

**Peter Birtwistle Trust
Financial Statements
Year Ended 31 March 2022**

Regulator of Social Housing registration number: 5086

Charity Commission registration number: 1183388

Peter Birtwistle Trust

Financial Statements

Year Ended 31 March 2022

Contents

	Page
Registered Provider Information	3
Trustees' Report	4
Independent Auditor's Report	10
Statement of Comprehensive Income	13
Balance Sheet	14
Statement of Changes in Reserves	15
Statement of Cash Flows	16
Notes to the Financial Statements	17-25

Peter Birtwistle Trust

Registered Provider Information

Year Ended 31 March 2022

Charity Commission registration number 1183388

Regulator of Social Housing registration number 5086

Trustees of the board as at 31/03/22:

Mr A P Davies (retires 30/11/25)
Mr G Cole (retires 30/11/25)
Mr D Clegg (retires 30/11/25)
Mr E R Dennison (retires 30/11/23)
Mrs P Barnett (retires 30/11/23)
Dr T A Pickles (retires 30/11/24)
Mrs M E C Thomas (retires 30/11/24)
Mr H P Thomas (retires 30/09/24)
Mr M J Leedam (retires 30/11/25)
Mr D Macro (retires 21/11/25)
Mr D Fort (retires 17/11/23)

Ms A Aldis (appointed 04/04/22)

Executive Officer

Mrs A C Evans

Registered Office

14 Keighley Road
Colne
Lancashire
BB8 0LJ

Auditors

KM
Chartered Accountants
1st Floor, Block C, The Wharf,
Manchester Road
Burnley
Lancashire
BB11 1JG

Peter Birtwistle Trust

Trustees' Report

Year Ended 31 March 2022

The trustees of the Peter Birtwistle Trust present their report, and the audited financial statements of the Registered Provider for the year ended 31 March 2022.

The trust owns and leases 95 almshouse dwellings, a flat, offices and community centre, together with allotments in Colne, Lancashire.

The trustees of the board who have served during the year are listed on page 3. There were no changes in the accounting period and one change as of the date of signing these accounts.

The trustees met on five occasions in the year.

Charity objects

Following conversion to a Foundation Charitable Incorporated Organisation (CIO) the charity (No 1183388) is governed by a Charity Commission Foundation dated 13 May 2019 and as amended on 23 September 2020. The Peter Birtwistle Trust is a Registered Social Housing Provider (No 5086).

The objects of the Charity CIO are:

The prevention or relief of poverty by the provision of social housing in the form of almshouse accommodation for poor persons who are aged 60 years or over and who (except in special cases to be approved by the Charity Commission) were either born in the area of benefit, or have resided in the said area for not less than ten years.

The area of benefit is the Town of Colne as constituted on 27 May 1918.

The trustees have continued to pursue these objects during the year.

Public benefit

The trustees have had due regard to the Charity Commission guidance on public benefit reporting in deciding what activities the charity should undertake.

The trust fulfils its public benefit obligations in selecting residents who meet the following criteria:

- Financial need
- Health needs
- State of existing accommodation
- External environment in which the person lives

Rents are maintained at an affordable level.

Housing Properties

Professional market valuations of the housing and other properties were undertaken during 2020 and 2021 which valued the 95 almshouses, community centre, office, flat and allotments at £7,965,000. However, as there is no intention to dispose of any of the properties, the net book value shown in the financial statements has been retained.

Properties are refurbished as necessary when they become vacant. Emergency, urgent and routine repairs are completed as required. Designated reserves are held where major repairs have been identified.

The trust currently has no properties below EPC level D but in these cases measures are being taken to ensure that properties are a level C or above by 2030.

The trust is actively considering alternative energy sources to gas as the primary method of heating its older properties.

Peter Birtwistle Trust

Trustees' Report

Year Ended 31 March 2022

Reserves

Unrestricted revenue reserves amounting to £277,844 are held in the income and expenditure account as a working balance. The trustees consider £100,000 to be a minimum (£75,000 2020/21).

Designated reserves are held as follows:

Fixed assets reserve, equivalent to the net investment in fixed assets by the trust.

Major repairs reserve of £150,000 to carry out repairs to the boundary walls at Peter Birtwistle Close and to rewire 10 bungalows at Birtwistle Standroyd.

