial Statements for the Year Ended 31 December 2022**

	<b>Page</b>
<b>Reference and Administrative Details</b>	1
<b>Report of the Trustees</b>	2 to 6
<b>Report of the Independent Auditors</b>	7 to 9
<b>Statement of Financial Activities</b>	10
<b>Balance Sheet</b>	11 to 12
<b>Cash Flow Statement</b>	13
<b>Notes to the Cash Flow Statement</b>	14
<b>Notes to the Financial Statements</b>	15 to 22
<b>Detailed Statement of Financial Activities</b>	23 to 24

**Lakeland Housing Trust**

**Reference and Administrative Details  
for the Year Ended 31 December 2022**

**TRUSTEES**

I R Bonham  
R D L Brownson  
Mrs H E Caldwell  
P Davies  
C R A Flanagan  
Mrs D A Hall  
J M Holmes  
N F Hutchinson  
Mrs D R Matthews  
M Tillyer  
Mrs S M Tomlinson  
B R P Dobson (appointed 17.1.22)  
Mrs M Johnston (appointed 25.7.22)  
J H Law (appointed 3.3.22)

**REGISTERED OFFICE**

36 Finkle Street

Kendal  
Cumbria  
LA9 4AB

**REGISTERED COMPANY  
NUMBER**

10298071 (England and Wales)

**REGISTERED CHARITY  
NUMBER**

1175184

**AUDITORS**

Stables Thompson & Briscoe  
Chartered Accountants & Statutory Auditor  
Lowther House  
Lowther Street  
Kendal  
LA9 4DX

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2022**

The Trustees present their report and the audited financial statements of the charity for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity'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 published in October 2019.

Formed in 1937, The Lakeland Housing Trust is a Registered Charitable Company, the operations were originally through an unincorporated Charity - No 701075 - all the assets and operations transferred on 1 January 2019 to this charitable company - Charity No 1175184.

The Trust currently owns and manages 53 properties in the central Lakeland area, all within the Lake District National Park boundary.

Tourism is an essential part of life in central Lakeland but the increasing second home and holiday let market means that house prices have increased at a rate that makes it very difficult for local people to buy or rent a home. As a consequence, the sense of 'local community' is being lost.

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The Lakeland Housing Trust provides rented homes for local people who cannot afford to buy or long-term rent accommodation at current market prices. Our affordable rents have resulted in several of our tenants being able to save for deposits and subsequently buy their own home.

Vacancies are advertised in the local press and priority consideration is given on the basis of need, to local people working or retired in the area or who have strong local family connections. Current properties are situated mainly in the Ambleside, Coniston, Hawkshead and Troutbeck areas.

##### **Public benefit**

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

##### **Volunteers**

The trustees are all volunteers and provide essential advice and practical support in the running of the Trust.

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2022**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

###### **Developments:**

Hawthorn Close (Cragfoot, Grasmere).

The development of this site to provide two 3-bedroom houses completed in early 2022 and two young families are now tenants at the properties.

These houses have been built to Passive House standard (a much higher standard of energy saving than current Building Regs stipulate). A Grant secured from South Lakeland District Council has helped offset the extraordinary costs of developing this difficult site and building to a much higher specification.

Purchase of 2, New Street Yard, Broughton in Furness.

Middle Bleansley, Broughton Mills was bequeathed to the Trust during 2022. The property is very large, isolated and in a poor state. Trustees considered that it was not suitable for the LHT. It was sold and the funds used to purchase 2, New Street, Broughton in Furness.

Gable Cottage - Hawkshead.

This property was extensively refurbished during the latter part of 2021 and completed in 2022. New tenants now live there.

Ciceley Parrock, Troutbeck & Grandy Nook Kendal

A variety of upgrades comprising new kitchens, bathrooms and double glazing have been carried out.

Quinquennial Surveys.

These was commissioned during 2021 completed during 2022.

The surveys will enable a full 5 year rolling programme of refurbishments to be carried out.

##### **Fundraising activities**

The charity does not carry out significant fundraising activities. However, a recent focus on media and marketing activities has led to financial donations and offers to sell homes at significantly below market value.

###### **The Properties:**

###### **(a) Repairs and Improvements**

Most of the properties have now been brought up to the standards required by legislation. Over 90% have modern heating systems and are insulated to a good level. All now comply with the government's energy targets apart from three, for which exemption certificates have been applied.

Electrical inspections were carried out on all properties and, where appropriate, remedial work undertaken.

A programme was developed by the Buildings Group to prioritise work to bring all the other properties up to standard. The work is nearly complete.

###### **(b) Rents & Tenancies**

Income from rents increased by nearly 5% reflecting the number of properties that were due for rent reviews and the additional rent from the newly acquired Spedding Cottage. It should be noted that rents are only reviewed every other year.

Rents average £94.00 a week. The Trust's policy is to charge rents equivalent to or slightly lower than other social landlords.

There remains keen interest in any vacancies and no shortage of candidates fitting the Trust's strict criteria.

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2022**

#### **FINANCIAL REVIEW**

##### **Financial position**

The Finance Group regularly reviews the financial position of the Trust - ensuring that there are sufficient funds to cover current and planned future expenditure, whilst also ensuring that there is a sufficient surplus for the repayment of its borrowings.

The Trust received income of £756,445 in the year, lower than the £1,013,069 received last year as it included a legacy of £230,000 received on 1 March 2022. Rental income was £13,148 higher reflecting the increase in the number of properties to rent.

Running expenses were slightly higher than last year at £162,328 (2021 - £155,055). There was also £8,018 spent on the local occupancy project (2021 - Nil).

The development costs capitalised were £282,066 in the year compared to £537,983 last year.

The net surplus transferred to funds was £575,386 (2021 - £857,515).

##### **Principal funding sources**

The principal funding sources for the charity are the rentals obtained from the properties and legacies.

##### **Reserves policy**

It is the policy of the Trust to maintain unrestricted funds at a level which equates to approximately six months unrestricted expenditure. This provides sufficient funds to cover management and administration costs and to respond to emergency expenditure which arises from time to time.

Free reserves at the year end were £617,016 (2021 - £93,696). This is equivalent to forty-six months running costs, however the trustees are looking into the best use of these new funds in terms of development and new housing opportunities.

The Finance Group regularly reviews the financial position of the Trust - ensuring that there are sufficient funds to cover current and planned future expenditure, whilst also ensuring that there is sufficient surplus for the repayment of its borrowings.

Further information in relation to anticipated financial issues is detailed under 'Future Plans'.

#### **FUTURE PLANS**

##### **Media & Marketing**

The Trust is investing more time in Media & Marketing initiatives and this is already bearing fruit - leading to a property soon to be purchased at significantly below market value in Windermere, as well as other financial donations.

##### **Unilateral Undertaking for Local Occupancy**

Progress partnership with LDNPA - implementing an LHT initiative which will encourage owners to place Unilateral Undertakings for Local Occupancy on their properties.

##### **Neaum Hurst Development**

The long-term tenant at 4, Neaum Hurst died during 2022. The property, together with adjoining outhouses will be converted into two one bedroomed properties.

##### **House in Windermere**

It is likely that in 2023 the Trust will purchase a house in Windermere at significantly below market value. It will be subject to full renovation.

Three new Trustees will be appointed at the AGM on 16th May 2023.

#### **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.

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2022**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Recruitment and appointment of new trustees**

New trustees are nominated and appointed by the existing trustees.

##### **Organisational structure**

The trust is managed locally by Trustees who have lived in the area for most of their lives and who give their services voluntarily. They have a deep commitment to the preservation and prosperity of integrated local communities and value the traditional vernacular architecture of the Lake District. All improvements are carried out sympathetically.

All the Trustees continue to give a great deal of advice and practical assistance in the running of the Trust.

The day-to-day administration of the Trust transferred from Ingalls Accountants, Kendal to H&H Land & Estates, Kendal in June 2019. This change was necessary due to the current and anticipated future growth of the Trust. The relevant experience and expertise of H&H Land and Estates staff has ensured that the Trust continues to be managed effectively.

The Trust's Buildings Group oversees the maintenance of the properties and plans for future works, ensuring compliance with relevant legislation. Trustee, John Holmes, has ably led the Group, supported by a local architect, Stuart Woodhall, who manages some of the larger projects on behalf of the Trust. Charles Flanagan, my predecessor, has also provided invaluable support.

The Trust's Rents and Tenancy Group is responsible for setting rents, selecting new tenants, undertaking rent review visits and ensuring compliance with legislation. Trustee, Sue Tomlinson has ably led this Group.

The Finance Group is responsible for monitoring and reviewing the financial health of the Trust. Our new trustee, James Law, who has his own accountancy business, has provided excellent support and advice and worked effectively with H&H Client Account Manager, Karen Philipson

The Trust's solicitors, Temple Heelis have continued to provide essential legal advice.

##### **Induction and training of new trustees**

New trustees are selected based on their skills and knowledge of our local communities, ensuring that the Trust always has trustees with experience in financial and property management. New trustees are provided with copies of previous Board meeting minutes, information about the Trust, its properties, its tenants and the community needs within the Central Lakes area.

##### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Finances are managed by the finance officer at H&H Land and Estates, Kendal and overseen by the Lakeland Housing Trust Board of Trustees. Specific oversight responsibility sits with a trustee who is a recently retired chartered accountant and head of finance for South Lakeland District Council. A 5-year financial plan is in place that is regularly monitored, ensuring that any unforeseen costs are catered for and that additional planned expenditure is affordable and carefully managed.

##### **Conclusion**

The need for affordable housing is as acute today as it was when The Lakeland Housing Trust was founded in 1937 (as the Lake Country Cottage Society). The Trust is committed to continuing to offer low cost rented housing - helping to keep villages alive and allowing local people to live and work in the heart of the Lake District. The Trust welcomes the excellent support of the South Lakes District Council and the Lake District National Park Authority.

I am grateful for the support of fellow trustees and staff at H&H Land and Estates, Kendal.

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Lakeland Housing Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

## Lakeland Housing Trust

### Report of the Trustees for the Year Ended 31 December 2022

#### STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law 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 company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

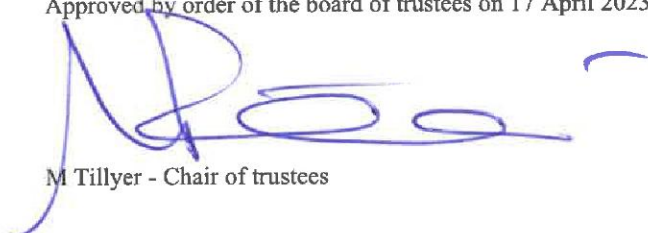
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 17 April 2023 and signed on its behalf by:



M Tillyer - Chair of trustees

## **Report of the Independent Auditors to the Trustees of Lakeland Housing Trust**

### **Opinion**

We have audited the financial statements of Lakeland Housing Trust (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 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 the Companies Act 2006.

### **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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable 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 trustees' 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 charitable 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 trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## **Report of the Independent Auditors to the Trustees of Lakeland Housing Trust**

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable 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 trustees 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

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

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our experience and from discussions with management. We reviewed any related correspondence and records of trustee meetings to assess compliance with laws and regulations and discussed the current position with management. We ensured the audit team were alert for any indications of non-compliance throughout the audit work.

The charitable company is managed by a management company which reduces the risk of fraud. We assessed the management company's policies and procedures on fraud risks. No instances of actual, suspected or alleged fraud were identified by us or the managing company in the year.


Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of controls. We are not responsible for preventing non-compliance and cannot be expected to detect compliance with all laws and regulations.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Trustees of  
Lakeland Housing Trust**

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Stables Thompson & Briscoe  
Chartered Accountants & Statutory Auditor  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
Lowther House  
Lowther Street  
Kendal  
LA9 4DX

Date: 22 May 2023

**Lakeland Housing Trust**

**Statement of Financial Activities  
for the Year Ended 31 December 2022**

	Notes	Unrestricted funds £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	427,366	-	427,366	644,368
<b>Charitable activities</b>					
Rental properties	4	-	-	-	136,825
Investment income	3	245,720	-	245,720	231,876
Other income	5	83,358	-	83,358	-
<b>Total</b>		<u>756,444</u>	<u>-</u>	<u>756,444</u>	<u>1,013,069</u>
<b>EXPENDITURE ON</b>					
Raising funds	6	10,713	-	10,713	499
<b>Charitable activities</b>					
Rental properties	7	162,327	-	162,327	155,055
Local occupancy project		8,018	-	8,018	-
<b>Total</b>		<u>181,058</u>	<u>-</u>	<u>181,058</u>	<u>155,554</u>
<b>NET INCOME</b>		575,386	-	575,386	857,515
Transfers between funds	19	230,000	(230,000)	-	-
<b>Net movement in funds</b>		<u>805,386</u>	<u>(230,000)</u>	<u>575,386</u>	<u>857,515</u>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		5,302,851	230,000	5,532,851	4,675,336
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>6,108,237</u></u>	<u><u>-</u></u>	<u><u>6,108,237</u></u>	<u><u>5,532,851</u></u>

The notes form part of these financial statements

**Lakeland Housing Trust**

**Balance Sheet  
31 December 2022**

	Notes	Unrestricted funds £	Restricted funds £	31.12.22 Total funds £	31.12.21 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	13	5,491,221	-	5,491,221	5,209,155
<b>CURRENT ASSETS</b>					
Debtors	14	7,172	-	7,172	3,993
Prepayments and accrued income		-	-	-	230,000
Cash at bank		1,395,916	-	1,395,916	179,182
		<u>1,403,088</u>	<u>-</u>	<u>1,403,088</u>	<u>413,175</u>
<b>CREDITORS</b>					
Amounts falling due within one year	15	(70,251)	-	(70,251)	(39,479)
<b>NET CURRENT ASSETS</b>		<u>1,332,837</u>	<u>-</u>	<u>1,332,837</u>	<u>373,696</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		6,824,058	-	6,824,058	5,582,851
<b>CREDITORS</b>					
Amounts falling due after more than one year	16	(715,821)	-	(715,821)	(50,000)
<b>NET ASSETS FUNDS</b>		<u>6,108,237</u>	<u>-</u>	<u>6,108,237</u>	<u>5,532,851</u>
Unrestricted funds	19			6,108,237	5,302,851
Restricted funds				-	230,000
<b>TOTAL FUNDS</b>				<u>6,108,237</u>	<u>5,532,851</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

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.

