

# MERTON UNITED CHARITIES

England & Wales · Charity number 201460

## Details

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**Status** Registered

**Legal form** Other

**Registered** 1962-02-22

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** St. Mary The Virgin Church  
The Parish Office  
Church Path  
London  
SW19 3HJ

**Phone** 02085421760

**Email** [mertonunitedcharities@gmail.com](mailto:mertonunitedcharities@gmail.com)

## Activities

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**Objects:** TO RELIEVE PERSONS WHO ARE IN NEED, HARDSHIP OR DISTRESS IN THE FOLLOWING ORDER OF PRIORITY (A) FOR THE BENEFIT OF RESIDENTS IN THE ALMSHOUSES OF THE CHARITY (B) FOR THE BENEFIT OF THE POOR OF THE FORMER PARISH OF MERTON (C) FOR THE BENEFIT OF THE POOR OF THE LONDON BOROUGH OF MERTON

**Activities:** Almshouse providing accommodation

## Classification

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- **How:** Provides Buildings/facilities/open Space
- **What:** Accommodation/housing
- **Who:** Elderly/old People

## Geography

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- **Area of benefit:** LONDON BOROUGH OF MERTON
- Merton

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£48,329	£42,521	-	-
2024-03-31	£44,386	£18,957	-	-
2023-03-31	£47,251	£18,310	-	-
2022-03-31	£40,975	£16,427	-	-
2021-03-31	£41,616	£25,075	-	-

## Trustees

Name	Role	Appointed
Astrid Spencer		2023-12-04
Councillor Edward Foley		2015-03-09
Hannah Kate Constantine		2024-12-02
Mary Catherine Loughran		2021-09-06
Rebecca Charlotte Dalton		2024-12-02

## Linked charities

- MARY BATT (201460-1)
- RICHARD THORNTON FOR POOR (201460-10)
- ROWLAND WILSON (201460-11)
- RICHARD DALLETT (201460-2)
- JOHN MIDDLETON (201460-3)
- POOR'S LAND (201460-4)
- POOR'S WOOD (201460-5)
- ELIZABETH SIMON FOR ALMSHOUSE (201460-6)
- ELIZABETH SIMON (201460-7)
- ADMIRAL ISAAC SMITH (201460-8)
- HENRY SMITH (SHARE) (201460-9)

**MERTON UNITED CHARITIES**

England & Wales - Charity number 201460

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# Accounts

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**Charity number: 201460**

**Merton United Charities**

**Unaudited**

**Trustees' report and financial statements**

**For the year ended 31 March 2025**

## **Merton United Charities**

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## **Merton United Charities**

### **Reference and administrative details of the Charity, its Trustees and advisers For the year ended 31 March 2025**

**Trustees** Rev John Hayward, Chair (resigned 9 June 2025)  
Astrid Spencer, Treasurer  
Derek Cox (resigned 2 December 2024)  
Stephanie Hitchins (deceased 5 May 2025)  
Edward Foley  
Cathy Loughran  
Hannah Constantine (appointed 2 December 2024)  
Rebecca Dalton (appointed 2 December 2024)  
Ronald Dominy (resigned 2 December 2024)

**Charity registered number** 201460

**Principal office** The Vicarage  
St Mary the Virgin  
Church Path  
London  
SW19 3HJ

**Accountants** Kreston Reeves LLP  
Chartered Accountants  
Maritime Place  
Quayside  
Chatham Maritime  
Chatham  
Kent  
ME4 4QZ

**Independent Examiners** Samantha Rouse FCCA DChA  
Kreston Reeves LLP  
Maritime Place,  
Quayside  
Chatham Maritime  
Kent, ME4 4QZ

## **Merton United Charities**

### **Trustees' report For the year ended 31 March 2025**

The Trustees present their annual report together with the financial statements of the Charity for the year 1 April 2024 to 31 March 2025.

#### **Objectives and activities**

##### **a. Policies and objectives**

The Charity owns an almshouse containing six one-bedroom flats, providing accommodation restricted by the governing document to “poor women who have resided in the area of benefit (London Borough of Merton) for not less than two years preceding the time of their appointment”, with preference given to women who live in the former Parish of Merton.