Housing development reserve of £20,663 to cover the end of defects retention payment at Peter Birtwistle House (August 2022).

Site enhancement reserve of £30,000 to fund improvements to existing sites.

Service charge reserve of £3,629 held for maintenance and repair work to communal areas of Peter Birtwistle House and Birtwistle East Lemes.

Risk Management

Risk assessment is carried out on an ongoing basis on all aspects of the charity's activities and from this, systems and procedures are established to mitigate any risks that are identified. The properties are insured at replacement cost.

Investment Policy

The funds of the charity are invested in listed unit trusts and a bank deposit account. The unit trusts have provided an income of £7,229 during the year and their value between the balance sheet dates has increased by £13,478 to £155,751.

Value for Money

The Regulator of Social Housing has issued a Value for Money Standard ('VFM') and a supporting Code of Practice that applies to all private registered providers of social housing ('RPs'). RPs must include evidence in these financial statements to enable stakeholders to understand:

Performance against its own VFM targets and any metrics set out by the regulator and how that performance compares to its peers

Measurable plans to address any areas of underperformance.

This is the fourth year of our reporting these metrics which are set out below with explanations. Targets have been set for 2022/23 in line with planned turnover and operating costs. Performance comparisons for 2021/22 have been made with the most relevant comparable registered providers as published in the Regulator of Social Housing 2021 Global Accounts VFM Metrics.

* For Headline Social Housing Cost the comparison has been made with Almshouse Association Recommended Expenditure Per Dwelling 2022.

Peter Birtwistle Trust

Trustees' Report

Year Ended 31 March 2022

VFM Metric	2022/23 TARGET	2021/22	2021 RSH<2500 UNITS	2020/21	2019/20	2018/19
Reinvestment %	6	8	4	37	8	10
New Supply Delivered %	-	13	0.9	-	-	13
Gearing %	2	7	30.4	11	-10	-5
Interest Cover - EBIDA MRI %	1309	1257	248	1657	1877	1122
Headline Social Housing Cost per unit £	3078	1964	*1980	1946	1877	2682
Operating Margin %	34	34	31.5	38	27	10
Return on Capital Employed %	3	3	3.7	3	3	1

Reinvestment % - this relates to new development and work to existing properties as a percentage of the value of total properties held.

New Supply delivered % - the addition of 12 units at Peter Birtwistle House in 2021/22 has resulted in a 13% increase in supply. No new supply is planned for 2022/23.

Gearing % is a ratio of net debt against housing net book value. The change from negative to a positive figure reflects the additional borrowing to finance Peter Birtwistle House.

Interest cover (earnings before interest, depreciation and amortisation) reflects the very low borrowing costs historically of the RP and that new developments are financed mainly by a combination of own resources and social housing grants rather than additional borrowing.

Headline Social Housing cost per unit and operating margin percentage fluctuate due to the amounts spent on major repairs which is cyclical. Planned expenditure on major repairs and refurbishment will increase operating costs in 2022/23.

Return on capital employed measures the efficiency of capital resources (operating surplus as a percentage of Total assets less current liabilities) and again is affected by major repairs.

Review of the Year 2021/2022

Financial Performance

The trust reported another healthy surplus in a year which was dominated by the delivery of Peter Birtwistle House, the trust's first purpose built development of town centre flats. As the VFM metric shows, this represented a 13% increase in almshouse stock.

The resultant increase in turnover from seven months rental was largely offset by increases in operating costs associated with the flats, predominantly management, interest, insurance, safety equipment and monitoring expenditure. The net effect of depreciation and amortization of social housing grants also contributed to the increase in operating costs.

Void costs, (which include periods for refurbishment and statutory safety checks between residents) were virtually unchanged at 1.3% of rent receivable (2020/21 1.5%). Demand for trust properties is high and void periods are kept to a minimum through the active management of the waiting list and the use of local, reliable contractors.

Peter Birtwistle Trust

Trustees' Report

Year Ended 31 March 2022

As noted above, interest payments increased in line with the first full year of repayments to Pendle Borough Council on the £525,000 loan secured in September 2020 to partially fund Peter Birtwistle House. The long term fixed interest rate agreements on all debt held by the trust will ensure future repayments are at a predictable, affordable level and unaffected by current increasing borrowing costs.