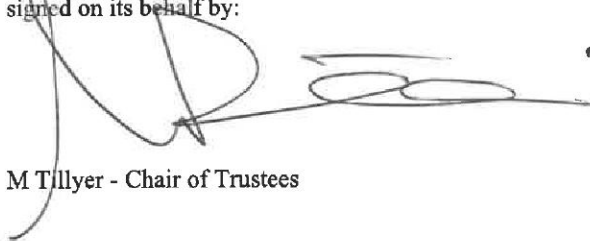
These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

**Lakeland Housing Trust**

**Balance Sheet - continued**  
**31 December 2022**

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 17 April 2023 and were signed on its behalf by:

A handwritten signature in black ink, appearing to be 'M Tillyer', written over a horizontal line. The signature is fluid and cursive.

M Tillyer - Chair of Trustees

**Lakeland Housing Trust****Cash Flow Statement  
for the Year Ended 31 December 2022**

	Notes	31.12.22 £	31.12.21 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	753,613	691,560
Interest paid		(27,650)	(8,803)
Net cash provided by operating activities		<u>725,963</u>	<u>682,757</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(672,066)	(537,983)
Sale of tangible fixed assets		473,358	-
Interest received		510	26
Net cash used in investing activities		<u>(198,198)</u>	<u>(537,957)</u>
<b>Cash flows from financing activities</b>			
New loans in year		700,000	-
Loan repayments in year		(11,031)	-
Net cash provided by financing activities		<u>688,969</u>	<u>-</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		1,216,734	144,800
<b>Cash and cash equivalents at the beginning of the reporting period</b>			
		<u>179,182</u>	<u>34,382</u>
<b>Cash and cash equivalents at the end of the reporting period</b>			
		<u>1,395,916</u>	<u>179,182</u>

The notes form part of these financial statements

**Lakeland Housing Trust**

**Notes to the Cash Flow Statement  
for the Year Ended 31 December 2022**

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.12.22	31.12.21
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	575,386	857,515
<b>Adjustments for:</b>		
Profit on disposal of fixed assets	(83,358)	-
Interest received	(510)	(26)
Interest paid	27,650	8,803
Decrease/(increase) in debtors	226,821	(199,822)
Increase in creditors	7,624	25,090
<b>Net cash provided by operations</b>	<u>753,613</u>	<u>691,560</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.1.22	Cash flow	At 31.12.22
	£	£	£
<b>Net cash</b>			
Cash at bank	<u>179,182</u>	<u>1,216,734</u>	<u>1,395,916</u>
	<u>179,182</u>	<u>1,216,734</u>	<u>1,395,916</u>
<b>Debt</b>			
Debts falling due within 1 year	-	(23,148)	(23,148)
Debts falling due after 1 year	<u>(50,000)</u>	<u>(665,821)</u>	<u>(715,821)</u>
	<u>(50,000)</u>	<u>(688,969)</u>	<u>(738,969)</u>
<b>Total</b>	<u>129,182</u>	<u>527,765</u>	<u>656,947</u>

The notes form part of these financial statements

**Notes to the Financial Statements  
for the Year Ended 31 December 2022**

**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.

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of the registered office is given on the charity information page of these financial statements.

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

**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.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

**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**

No depreciation is provided on Freehold property as, in the trustees opinion, the market value of the properties is in excess of the net book value and as such any depreciation would not be material.

**Taxation**

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

## Lakeland Housing Trust

### Notes to the Financial Statements - continued for the Year Ended 31 December 2022

#### 1. ACCOUNTING POLICIES - continued

##### Fund accounting

Unrestricted funds 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

#### 2. DONATIONS AND LEGACIES

	31.12.22	31.12.21
	£	£
Donations	354	2
Legacies	427,012	644,366
	<u>427,366</u>	<u>644,368</u>

#### 3. INVESTMENT INCOME

	31.12.22	31.12.21
	£	£
Rents received	245,210	231,850
Deposit account interest	510	26
	<u>245,720</u>	<u>231,876</u>

#### 4. INCOME FROM CHARITABLE ACTIVITIES

	31.12.22	31.12.21
	£	£
Grants	-	136,825

Grants received, included in the above, are as follows:

	31.12.22	31.12.21
	£	£
SLDC Affordable Housing	-	136,825

#### 5. OTHER INCOME

	31.12.22	31.12.21
	£	£
Gain on sale of tangible fixed assets	83,358	-

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**6. RAISING FUNDS**

**Raising donations and legacies**

	31.12.22	31.12.21
	£	£
Support costs	<u>10,713</u>	<u>499</u>

**7. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 8) £	Totals £
Rental properties	81,175	81,152	162,327
Local occupancy project	<u>8,018</u>	<u>-</u>	<u>8,018</u>
	<u>89,193</u>	<u>81,152</u>	<u>170,345</u>

**8. SUPPORT COSTS**

	Management £	Finance £	Governance costs £	Totals £
Raising donations and legacies	10,713	-	-	10,713
Rental properties	<u>-</u>	<u>27,865</u>	<u>53,287</u>	<u>81,152</u>
	<u>10,713</u>	<u>27,865</u>	<u>53,287</u>	<u>91,865</u>

**9. NET INCOME/(EXPENDITURE)**

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

	31.12.22	31.12.21
	£	£
Auditors' remuneration	5,781	4,358
Surplus on disposal of fixed assets	<u>(83,358)</u>	<u>-</u>

**10. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

**Trustees' expenses**

	31.12.22	31.12.21
	£	£
Trustees' expenses	<u>764</u>	<u>-</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**11. MATERIAL TRANSFERS**

The restricted legacy of £230,000 received was spent in the year on the properties at Hawthorne Close in accordance with the donor's wishes and so has been transferred to unrestricted funds.

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	414,368	230,000	644,368
<b>Charitable activities</b>			
Rental properties	-	136,825	136,825
Investment income	231,876	-	231,876
<b>Total</b>	<u>646,244</u>	<u>366,825</u>	<u>1,013,069</u>
<b>EXPENDITURE ON</b>			
Raising funds	499	-	499
<b>Charitable activities</b>			
Rental properties	155,055	-	155,055
<b>Total</b>	<u>155,554</u>	<u>-</u>	<u>155,554</u>
<b>NET INCOME</b>	490,690	366,825	857,515
<b>Transfers between funds</b>	136,825	(136,825)	-
<b>Net movement in funds</b>	627,515	230,000	857,515
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	4,675,336	-	4,675,336
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>5,302,851</u>	<u>230,000</u>	<u>5,532,851</u>

**13. TANGIBLE FIXED ASSETS**

	Freehold property £
<b>COST</b>	
At 1 January 2022	5,209,155
Additions	672,066
Disposals	(390,000)
At 31 December 2022	<u>5,491,221</u>
<b>NET BOOK VALUE</b>	
At 31 December 2022	<u>5,491,221</u>
At 31 December 2021	<u>5,209,155</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

<b>14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	31.12.22	31.12.21
	£	£
Rent arrears	2,113	886
Prepayments	<u>5,059</u>	<u>3,107</u>
	<u>7,172</u>	<u>3,993</u>

The charity received notification of a further legacy before the year end, but as this was a property which is to be sold at auction to provide funds to reinvest in properties suitable for letting there was no firm price to allow for this to be accrued at the year end. This will be reflected in next year's accounts.

<b>15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	31.12.22	31.12.21
	£	£
Bank loans and overdrafts (see note 17)	23,148	-
Trade creditors	39,053	24,623
Accrued expenses	<u>8,050</u>	<u>14,856</u>
	<u>70,251</u>	<u>39,479</u>

<b>16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	31.12.22	31.12.21
	£	£
Bank loans (see note 17)	<u>715,821</u>	<u>50,000</u>

**17. LOANS**

An analysis of the maturity of loans is given below:

	31.12.22	31.12.21
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>23,148</u>	<u>-</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>23,148</u>	<u>50,000</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>69,443</u>	<u>-</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	623,230	-

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**18. SECURED DEBTS**

The following secured debts are included within creditors:

	31.12.22	31.12.21
	£	£
Bank loans	<u>738,969</u>	<u>50,000</u>

The bank loan is secured on seven of the properties owned by the Trust. The loan is limited to £750,000 of which £750,000 was drawn down by the year end. The loan is to be repaid over 264 months with interest charged at 2.5% pa over the Bank of England base rate with a minimum interest rate of 2.5%pa. The first 24 months are on an interest only basis.

**19. MOVEMENT IN FUNDS**

	At 1.1.22	Net movement in funds	Transfers between funds	At 31.12.22
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	5,302,851	575,386	230,000	6,108,237
<b>Restricted funds</b>				
Legacy to cover new houses in Grasmere	230,000	-	(230,000)	-
<b>TOTAL FUNDS</b>	<u>5,532,851</u>	<u>575,386</u>	<u>-</u>	<u>6,108,237</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
<b>Unrestricted funds</b>			
General fund	756,444	(181,058)	575,386
<b>TOTAL FUNDS</b>	<u>756,444</u>	<u>(181,058)</u>	<u>575,386</u>

**Comparatives for movement in funds**

	At 1.1.21	Net movement in funds	Transfers between funds	At 31.12.21
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	4,675,336	490,690	136,825	5,302,851
<b>Restricted funds</b>				
Capital grants	-	136,825	(136,825)	-
Legacy to cover new houses in Grasmere	-	230,000	-	230,000
	-	366,825	(136,825)	230,000
<b>TOTAL FUNDS</b>	<u>4,675,336</u>	<u>857,515</u>	<u>-</u>	<u>5,532,851</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**19. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	646,244	(155,554)	490,690
<b>Restricted funds</b>			
Capital grants	136,825	-	136,825
Legacy to cover new houses in Grasmere	230,000	-	230,000
	<u>366,825</u>	<u>-</u>	<u>366,825</u>
<b>TOTAL FUNDS</b>	<u>1,013,069</u>	<u>(155,554)</u>	<u>857,515</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
<b>Unrestricted funds</b>				
General fund	4,675,336	1,066,076	366,825	6,108,237
<b>Restricted funds</b>				
Capital grants	-	136,825	(136,825)	-
Legacy to cover new houses in Grasmere	-	230,000	(230,000)	-
	<u>-</u>	<u>366,825</u>	<u>(366,825)</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>4,675,336</u>	<u>1,432,901</u>	<u>-</u>	<u>6,108,237</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,402,688	(336,612)	1,066,076
<b>Restricted funds</b>			
Capital grants	136,825	-	136,825
Legacy to cover new houses in Grasmere	230,000	-	230,000
	<u>366,825</u>	<u>-</u>	<u>366,825</u>
<b>TOTAL FUNDS</b>	<u>1,769,513</u>	<u>(336,612)</u>	<u>1,432,901</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**20. CAPITAL COMMITMENTS**

	31.12.22	31.12.21
	£	£
Contracted but not provided for in the financial statements	<u>50,246</u>	<u>50,246</u>

**21. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 December 2022.

Stables Thompson & Briscoe  
Chartered Accountants & Registered Auditors  
Lowther House, Lowther Street  
Kendal, Cumbria  
LA9 4DX

Dear Sirs,

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the charitable company's financial statements for the year ended 31 December 2022. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

#### General

1. We have fulfilled our responsibilities as trustees as set out in the terms of your engagement letter dated 12 February 2020 under the Companies Act 2006 and the Charities Act 2011 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
2. All the transactions undertaken by the charitable company have been properly reflected and recorded in the accounting records.
3. All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the charitable company, and with all other records and related information requested, including minutes of all management and trustee meetings and correspondence with The Charity Commission.
4. The financial statements are free of material misstatements, including omissions.
5. We believe that the effect of uncorrected misstatements (as set out in the appendix to this letter) is immaterial both individually and in total.

#### Internal Control

6. We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud and error, and we believe that we have appropriately fulfilled these responsibilities. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.

- 7. We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.
- 8. We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

#### **Going concern**

- 9. We believe that the charitable company's group financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charitable company's needs. We also confirm our plans for future action(s) required to enable the charitable company to continue as a going concern are feasible. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the charitable company's ability to continue as a going concern need to be made in the financial statements.

#### **Assets and liabilities**

- 10. The charitable company has satisfactory title to all assets and there are no liens or encumbrances on the charitable company's assets, except for those that are disclosed in the notes to the financial statements.
- 11. All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
- 12. We have no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.

#### **Accounting estimates**

- 13. The methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework.

#### **Loans and arrangements**

- 14. The charitable company has not granted any advances or credits to, or made guarantees on behalf of, directors.

#### **Law and regulations**

- 15. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

#### **Related parties**

- 16. Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with legislative and accounting standards requirements.

#### **Subsequent events**

- 17. All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

#### **Grants and donations**

- 18. All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income. There were no grants in the year.

