

William Lovett's Almshouse Charity

Trustees' annual report for the 2024-25 financial year:

The charity continued in its primary purpose of managing 6 almshouses for the benefit of older residents of the village of West Haddon, who are also of limited financial means. The trustees raised the legacy weekly maintenance contribution from £86.67 per week to £92.74 per week from the beginning of April, continuing the policy of revising the WMC annually, using the Rent Standard formula of CPI+1%, as approved by the Regulator of Social Housing. One newer resident paid a higher WMC of £119.07 per week, which is in line with the Rent Standard. Towards the end of the financial year, at the start of February 2025, the builders finally began work on the new almshouse block, a project that has taken more than 6 years from its inception to the commencement of building. The expectation is that all 6 existing residents will be able to move into their 6 new almshouses before the end of 2025, and work can then commence on refurbishing the old almshouse block ready to accept new residents as soon as refurbishment work is completed on each one. At this stage, the trustees have not yet decided on the allocation principles for new residents of the old almshouse block, but without question demand will be strong whatever criteria are put in place.

Financially, the charity had a good year, and at the operating level made an acceptable surplus, enabling the payment from cash flow of a number of ongoing project costs. The trustees can confirm that funding for the new almshouse block is now fully in place, a combination of grant funding, primarily from Homes England and West Northamptonshire Council, and loan funding from Charity Bank. It is anticipated that most if not all of the building costs and refurbishment costs can be met from funding already in place, with little or no recourse to reserve funds or contingency amounts likely to be needed.

The other aspect of the charity's activities is the WOFA (woodland, orchard, field and allotments) project, which is now into its 4th year and continues to stand apart from the almshouse activities. WOFA had a quiet year, but the trees in the woodland and orchard areas continue to grow well, and plans are in hand to replace those that have not survived their early years. The allotments, which are rented via the parish council to an allotment association, are well subscribed and well used, and the trustees are learning how to manage field areas which need periodic attention rather than being grazed on a continuous basis during the growing season. This aspect had proved to be slightly challenging.

The trustee board all continued in place during the year, and the trustees decided that with the upcoming onset of new residents they should increase the size of the board to 9 trustees. A new trustee has therefore been recruited, and she will initially support the trustee responsible for the residents' welfare. However, the trustees do also recognise that succession planning is becoming more pressing with the increasing age of much of the board, so this will be an ongoing area of focus for the coming year and beyond.

Meeting the Regulator's Standards:

The trustees acknowledge that now that the charity is a Registered Provider there is an ongoing obligation to meet the Regulator's published Consumer Standards, and on an annual basis to also report on how the charity has met the 3 published Economic Standards. These are the Rent Standard, the Value for Money Standard and the Governance and Financial Viability Standard. Now that the charity has been a Registered Provider for a full year, it is appropriate to comment on these as follows below:

Rent Standard:

The charity fully complies with the Rent Standard, but for historical legacy reasons the Weekly Maintenance Contributions (almshouse terminology for rent) for 5 of the current houses are below Rent Standard level. The 6th house has a newer resident who was not subject to the legacy payments, and he pays the Rent Standard WMC, which was increased on 1st April 2025 by 2.7%, the allowable maximum. When the new almshouse block is completed, the transferring residents have been advised that they will all move onto the Rent Standard WMC. When the old almshouse block is refurbished and relet, then new residents will all be expected to pay the Rent Standard WMC.