Investment and interest income increased by 14.5% year on year, but were still 26% below pre pandemic returns. The market value of the trust's listed investments have however now returned to 2019 levels.

Supporting Residents

The trustees recognise that older people will sometimes need assistance accessing and communicating with the local authority, energy providers and banks to name but a few. Many of the trust residents do not have access to the internet and in recognition of this, support and advice is provided by staff on a needs basis.

Regular newsletters are produced which aim to keep residents up to date with news and developments at the trust and the wider local community.

A fortnightly social afternoon is run for residents and other local people. The trust provides the premises, refreshments and the staff to run the activities free of charge.

New Residents

During the year, the Peter Birtwistle Trust welcomed a total of 27 new residents as beneficiaries of the trust. This included 17 residents who moved into Peter Birtwistle House (see below) and 10 who were housed following almshouse vacancies.

Peter Birtwistle House

In August 2021, Peter Birtwistle House, a scheme of 12 one and two bedroom flats located in Colne town centre was opened. All 12 properties were let by September 2021 and the building has been well received by residents and local people alike.

In addition to the normal welcoming visit, induction sessions and support offered by trust staff, Alan Davies, Chair of Trustees carried out a survey of residents at Peter Birtwistle House in January 2022, the purpose being to seek views on the building, the flats, the immediate environment and the process of allocation. Difficulties in working the heating system and the weight of the external doors were the two issues which were commonly cited by residents and the trust has sought to address these matters. Overall the result of the consultation was very positive, with proximity to local amenities and the service provided by the trust identified by residents as particularly good.

Community Centre

2021/2022 saw the reopening of the community centre after coronavirus restrictions were lifted. The trust has welcomed back groups which run yoga and stained glass making and new groups have also begun to use the centre for the first time. Income from lettings for the year returned to around 50% of pre pandemic levels. The trust aims to cover running costs but room hire rates are kept to a minimum to make the facilities affordable to the local community.

Peter Birtwistle Trust

Trustees' Report

Year Ended 31 March 2022

Governance Structure

During the second half of the year, the trustees drew up terms of reference for a new governance substructure. The committees draw on trustees' strengths and experience and facilitate scrutinisation of the operations of the trust, ensuring that activities meet the requirements of the Charity Commission and the Regulator of Social Housing.

Four committees have been established as set out below:

Business Development Committee to investigate and evaluate new business opportunities. To oversee major repair and refurbishment projects including the trust's decarbonisation strategy.

Finance Committee to oversee and regularly audit the financial procedures and policies of the trust including statutory reporting requirements.

Appointments and Staffing Committee to oversee the application and appointments process ensuring a fair system of property allocation. To regularly review membership of the board of trustees and the recruitment, training and wellbeing of trust staff.

Health and Safety Committee to review and monitor all areas of health and safety, insurance, cyber security, GDPR, DBS and safeguarding.

The Year to Date 2022/2023

2022/2023 has started well with the governance committees regularly reporting to the full trustee body in what will be a year of consolidation.

The trust was pleased to welcome Angela Aldis to the board in April 2022. Angela, who is Operations Manager for Harrogate Housing Association, has worked in the social housing sector for over 30 years and brings with her a wealth of experience and expertise.

Trustees continue to prepare for the introduction of the new Social Housing legislation and revised reporting procedures are being put in place to ensure evidence of good practice and compliance is communicated in a clear and timely manner to all stakeholders.

The rewiring programme began at Standroyd Bungalows just prior to the year end and at the time of writing, four of the ten bungalows have been completed. Funds for this work were put aside in a designated reserve as part of the forward planning undertaken on the trust's housing stock and grounds. In some cases residents are moving permanently to newly refurbished properties, whilst others are temporarily housed by the trust for the duration of the works. Trustees are aware that the rewiring programme is likely to increase the void cost for the current year. Reserves have also been designated to fund anticipated repairs to the boundary walls at Peter Birtwistle Close.

The Peter Birtwistle Trust continues its ongoing policies of seeking out new business opportunities and sharing good practice with other almshouse charities based in the North of England and will be hosting a Regional Almshouse Networking Event in October 2022.