**Legal Claims**

19. We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for, and disclosed in, the financial statements.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

Each director has taken all the steps that he ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that you are aware of that information

Yours faithfully,



Signed on behalf of the board of trustees

Date 17 April 2023

**Appendix**

Unadjusted misstatements

Items capitalised that could have been expensed	£120 Trivial
Invoices received after the year end that could have been brought in as expenses	£4,464 Not adjusted
Invoices relating to Grandy Nook Flat developments that were received after the year end that could have increased creditors and additions to fixed assets	£9,884 Not adjusted
Possible bad debt provision	£1,360 Not adjusted

**LAKELAND HOUSING TRUST**

England & Wales - Charity number 1175184

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# Accounts

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**REGISTERED COMPANY NUMBER: 10298071 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1175184**

**Report of the Trustees and  
Audited Financial Statements for the Year Ended 31 December 2021**

**for**

**Lakeland Housing Trust  
(A Company Limited by Guarantee)**

Stables Thompson & Briscoe  
Chartered Accountants & Statutory Auditor  
Lowther House  
Lowther Street  
Kendal  
LA9 4DX

**Lakeland Housing Trust**

**Contents of the Financial Statements  
for the Year Ended 31 December 2021**

	<b>Page</b>
<b>Reference and Administrative Details</b>	1
<b>Report of the Trustees</b>	2 to 7
<b>Report of the Independent Auditors</b>	8 to 11
<b>Statement of Financial Activities</b>	12
<b>Balance Sheet</b>	13 to 14
<b>Cash Flow Statement</b>	15
<b>Notes to the Cash Flow Statement</b>	16
<b>Notes to the Financial Statements</b>	17 to 24
<b>Detailed Statement of Financial Activities</b>	25 to 26

**Lakeland Housing Trust**

**Reference and Administrative Details  
for the Year Ended 31 December 2021**

**TRUSTEES**

I R Bonham  
R D L Brownson  
Mrs H E Caldwell  
P Davies  
C R A Flanagan  
Mrs D A Hall  
J M Holmes  
N F Hutchinson  
Mrs D R Matthews  
Ms S McGregor (resigned 16.8.21)  
M Tillyer  
Mrs S M Tomlinson

**REGISTERED OFFICE**

36 Finkle Street

Kendal  
Cumbria  
LA9 4AB

**REGISTERED COMPANY  
NUMBER**

10298071 (England and Wales)

**REGISTERED CHARITY  
NUMBER**

1175184

**AUDITORS**

Stables Thompson & Briscoe  
Chartered Accountants & Statutory Auditor  
Lowther House  
Lowther Street  
Kendal  
LA9 4DX

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2021**

The Trustees present their report and the audited financial statements of the charity for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity'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 published in October 2019.

Formed in 1937, The Lakeland Housing Trust is a Registered Charitable Company, the operations were originally through an unincorporated Charity - No 701075 - all the assets and operations transferred on 1 January 2019 to this charitable company - Charity No 1175184.

The Trust currently owns and manages 52 properties in the central Lakeland area, all within the Lake District National Park boundary.

Tourism is an essential part of life in central Lakeland but the increasing second home and holiday let market means that house prices have increased at a rate that makes it very difficult for local people to buy or rent a home. As a consequence, the sense of 'local community' is being lost.

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The Lakeland Housing Trust provides rented homes for local people who cannot afford to buy or long-term rent accommodation at current market prices. Our affordable rents have resulted in several of our tenants being able to save for deposits and subsequently buy their own home.

Vacancies are advertised in the local press and priority consideration is given on the basis of need, to local people working or retired in the area or who have strong local family connections. Current properties are situated mainly in the Ambleside, Coniston, Hawkshead and Troutbeck areas.

##### **Public benefit**

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2021**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

###### **Developments:**

Lakefield, Sawrey

Nos 1 & 1A

The demolition of No.1 and the rebuilt to create 2 No 3 Bedroom Houses was completed during the early part of 2021.

No 2.

The complete refurbishment of this property which is a 2 bedroom house also completed by the middle of 2021.

No.3

This property was reroofed at the same time as the works being carried out in No.2.

Hawthorn Close (Cragfoot, Grasmere).

The development of this site to provide 2 No 3 bedroom houses was progressed throughout 2021 with a completion envisaged early in 2022.

These houses have been built to Passive House standard being to a much higher standard of energy saving than current Building Regs stipulate.

A Grant secured from South Lakeland District Council has helped offset the extraordinary costs of developing this difficult site and building to a much higher specification.

Gable Cottage - Hawkshead.

This property has been extensively refurbished during the latter part of 2021 with completion achieved in the early part of 2022.

Grandy Nook - Kendal.

Planning application for the conversion of the weekend cottage into a single bedroom Bungalow was obtained during the year and the intention is to carry out these works during the latter part of 2022.

Later in the year as Flat C became voided work was commenced to completely remodel this apartment.

###### **Major Upgrades**

A variety of upgrades comprising new kitchens, bathrooms and double glazing have been carried out to the following:

2 The Green - Ambleside

High Greenside Cottage - Sawrey

2 Compston Street - Ambleside

12 Loughrigg Park - Ambleside

Kirkfoot Cottage - Ambleside

4 Rydal View - Ambleside

###### **Fundraising activities**

The charity does not carry out significant fundraising activities.

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2021**

#### **ACHIEVEMENT AND PERFORMANCE**

The Properties:

##### **(a) Repairs and Improvements**

Most of the properties have now been brought up to the standards required by legislation. Over 85% have modern heating systems and are insulated to a good level. All now comply with the government's energy targets apart from three, for which exemption certificates have been applied

Electrical inspections were carried out on all properties and, where appropriate, remedial work undertaken.

A programme was developed by the Buildings Group to prioritise work to bring all the other properties up to standard. The work is nearly complete.

##### **(b) Rents & Tenancies**

Income from rents increased by nearly 5% reflecting the number of properties that were due for rent reviews and the additional rent from the newly acquired Spedding Cottage. It should be noted that rents are only reviewed every other year.

Rents average £90.00 a week. The Trust's policy is to charge rents equivalent to or slightly lower than other social landlords.

There remains keen interest in any vacancies and no shortage of candidates fitting the Trust's strict criteria.

#### **FINANCIAL REVIEW**

##### **Financial position**

The Finance Group regularly reviews the financial position of the Trust - ensuring that there are sufficient funds to cover current and planned future expenditure, whilst also ensuring that there is a sufficient surplus for the repayment of its borrowings.

The Trust received income of £1,013,069 in the year, higher than the £842,383 received last year as it includes a legacy of £230,000 received on 1 March 2022 but notified before the year end and also included a grant of £136,825 from SLDC Affordable Housing. Rental income was £26,188 higher reflecting the increase in the number of properties to rent.

Running expenses were very similar to last year at £155,554 (2020 - £149,093).

The development costs capitalised were £537,983 in the year compared to £708,172 last year. Despite this there has not been any further draw down on the loan due to the legacies and grants received in the year.

The net surplus transferred to funds was £857,515 (2020 - £693,290).

##### **Principal funding sources**

The principal funding sources for the charity are the rentals obtained from the properties and legacies.

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2021**

#### **FINANCIAL REVIEW**

##### **Reserves policy**

It is the policy of the Trust to maintain unrestricted funds at a level which equates to approximately six months unrestricted expenditure. This provides sufficient funds to cover management and administration costs and to respond to emergency expenditure which arises from time to time.

Free reserves at the year end were £93,696 (2020 - £4,164). This is equivalent to seven months running costs, but given the ongoing developments is not felt to be excessive.

The Finance Group regularly reviews the financial position of the Trust - ensuring that there are sufficient funds to cover current and planned future expenditure, whilst also ensuring that there is sufficient surplus for the repayment of its borrowings.

Further information in relation to anticipated financial issues is detailed under 'Future Plans'.

#### **FUTURE PLANS**

During 2022 major works will be carried out to Ciceley Parrock to provide a ground floor shower room and double-glazed windows.

Also, on this site an existing Septic Tank (serving 5 properties) will be replaced with a Treatment Plant. The necessary Planning Permission has been granted.

A further apartment "A" in Grandy Nook will be fully refurbished.

Quinquennial Survey.

This was commissioned during 2021 and will complete early part of 2022.

This will enable a full 5 year rolling programme of refurbishments to be carried out.

#### **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.

##### **The trustees**

The trustees are:

Roger Bonham  
Richard Brownson  
Helen Caldwell  
Peter Davies  
Charles Flanagan  
Anne Hall  
John Holmes  
Nigel Hutchinson  
Diana Matthews  
Shelagh McGregor (Until resignation on 16.8.2021)  
Malcolm Tillyer, Chairman  
Susan Tomlinson

All trustees provide essential advice and practical support in the running of the Trust.

##### **Recruitment and appointment of new trustees**

New trustees are nominated and appointed by the existing trustees.

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2021**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Organisational structure**

The trust is managed locally by Trustees who have lived in the area for most of their lives and who give their services voluntarily. They have a deep commitment to the preservation and prosperity of integrated local communities and value the traditional vernacular architecture of the Lake District. All improvements are carried out sympathetically.

All the Trustees continue to give a great deal of advice and practical assistance in the running of the Trust

The day-to-day administration of the Trust transferred from Ingalls Accountants, Kendal to H&H Land & Estates, Kendal in June 2019. This change was necessary as a result of the current and anticipated future growth of the Trust. The relevant experience and expertise of H&H Land and Estates staff has ensured that the Trust continues to be managed effectively.

The Trust's Buildings Group oversees the maintenance of the properties and plans for future works, ensuring compliance with relevant legislation. Trustee, John Holmes, has ably led the Group, supported by a local architect, Stuart Woodhall, who manages some of the larger projects on behalf of the Trust. Charles Flanagan, my predecessor, has also provided invaluable support.

The Trust's Rents and Tenancy Group is responsible for setting rents, selecting new tenants, undertaking rent review visits and ensuring compliance with legislation. Trustee, Peter Davies, ably led this Group before passing on the role of Chair to Sue Tomlinson.

The Finance Group is responsible for monitoring and reviewing the financial health of the Trust. Our new trustee, Shelagh McGregor, utilised her experience as head of finance for South Lakes District Council to effectively Chair this group. Shelagh resigned as a trustee on 16th August 2021. Her role was covered by Malcolm Tillyer pending the appointment of a suitably qualified trustee to the role.

Temple Heelis have acted as the Trust's solicitors and have continued to provide essential legal advice when required.

##### **Induction and training of new trustees**

New trustees are selected based on their skills and knowledge of our local communities, ensuring that the Trust always has trustees with experience in financial and property management. New trustees are provided with copies of previous Board meeting minutes, information about the Trust, its properties, its tenants and the community needs within the Central Lakes area. A full Governance and Succession Planning Review will take place during 2021.

##### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Finances are managed by the finance officer at H&H Land and Estates, Kendal and overseen by the Lakeland Housing Trust Board of Trustees. Specific oversight responsibility sits with a trustee who is a recently retired chartered accountant and head of finance for South Lakeland District Council. A 5-year financial plan is in place that is regularly monitored, ensuring that any unforeseen costs are catered for and that additional planned expenditure is affordable and carefully managed.

## Lakeland Housing Trust

### Report of the Trustees for the Year Ended 31 December 2021

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Conclusion

The need for affordable housing is as acute today as it was when The Lakeland Housing Trust was founded in 1937 (as the Lake Country Cottage Society). The Trust is committed to continuing to offer low cost rented housing - helping to keep villages alive and allowing local people to live and work in the heart of the Lake District. The Trust welcomes the excellent support of the South Lakes District Council and the Lake District National Park Authority.

I am grateful for the support of fellow trustees and staff at H&H Land and Estates, Kendal.

#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Lakeland Housing Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

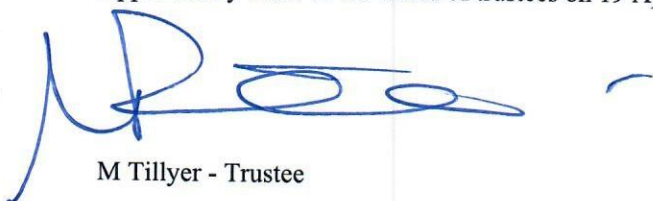
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 19 April 2022 and signed on its behalf by:



M Tillyer - Trustee

## **Report of the Independent Auditors to the Trustees of Lakeland Housing Trust**

### **Opinion**

We have audited the financial statements of Lakeland Housing Trust (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 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 the Companies Act 2006.

### **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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable 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 trustees' 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 charitable 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 trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Report of the Independent Auditors to the Trustees of Lakeland Housing Trust**

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable 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 trustees 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## **Report of the Independent Auditors to the Trustees of Lakeland Housing Trust**

### **Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our experience and from discussions with management. We reviewed any related correspondence and records of trustee meetings to assess compliance with laws and regulations and discussed the current position with management. We ensured the audit team were alert for any indications of non-compliance throughout the audit work.

The charitable company is managed by a management company which reduces the risk of fraud. We assessed the management company's policies and procedures on fraud risks. No instances of actual, suspected or alleged fraud were identified by us or the managing company in the year.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of controls. We are not responsible for preventing non-compliance and cannot be expected to detect compliance with all laws and regulations.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Trustees of  
Lakeland Housing Trust**

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Stables Thompson & Briscoe  
Chartered Accountants & Statutory Auditor  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
Lowther House  
Lowther Street  
Kendal  
LA9 4DX

Date: ..... 8 August 2022 .....