Value for Money Standard: the strategic objectives of the charity for the financial year just completed are noted below, with a commentary against each one:

- **Commence work on the new almshouse block:** the plan had been to commence work before the end of 2024, but in the event and perhaps unsurprisingly work finally commenced in early February 2025, still within the financial year. At the time of writing, and thanks to a run of good weather, the project is on target and is expected to be completed before the end of 2025.
- **Deliver the budgeted figures for the financial year:** the headline figures for almshouse revenue and costs were both fully met, and reserves were still in excess of target (see below) despite a spend of £34,548 on project-related costs, incurred before dedicated project finance became available.
- **Deliver a high quality and safe environment for residents:** 5 of the 6 residents are of long or very long standing, with only one being relatively recent. The trustee responsible for the residents' welfare continues to take a regular and active interest in them, and all are happy with their personal situations and looking forward to their moves in due course. No formal complaints were recorded during the year, and minor issues with the houses were all dealt with satisfactorily. There was towards the end of the year a problem with rodents (primarily rats) getting into the outhouses and being seen outside in greater numbers, but this issue has now been dealt with by a pest control specialist. It does appear anecdotally at least that this may be a more widespread problem in this country, for unknown reasons. Monitoring and action will continue as necessary.
- **Maintain financial reserves at least at agreed levels:** the trustees determined when approving the business plan and giving the go ahead for the new almshouses project that reserves should not fall below £60,000, in cash or investments. Whilst the project is not yet complete the cash flow forecast does indicate that reserves should continue to be at this level, at least. At the year end free reserves were in excess of £133,000, despite investments, totalling £98,600, having taken a downturn towards the year end. The balance sheet does show an inflated figure around £450,000 greater, but this is advance funding for the project, and the balance sheet has a note to this effect.

Governance and Financial Viability Standard:

The essence of this standard is that the charity meets all relevant laws, external regulation, and the provisions in its own governing document, and has strong governance arrangements in place. The trustees can confirm that their governance trustee takes a strong and pro-active interest in these matters, and they are confident that this standard is fully met. At the same time, the charity's finances are strong, with more than adequate reserves, and it has developed a comprehensive and detailed business plan covering the development phase of the new almshouses, and beyond, with robust budgeting, and timely and detailed monthly reporting.

This report has been reviewed by the trustees, and was approved by them at their meeting on 27th May 2025

William Lovett's Almshouse Charity - charitable incorporated organisation no 1187392

Annual accounts for the year ending 31st March 2025

Income and expenditure statement:

Almshouses current account opening balance at 1st April 2024

Unity Trust Bank current account number 1	£5,496.43
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Almshouses budgeted income	Actual £	Budget £	Almshouses budgeted expenditure	Actual £	Budget £
Weekly maintenance contributions	30,953.66	30,564.04	Clerk's salary (<i>see note 2 below</i>)	7,312.00	7,312.00
Dividends from M&G Charifund investment	1,117.18	1,000.00	Annual servicing and re-certification of gas boilers (<i>see note 3 below</i>)	1,044.00	1,400.00
Annual payment (<i>M Stanton</i>) (<i>see note 1 below</i>)	109.20	109.20	Houses maintenance & repairs	967.41	1,800.00
			Insurance (<i>buildings and trustee indemnity</i>)	851.39	912.00
			Anglian Water, water charges	784.48	880.00
			Grounds maintenance	745.00	1,212.00
			Regulator of Social Housing (2nd year membership) (<i>see note 4 below</i>)	562.50	300.00
			Other expenditure (<i>see note 5 below</i>)	507.83	264.00
			Almshouse Association membership	353.00	360.00
			Landlord's electricity supply (<i>security lights & loft smoke detectors</i>)	249.38	276.00
			Window cleaning	165.00	240.00
			Office, stationery & postage	96.06	168.00
			Unity Trust Bank service charges	71.40	72.00
			Mileage and parking	57.74	60.00
			Electrical work	0.00	600.00
Total budgeted income, almshouse activities	32,180.04	31,673.24	Total budgeted expenditure, almshouse activities	13,767.19	15,856.00
Almshouses unbudgeted income			New almshouses project, unbudgeted expenditure (<i>see note 9 below</i>)		
First tranche of Homes England grant (<i>see note 6 below</i>)	405,000.00		Quantum Construction Consultants	16,500.00	
Charity Bank, grant for renewable energy provision (<i>see note 7 below</i>)	50,032.68		Charity Bank (arrangement fees)	6,100.00	
(<i>see note 9 below</i>)	2,160.00		Saffer Cooper Consultancy	3,600.00	
(<i>see note 7 below</i>)			Regulator of Social Housing (initial fee + first year membership) (<i>note 4</i>)	2,800.00	
Loan made to West Haddon Charities, 50% repayment (<i>see note 8 below</i>)	1,000.00		HCR Hewitsons (work on Charity Bank loan and legal charge)	2,320.00	
			PECT (renewable energy consultation, covered by grant) (<i>note 7</i>)	2,160.00	
			Wharton Infrastructure Consultants	708.00	
			Contour Archaeology	360.00	
Total unbudgeted income, almshouse activities	458,192.68		Total unbudgeted expenditure, almshouse activities	34,548.00	
Surplus/deficit from almshouse activities	442,057.53	15,817.24			
Net movement of funds between current account number 1 and instant access account number 1	-438,000.00				