Peter Birtwistle Trust

Trustees' Report

Year Ended 31 March 2022

Trustees' responsibilities

The trustees are responsible for preparing the report and financial statements in accordance with applicable law and regulations.

The Charities Act 2011 and registered social housing legislation require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the provider and of its income and expenditure for that period.

In preparing these financial statements, the Board is required to:

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

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the association and enable it to ensure that the financial statements comply with Charities Act 2011 the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019. It has general responsibility for taking reasonable steps to safeguard the assets of the association and to prevent and detect fraud and other irregularities.

Approved by the trustees on 12 September 2022 and signed on their behalf by:



A P Davies

Trustee

Independent Auditor's Report to the Board of The Peter Birtwistle Trust

Year Ended 31 March 2022

Opinion

We have audited the financial statements of The Peter Birtwistle Trust (the 'charity') for the year ended 31st March 2022 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Reserves 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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 March 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 Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

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's 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 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.

Peter Birtwistle Trust

Independent Auditor's Report to the Board of The Peter Birtwistle Trust

Year Ended 31 March 2022

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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, 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 has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and section 136 of the Housing and Regeneration Act 2008 and report in accordance with regulations made under section 154 of the Charities Act 2011 and section 137 of the Housing and Regeneration Act 2008.

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.

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011;

Peter Birtwistle Trust

Independent Auditor's Report to the Board of The Peter Birtwistle Trust

Year Ended 31 March 2022

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we identified laws and regulations which were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures on material balances for which robust, substantive analytical procedures have been undertaken to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of noncompliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

WM
KM
Statutory Auditors & Chartered Accountants
1st Floor
Block C
The Wharf
Manchester Road, Burnley, BB11 1JG

12 September 2022

Peter Birtwistle Trust

Statement of Comprehensive Income (Including Income and Expenditure Account)

Year Ended 31 March 2022

	Note	2022 Total £	2021 Total £
Turnover	2	361,655	315,042
Administrative expenditure		(250,239)	(214,333)
Other operating income	2	10,969	20,515
Operating surplus		<u>122,385</u>	<u>121,224</u>
Income from fixed asset investments		7,229	6,139
Interest receivable and similar income	4	354	482
Surplus on ordinary activities for the year before tax	5	<u>129,968</u>	<u>127,845</u>
Tax on surplus on ordinary activities	8	-	-
Surplus for the year after tax		<u>129,968</u>	<u>127,845</u>

All of the activities of the charity are classed as continuing.

On behalf of the Trustees



A P Davies
Trustee



D Clegg
Trustee

12 September 2022

Peter Birtwistle Trust

Balance sheet

Year Ended 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	9,10	<u>3,753,611</u>	<u>3,647,250</u>
Current assets			
Debtors	12	16,997	13,463
Investments	11	155,751	142,273
Cash at bank and in hand		<u>445,669</u>	<u>344,602</u>
		618,417	500,338
Creditors: amounts falling due within one year	13	<u>(94,976)</u>	<u>(91,517)</u>
Net current assets		<u>523,441</u>	<u>408,821</u>
Total assets less current liabilities		4,277,052	4,056,071
Creditors: amounts falling due after more than one year	14	<u>(1,985,057)</u>	<u>(1,907,522)</u>
Total net assets		<u>2,291,995</u>	<u>2,148,549</u>
Reserves			
Income and expenditure reserve	15	277,844	112,754
Investment revaluation reserve	15	35,752	22,274
Designated reserves	15	1,896,785	1,931,907
Permanent endowment reserve	15	81,614	81,614
Total Reserves		<u>2,291,995</u>	<u>2,148,549</u>

The financial statements were approved and authorised for issue by the trustees on 12 September 2022.

Signed on behalf of the trustees by:



A P Davies
Trustee



D Clegg
Trustee

The notes on pages 17 to 25 form part of these accounts.