**Lakeland Housing Trust**

**Statement of Financial Activities  
for the Year Ended 31 December 2021**

	Notes	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	414,368	230,000	644,368	636,691
<b>Charitable activities</b>					
Rental properties	4	-	136,825	136,825	-
Investment income	3	231,876	-	231,876	205,692
<b>Total</b>		<u>646,244</u>	<u>366,825</u>	<u>1,013,069</u>	<u>842,383</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Rental properties	5	155,554	-	155,554	149,093
<b>NET INCOME</b>		<u>490,690</u>	<u>366,825</u>	<u>857,515</u>	<u>693,290</u>
Transfers between funds	16	136,825	(136,825)	-	-
<b>Net movement in funds</b>		<u>627,515</u>	<u>230,000</u>	<u>857,515</u>	<u>693,290</u>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		4,675,336	-	4,675,336	3,982,046
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>5,302,851</u></u>	<u><u>230,000</u></u>	<u><u>5,532,851</u></u>	<u><u>4,675,336</u></u>

The notes form part of these financial statements

**Lakeland Housing Trust**

**Balance Sheet  
31 December 2021**

	Notes	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	10	5,209,155	-	5,209,155	4,671,172
<b>CURRENT ASSETS</b>					
Debtors	11	3,993	-	3,993	4,171
Prepayments and accrued income		-	230,000	230,000	30,000
Cash at bank		179,182	-	179,182	34,382
		<u>183,175</u>	<u>230,000</u>	<u>413,175</u>	<u>68,553</u>
<b>CREDITORS</b>					
Amounts falling due within one year	12	(39,479)	-	(39,479)	(14,389)
<b>NET CURRENT ASSETS</b>					
		<u>143,696</u>	<u>230,000</u>	<u>373,696</u>	<u>54,164</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		5,352,851	230,000	5,582,851	4,725,336
<b>CREDITORS</b>					
Amounts falling due after more than one year	13	(50,000)	-	(50,000)	(50,000)
<b>NET ASSETS</b>					
		<u>5,302,851</u>	<u>230,000</u>	<u>5,532,851</u>	<u>4,675,336</u>
<b>FUNDS</b>					
Unrestricted funds	16			5,302,851	4,675,336
Restricted funds				230,000	-
<b>TOTAL FUNDS</b>				<u>5,532,851</u>	<u>4,675,336</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

**Lakeland Housing Trust**

**Balance Sheet - continued**  
**31 December 2021**

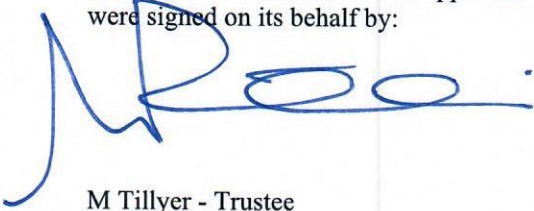
The trustees acknowledge their responsibilities for

- (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.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

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 19 April 2022 and were signed on its behalf by:



M Tillyer - Trustee

**Lakeland Housing Trust**

**Cash Flow Statement  
for the Year Ended 31 December 2021**

	Notes	31.12.21 £	31.12.20 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	691,560	650,458
Interest paid		<u>(8,803)</u>	<u>(2,297)</u>
Net cash provided by operating activities		<u>682,757</u>	<u>648,161</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(537,983)	(708,172)
Interest received		26	30
Net cash used in investing activities		<u>(537,957)</u>	<u>(708,142)</u>
<b>Cash flows from financing activities</b>			
New loans in year		-	50,000
Net cash provided by financing activities		<u>-</u>	<u>50,000</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		144,800	(9,981)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>34,382</u>	<u>44,363</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>179,182</u></u>	<u><u>34,382</u></u>

The notes form part of these financial statements

**Lakeland Housing Trust**

**Notes to the Cash Flow Statement  
for the Year Ended 31 December 2021**

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.12.21	31.12.20
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	857,515	693,290
<b>Adjustments for:</b>		
Interest received	(26)	(30)
Interest paid	8,803	2,297
Increase in debtors	(199,822)	(31,372)
Increase/(decrease) in creditors	25,090	(13,727)
<b>Net cash provided by operations</b>	<u>691,560</u>	<u>650,458</u>

**2. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS**

	At 1.1.21	Cash flow	At 31.12.21
	£	£	£
<b>Net cash</b>			
Cash at bank	<u>34,382</u>	<u>144,800</u>	<u>179,182</u>
	<u>34,382</u>	<u>144,800</u>	<u>179,182</u>
<b>Debt</b>			
Debts falling due after 1 year	<u>(50,000)</u>	-	<u>(50,000)</u>
	<u>(50,000)</u>	-	<u>(50,000)</u>
<b>Total</b>	<u>(15,618)</u>	<u>144,800</u>	<u>129,182</u>

The notes form part of these financial statements

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

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.

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of the registered office is given on the charity information page of these financial statements.

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

**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**

No depreciation is provided on Freehold property as, in the trustees opinion, the market value of the properties is in excess of the net book value.

**Taxation**

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

**Fund accounting**

Unrestricted funds 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021**

**2. DONATIONS AND LEGACIES**

	31.12.21	31.12.20
	£	£
Donations	2	21
Legacies	644,366	94,751
Transfer of property and funds from Grandy Nook	-	541,919
	<u>644,368</u>	<u>636,691</u>

**3. INVESTMENT INCOME**

	31.12.21	31.12.20
	£	£
Rents received	231,850	205,662
Deposit account interest	26	30
	<u>231,876</u>	<u>205,692</u>

**4. INCOME FROM CHARITABLE ACTIVITIES**

	31.12.21	31.12.20
	£	£
Grants	136,825	-
	<u>136,825</u>	<u>-</u>

Grants received, included in the above, are as follows:

	31.12.21	31.12.20
	£	£
SLDC Affordable Housing	136,825	-
	<u>136,825</u>	<u>-</u>

**5. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 6) £	Totals £
Rental properties	<u>95,240</u>	<u>60,314</u>	<u>155,554</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021**

**6. SUPPORT COSTS**

	Management £	Finance £	Governance costs £	Totals £
Rental properties	<u>499</u>	<u>8,927</u>	<u>50,888</u>	<u>60,314</u>

**7. NET INCOME/(EXPENDITURE)**

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

	31.12.21	31.12.20
	£	£
Auditors' remuneration	<u>4,358</u>	<u>4,520</u>

**8. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	636,691	-	636,691
Investment income	205,692	-	205,692
<b>Total</b>	<u>842,383</u>	<u>-</u>	<u>842,383</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Rental properties	149,093	-	149,093
<b>NET INCOME</b>	<u>693,290</u>	<u>-</u>	<u>693,290</u>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	3,982,046	-	3,982,046

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021**

**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>4,675,336</u>	-	<u>4,675,336</u>

**10. TANGIBLE FIXED ASSETS**

	Freehold property £
<b>COST</b>	
At 1 January 2021	4,671,172
Additions	537,983
At 31 December 2021	<u>5,209,155</u>
<b>NET BOOK VALUE</b>	
At 31 December 2021	5,209,155
At 31 December 2020	<u>4,671,172</u>

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.21 £	31.12.20 £
Rent arrears	886	1,801
Prepayments	<u>3,107</u>	<u>2,370</u>
	<u>3,993</u>	<u>4,171</u>

The charity received notification of a further legacy before the year end, but as this was a property which is to be sold at auction to provide funds to reinvest in properties suitable for letting there was no firm price to allow for this to be accrued at the year end. This will be reflected in next year's accounts.

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021**

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.21	31.12.20
	£	£
Trade creditors	24,623	6,714
Accrued expenses	14,856	7,675
	<u>39,479</u>	<u>14,389</u>

**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.12.21	31.12.20
	£	£
Bank loans (see note 14)	<u>50,000</u>	<u>50,000</u>

**14. LOANS**

An analysis of the maturity of loans is given below:

	31.12.21	31.12.20
	£	£
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>50,000</u>	<u>50,000</u>

**15. SECURED DEBTS**

The following secured debts are included within creditors:

	31.12.21	31.12.20
	£	£
Bank loans	<u>50,000</u>	<u>50,000</u>

The bank loan is secured on seven of the properties owned by the Trust. The loan is limited to £750,000 of which £50,000 was drawn down by the year end. The loan is to be repaid over 264 months with interest charged at 2.5%pa over the Bank of England base rate with a minimum interest rate of 2.5%pa. The first 24 months are on an interest only basis.

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021**

**16. MOVEMENT IN FUNDS**

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
<b>Unrestricted funds</b>				
General fund	4,675,336	490,690	136,825	5,302,851
<b>Restricted funds</b>				
Capital grants	-	136,825	(136,825)	-
Legacy to cover new houses in Grasmere	-	230,000	-	230,000
	<u>-</u>	<u>366,825</u>	<u>(136,825)</u>	<u>230,000</u>
<b>TOTAL FUNDS</b>	<u>4,675,336</u>	<u>857,515</u>	<u>-</u>	<u>5,532,851</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	646,244	(155,554)	490,690
<b>Restricted funds</b>			
Capital grants	136,825	-	136,825
Legacy to cover new houses in Grasmere	230,000	-	230,000
	<u>366,825</u>	<u>-</u>	<u>366,825</u>
<b>TOTAL FUNDS</b>	<u>1,013,069</u>	<u>(155,554)</u>	<u>857,515</u>

**Comparatives for movement in funds**

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
<b>Unrestricted funds</b>			
General fund	3,982,046	693,290	4,675,336
<b>TOTAL FUNDS</b>	<u>3,982,046</u>	<u>693,290</u>	<u>4,675,336</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021**

**16. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	842,383	(149,093)	693,290
<b>TOTAL FUNDS</b>	<u>842,383</u>	<u>(149,093)</u>	<u>693,290</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
<b>Unrestricted funds</b>				
General fund	3,982,046	1,183,980	136,825	5,302,851
<b>Restricted funds</b>				
Capital grants	-	136,825	(136,825)	-
Legacy to cover new houses in Grasmere	-	230,000	-	230,000
	-	366,825	(136,825)	230,000
<b>TOTAL FUNDS</b>	<u>3,982,046</u>	<u>1,550,805</u>	<u>-</u>	<u>5,532,851</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,488,627	(304,647)	1,183,980
<b>Restricted funds</b>			
Capital grants	136,825	-	136,825
Legacy to cover new houses in Grasmere	230,000	-	230,000
	366,825	-	366,825
<b>TOTAL FUNDS</b>	<u>1,855,452</u>	<u>(304,647)</u>	<u>1,550,805</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021**

**17. CAPITAL COMMITMENTS**

	31.12.21	31.12.20
Contracted but not provided for in the financial statements	£ <u>50,246</u>	£ <u>-</u>

**18. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 December 2021.

**Lakeland Housing Trust****Detailed Statement of Financial Activities  
for the Year Ended 31 December 2021**

	31.12.21 £	31.12.20 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	2	21
Legacies	644,366	94,751
Transfer of property and funds from Grandy Nook	-	541,919
	<u>644,368</u>	<u>636,691</u>
<b>Investment income</b>		
Rents received	231,850	205,662
Deposit account interest	26	30
	<u>231,876</u>	<u>205,692</u>
<b>Charitable activities</b>		
Grants	136,825	-
<b>Total incoming resources</b>	<u>1,013,069</u>	<u>842,383</u>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Rates and property expenses	5,035	8,402
Insurance	8,658	10,569
Property consultancy fees	6,208	31,546
Repairs and maintenance	59,949	42,200
Provision for bad debts	-	(1,150)
Property related legal fees	15,390	-
	<u>95,240</u>	<u>91,567</u>
<b>Support costs</b>		
<b>Management</b>		
Advertising	499	637
<b>Finance</b>		
Bank charges	124	7,645
Bank loan interest	8,803	2,297
	<u>8,927</u>	<u>9,942</u>

This page does not form part of the statutory financial statements

**Lakeland Housing Trust**

**Detailed Statement of Financial Activities  
for the Year Ended 31 December 2021**

	31.12.21	31.12.20
	£	£
<b>Finance</b>		
<b>Governance costs</b>		
Auditors' remuneration		
Legal and professional fees	4,358	4,520
Management fees	409	216
Trustees liability insurance	45,237	41,587
Hall hire	547	527
	337	97
Total resources expended	<u>50,888</u>	<u>46,947</u>
<b>Net income</b>	<u>155,554</u>	<u>149,093</u>
	<u>857,515</u>	<u>693,290</u>

This page does not form part of the statutory financial statements

**REGISTERED COMPANY NUMBER: 10298071 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1175184**

**Report of the Trustees and  
Audited Financial Statements for the Year Ended 31 December 2021**

**for**

**Lakeland Housing Trust  
(A Company Limited by Guarantee)**

Stables Thompson & Briscoe  
Chartered Accountants & Statutory Auditor  
Lowther House  
Lowther Street  
Kendal  
LA9 4DX

**Lakeland Housing Trust**

**Contents of the Financial Statements  
for the Year Ended 31 December 2021**

	<b>Page</b>
<b>Reference and Administrative Details</b>	1
<b>Report of the Trustees</b>	2 to 7
<b>Report of the Independent Auditors</b>	8 to 11
<b>Statement of Financial Activities</b>	12
<b>Balance Sheet</b>	13 to 14
<b>Cash Flow Statement</b>	15
<b>Notes to the Cash Flow Statement</b>	16
<b>Notes to the Financial Statements</b>	17 to 24
<b>Detailed Statement of Financial Activities</b>	25 to 26

**Lakeland Housing Trust**

**Reference and Administrative Details  
for the Year Ended 31 December 2021**

**TRUSTEES**

I R Bonham  
R D L Brownson  
Mrs H E Caldwell  
P Davies  
C R A Flanagan  
Mrs D A Hall  
J M Holmes  
N F Hutchinson  
Mrs D R Matthews  
Ms S McGregor (resigned 16.8.21)  
M Tillyer  
Mrs S M Tomlinson

**REGISTERED OFFICE**

36 Finkle Street

Kendal  
Cumbria  
LA9 4AB

**REGISTERED COMPANY  
NUMBER**

10298071 (England and Wales)

**REGISTERED CHARITY  
NUMBER**

1175184

**AUDITORS**

Stables Thompson & Briscoe  
Chartered Accountants & Statutory Auditor  
Lowther House  
Lowther Street  
Kendal  
LA9 4DX

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2021**

The Trustees present their report and the audited financial statements of the charity for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity'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 published in October 2019.