The Trustees are required to apply the income of the Charity firstly to maintaining the almshouse and secondly to reduce the need, hardship of, in the order of priority:

1. For the benefit of Residents of the Almshouse;
2. For the benefit of the poor of the former Parish of Merton;
3. For the benefit of the poor of the London Borough of Merton.

The Trustees' primary aim is to continue improving the financial position of the Charity in order to ensure the Almshouse is fully maintained to a high standard and in full compliance with latest standards and suitable for continuing use by Residents who are capable of living without 24 hour care.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

#### **Achievements and performance**

##### **a. Review of activities**

The Almshouse was extensively refurbished and modernised in the mid-1990's to a basic standard. More recently, further refurbishment was undertaken as funds became available, whereby kitchens and bathrooms were replaced, each unit was provided with new floor coverings, and all electrical installations were updated to latest standards. Since this time, the charity has had a rolling maintenance schedule ensuring that all flats are kept in good order. In the current financial year, in addition to the general maintenance of the property, the charity undertook a project of external maintenance and redecoration.

The Charity has been able to meet all its financial commitments over the year including gardening and maintenance works throughout the Almshouse, whilst continuing to establish healthy designated reserves.

The Trustees continue to meet a minimum of four times per year and undertake pastoral and other duties in addition.

#### **Financial review**

##### **a. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

## **Merton United Charities**

### **Trustees' report (continued) For the year ended 31 March 2025**

#### **b. Reserves policy**

As previously noted, after a period of economic stagnation resulting in minimal maintenance, the Almshouse was extensively modernised and refurbished in the mid-1990's, modernisation and routine maintenance more recently.

The Trustees have considered the level of reserves they need to enable them to meet their objectives, which is to maintain the property to a high standard, including further refurbishment, repair, redecoration as considered necessary.

They further consider funds are accumulating at a rate appropriate to meeting this objective and have set up designated funds to cover routine, cyclical and planned maintenance & improvement requirements for a building partly of eighteenth century origin.

At the Balance sheet date, after taking into consideration the tangible fixed assets and the fixed asset investments, the Charity has free reserves amounting to £60,197 (2024: £79,389).

#### **c. Results for the year**

During the year the Charity has achieved a surplus of £8,298 (2024: £27,703), after receiving income totalling to £48,329 (2024: £44,386) and expending only £42,521 (2024: £18,957). The charity had gains on its investments of £2,490 (2024: £2,274). This led to the overall level of funds increasing from £283,337 at the end of the previous financial year, to £291,635 as at 31 March 2025.

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

#### **a. Constitution**

The Charity is constituted under a trust deed, made in 1907, amended and sealed by Order of the Charity Commissioners dated 27 April 1995, is a registered charity number 201460 and is registered with the Almshouse Association.

#### **b. Methods of appointment or election of Trustees**

The Body of Trustees consists of:

One Ex-Officio Trustee being the current incumbent of St Mary the Virgin.

Two Nominated and four Co-opted Trustees, who are either resident or work in the area of benefit.

Trustees are nominated by the London Borough of Merton.

Trustees are Co-opted by the Body of Trustees and are usually Church members.

#### **c. Risk management**

The Trustees have assessed the major risks to which the Charity is exposed and are satisfied that systems and procedures are in place to mitigate exposure to the major risks. The main risks the Charity faces are: the loss of its residents, resulting in a decrease in the income from social housing lettings; and fluctuations in the value of its listed investments.

#### **Plans for future periods**

The Trustees will continue to support the objectives of the Charity for the foreseeable future.

## Merton United Charities

### Trustees' report (continued) For the year ended 31 March 2025

#### Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

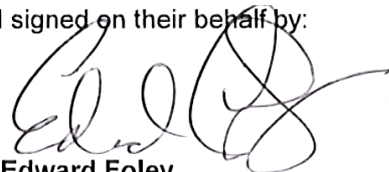
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:



**Astrid Spencer**  
Trustee

Date: 21/10/2025



**Edward Foley**  
Trustee

## Merton United Charities

### Independent examiner's report For the year ended 31 March 2025

#### Independent examiner's report to the Trustees of Merton United Charities ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2025.

#### Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

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

#### Independent examiner's statement

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

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. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed: *S M Rouse*

Samantha Rouse

Dated: 21 October 2025

FCCA DChA

**Kreston Reeves LLP**  
Chartered Accountants  
Maritime Place  
Quayside  
Chatham Maritime  
Kent  
ME4 4QZ

## Merton United Charities

### Statement of financial activities For the year ended 31 March 2025

	Note	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
<b>Income from:</b>				
Donations and legacies	3	1,850	1,850	2,200
Charitable activities	4	40,593	40,593	37,939
Investments	5	5,886	5,886	4,247
<b>Total income</b>		<b>48,329</b>	<b>48,329</b>	44,386
<b>Expenditure on:</b>				
Charitable activities	6	42,521	42,521	18,957
<b>Total expenditure</b>		<b>42,521</b>	<b>42,521</b>	18,957
<b>Net income before net gains on investments</b>		<b>5,808</b>	<b>5,808</b>	25,429
Net gains on investments		2,490	2,490	2,274
<b>Net movement in funds</b>		<b>8,298</b>	<b>8,298</b>	27,703
<b>Reconciliation of funds:</b>				
Total funds brought forward		283,337	283,337	255,634
Net movement in funds		8,298	8,298	27,703
<b>Total funds carried forward</b>		<b>291,635</b>	<b>291,635</b>	283,337

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 8 to 17 form part of these financial statements.

**Merton United Charities**

**Balance sheet  
As at 31 March 2025**

	Note	2025 £	2024 £
<b>Fixed assets</b>			
Tangible assets	9	85,213	85,213
Investments	10	146,225	118,735
		<u>231,438</u>	<u>203,948</u>
<b>Current assets</b>			
Debtors	11	1,348	-
Cash at bank and in hand		65,403	82,301
		<u>66,751</u>	<u>82,301</u>
Creditors: amounts falling due within one year	12	(6,554)	(2,912)
		<u>60,197</u>	<u>79,389</u>
<b>Net current assets</b>		<u>60,197</u>	<u>79,389</u>
<b>Total assets less current liabilities</b>		<u>291,635</u>	<u>283,337</u>
<b>Total net assets</b>		<u>291,635</u>	<u>283,337</u>
<b>Charity funds</b>			
Restricted funds	13	-	-
Unrestricted funds	13	291,635	283,337
		<u>291,635</u>	<u>283,337</u>
<b>Total funds</b>		<u>291,635</u>	<u>283,337</u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



**Astrid Spencer**  
Trustee  
Date: 21/10/2025



**Edward Foley**  
Trustee

The notes on pages 8 to 17 form part of these financial statements.

## **Merton United Charities**

### **Notes to the financial statements For the year ended 31 March 2025**

#### **1. General information**

Merton United Charities is an unincorporated charity in England and Wales, with charity number 201460. The registered office is The Vicarage, St Mary the Virgin, Church Path, London, SW19 3HJ. The principal objective of the Charity is the provision of accommodation to “poor women who have resided in the area of benefit (London Borough of Merton) for not less than two years preceding the time of their appointment”, with preference given to women who live in the former Parish of Merton. This is as stated in the Charity's governing document.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The financial statements have been prepared in UK sterling, being the its functional currency, and rounded to the nearest pound.

##### **2.2 Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **2.3 Income**

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**Notes to the financial statements  
For the year ended 31 March 2025**

**2. Accounting policies (continued)**

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

**2.5 Social Housing Grant**

Where developments have been financed wholly or partly by Social Housing Grant (SHG), the cost of these developments has been reduced by the amount of the grant received.

SHG can be recycled by the Charity under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by the Homes and Communities Agency. However, SHG may have to be repaid if certain conditions are not met.

The SHG relating to the freehold property of Merton United Charities amounted to £215,695.

**2.6 Fixed assets - housing properties**

Housing properties are stated at cost less the related SHG.

Depreciation is charged on housing properties excluding freehold land, on a straight line basis over the expected economic useful life of the property. The Trustees believe that the properties will have a life of 100 years.

The Trustees have not accounted for depreciation on the housing properties because the depreciation charge and accumulated depreciation are immaterial using the rates and basis above. The Trustees annually review the materiality of the housing properties depreciation.