Peter Birtwistle Trust

Statement of Changes in Reserves

Year Ended 31 March 2022

	Income and expenditure reserve £	Investment revaluation reserve £	Designated reserves £	Endowment reserve £	Total £
At 1 April 2020	132,463	(3,443)	1,784,353	81,614	1,994,987
Surplus for the year	127,845	-	-	-	127,845
Revaluation of investments	-	25,717	-	-	25,717
Total comprehensive income	127,845	25,717	-	-	153,562
Transfers	(147,554)	-	147,554	-	-
At 31 March 2021 and 1 April 2022	112,754	22,274	1,931,907	81,614	2,148,549
Surplus for the year	129,968	-	-	-	129,968
Revaluation of investments	-	13,478	-	-	13,478
Total comprehensive income	129,968	13,478	-	-	143,446
Transfers	35,122	-	(35,122)	-	-
At 31 March 2022	277,844	35,752	1,896,785	81,614	2,291,995

Peter Birtwistle Trust**Statement of Cash Flows****Year Ended 31 March 2022**

	Note	2022 £	2021 £
Cash flow from operating activities	16	166,276	158,341
Net cash flow from operating activities		<u>166,276</u>	<u>158,341</u>
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(180,247)	(1,239,507)
Grants received		150,000	450,000
Interest received		354	482
Dividends received		7,229	6,139
Net cash flow from investing activities		<u>(22,664)</u>	<u>(782,886)</u>
Cash flow from financing activities			
Receipt of new long-term loans		-	525,000
Repayment of long term loans		(56,141)	(36,578)
Interest paid		13,596	9,576
Net cash flow from financing activities		<u>(42,545)</u>	<u>497,998</u>
Net increase in cash and cash equivalents		101,067	(126,547)
Cash and cash equivalents at 1 April 2021		344,602	471,149
Cash and cash equivalents at 31 March 2022		<u>445,669</u>	<u>344,602</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		445,669	344,602
Cash and cash equivalents at 31 March 2022		<u>445,669</u>	<u>344,602</u>

1 Summary of significant accounting policies

(a) General information and basis of preparation

The Peter Birtwistle Trust is a registered charity, a private registered provider of social housing in the United Kingdom. The address of the registered office is given in the Registered Social Housing Provider information on page 3 of these financial statements. The nature of the Registered Social Housing Provider's operations and principal activities are the provision of almshouses for poor persons or married couples who are aged 60 years or over, and who (except in special cases to be approved by the Charity Commission) were either born in the area of benefit or have resided in the said area for not less than 10 years, and the provision of a community centre for use of the residents of the almshouses of the charity and other poor aged persons resident in the area of benefit.

The Registered Social Housing Provider constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2014, and with the Accounting Direction for private registered providers of social housing in England 2019. The financial statements are also prepared under the requirements of the Housing and Regeneration Act. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. The Registered Social Housing Provider adopted the SORP in the current year and an explanation of how transition to the SORP has affected the reported financial position and performance is given in note 19.

(b) Tangible fixed assets

Tangible fixed assets (including social housing properties) are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended such as the cost of acquiring land and buildings, development costs, interest charges on loans during the development period and expenditure on improvements. Expenditure on improvements will only be capitalised when it results in incremental future benefits such as increasing rental income, reducing maintenance costs or resulting in a significant extension of the useful economic life of the property.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Land	Nil
Housing properties	2% per annum straight line
Properties for non-social housing lettings	2% per annum straight line

The useful economic lives of all tangible fixed assets are reviewed annually.

(c) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in other administrative expenses.

Notes to the Financial Statements

Year Ended 31 March 2022

(d) Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value through the statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

(e) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a financing transaction it is measured at present value.

(f) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date.

If such indication exists, the recoverable amount is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in expenditure through the statement of comprehensive income.

(g) Provisions

Provisions are recognised when the Registered Social Housing Provider has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Provisions for cyclical maintenance or major works to existing stock are not made unless they represent commitments or obligations at the Balance Sheet date where there is no discretion to avoid or delay the expenditure.

(h) Turnover and other income

Turnover is measured at the fair value of the consideration received or receivable. The policies adopted for the recognition of turnover are as follows:

Turnover represents contributions receivable net of losses from voids. Turnover arises entirely within the United Kingdom.

(j) Employee benefits

When employees have rendered service to the Registered Social Housing Provider, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

(k) Endowment Reserves

Endowment reserves are those reserves which are only expendable in accordance with the wishes of the funder. Endowment funds represent those assets which must be held permanently. Revenue and expenditure cannot be directly set against endowment reserves but is taken through the statement of comprehensive income and then a transfer to endowment reserves is made as appropriate.