Almshouses current account closing balance at 31st March 2025

Unity Trust Bank current account number 1	£9,553.96
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WOFA current accounts opening balances at 1st April 2024 (see note 10 below)

NatWest Bank & Unity Trust Bank current accounts	£1,531.98
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Woodland, orchard, field, and allotments (WOFA) income	Actual £
Forestry Commission annual maintenance grant	732.00
Total income, WOFA activities	732.00
Surplus/deficit from WOFA activities	488.10

WOFA expenditure	Actual £
Tim Whittaker, mowing	172.50
Unity Trust Bank service charges	71.40
Total expenditure, WOFA activities	243.90

WOFA current account closing balance at 31st March 2025

Unity Trust Bank current account number 2	£2,020.08
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Reserve account balances at 31st March 2025

COIF Charities Investment Fund	79,533.73	The value of this account fell by 2.0% during 2024/25, no dividends are payable
M&G Charifund investment account	19,074.54	The value of this account rose by 1.9% during 2024/25: dividends were 5.9% of the year end fund value
Unity Trust instant access savings account 1	484,636.60	Interest, payable quarterly, was 2.50% at the year end (see note 11 below)
Unity Trust instant access savings account 2 (WOFA)	6,446.25	Interest, payable quarterly, was 2.50% at the year end (this account is held solely for WOFA use)
Total reserves at 31st March 2025	£589,691.12	(£150,745.65 at the 2023/24 year end)

Notes regarding income and expenditure statements above:

1. The payment by M Stanton is in respect of the original trust deed for the almshouses, whereby 2 guineas per week (£2.10p) is payable by the owner of West Haddon Grange, in perpetuity, but is not indexed (this payment is based on 3 shillings and 6 pence each per week, for the 12 original residents). There is some initial discussion regarding agreeing a buy out of this arrangement with Mr Stanton, although this has not yet progressed very far.

2. The clerk is the only person paid for their work with the charity, and he operates under a letter of engagement, combined with a job description. The clerk represents approximately one fifth of a full time equivalent member of staff, he is paid gross and declares his income in full to HMRC as a self-employed person. No national insurance or pension contributions are required from the charity, as the clerk is past statutory pension age. The agreement with the trustees is that his salary will be increased each year by the same amount as the WMC is increased, and this should ensure that the salary remains competitive, and should enable the recruitment of a suitably qualified replacement as and when the clerk decides to stand down. The total amount for 2024/25 includes a one off ex gratia payment approved by the trustees for extra work needed during the application to become a registered provider of social housing.

3. This cost covers payments made for both the 2023/24 and the 2024/25 financial years. It relates to the annual maintenance and re-certification of the gas boilers and central heating installations in all the almshouses.

4. During the year, the charity became a registered provider of social housing, a necessary step to enabling a grant from Homes England for the construction of the new almshouses. This entailed the payment of a joining fee and first year membership fee of £2800 which are shown as a project cost. Also, because of the timing of this a further membership fee for the year became payable, which is shown as an annual budgeted cost.