When housing properties have suffered a permanent diminution in value, the fall in value is recognised after taking account of any related SHG.

**2.7 Taxation**

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

**2.8 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

## **Merton United Charities**

### **Notes to the financial statements For the year ended 31 March 2025**

#### **2. Accounting policies (continued)**

##### **2.9 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### **2.10 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### **2.11 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

##### **2.12 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

##### **2.13 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

##### **2.14 Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Charity does not currently have any significant accounting estimates or areas of judgement.

## Merton United Charities

### Notes to the financial statements For the year ended 31 March 2025

#### 3. Income from donations and legacies

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	Total funds 2024 £
Donations	1,850	<b>1,850</b>	2,200
Total 2024	<u>2,200</u>	<u>2,200</u>	

#### 4. Income from charitable activities

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	Total funds 2024 £
Social housing lettings	40,593	<b>40,593</b>	37,939
Total 2024	<u>37,939</u>	<u>37,939</u>	

#### 5. Investment income

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	Total funds 2024 £
Income from local listed investments	5,886	<b>5,886</b>	4,247
Total 2024	<u>4,247</u>	<u>4,247</u>	

#### 6. Analysis of expenditure on charitable activities

##### Summary by fund type

	<b>Unrestricted funds 2025 £</b>	<b>Total 2025 £</b>	Total 2024 £
Charitable activities	42,521	<b>42,521</b>	18,957
Total 2024	<u>18,957</u>	<u>18,957</u>	

## Merton United Charities

### Notes to the financial statements For the year ended 31 March 2025

#### 7. Analysis of expenditure by activities

	<b>Support costs 2025 £</b>	<b>Total funds 2025 £</b>	Total funds 2024 £
Charitable activities	42,521	<b>42,521</b>	18,957
Total 2024	18,957	18,957	

#### Analysis of support costs

	<b>Activities 2025 £</b>	<b>Total funds 2025 £</b>	Total funds 2024 £
Telephone	312	<b>312</b>	624
Donations to residents	-	-	100
Sundry expenses	458	<b>458</b>	409
Maintenance	26,617	<b>26,617</b>	8,057
Cleaning	3,250	<b>3,250</b>	1,526
Clerk's remuneration	3,500	<b>3,500</b>	3,000
TV licence	75	<b>75</b>	-
Heat and light	1,706	<b>1,706</b>	871
Insurance	1,169	<b>1,169</b>	1,130
Council tax	701	<b>701</b>	-
Independent examination fees	2,634	<b>2,634</b>	2,520
Legal and professional fees	1,440	<b>1,440</b>	720
Administrative expenses	659	<b>659</b>	-
	42,521	<b>42,521</b>	18,957
Total 2024	18,957	18,957	

#### 8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 March 2025, expenses totalling £322 were reimbursed or paid directly to 2 Trustees (2024 - £NIL). The re-imbursed expenses related to refreshments for meetings held and gifts for the long-standing trustees who retired.

## Merton United Charities

### Notes to the financial statements For the year ended 31 March 2025

#### 9. Tangible fixed assets

	Freehold property £
<b>Cost or valuation</b>	
At 1 April 2024	85,213
At 31 March 2025	<u>85,213</u>
<b>Net book value</b>	
At 31 March 2025	<u>85,213</u>
At 31 March 2024	<u>85,213</u>

As mentioned in the accounting policies, the Charity's freehold property is stated at cost less the Social Housing Grant received of £215,695.

#### 10. Fixed asset investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 April 2024	118,735
Additions	25,000
Revaluations	2,490
At 31 March 2025	<u>146,225</u>
<b>Net book value</b>	
At 31 March 2025	<u>146,225</u>
At 31 March 2024	<u>118,735</u>

Fixed asset investments, at market value, comprise listed investments held in the M&G charity multi asset fund GBP Inc. At the Balance sheet date the Charity holds 157,095.743 income shares, which are all held in the UK.