Peter Birtwistle Trust**Notes to the Financial Statements****Year Ended 31 March 2022****2 Turnover, cost of sales, administrative expenditure and operating surplus**

	Turnover	2022 Administrative Expenditure	Operating Surplus	2021 Operating Surplus
	£	£	£	£
Social housing lettings	361,655	(250,239)	111,416	100,709
Other operating income	10,969	-	10,969	21,515
Total	372,264	(250,239)	122,385	121,224

3 Accommodation owned and in management

	Number of units at 31 March 2022	Number of units at 31 March 2021
Completed units:		
General needs housing let at social rent	95	83
Units under development		
General needs housing let at social rent	0	12
	95	95

4 Interest and other finance income and charges**a) Interest receivable and similar income**

	2022 £	2021 £
Bank interest receivable	354	482

b) Interest payable and similar charges

Bank loan interest	14,096	10,076
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5 Surplus on ordinary activities

Surplus on ordinary activities is stated after charging / (crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	73,886	59,276
Amortisation of Social Housing Grant	(26,678)	(20,081)
Profit / (loss) on fair value movement of investments	13,478	(25,717)
Auditors remuneration	3,600	4,440

Notes to the Financial Statements

Year Ended 31 March 2022

6 Key management personnel remuneration

Key management personnel is defined as the trustees of the charity. Key management personnel neither received nor waived any remuneration during the year (2021: Nil).

7 Staff costs

Total number of employees during the year was 8 (2021 – 7). The average number of employees, calculated on a full time equivalent was 3 employees (2021 - 3). There are no employees who received more than £60,000 as their employee package.

8 Tax

The Peter Birtwistle Trust is a Registered Charity, and is, therefore, exempt from liability to taxation on its income and capital gains.

9 Tangible fixed assets – housing properties

	Freehold Housing Properties For letting £	Housing Properties Under Construction £	Total £
Cost:			
At 1 April 2021	2,871,406	1,280,733	4,152,139
Additions	-	180,247	180,247
Reclassification of assets	1,460,980	(1,460,980)	-
At 31 March 2022	4,332,386	-	4,332,386
Depreciation:			
At 1 April 2021	582,237	-	582,237
Charge for year	72,039	-	72,039
Impairment	-	-	-
Eliminated on disposals	-	-	-
At 31 March 2022	654,276	-	654,276
Net book value:			
At 31 March 2022	3,678,110	-	3,678,110
At 31 March 2021	2,289,169	1,280,733	3,569,902

10 Tangible fixed assets – other

	Freehold land and buildings £
Cost or valuation: At 1 April 2021 and 31 March 2022	<u>92,350</u>
Depreciation: At 1 April 2021	15,002
Charge for the year At 31 March 2022	<u>1,847</u>
	<u>16,849</u>
Net book value: At 31 March 2022	<u>75,501</u>
At 31 March 2021	<u>77,348</u>

Total accumulated impairments of £Nil are recognised in the opening position.

11 Fixed asset investments

	Listed and unlisted investments £	Total £
At valuation At 1 April 2021	142,273	142,273
Additions	-	-
Disposals	-	-
Revaluation At 31 March 2022	<u>13,478</u>	<u>13,478</u>
	<u>155,751</u>	<u>155,751</u>
Net book value At 31 March 2022	<u>155,751</u>	<u>155,751</u>
At 31 March 2021	<u>142,273</u>	<u>142,273</u>

The fair value of listed investments is determined by reference to the quoted price at the year end.

12 Debtors

	2022 £	2021 £
Rent arrears	12,037	10,483
Social Housing Grants receivable	-	-
Prepayments and accrued income	4,960	2,980
	<u>16,997</u>	<u>13,463</u>

Notes to the Financial Statements

Year Ended 31 March 2022

13 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	-	-
Rents paid in advance	408	410
Other taxes and social security	-	-
Social Housing Grant not spent	-	-
Almshouses Association loan	10,000	10,000
Triodos Bank loan	6,535	6,295
Pendle Borough Council loan	26,250	26,250
Other creditors	14,907	14,686
Accruals and deferred income	3,600	3,600
Deferred income – Social Housing Grants	33,276	30,276
	<u>94,976</u>	<u>91,517</u>

14 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Almshouses Association loan	40,000	50,000
Triodos Bank loan	158,252	164,788
Pendle Borough Council loan	461,563	487,813
Deferred income: Social Housing Grants (original developments)	372,097	385,219
Deferred income: Social Housing Grants (2018/19 developments)	313,200	320,160
Deferred income: Social Housing Grants (Market Street)	639,945	499,542
	<u>1,985,057</u>	<u>1,907,522</u>

The Triodos Bank and Pendle Borough Council loans are secured on the properties owned by the charity.