Formed in 1937, The Lakeland Housing Trust is a Registered Charitable Company, the operations were originally through an unincorporated Charity - No 701075 - all the assets and operations transferred on 1 January 2019 to this charitable company - Charity No 1175184.

The Trust currently owns and manages 52 properties in the central Lakeland area, all within the Lake District National Park boundary.

Tourism is an essential part of life in central Lakeland but the increasing second home and holiday let market means that house prices have increased at a rate that makes it very difficult for local people to buy or rent a home. As a consequence, the sense of 'local community' is being lost.

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The Lakeland Housing Trust provides rented homes for local people who cannot afford to buy or long-term rent accommodation at current market prices. Our affordable rents have resulted in several of our tenants being able to save for deposits and subsequently buy their own home.

Vacancies are advertised in the local press and priority consideration is given on the basis of need, to local people working or retired in the area or who have strong local family connections. Current properties are situated mainly in the Ambleside, Coniston, Hawkshead and Troutbeck areas.

##### **Public benefit**

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2021**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

###### **Developments:**

Lakefield, Sawrey

Nos 1 & 1A

The demolition of No.1 and the rebuilt to create 2 No 3 Bedroom Houses was completed during the early part of 2021.

No 2.

The complete refurbishment of this property which is a 2 bedroom house also completed by the middle of 2021.

No.3

This property was reroofed at the same time as the works being carried out in No.2.

Hawthorn Close (Cragfoot, Grasmere).

The development of this site to provide 2 No 3 bedroom houses was progressed throughout 2021 with a completion envisaged early in 2022.

These houses have been built to Passive House standard being to a much higher standard of energy saving than current Building Regs stipulate.

A Grant secured from South Lakeland District Council has helped offset the extraordinary costs of developing this difficult site and building to a much higher specification.

Gable Cottage - Hawkshead.

This property has been extensively refurbished during the latter part of 2021 with completion achieved in the early part of 2022.

Grandy Nook - Kendal.

Planning application for the conversion of the weekend cottage into a single bedroom Bungalow was obtained during the year and the intention is to carry out these works during the latter part of 2022.

Later in the year as Flat C became voided work was commenced to completely remodel this apartment.

###### **Major Upgrades**

A variety of upgrades comprising new kitchens, bathrooms and double glazing have been carried out to the following:

2 The Green - Ambleside

High Greenside Cottage - Sawrey

2 Compston Street - Ambleside

12 Loughrigg Park - Ambleside

Kirkfoot Cottage - Ambleside

4 Rydal View - Ambleside

###### **Fundraising activities**

The charity does not carry out significant fundraising activities.

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2021**

#### **ACHIEVEMENT AND PERFORMANCE**

The Properties:

##### **(a) Repairs and Improvements**

Most of the properties have now been brought up to the standards required by legislation. Over 85% have modern heating systems and are insulated to a good level. All now comply with the government's energy targets apart from three, for which exemption certificates have been applied

Electrical inspections were carried out on all properties and, where appropriate, remedial work undertaken.

A programme was developed by the Buildings Group to prioritise work to bring all the other properties up to standard. The work is nearly complete.

##### **(b) Rents & Tenancies**

Income from rents increased by nearly 5% reflecting the number of properties that were due for rent reviews and the additional rent from the newly acquired Spedding Cottage. It should be noted that rents are only reviewed every other year.

Rents average £90.00 a week. The Trust's policy is to charge rents equivalent to or slightly lower than other social landlords.

There remains keen interest in any vacancies and no shortage of candidates fitting the Trust's strict criteria.

#### **FINANCIAL REVIEW**

##### **Financial position**

The Finance Group regularly reviews the financial position of the Trust - ensuring that there are sufficient funds to cover current and planned future expenditure, whilst also ensuring that there is a sufficient surplus for the repayment of its borrowings.

The Trust received income of £1,013,069 in the year, higher than the £842,383 received last year as it includes a legacy of £230,000 received on 1 March 2022 but notified before the year end and also included a grant of £136,825 from SLDC Affordable Housing. Rental income was £26,188 higher reflecting the increase in the number of properties to rent.

Running expenses were very similar to last year at £155,554 (2020 - £149,093).

The development costs capitalised were £537,983 in the year compared to £708,172 last year. Despite this there has not been any further draw down on the loan due to the legacies and grants received in the year.

The net surplus transferred to funds was £857,515 (2020 - £693,290).

##### **Principal funding sources**

The principal funding sources for the charity are the rentals obtained from the properties and legacies.

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2021**

#### **FINANCIAL REVIEW**

##### **Reserves policy**

It is the policy of the Trust to maintain unrestricted funds at a level which equates to approximately six months unrestricted expenditure. This provides sufficient funds to cover management and administration costs and to respond to emergency expenditure which arises from time to time.

Free reserves at the year end were £93,696 (2020 - £4,164). This is equivalent to seven months running costs, but given the ongoing developments is not felt to be excessive.

The Finance Group regularly reviews the financial position of the Trust - ensuring that there are sufficient funds to cover current and planned future expenditure, whilst also ensuring that there is sufficient surplus for the repayment of its borrowings.

Further information in relation to anticipated financial issues is detailed under 'Future Plans'.

#### **FUTURE PLANS**

During 2022 major works will be carried out to Ciceley Parrock to provide a ground floor shower room and double-glazed windows.

Also, on this site an existing Septic Tank (serving 5 properties) will be replaced with a Treatment Plant. The necessary Planning Permission has been granted.

A further apartment "A" in Grandy Nook will be fully refurbished.

Quinquennial Survey.

This was commissioned during 2021 and will complete early part of 2022.

This will enable a full 5 year rolling programme of refurbishments to be carried out.

#### **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.

##### **The trustees**

The trustees are:

Roger Bonham  
Richard Brownson  
Helen Caldwell  
Peter Davies  
Charles Flanagan  
Anne Hall  
John Holmes  
Nigel Hutchinson  
Diana Matthews  
Shelagh McGregor (Until resignation on 16.8.2021)  
Malcolm Tillyer, Chairman  
Susan Tomlinson

All trustees provide essential advice and practical support in the running of the Trust.

##### **Recruitment and appointment of new trustees**

New trustees are nominated and appointed by the existing trustees.

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2021**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Organisational structure**

The trust is managed locally by Trustees who have lived in the area for most of their lives and who give their services voluntarily. They have a deep commitment to the preservation and prosperity of integrated local communities and value the traditional vernacular architecture of the Lake District. All improvements are carried out sympathetically.

All the Trustees continue to give a great deal of advice and practical assistance in the running of the Trust

The day-to-day administration of the Trust transferred from Ingalls Accountants, Kendal to H&H Land & Estates, Kendal in June 2019. This change was necessary as a result of the current and anticipated future growth of the Trust. The relevant experience and expertise of H&H Land and Estates staff has ensured that the Trust continues to be managed effectively.

The Trust's Buildings Group oversees the maintenance of the properties and plans for future works, ensuring compliance with relevant legislation. Trustee, John Holmes, has ably led the Group, supported by a local architect, Stuart Woodhall, who manages some of the larger projects on behalf of the Trust. Charles Flanagan, my predecessor, has also provided invaluable support.

The Trust's Rents and Tenancy Group is responsible for setting rents, selecting new tenants, undertaking rent review visits and ensuring compliance with legislation. Trustee, Peter Davies, ably led this Group before passing on the role of Chair to Sue Tomlinson.

The Finance Group is responsible for monitoring and reviewing the financial health of the Trust. Our new trustee, Shelagh McGregor, utilised her experience as head of finance for South Lakes District Council to effectively Chair this group. Shelagh resigned as a trustee on 16th August 2021. Her role was covered by Malcolm Tillyer pending the appointment of a suitably qualified trustee to the role.

Temple Heelis have acted as the Trust's solicitors and have continued to provide essential legal advice when required.

##### **Induction and training of new trustees**

New trustees are selected based on their skills and knowledge of our local communities, ensuring that the Trust always has trustees with experience in financial and property management. New trustees are provided with copies of previous Board meeting minutes, information about the Trust, its properties, its tenants and the community needs within the Central Lakes area. A full Governance and Succession Planning Review will take place during 2021.

##### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Finances are managed by the finance officer at H&H Land and Estates, Kendal and overseen by the Lakeland Housing Trust Board of Trustees. Specific oversight responsibility sits with a trustee who is a recently retired chartered accountant and head of finance for South Lakeland District Council. A 5-year financial plan is in place that is regularly monitored, ensuring that any unforeseen costs are catered for and that additional planned expenditure is affordable and carefully managed.

## Lakeland Housing Trust

### Report of the Trustees for the Year Ended 31 December 2021

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Conclusion

The need for affordable housing is as acute today as it was when The Lakeland Housing Trust was founded in 1937 (as the Lake Country Cottage Society). The Trust is committed to continuing to offer low cost rented housing - helping to keep villages alive and allowing local people to live and work in the heart of the Lake District. The Trust welcomes the excellent support of the South Lakes District Council and the Lake District National Park Authority.

I am grateful for the support of fellow trustees and staff at H&H Land and Estates, Kendal.

#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Lakeland Housing Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

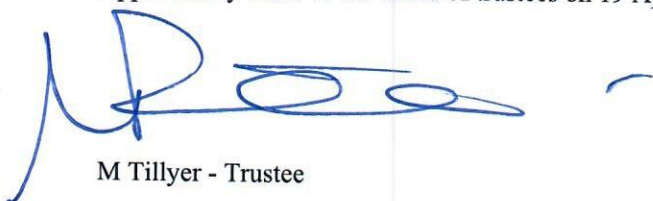
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 19 April 2022 and signed on its behalf by:



M Tillyer - Trustee

## **Report of the Independent Auditors to the Trustees of Lakeland Housing Trust**

### **Opinion**

We have audited the financial statements of Lakeland Housing Trust (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 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 the Companies Act 2006.

### **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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable 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 trustees' 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 charitable 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 trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Report of the Independent Auditors to the Trustees of Lakeland Housing Trust**

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable 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 trustees 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## **Report of the Independent Auditors to the Trustees of Lakeland Housing Trust**

### **Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our experience and from discussions with management. We reviewed any related correspondence and records of trustee meetings to assess compliance with laws and regulations and discussed the current position with management. We ensured the audit team were alert for any indications of non-compliance throughout the audit work.

The charitable company is managed by a management company which reduces the risk of fraud. We assessed the management company's policies and procedures on fraud risks. No instances of actual, suspected or alleged fraud were identified by us or the managing company in the year.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of controls. We are not responsible for preventing non-compliance and cannot be expected to detect compliance with all laws and regulations.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Trustees of  
Lakeland Housing Trust**

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Stables Thompson & Briscoe  
Chartered Accountants & Statutory Auditor  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
Lowther House  
Lowther Street  
Kendal  
LA9 4DX

Date: ..... 8 August 2022 .....

**Lakeland Housing Trust**

**Statement of Financial Activities  
for the Year Ended 31 December 2021**

	Notes	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	414,368	230,000	644,368	636,691
<b>Charitable activities</b>					
Rental properties	4	-	136,825	136,825	-
Investment income	3	231,876	-	231,876	205,692
<b>Total</b>		<u>646,244</u>	<u>366,825</u>	<u>1,013,069</u>	<u>842,383</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Rental properties	5	155,554	-	155,554	149,093
<b>NET INCOME</b>		<u>490,690</u>	<u>366,825</u>	<u>857,515</u>	<u>693,290</u>
Transfers between funds	16	136,825	(136,825)	-	-
<b>Net movement in funds</b>		<u>627,515</u>	<u>230,000</u>	<u>857,515</u>	<u>693,290</u>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		4,675,336	-	4,675,336	3,982,046
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>5,302,851</u></u>	<u><u>230,000</u></u>	<u><u>5,532,851</u></u>	<u><u>4,675,336</u></u>

The notes form part of these financial statements

**Lakeland Housing Trust**

**Balance Sheet  
31 December 2021**

	Notes	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	10	5,209,155	-	5,209,155	4,671,172
<b>CURRENT ASSETS</b>					
Debtors	11	3,993	-	3,993	4,171
Prepayments and accrued income		-	230,000	230,000	30,000
Cash at bank		179,182	-	179,182	34,382
		<u>183,175</u>	<u>230,000</u>	<u>413,175</u>	<u>68,553</u>
<b>CREDITORS</b>					
Amounts falling due within one year	12	(39,479)	-	(39,479)	(14,389)
<b>NET CURRENT ASSETS</b>					
		<u>143,696</u>	<u>230,000</u>	<u>373,696</u>	<u>54,164</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		5,352,851	230,000	5,582,851	4,725,336
<b>CREDITORS</b>					
Amounts falling due after more than one year	13	(50,000)	-	(50,000)	(50,000)
<b>NET ASSETS</b>					
		<u>5,302,851</u>	<u>230,000</u>	<u>5,532,851</u>	<u>4,675,336</u>
<b>FUNDS</b>					
Unrestricted funds	16			5,302,851	4,675,336
Restricted funds				230,000	-
<b>TOTAL FUNDS</b>				<u>5,532,851</u>	<u>4,675,336</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

**Lakeland Housing Trust**

**Balance Sheet - continued**  
**31 December 2021**

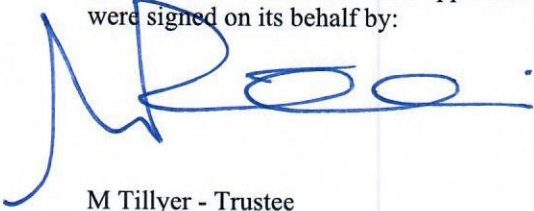
The trustees acknowledge their responsibilities for

- (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.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

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 19 April 2022 and were signed on its behalf by:



M Tillyer - Trustee

**Lakeland Housing Trust**

**Cash Flow Statement  
for the Year Ended 31 December 2021**

	Notes	31.12.21 £	31.12.20 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	691,560	650,458
Interest paid		<u>(8,803)</u>	<u>(2,297)</u>
Net cash provided by operating activities		<u>682,757</u>	<u>648,161</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(537,983)	(708,172)
Interest received		<u>26</u>	<u>30</u>
Net cash used in investing activities		<u>(537,957)</u>	<u>(708,142)</u>
<b>Cash flows from financing activities</b>			
New loans in year		-	50,000
Net cash provided by financing activities		<u>-</u>	<u>50,000</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		144,800	(9,981)
<b>Cash and cash equivalents at the beginning of the reporting period</b>			
		<u>34,382</u>	<u>44,363</u>
<b>Cash and cash equivalents at the end of the reporting period</b>			
		<u>179,182</u>	<u>34,382</u>

The notes form part of these financial statements

**Lakeland Housing Trust**

**Notes to the Cash Flow Statement  
for the Year Ended 31 December 2021**

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.12.21	31.12.20
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	857,515	693,290
<b>Adjustments for:</b>		
Interest received	(26)	(30)
Interest paid	8,803	2,297
Increase in debtors	(199,822)	(31,372)
Increase/(decrease) in creditors	25,090	(13,727)
<b>Net cash provided by operations</b>	<u>691,560</u>	<u>650,458</u>

**2. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS**

	At 1.1.21	Cash flow	At 31.12.21
	£	£	£
<b>Net cash</b>			
Cash at bank	<u>34,382</u>	<u>144,800</u>	<u>179,182</u>
	<u>34,382</u>	<u>144,800</u>	<u>179,182</u>
<b>Debt</b>			
Debts falling due after 1 year	<u>(50,000)</u>	-	<u>(50,000)</u>
	<u>(50,000)</u>	-	<u>(50,000)</u>
<b>Total</b>	<u>(15,618)</u>	<u>144,800</u>	<u>129,182</u>

The notes form part of these financial statements

**Notes to the Financial Statements  
for the Year Ended 31 December 2021**

**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.

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of the registered office is given on the charity information page of these financial statements.

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

**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**

No depreciation is provided on Freehold property as, in the trustees opinion, the market value of the properties is in excess of the net book value.

**Taxation**

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

**Fund accounting**

Unrestricted funds 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021**

**2. DONATIONS AND LEGACIES**

	31.12.21	31.12.20
	£	£
Donations	2	21
Legacies	644,366	94,751
Transfer of property and funds from Grandy Nook	-	541,919
	<u>644,368</u>	<u>636,691</u>

**3. INVESTMENT INCOME**

	31.12.21	31.12.20
	£	£
Rents received	231,850	205,662
Deposit account interest	26	30
	<u>231,876</u>	<u>205,692</u>

**4. INCOME FROM CHARITABLE ACTIVITIES**

	31.12.21	31.12.20
	£	£
Grants	136,825	-
	<u>136,825</u>	<u>-</u>

Grants received, included in the above, are as follows:

	31.12.21	31.12.20
	£	£
SLDC Affordable Housing	136,825	-
	<u>136,825</u>	<u>-</u>

**5. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 6) £	Totals £
Rental properties	<u>95,240</u>	<u>60,314</u>	<u>155,554</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021**

**6. SUPPORT COSTS**

	Management £	Finance £	Governance costs £	Totals £
Rental properties	<u>499</u>	<u>8,927</u>	<u>50,888</u>	<u>60,314</u>

**7. NET INCOME/(EXPENDITURE)**

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

	31.12.21	31.12.20
	£	£
Auditors' remuneration	<u>4,358</u>	<u>4,520</u>

**8. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	636,691	-	636,691
Investment income	205,692	-	205,692
<b>Total</b>	<u>842,383</u>	<u>-</u>	<u>842,383</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Rental properties	149,093	-	149,093
<b>NET INCOME</b>	<u>693,290</u>	<u>-</u>	<u>693,290</u>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	3,982,046	-	3,982,046

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021**

**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>4,675,336</u>	-	<u>4,675,336</u>

**10. TANGIBLE FIXED ASSETS**

	Freehold property £
<b>COST</b>	
At 1 January 2021	4,671,172
Additions	537,983
At 31 December 2021	<u>5,209,155</u>
<b>NET BOOK VALUE</b>	
At 31 December 2021	5,209,155
At 31 December 2020	<u>4,671,172</u>

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.21 £	31.12.20 £
Rent arrears	886	1,801
Prepayments	<u>3,107</u>	<u>2,370</u>
	<u>3,993</u>	<u>4,171</u>

The charity received notification of a further legacy before the year end, but as this was a property which is to be sold at auction to provide funds to reinvest in properties suitable for letting there was no firm price to allow for this to be accrued at the year end. This will be reflected in next year's accounts.

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021**

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.21	31.12.20
	£	£
Trade creditors	24,623	6,714
Accrued expenses	14,856	7,675
	<u>39,479</u>	<u>14,389</u>

**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.12.21	31.12.20
	£	£
Bank loans (see note 14)	<u>50,000</u>	<u>50,000</u>

**14. LOANS**

An analysis of the maturity of loans is given below:

	31.12.21	31.12.20
	£	£
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>50,000</u>	<u>50,000</u>

**15. SECURED DEBTS**

The following secured debts are included within creditors:

	31.12.21	31.12.20
	£	£
Bank loans	<u>50,000</u>	<u>50,000</u>

The bank loan is secured on seven of the properties owned by the Trust. The loan is limited to £750,000 of which £50,000 was drawn down by the year end. The loan is to be repaid over 264 months with interest charged at 2.5%pa over the Bank of England base rate with a minimum interest rate of 2.5%pa. The first 24 months are on an interest only basis.

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021**

**16. MOVEMENT IN FUNDS**

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
<b>Unrestricted funds</b>				
General fund	4,675,336	490,690	136,825	5,302,851
<b>Restricted funds</b>				
Capital grants	-	136,825	(136,825)	-
Legacy to cover new houses in Grasmere	-	230,000	-	230,000
	<u>-</u>	<u>366,825</u>	<u>(136,825)</u>	<u>230,000</u>
<b>TOTAL FUNDS</b>	<u>4,675,336</u>	<u>857,515</u>	<u>-</u>	<u>5,532,851</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	646,244	(155,554)	490,690
<b>Restricted funds</b>			
Capital grants	136,825	-	136,825
Legacy to cover new houses in Grasmere	230,000	-	230,000
	<u>366,825</u>	<u>-</u>	<u>366,825</u>
<b>TOTAL FUNDS</b>	<u>1,013,069</u>	<u>(155,554)</u>	<u>857,515</u>

**Comparatives for movement in funds**

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
<b>Unrestricted funds</b>			
General fund	3,982,046	693,290	4,675,336
<b>TOTAL FUNDS</b>	<u>3,982,046</u>	<u>693,290</u>	<u>4,675,336</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021**

**16. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	842,383	(149,093)	693,290
<b>TOTAL FUNDS</b>	<u>842,383</u>	<u>(149,093)</u>	<u>693,290</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
<b>Unrestricted funds</b>				
General fund	3,982,046	1,183,980	136,825	5,302,851
<b>Restricted funds</b>				
Capital grants	-	136,825	(136,825)	-
Legacy to cover new houses in Grasmere	-	230,000	-	230,000
	-	366,825	(136,825)	230,000
<b>TOTAL FUNDS</b>	<u>3,982,046</u>	<u>1,550,805</u>	<u>-</u>	<u>5,532,851</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,488,627	(304,647)	1,183,980
<b>Restricted funds</b>			
Capital grants	136,825	-	136,825
Legacy to cover new houses in Grasmere	230,000	-	230,000
	366,825	-	366,825
<b>TOTAL FUNDS</b>	<u>1,855,452</u>	<u>(304,647)</u>	<u>1,550,805</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2021**

**17. CAPITAL COMMITMENTS**

	31.12.21	31.12.20
Contracted but not provided for in the financial statements	£ <u>50,246</u>	£ <u>-</u>

**18. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 December 2021.

**Lakeland Housing Trust****Detailed Statement of Financial Activities  
for the Year Ended 31 December 2021**

	31.12.21 £	31.12.20 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	2	21
Legacies	644,366	94,751
Transfer of property and funds from Grandy Nook	-	541,919
	<u>644,368</u>	<u>636,691</u>
<b>Investment income</b>		
Rents received	231,850	205,662
Deposit account interest	26	30
	<u>231,876</u>	<u>205,692</u>
<b>Charitable activities</b>		
Grants	136,825	-
<b>Total incoming resources</b>	<u>1,013,069</u>	<u>842,383</u>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Rates and property expenses	5,035	8,402
Insurance	8,658	10,569
Property consultancy fees	6,208	31,546
Repairs and maintenance	59,949	42,200
Provision for bad debts	-	(1,150)
Property related legal fees	15,390	-
	<u>95,240</u>	<u>91,567</u>
<b>Support costs</b>		
<b>Management</b>		
Advertising	499	637
<b>Finance</b>		
Bank charges	124	7,645
Bank loan interest	8,803	2,297
	<u>8,927</u>	<u>9,942</u>

This page does not form part of the statutory financial statements

**Lakeland Housing Trust**

**Detailed Statement of Financial Activities  
for the Year Ended 31 December 2021**

	31.12.21	31.12.20
	£	£
<b>Finance</b>		
<b>Governance costs</b>		
Auditors' remuneration		
Legal and professional fees	4,358	4,520
Management fees	409	216
Trustees liability insurance	45,237	41,587
Hall hire	547	527
	337	97
Total resources expended	<u>50,888</u>	<u>46,947</u>
<b>Net income</b>	<u>155,554</u>	<u>149,093</u>
	<u>857,515</u>	<u>693,290</u>

This page does not form part of the statutory financial statements



# STABLES THOMPSON & BRISCOE

CHARTERED ACCOUNTANTS & REGISTERED AUDITORS

Lowther House, Lowther Street, Kendal, Cumbria LA9 4DX  
Tel: (01539) 720465 Fax: (01539) 740209  
Email: [enquiries@stb-accountants.co.uk](mailto:enquiries@stb-accountants.co.uk) [www.stb-accountants.co.uk](http://www.stb-accountants.co.uk)

16 June 2022

The Trustees  
Lakeland Housing Trust  
c/o 36 Finkle Street  
Kendal  
Cumbria  
LA9 4AB

Dear Sirs,

## REPORT TO MANAGEMENT

During the course of our audit for the year ended 31 December 2021 a number of matters arose which we consider should be brought to your attention.

Accompanying this letter is a memorandum noting these points together with any recommendations we have for possible improvements which could be made.

These matters came to light during the course of our normal audit tests which are designed to assist us in forming our opinion on the financial statements. Our tests may not necessarily disclose all errors or irregularities and should not be relied upon to do so. However, if any irregularity did come to our attention during our audit tests, we would, of course, inform you immediately.

We would be grateful if you could enter management's comments against each point under the "management response" column of the memorandum and return it to us in due course.

We have complied with the Financial Reporting Council's Ethical Standard and all threats to our independence, as identified to you, have been properly addressed through appropriate safeguards. No additional facts or matters have arisen during the course of the audit that we wish to draw to your attention and we confirm that we are independent and able to express an objective opinion on the financial statements.

This report has been prepared for the sole use of the trustees of Lakeland Housing Trust and must not be shown to third parties without our prior consent. No responsibilities are accepted by Stables Thompson & Briscoe towards any party acting or refraining from action as a result of this report.

Finally, we would like to express our thanks to all members of the charity's staff who assisted us in carrying out our work.

Yours faithfully,

**SIGNIFICANT MATTERS RELEVANT TO OUR AUDIT FOR THE YEAR ENDED 31  
DECEMBER 2021**

**Audit Approach**

Our general audit approach was determined by our assessment of the audit risk, both in terms of the potential misstatement in the financial statements and of the control environment in which the company operates.

To summarise our approach, we:

- updated our understanding of the business and its environment;
- reviewed the design and implementation of key internal financial control systems; and
- planned and performed an audit with professional scepticism recognising that circumstances may exist that cause the financial statements to be materially misstated.

Significant risks arise on most audits and are often derived from business risks that may result in a material misstatement, relate to unusual transactions that occur infrequently, or judgemental matters where measurement is uncertain. In areas where we identified the potential for significant risk, we extended our audit testing to include more detailed substantive work. Our work in other areas was proportionally less.

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements. In general, misstatements, including omissions, are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Judgments about materiality are made in the light of surrounding circumstances and are affected by our perception of the financial information needs of users of the financial statements, and by the size or nature of a misstatement, or a combination of both.

There were no changes to our audit approach as discussed at our meeting.

**Summary of significant audit findings**

Nothing has been noted.

**Internal controls**

The purpose of the audit was for us to express an opinion on the financial statements. The audit included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. Our audit is, therefore, not designed to identify all control weaknesses and the matters reported below are limited to those deficiencies that we have identified during the audit.

Control weakness identified	Potential implications and recommendations	Management response
Legacies notified before the year end must be recognized in the accounts where the amount can be determined with accuracy.	A legacy notified before the year end for a property called Middle Bleansley has been brought into these accounts as a result of the audit which will result in the management accounts recording the legacy later than the statutory accounts.	
The charity name at Companies House is "Lakeland Housing Trust" but the name at the Charity Commission is "The Lakeland Housing Trust".	Ideally the charity name should be the same on both platforms as this could cause issues in the future.	

#### Summary of audit differences and draft letter of representation

All errors that were not trivial have been adjusted. The remaining trivial errors were under £200.

We have also attached a draft letter of management representations required in connection with our audit.