## Merton United Charities

### Notes to the financial statements For the year ended 31 March 2025

#### 11. Debtors

	2025 £	2024 £
<b>Due within one year</b>		
Other debtors	1,348	-
	<u>1,348</u>	<u>-</u>
	<u><u>1,348</u></u>	<u><u>-</u></u>

#### 12. Creditors: Amounts falling due within one year

	2025 £	2024 £
Other creditors	-	392
Accruals and deferred income	6,554	2,520
	<u>6,554</u>	<u>2,912</u>
	<u><u>6,554</u></u>	<u><u>2,912</u></u>

**Merton United Charities**

**Notes to the financial statements  
For the year ended 31 March 2025**

**13. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2025 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Routine maintenance fund	5,472	-	-	-	5,472
Extraordinary repairs fund	55,000	-	-	-	55,000
Cyclical maintenance fund	2,295	-	-	-	2,295
	<u>62,767</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,767</u>
<b>General funds</b>					
Reserves	220,570	48,329	(42,521)	2,490	228,868
<b>Total Unrestricted funds</b>	<b><u>283,337</u></b>	<b><u>48,329</u></b>	<b><u>(42,521)</u></b>	<b><u>2,490</u></b>	<b><u>291,635</u></b>

**Statement of funds - prior year**

	Balance at 1 April 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2024 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Routine maintenance fund	5,472	-	-	-	5,472
Extraordinary repairs fund	55,000	-	-	-	55,000
Cyclical maintenance fund	2,295	-	-	-	2,295
	<u>62,767</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,767</u>
<b>General funds</b>					
Reserves	192,867	44,386	(18,957)	2,274	220,570
<b>Total Unrestricted funds</b>	<b><u>255,634</u></b>	<b><u>44,386</u></b>	<b><u>(18,957)</u></b>	<b><u>2,274</u></b>	<b><u>283,337</u></b>

## Merton United Charities

### Notes to the financial statements For the year ended 31 March 2025

#### 13. Statement of funds (continued)

##### Nature and purpose of Designated Funds

*Routine Maintenance Fund*

Established to provide for the maintenance and repairs of the buildings.

*Extraordinary Repair Fund*

Established to provide for the extraordinary repair, improvement or rebuilding of the almshouses.

*Cyclical Maintenance Fund*

Established to provide for items of ordinary maintenance of the almshouses, which recur at infrequent intervals.

#### 14. Summary of funds

##### Summary of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2025 £
Designated funds	62,767	-	-	-	62,767
General funds	220,570	48,329	(42,521)	2,490	228,868
	<b>283,337</b>	<b>48,329</b>	<b>(42,521)</b>	<b>2,490</b>	<b>291,635</b>

##### Summary of funds - prior year

	Balance at 1 April 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2024 £
Designated funds	62,767	-	-	-	62,767
General funds	192,867	44,386	(18,957)	2,274	220,570
	<b>255,634</b>	<b>44,386</b>	<b>(18,957)</b>	<b>2,274</b>	<b>283,337</b>

## Merton United Charities

### Notes to the financial statements For the year ended 31 March 2025

#### 15. Analysis of net assets between funds

##### Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	85,213	<b>85,213</b>
Fixed asset investments	146,225	<b>146,225</b>
Current assets	66,751	<b>66,751</b>
Creditors due within one year	(6,554)	<b>(6,554)</b>
<b>Total</b>	<b>291,635</b>	<b>291,635</b>

##### Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	85,213	85,213
Fixed asset investments	118,735	118,735
Current assets	82,301	82,301
Creditors due within one year	(2,912)	(2,912)
<b>Total</b>	<b>283,337</b>	<b>283,337</b>

#### 16. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 March 2025.

**MERTON UNITED CHARITIES**

England & Wales - Charity number 201460

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# Accounts

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**Charity number: 201460**

## **Merton United Charities**

**Trustees' report and financial statements**

**for the year ended 31 March 2024**

## **Merton United Charities**

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## **Merton United Charities**

### **Reference and administrative details of the Charity, its Trustees and advisers for the year ended 31 March 2024**

#### **Trustees**

Rev John Hayward, Chair<sup>1</sup>  
Astrid Spencer, Treasurer (appointed 4 December 2023)<sup>3</sup>  
Derek Cox, Treasurer (resigned 2 December 2024)<sup>2</sup>  
Stephanie Hitchins<sup>3</sup>  
Edward Foley<sup>3</sup>  
Cathy Loughran<sup>3</sup>  
Hannah Constantine (appointed 2 December 2024)<sup>2</sup>  
Rebecca Dalton (appointed 2 December 2024)<sup>2</sup>  
Ronald Dominy (resigned 2 December 2024)<sup>2</sup>