15 Reserves

a) Permanent endowment fund

	2022	2021
	£	£
Balance brought forward	81,614	81,614
Movement in the year	-	-
Balance at 31 March 2022	<u>81,614</u>	<u>81,614</u>

b) Investment revaluation reserve

	2022	2021
	£	£
Balance brought forward	22,274	(3,443)
Revaluation of investments	13,478	26,717
Balance at 31 March 2022	<u>35,752</u>	<u>22,274</u>

Notes to the Financial Statements

Year Ended 31 March 2022

c) Designated reserves

	2022 £	2021 £
Housing development reserve:		
Balance brought forward	225,000	321,249
Transfer from / (to) the Income and Expenditure Account	(204,337)	(96,249)
Balance at 31 March 2022	20,663	225,000

	2022 £	2021 £
Fixed assets reserve:		
Balance brought forward	1,666,907	1,433,104
Transfer from the Income and Expenditure Account	25,586	233,803
Transfer to the Income and Expenditure Account	-	-
Balance at 31 March 2022	1,692,493	1,433,104

	2022 £	2021 £
Major repair reserve:		
Balance brought forward	40,000	30,000
Transfer (to) / from the Income and Expenditure Account	110,000	10,000
Balance at 31 March 2022	150,000	40,000

	2022 £	2021 £
Site enhancement reserve:		
Balance brought forward	-	-
Transfer (to) / from the Income and Expenditure Account	30,000	-
Balance at 31 March 2022	30,000	-

	2022 £	2021 £
Service charge reserve:		
Balance brought forward	-	-
Transfer (to) / from the Income and Expenditure Account	3,629	-
Balance at 31 March 2022	3,629	-

	2022 £	2021 £
Total designated reserves	1,896,785	1,931,907

Peter Birtwistle Trust

Notes to the Financial Statements

Year Ended 31 March 2022

d) Income and Expenditure reserve

	2022 £	2021 £
Balance brought forward	112,754	132,463
Surplus for the year	129,968	127,845
Net transfer (to)/from:		
Housing development reserve	204,337	96,249
Fixed assets reserve	(25,586)	(233,803)
Major repairs reserve	(110,000)	(10,000)
Site enhancement reserve	(30,000)	-
Service charge reserve	(3,629)	-
Balance at 31 March 2022	277,844	112,754

16 Reconciliation of operating surplus) to cash flow from operating activities

	2022 £	2021 £
Surplus for the year	129,968	127,846
Interest received and investment income	(7,583)	(6,621)
Depreciation and impairment of tangible fixed assets	73,886	59,276
Amortisation of grants	(26,678)	(20,081)
Proceeds of sale of tangible fixed assets	-	-
Proceeds of sale of investments	-	-
Decrease / (Increase) in trade and other debtors	(3,534)	1,800
(Decrease) / Increase in trade and other creditors	217	(3,886)
Net cash flow from operating activities	166,276	128,341

17 Pensions and other post-retirement benefits

Defined contribution pension plans

The Registered Social Housing Provider operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £1,041 (2021 - £845).

18 Capital funding and commitments

	2022 £	2021 £
Capital expenditure that has been contracted for but has not been provided for in the financial statements	20,663	168,000
Capital expenditure that has been authorised by the Board but has not yet been contracted for	-	-

Peter Birtwistle Trust

Notes to the Financial Statements

Year Ended 31 March 2022

19 Related party transactions

Mr D Fort, trustee is a partner of Smith Sutcliffe, Solicitors. Smith Sutcliffe received fees of £654 (2021: £7,395) (including VAT) for legal services provided to the charity. This was authorised by the constitution.