#### Outstanding Matters

Prior to issuing our audit report we require:

- the signed letter of representation

#### Anticipated audit report

We anticipate that we will issue an unmodified audit report for the year, subject to the satisfactory clearance of any outstanding/unresolved the matters outlined in this report.

**LAKELAND HOUSING TRUST**

England & Wales - Charity number 1175184

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# Accounts

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**REGISTERED COMPANY NUMBER: 10298071 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1175184**

**Report of the Trustees and**  
**Audited Financial Statements for the Year Ended 31 December 2020**  
**for**  
**Lakeland Housing Trust**  
**(A Company Limited by Guarantee)**

**Stables Thompson & Briscoe**  
**Chartered Accountants & Statutory Auditor**  
**Lowther House**  
**Lowther Street**  
**Kendal**  
**LA9 4DX**

# **Lakeland Housing Trust**

## **Contents of the Financial Statements for the Year Ended 31 December 2020**

	<b>Page</b>
<b>Reference and Administrative Details</b>	1
<b>Report of the Trustees</b>	2 to 6
<b>Report of the Independent Auditors</b>	7 to 10
<b>Statement of Financial Activities</b>	11
<b>Balance Sheet</b>	12 to 13
<b>Cash Flow Statement</b>	14
<b>Notes to the Cash Flow Statement</b>	15
<b>Notes to the Financial Statements</b>	16 to 22
<b>Detailed Statement of Financial Activities</b>	23 to 24

**Lakeland Housing Trust**

**Reference and Administrative Details  
for the Year Ended 31 December 2020**

**TRUSTEES**

I R Bonham  
R D L Brownson  
Mrs H E Caldwell  
P Davies  
C R A Flanagan  
Mrs D A Hall  
L Harwood OBE  
J M Holmes  
N F Hutchinson  
Mrs D R Matthews  
Ms S McGregor  
M Tillyer  
Mrs S M Tomlinson

**REGISTERED OFFICE**

36 Finkle Street

Kendal  
Cumbria  
LA9 4AB

**REGISTERED COMPANY  
NUMBER**

10298071 (England and Wales)

**REGISTERED CHARITY  
NUMBER**

1175184

**AUDITORS**

Stables Thompson & Briscoe  
Chartered Accountants & Statutory Auditor  
Lowther House  
Lowther Street  
Kendal  
LA9 4DX

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2020**

The Trustees present their report and the audited financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity'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 published in October 2019.

Formed in 1937, The Lakeland Housing Trust is a Registered Charitable Company, the operations were originally through an unincorporated Charity - No 701075 - all the assets and operations transferred on 1 January 2019 to this charitable company - Charity No 1175184.

The Trust currently owns and manages 48 properties in the central Lakeland area, all within the Lake District National Park boundary.

Tourism is an essential part of life in central Lakeland but the increasing second home and holiday let market means that house prices have increased at a rate that makes it very difficult for local people to buy or rent a home. As a consequence, the sense of 'local community' is being lost.

The Trust's aim is to provide rented homes for local people who cannot afford to buy or long-term rent accommodation at current market prices. Our affordable rents have resulted in several of our tenants being able to save for deposits and subsequently buy their own home.

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The Lakeland Housing Trust provides rented homes for local people who cannot afford to buy or long-term rent accommodation at current market prices. Our affordable rents have resulted in several of our tenants being able to save for deposits and subsequently buy their own home.

Vacancies are advertised in the local press and priority consideration is given on the basis of need, to local people working or retired in the area or who have strong local family connections. Current properties are situated mainly in the Ambleside, Coniston, Hawkshead and Troutbeck areas.

##### **Public benefit**

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2020**

#### **STRATEGIC REPORT**

##### **Achievement and performance**

##### **Charitable activities**

##### **Developments:**

During 2020 No.1 & 1A Lakefield Cottages have been added to the portfolio and are now let. 1A has been named Brockbank Cottage.

Two new properties are currently being built on land donated to the Trust near Crag Foot Cottage, Grasmere. The work should be completed by the end of 2021.

The necessary refurbishment of Ciceley Parrock and Sidey Bank in Troutbeck, the upgrading of other properties and the on going building works will cost the Trust in the region of £1,000,000. The Trust has taken out a mortgage in the region of £750,000 to fund this work.

Loft Crag, Grasmere which was bequeathed to the Trust in 2019 was sold due to its very poor state of repair and the funds will be used to fund other projects.

Grandy Nook, Kendal (and an adjacent 1 bed cottage) was transferred to Lakeland Housing Trust from the Kendal & Sedbergh Quakers. Grandy Nook is a grade 2 listed property that has been converted into 5 residential flats and is let to local people who cannot otherwise afford to rent or buy locally.

##### **The Properties:**

##### **Repairs and improvements**

Most of the properties have now been brought up to the standards required by legislation. Over 85% have modern heating systems and are insulated to a good level. All now comply with the government's energy targets apart from three, for which exemption certificates have been applied

A programme was developed by the Buildings Group to prioritise work to bring all the other properties up to standard. The work is nearly complete.

##### **Rents and Tenancies**

Income from rents increased by nearly 5% reflecting the number of properties that were due for rent reviews and the additional rent from the newly acquired Spedding Cottage. It should be noted that rents are only reviewed every other year.

Rents average £92.00 a week. The Trust's policy is to charge rents equivalent to or slightly lower than other social landlords.

There remains keen interest in any vacancies and no shortage of candidates fitting the Trust's strict criteria.

Three properties were let to new tenants during the year.

##### **Fundraising activities**

The charity does not carry out significant fundraising activities.

##### **Financial review**

##### **Principal funding sources**

The principal funding sources for the charity are the rentals obtained from the properties and legacies.

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2020**

#### **STRATEGIC REPORT**

##### **Financial review**

##### **Reserves policy**

It is the policy of the Trust to maintain unrestricted funds at a level which equates to approximately six months unrestricted expenditure. This provides sufficient funds to cover management and administration costs and to respond to emergency expenditure which arises from time to time.

Free reserves at the year end are £54,164 (2019 - 19,046). This is less than the desired level due to capital projects being funded through current account funds rather than a loan. The Trust has obtained a loan to correct the position and is aiming to build free reserves back to the policy position.

The Finance Group regularly reviews the financial position of the Trust - ensuring that there are sufficient funds to cover current and planned future expenditure, whilst also ensuring that there is sufficient surplus for the repayment of its borrowings.

Further information in relation to anticipated financial issues is detailed under 'Future Plans'.

##### **Future plans**

Loft Crag, Grasmere was bequeathed to the Trust, subject to probate. The property is in a very poor state and will be sold to help fund current future building projects.

Solicitors have been instructed in relation to the transfer of the property known as Grandy Nook, Kendal (and an adjacent 1-bed cottage) from the Kendal & Sedbergh Quakers to the LHT. Grandy Nook is a Grade 2 listed property that has been converted into 5 residential flats and is let to local people who cannot otherwise afford to rent or buy locally.

The LHT was approached, in 2019, by the owner of land at Sawrey Knots, Far Sawrey with a view to gifting the land to the LHT so that affordable housing can be built there for locals. The LHT has applied for outline planning permission and awaits the outcome.

The acquisition of the 6 individual properties at Grandy Nook and the building of an additional house at Lakefield Cottages and two houses in Grasmere will lead to the LHT growing from 36 properties in 2018 to 51 by the end of 2020.

#### **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.

##### **Recruitment and appointment of new trustees**

New trustees are nominated and appointed by the existing trustees.

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2020**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Organisational structure**

The trust is managed locally by Trustees who have lived in the area for most of their lives and who give their services voluntarily. They have a deep commitment to the preservation and prosperity of integrated local communities and value the traditional vernacular architecture of the Lake District. All improvements are carried out sympathetically.

All the Trustees continue to give a great deal of advice and practical assistance in the running of the Trust

The day-to-day administration of the Trust is undertaken by H&H Land & Estates, Kendal from June 2019.

The Trust's Buildings Group oversees the maintenance of the properties and plans for future works, ensuring compliance with relevant legislation. Trustee, John Holmes, has ably led the Group, supported by a local architect, Stuart Woodhall, who manages some of the larger projects on behalf of the Trust. Charles Flanagan, Malcolm Tillyer's predecessor, has also provided invaluable support.

The Trust's Rents and Tenancy Group is responsible for setting rents, selecting new tenants, undertaking rent review visits and ensuring compliance with legislation. Trustee, Peter Davies, has ably led this Group.

The Finance Group is responsible for monitoring and reviewing the financial health of the Trust. Our new trustee, Shelagh McGregor, has utilised her experience as head of finance for South Lakes District Council to effectively Chair this group.

Temple Heelis have acted as the Trust's solicitors and have continued to provide essential legal advice when required.

##### **Induction and training of new trustees**

New trustees are selected based on their skills and knowledge of our local communities, ensuring that the Trust always has trustees with experience in financial and property management. New trustees are provided with copies of previous Board meeting minutes, information about the Trust, its properties, its tenants and the community needs within the Central Lakes area. A full Governance and Succession Planning Review will take place during 2021.

##### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Finances are managed by the finance officer at H&H Land and Estates, Kendal and overseen by the Lakeland Housing Trust Board of Trustees. Specific oversight responsibility sits with a trustee who is a recently retired chartered accountant and head of finance for South Lakeland District Council. A 5-year financial plan is in place that is regularly monitored, ensuring that any unforeseen costs are catered for and that additional planned expenditure is affordable and carefully managed.

##### **Conclusion**

The need for affordable housing is as acute today as it was when The Lakeland Housing Trust was founded in 1937 (as the Lake Country Cottage Society). The Trust is committed to continuing to offer low cost rented housing - helping to keep villages alive and allowing local people to live and work in the heart of the Lake District. The Trust welcomes the excellent support of the South Lakeland District Council and the Lake District National Park Authority

I am grateful for the support of fellow trustees and staff at H&H Land and Estates, Kendal.

## **Lakeland Housing Trust**

### **Report of the Trustees for the Year Ended 31 December 2020**

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Lakeland Housing Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 16 March 2021 and signed on the board's behalf by:



M Tillyer - Trustee

## **Report of the Independent Auditors to the Trustees of Lakeland Housing Trust**

### **Opinion**

We have audited the financial statements of Lakeland Housing Trust (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 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 the Companies Act 2006.

### **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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable 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 trustees' 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 charitable 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 trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Report of the Independent Auditors to the Trustees of Lakeland Housing Trust**

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable 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 trustees 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## **Report of the Independent Auditors to the Trustees of Lakeland Housing Trust**

### **Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our experience and from discussions with management. We reviewed any related correspondence and records of trustee meetings to assess compliance with laws and regulations and discussed the current position with management. We ensured the audit team were alert for any indications of non-compliance throughout the audit work.

The charitable company is managed by a management company which reduces the risk of fraud. We assessed the management company's policies and procedures on fraud risks. No instances of actual, suspected or alleged fraud were identified by us or the managing company in the year.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of controls. We are not responsible for preventing non-compliance and cannot be expected to detect compliance with all laws and regulations.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Trustees of  
Lakeland Housing Trust**

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Stables 1 —*

Stables Thompson & Briscoe  
Chartered Accountants & Statutory Auditor  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
Lowther House  
Lowther Street  
Kendal  
LA9 4DX

Date: .....*3/6/21*.....

**Lakeland Housing Trust**

**Statement of Financial Activities  
for the Year Ended 31 December 2020**

	Notes	31.12.20 Unrestricted funds £	31.12.19 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	2	636,691	5,451
Other trading activities	3	-	400
Investment income	4	205,692	172,614
Other income	5	-	98,170
<b>Total</b>		<u>842,383</u>	<u>276,635</u>
<b>EXPENDITURE ON</b>			
Charitable activities	6	149,093	132,641
Rental properties			
<b>NET INCOME</b>		<u>693,290</u>	<u>143,994</u>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		3,982,046	3,838,052
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>4,675,336</u>	<u>3,982,046</u>

The notes form part of these financial statements

**Lakeland Housing Trust**

**Balance Sheet  
31 December 2020**

	Notes	31.12.20 Unrestricted funds £	31.12.19 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	11	4,671,172	3,963,000
<b>CURRENT ASSETS</b>			
Debtors	12	4,171	2,799
Prepayments and accrued income		30,000	-
Cash at bank		<u>34,382</u>	<u>44,363</u>
		68,553	47,162
<b>CREDITORS</b>			
Amounts falling due within one year	13	(14,389)	(28,116)
		<u>54,164</u>	<u>19,046</u>
<b>NET CURRENT ASSETS</b>			
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		4,725,336	3,982,046
<b>CREDITORS</b>			
Amounts falling due after more than one year	14	(50,000)	-
		<u>4,675,336</u>	<u>3,982,046</u>
<b>NET ASSETS</b>			
<b>FUNDS</b>	16		
Unrestricted funds		<u>4,675,336</u>	<u>3,982,046</u>
<b>TOTAL FUNDS</b>		<u>4,675,336</u>	<u>3,982,046</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

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.

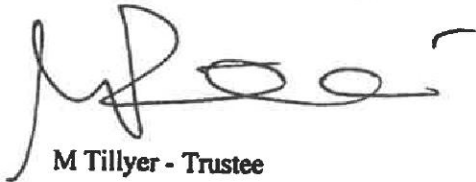
The notes form part of these financial statements

**Lakeland Housing Trust**

**Balance Sheet - continued**  
**31 December 2020**

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The financial statements were approved by the Board of Trustees and authorised for issue on 16 March 2021 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'M Tillyer', written over a horizontal line.

