

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

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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.

Dakeland 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.

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.

**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.

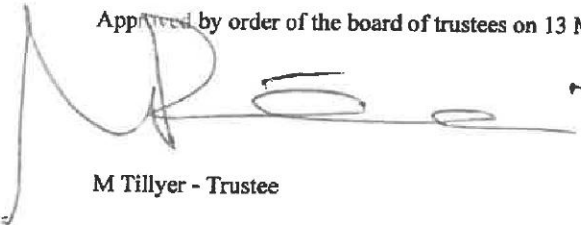
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding 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. 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 £
INCOME AND ENDOWMENTS FROM					
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
Total		<u>471,702</u>	<u>-</u>	<u>471,702</u>	<u>756,444</u>
EXPENDITURE ON					
Raising funds	5	6,477	-	6,477	10,713
Charitable activities	6				
Rental properties		248,976	-	248,976	162,327
Local occupancy project		502	-	502	8,018
Total		<u>255,955</u>	<u>-</u>	<u>255,955</u>	<u>181,058</u>
NET INCOME		215,747	-	215,747	575,386
RECONCILIATION OF FUNDS					
Total funds brought forward					
As previously reported		6,108,237	-	6,108,237	5,532,851
Prior year adjustment	11	350,000	-	350,000	350,000
As restated		<u>6,458,237</u>	<u>-</u>	<u>6,458,237</u>	<u>5,882,851</u>
TOTAL FUNDS CARRIED FORWARD		<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 £
FIXED ASSETS					
Tangible assets	12	6,608,053	-	6,608,053	5,841,221
CURRENT ASSETS					
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
CREDITORS					
Amounts falling due within one year	14	(35,291)	-	(35,291)	(70,251)
NET CURRENT ASSETS		<u>773,754</u>	<u>-</u>	<u>773,754</u>	<u>1,332,837</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		7,381,807	-	7,381,807	7,174,058
CREDITORS					
Amounts falling due after more than one year	15	(707,823)	-	(707,823)	(715,821)
NET ASSETS		<u>6,673,984</u>	<u>-</u>	<u>6,673,984</u>	<u>6,458,237</u>
FUNDS	18				
Unrestricted funds				6,673,984	6,458,237
TOTAL FUNDS				<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.

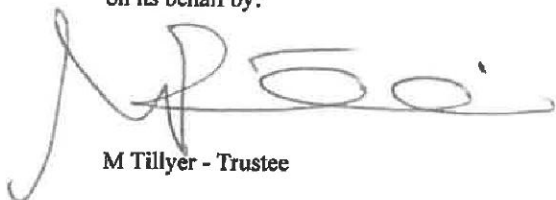
The notes form part of these financial statements

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 dark ink, appearing to read 'M Tillyer', is 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 2023**

		31.12.23	31.12.22 as restated
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	147,633	753,613
Interest paid		(47,677)	(27,650)
Net cash provided by operating activities		<u>99,956</u>	<u>725,963</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(767,599)	(672,066)
Sale of tangible fixed assets		70,600	473,358
Interest received		16,405	510
Net cash used in investing activities		<u>(680,594)</u>	<u>(198,198)</u>
Cash flows from financing activities			
New loans in year		-	700,000
Loan repayments in year		(15,146)	(11,031)
Net cash (used in)/provided by financing activities		<u>(15,146)</u>	<u>688,969</u>
Change in cash and cash equivalents in the reporting period		<u>(595,784)</u>	<u>1,216,734</u>
Cash and cash equivalents at the beginning of the reporting period		<u>1,395,916</u>	<u>179,182</u>
Cash and cash equivalents at the end of the reporting period		<u><u>800,132</u></u>	<u><u>1,395,916</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 2023

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

	31.12.23	31.12.22 as restated
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	215,747	575,386
Adjustments for:		
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
Net cash provided by operations	<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 £
Net cash			
Cash at bank	1,395,916	(595,784)	800,132
	<u>1,395,916</u>	<u>(595,784)</u>	<u>800,132</u>
Debt			
Debts falling due within 1 year	(23,148)	7,148	(16,000)
Debts falling due after 1 year	(715,821)	7,998	(707,823)
	<u>(738,969)</u>	<u>15,146</u>	<u>(723,823)</u>
Total	<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
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	427,366	-	427,366
Investment income	245,720	-	245,720
Other income	83,358	-	83,358
Total	<u>756,444</u>	<u>-</u>	<u>756,444</u>
EXPENDITURE ON			
Raising funds	10,713	-	10,713
Charitable activities			
Rental properties	162,327	-	162,327
Local occupancy project	8,018	-	8,018
Total	<u>181,058</u>	<u>-</u>	<u>181,058</u>
NET INCOME	575,386	-	575,386
Transfers between funds	230,000	(230,000)	-
Net movement in funds	<u>805,386</u>	<u>(230,000)</u>	<u>575,386</u>
RECONCILIATION OF FUNDS			
Total funds brought forward			
As previously reported	5,302,851	230,000	5,532,851
Prior year adjustment	350,000	-	350,000
As restated	<u>5,652,851</u>	<u>230,000</u>	<u>5,882,851</u>
TOTAL FUNDS CARRIED FORWARD	<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 £
COST			
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>
DEPRECIATION			
Charge for year	-	767	767
NET BOOK VALUE			
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>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 £
Unrestricted funds				
General fund	6,108,237	350,000	215,747	6,673,984
TOTAL FUNDS	<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 £
Unrestricted funds			
General fund	471,702	(255,955)	215,747
TOTAL FUNDS	<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 £
Unrestricted funds					
General fund	5,302,851	350,000	575,386	230,000	6,458,237
Restricted funds					
Legacy to cover new houses in Grasmere	230,000	-	-	(230,000)	-
TOTAL FUNDS	<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 £
Unrestricted funds			
General fund	756,444	(181,058)	575,386
TOTAL FUNDS	<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 £
Unrestricted funds					
General fund	5,302,851	700,000	791,133	230,000	7,023,984
Restricted funds					
Legacy to cover new houses in Grasmere	230,000	-	-	(230,000)	-
TOTAL FUNDS	<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 £
Unrestricted funds			
General fund	1,228,146	(437,013)	791,133
TOTAL FUNDS	<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
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,664	354
Legacies	122,440	427,012
	<u>124,104</u>	<u>427,366</u>
Investment income		
Rents received	260,593	245,210
Deposit account interest	16,405	510
	<u>276,998</u>	<u>245,720</u>
Other income		
Gain on sale of tangible fixed assets	70,600	83,358
Total incoming resources	<u>471,702</u>	<u>756,444</u>
EXPENDITURE		
Charitable activities		
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	767	-
	<u>145,663</u>	<u>89,193</u>
Support costs		
Management		
Advertising	6,477	10,713
Finance		
Bank charges	226	215
Bank loan interest	47,677	27,650
	<u>47,903</u>	<u>27,865</u>
Governance costs		
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	585	684
	<u>55,912</u>	<u>53,287</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 2023**

	31.12.23	31.12.22 as restated
	£	£
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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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.