5. The category of "other expenditure" exceeds budget because of 3 one off costs: the purchase of a dehumidifier for almshouse number 4, with a damp problem, the reimbursement to the clerk for a windscreen insurance excess due to a broken screen incurred on a necessary business trip, and payment for an "Almshouse Way" training course for a new trustee.

6. The grant from Homes England towards the provision of 6 new almshouses became payable once the charity had become a registered provider of social housing, and once work on the new almshouses had begun. The full grant is £540,000 payable 75% at the start and 25% upon completion. Because no major payments have yet become due, the charity has lodged this grant in the instant access savings account pending it being needed.

7. The grant from Charity Bank arises from a scheme they are partners in, to make money available for new renewable energy installations, which the charity has been able to take advantage of. This will take the form of a ground source central heating and hot water installation in the new almshouse block. This money represents a part of the total cost of installation. Preceding this grant was a renewable energy consultation exercise for which the charity had to initially pay, but which was also covered by a grant.

8. The loan made to West Haddon Charities has now been fully repaid by them.

9. During the year the charity continued to fund costs related to the new almshouses project from cash flow and reserves, prior to project-specific funding becoming available. This funding is now in place, so all future project expenditure will be from funding provided for this purpose.

10. For a short period during the year the WOFA activities had money in 2 accounts, but this is all now contained in the Unity Trust bank current account. This activity continues to function fully separately from the almshouses, with its own income sources, specific areas of expenditure and separate financial reserves.

11. Accrued interest on the instant access savings account 1 has been left within that account, and is not accounted for in the profit and loss account. Based on advice received, and Charity Commission accounting guidance, this interest will in future be incorporated within the profit and loss account.

Statement of financial position (balance sheet) at 31st March 2025

Current assets

Bank accounts

Unity Trust Bank current account 1	9,553.96
Unity Trust Bank current account 2	2,020.08
Unity Trust Bank instant access account 1	484,636.60
Unity Trust Bank instant access account 2	6,446.25
NatWest Bank current account	0.00
Total	502,656.89

Investments

COIF Charities Investment Fund	79,533.73
M&G Charifund investment account	19,074.54
Total	98,608.27

Buildings and land

Land at Crick Road West Haddon	72,000.00
Existing almshouses building	960,000.00
Total	1,032,000.00

Based on 2019 Howkins & Harrison valuation, 6 acres (2.43 hectares) @ £12,000 per acre

Based on March 2024 open market valuation by Watsons Property Group, 6 units @ £160,000 each

Total assets **1,633,265.16**

Outstanding liabilities

There are no currently outstanding liabilities 0.00

Accounts are at present prepared on a receipts and payments basis

Net current assets **1,633,265.16**

Note: regarding the net current assets shown above, for the avoidance of doubt it should be clarified that £455,033 is grant funding, and is being held against upcoming liabilities relating to the construction of the new almshouse block. At the time of the preparation of these accounts, no invoices had yet been received, so no accruals could be made.

These accounts were finalised on 14th April 2025 by David Roberts, clerk to the charity, inspected by Jennifer Pearce, and signed off on 27th June 2025

These accounts have been reviewed by the trustees and were approved by them at their meeting on 27th May 2025

These accounts were signed by the trustees named below on 17th July 2025:

Signed by Mr Charles Porter, chair of the charity

Signed by Sir Richard Tilt, governance trustee



Section A

Independent Examiner's Report

Report to the trustees/
members of

WILLIAM LOVETTS ALMHOUSE CHARITY

On accounts for the year
ended

31st MARCH 2025

Charity no
(if any)

1187392

Set out on pages

1 - 3

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31 03 2025

Responsibilities and
basis of report

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent
examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention (~~other than that disclosed below~~ *) in connection with the examination which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Act or
- the accounts do not accord with the accounting records

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

* Please delete the words in the brackets if they do not apply.

Signed:

J Pearce

Date:

27/06/25

Name:

JENNIFER PEARCE

Relevant professional
qualification(s) or body
(if any):

ACMA CGMA

Address:

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