**M Tillyer - Trustee**

The notes form part of these financial statements

**Lakeland Housing Trust****Cash Flow Statement  
for the Year Ended 31 December 2020**

	Notes	31.12.20 £	31.12.19 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	650,458	43,102
Interest paid		<u>(2,297)</u>	<u>(1,900)</u>
Net cash provided by operating activities		<u>648,161</u>	<u>41,202</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(708,172)	(792,614)
Sale of tangible fixed assets		-	647,687
Interest received		30	236
Net cash used in investing activities		<u>(708,142)</u>	<u>(144,691)</u>
<b>Cash flows from financing activities</b>			
New loans in year		50,000	-
Loan repayments in year		-	<u>(134,366)</u>
Net cash provided by/(used in) financing activities		<u>50,000</u>	<u>(134,366)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(9,981)</b>	<b>(237,855)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>44,363</b>	<b>282,218</b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b><u>34,382</u></b>	<b><u>44,363</u></b>

The notes form part of these financial statements

**Lakeland Housing Trust**

**Notes to the Cash Flow Statement  
for the Year Ended 31 December 2020**

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.12.20	31.12.19
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	693,290	143,994
<b>Adjustments for:</b>		
Profit on disposal of fixed assets	-	(98,170)
Interest received	(30)	(236)
Interest paid	2,297	1,900
(Increase)/decrease in debtors	(31,372)	936
Decrease in creditors	(13,727)	(5,322)
<b>Net cash provided by operations</b>	<u>650,458</u>	<u>43,102</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)**

	At 1.1.20	Cash flow	At 31.12.20
	£	£	£
<b>Net cash</b>			
Cash at bank	<u>44,363</u>	<u>(9,981)</u>	<u>34,382</u>
	<u>44,363</u>	<u>(9,981)</u>	<u>34,382</u>
<b>Debt</b>			
Debts falling due after 1 year	-	<u>(50,000)</u>	<u>(50,000)</u>
	-	<u>(50,000)</u>	<u>(50,000)</u>
<b>Total</b>	<u>44,363</u>	<u>(59,981)</u>	<u>(15,618)</u>

The notes form part of these financial statements

## **Lakeland Housing Trust**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **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.

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of the registered office is given on the charity information page of these financial statements.

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

##### **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**

No depreciation is provided on Freehold property as, in the trustees opinion, the market value of the properties is in excess of the net book value.

##### **Taxation**

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

##### **Fund accounting**

Unrestricted funds 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020**

**7. SUPPORT COSTS**

	Management £	Finance £	Governance costs £	Totals £
Rental properties	<u>637</u>	<u>9,942</u>	<u>46,947</u>	<u>57,526</u>

**8. NET INCOME/(EXPENDITURE)**

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

	31.12.20 £	31.12.19 £
Auditors' remuneration	4,520	3,980
Surplus on disposal of fixed assets	<u>-</u>	<u>(98,170)</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £
<b>INCOME AND ENDOWMENTS FROM</b>	
Donations and legacies	5,451
Other trading activities	400
Investment income	172,614
Other income	98,170
<b>Total</b>	<u>276,635</u>
<b>EXPENDITURE ON</b>	
<b>Charitable activities</b>	
Rental properties	132,641
<b>NET INCOME</b>	<u>143,994</u>
<b>RECONCILIATION OF FUNDS</b>	
<b>Total funds brought forward</b>	3,838,052

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020**

<b>2. DONATIONS AND LEGACIES</b>		31.12.20	31.12.19
		£	£
Donations		21	5,451
Legacies		94,751	-
Transfer of property and funds from Grandy Nook		541,919	-
		<u>636,691</u>	<u>5,451</u>
<b>3. OTHER TRADING ACTIVITIES</b>		31.12.20	31.12.19
		£	£
Sales of stone		-	400
<b>4. INVESTMENT INCOME</b>		31.12.20	31.12.19
		£	£
Rents received		205,662	172,378
Deposit account interest		30	236
		<u>205,692</u>	<u>172,614</u>
<b>5. OTHER INCOME</b>		31.12.20	31.12.19
		£	£
Gain on sale of tangible fixed assets		-	98,170
<b>6. CHARITABLE ACTIVITIES COSTS</b>			
	Direct	Support	Totals
	Costs	costs (see	
	£	note 7)	£
Rental properties	<u>91,567</u>	<u>57,526</u>	<u>149,093</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020**

**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £	
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>3,982,046</u>
<b>11. TANGIBLE FIXED ASSETS</b>		
		Freehold property £
<b>COST</b>		
At 1 January 2020		3,963,000
Additions		<u>708,172</u>
At 31 December 2020		<u>4,671,172</u>
<b>NET BOOK VALUE</b>		
At 31 December 2020		<u>4,671,172</u>
At 31 December 2019		<u>3,963,000</u>
<b>12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
	31.12.20	31.12.19
	£	£
Rent arrears	1,801	444
Prepayments	<u>2,370</u>	<u>2,355</u>
	<u>4,171</u>	<u>2,799</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020**

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.20	31.12.19
	£	£
Trade creditors	6,714	21,278
Accruals and deferred income	-	300
Accrued expenses	<u>7,675</u>	<u>6,538</u>
	<u>14,389</u>	<u>28,116</u>

**14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.12.20	31.12.19
	£	£
Bank loans (see note 15)	<u>50,000</u>	<u>-</u>

**15. LOANS**

An analysis of the maturity of loans is given below:

	31.12.20	31.12.19
	£	£
Amounts falling between one and two years: Bank loans - 1-2 years	<u>50,000</u>	<u>-</u>

**16. MOVEMENT IN FUNDS**

	At 1.1.20	Net movement in funds	At 31.12.20
	£	£	£
<b>Unrestricted funds</b>			
General fund	3,982,046	693,290	4,675,336
<b>TOTAL FUNDS</b>	<u>3,982,046</u>	<u>693,290</u>	<u>4,675,336</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
<b>Unrestricted funds</b>			
General fund	842,383	(149,093)	693,290
<b>TOTAL FUNDS</b>	<u>842,383</u>	<u>(149,093)</u>	<u>693,290</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020**

**16. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
<b>Unrestricted funds</b>				
General fund	3,641,753	143,994	196,299	3,982,046
Miss Joan Nicholson fund	196,299	-	(196,299)	-
<b>TOTAL FUNDS</b>	<u>3,838,052</u>	<u>143,994</u>	<u>-</u>	<u>3,982,046</u>
	<u>3,838,052</u>	<u>143,994</u>	<u>-</u>	<u>3,982,046</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	276,635	(132,641)	143,994
<b>TOTAL FUNDS</b>	<u>276,635</u>	<u>(132,641)</u>	<u>143,994</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
<b>Unrestricted funds</b>				
General fund	3,641,753	837,284	196,299	4,675,336
Miss Joan Nicholson fund	196,299	-	(196,299)	-
<b>TOTAL FUNDS</b>	<u>3,838,052</u>	<u>837,284</u>	<u>-</u>	<u>4,675,336</u>
	<u>3,838,052</u>	<u>837,284</u>	<u>-</u>	<u>4,675,336</u>

**Lakeland Housing Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020**

**16. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,119,018	(281,734)	837,284
<b>TOTAL FUNDS</b>	<u>1,119,018</u>	<u>(281,734)</u>	<u>837,284</u>

**17. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 December 2020.

**Lakeland Housing Trust**

**Detailed Statement of Financial Activities  
for the Year Ended 31 December 2020**

	31.12.20	31.12.19
	£	£
<b>Finance</b>		
Brought forward		
Bank loan interest	7,645	632
	<u>2,297</u>	<u>1,900</u>
	9,942	2,532
<b>Governance costs</b>		
Auditors' remuneration	4,520	3,980
Legal and professional fees	216	1,020
Management fees	41,587	36,459
Trustees liability insurance	527	527
Hall hire	97	30
	<u>46,947</u>	<u>42,016</u>
Total resources expended	<u>149,093</u>	<u>132,641</u>
Net income	<u>693,290</u>	<u>143,994</u>

This page does not form part of the statutory financial statements

**Lakeland Housing Trust****Detailed Statement of Financial Activities  
for the Year Ended 31 December 2020**

	31.12.20 £	31.12.19 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>	21	5,451
Donations	94,751	-
Legacies		
Transfer of property and funds from Grandy Nook	<u>541,919</u>	<u>-</u>
	636,691	5,451
<b>Other trading activities</b>		
Sales of stone	-	400
<b>Investment income</b>		
Rents received	205,662	172,378
Deposit account interest	<u>30</u>	<u>236</u>
	205,692	172,614
<b>Other income</b>		
Gain on sale of tangible fixed assets	<u>-</u>	<u>98,170</u>
<b>Total incoming resources</b>	842,383	276,635
<b>EXPENDITURE</b>		
<b>Charitable activities</b>	8,402	10,807
Rates and property expenses	10,569	6,712
Insurance	-	466
Postage and stationery	31,546	2,333
Property consultancy fees	42,200	62,422
Repairs and maintenance	(1,150)	1,150
Provision for bad debts	<u>-</u>	<u>3,352</u>
Property related legal fees	91,567	87,242
<b>Support costs</b>		
<b>Management</b>		
Advertising	637	851
<b>Finance</b>		
Bank charges	7,645	632
Carried forward	7,645	632

This page does not form part of the statutory financial statements



36 Finkle Street, Kendal, Cumbria LA9 4AB | Tel: 01539 721375 | [www.thelakelandhousingtrust.co.uk](http://www.thelakelandhousingtrust.co.uk)

Stables Thompson & Briscoe  
Chartered Accountants & Registered Auditors  
Lowther House, Lowther Street  
Kendal, Cumbria  
LA9 4DX

Our Ref: MT/HL

14 June 2021

Dear Sirs,

We confirm to the best of our knowledge and belief that we have made appropriate enquiries of management and staff with relevant knowledge and experience and, where necessary, have inspected supporting documentation sufficient to satisfy ourselves that we can properly make each of the following representations to you in connection with your audit of the financial statements of Lakeland Housing Trust for the period ended 31<sup>st</sup> December 2020.

#### **General**

1. We have fulfilled our responsibilities as trustees as set out in the terms of your engagement letter dated 12 February 2020 under the Companies Act 2006 and the Charities Act 2011 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
2. All the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the charitable company and its two subsidiaries have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of management meetings, have been made available to you.
3. The financial statements are free of material misstatements, including omissions.
4. We believe that the effect of uncorrected misstatements is immaterial both individually and in total.

#### **Internal Control**

5. We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud and error. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.
6. We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.
7. We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

**Going concern**

8. We believe that the charitable company's group financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charitable company's needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that there are sufficient disclosures relating to the charitable company's ability to continue as a going concern in the group accounts and the no further disclosures need to be made in the financial statements.

**Assets and liabilities**

9. The charitable company has satisfactory title to all assets and there are no liens or encumbrances on the charitable company's assets, except for those that are disclosed in the notes to the financial statements.
10. We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent, and have disclosed in the notes to the financial statements and all guarantees that we have given to third parties.

**Accounting estimates**

11. Significant assumptions used by us in making accounting estimates, including those measured at fair value are reasonable.

**Loans and arrangements**

12. The charitable company has not granted any advances or credits to, or made guarantees on behalf of, directors.

**Law and regulations**

13. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose affects should be considered when preparing the financial statements.

**Related parties**

14. Related party relationships have been identified and there are no transactions that need to be disclosed.

**Subsequent events**

15. All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

**Grants and donations**

16. All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income. We agree the attached schedule of restricted funds.

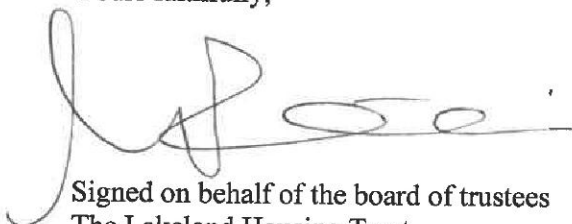
**Legal Claims**

17. We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for, and disclosed in, the financial statements.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

Each director has taken all the steps that he ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that you are aware of that information

Yours faithfully,

A handwritten signature in black ink, appearing to be 'J. P. ...', written over a horizontal line.

Signed on behalf of the board of trustees  
The Lakeland Housing Trust





# STABLES THOMPSON & BRISCOE

CHARTERED ACCOUNTANTS & REGISTERED AUDITORS

Lowther House, Lowther Street, Kendal, Cumbria LA9 4DX  
Tel: (01539) 720465 Fax: (01539) 740209  
Email: [enquiries@stb-accountants.co.uk](mailto:enquiries@stb-accountants.co.uk) [www.stb-accountants.co.uk](http://www.stb-accountants.co.uk)

28th May 2021

The Trustees  
Lakeland Housing Trust  
c/o 36 Finkle Street  
Kendal  
Cumbria  
LA9 4AB

Dear Sirs,

## REPORT TO MANAGEMENT

During the course of our audit for the year ended 31 December 2020 a number of matters arose which we consider should be brought to your attention.

Accompanying this letter is a memorandum noting these points together with any recommendations we have for possible improvements which could be made.

These matters came to light during the course of our normal audit tests which are designed to assist us in forming our opinion on the financial statements. Our tests may not necessarily disclose all errors or irregularities and should not be relied upon to do so. However, if any irregularity did come to our attention during our audit tests, we would, of course, inform you immediately.

We would be grateful if you could enter management's comments against each point under the "management response" column of the memorandum and return it to us in due course.

We have complied with the Financial Reporting Council's Ethical Standard and all threats to our independence, as identified to you, have been properly addressed through appropriate safeguards. No additional facts or matters have arisen during the course of the audit that we wish to draw to your attention and we confirm that we are independent and able to express an objective opinion on the financial statements.

This report has been prepared for the sole use of the trustees of Lakeland Housing Trust and must not be shown to third parties without our prior consent. No responsibilities are accepted by Stables Thompson & Briscoe towards any party acting or refraining from action as a result of this report.

Finally, we would like to express our thanks to all members of the charity's staff who assisted us in carrying out our work.

Yours faithfully,