<sup>1</sup> Ex Officio

<sup>2</sup> Co-opted Trustee

<sup>3</sup> Nominated Trustee

#### **Charity registered number**

201460

#### **Principal office**

The Vicarage  
St Mary the Virgin  
Church Path  
London  
SW19 3HJ

#### **Principal operating office**

49 Tybenham Road  
London  
SW19 3LB

#### **Accountants**

Kreston Reeves LLP  
Chartered Accountants  
Montague Place, Quayside  
Chatham Maritime, Chatham  
Kent, ME4 4QU

#### **Independent Examiners**

Samantha Rouse FCCA DChA  
Kreston Reeves LLP  
Montague Place, Quayside  
Chatham Maritime, Chatham  
Kent, ME4 4QU

## **Merton United Charities**

### **Trustees' report for the year ended 31 March 2024**

The Trustees present their annual report together with the financial statements of the Charity for the year from 1 April 2023 to 31 March 2024.

#### **Objectives and activities**

##### **a. Policies and objectives**

The Charity owns an almshouse containing six one-bedroom flats, providing accommodation restricted by the governing document to "poor women who have resided in the area of benefit (London Borough of Merton) for not less than two years preceding the time of their appointment", with preference given to women who live in the former Parish of Merton.

The Trustees are required to apply the income of the Charity firstly to maintaining the almshouse and secondly to reduce the need, hardship of, in the order of priority:

1. For the benefit of Residents of the Almshouse;
2. For the benefit of the poor of the former Parish of Merton;
3. For the benefit of the poor of the London Borough of Merton.

The Trustees' primary aim is to continue improving the financial position of the Charity in order to ensure the Almshouse is fully maintained to a high standard and in full compliance with latest standards and suitable for continuing use by Residents who are capable of living without 24 hour care.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

#### **Achievements and performance**

##### **a. Review of activities**

The Almshouse was extensively refurbished and modernised in the mid-1990's, though, due to financial constraints, this was achieved to a basic standard.

Within the last five years or so, further refurbishment was undertaken as funds became available, when kitchens and bathrooms were replaced and each unit was provided with new floor coverings. The flats were redecorated and the electrical installations were updated to latest standards.

The Charity has been able to meet all its financial commitments over the year including gardening and maintenance works throughout the Almshouse, whilst continuing to establish healthy designated reserves.

The Trustees continue to meet a minimum of four times per year and undertake pastoral and other duties in addition.

#### **Financial review**

##### **a. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

## **Merton United Charities**

### **Trustees' report (continued) for the year ended 31 March 2024**

#### **b. Reserves policy**

As previously noted, after a period of economic stagnation resulting in minimal maintenance, the Almshouse was extensively modernised and refurbished in the mid-1990's, modernisation and routine maintenance more recently.

The Trustees have considered the level of reserves they need to enable them to meet their objectives, which is to maintain the property to a high standard, including further refurbishment, repair, redecoration as considered necessary.

They further consider funds are accumulating at a rate appropriate to meeting this objective and have set up designated funds to cover routine, cyclical and planned maintenance & improvement requirements for a building partly of eighteenth century origin.

At the Balance sheet date, after taking into consideration the tangible fixed assets and the fixed asset investments, the Charity has free reserves amounting to £79,389 (2023: £78,960).

#### **c. Results for the year**

During the year the Charity has achieved a surplus of £27,703 (2023: £26,320), after receiving income totalling to £44,386 (2023: £46,773) and expending only £18,957 (2023: £17,832). This led to the overall level of funds increasing from £255,634 at the end of the previous financial year, to £283,337 as at 31 March 2024.

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

#### **a. Constitution**

The Charity is constituted under a trust deed, made in 1907, amended and sealed by Order of the Charity Commissioners dated 27 April 1995, is a registered charity number 201460 and is registered with the Almshouse Association.

#### **b. Methods of appointment or election of Trustees**

The Body of Trustees consists of:

One Ex-Officio Trustee being the current incumbent of St Mary the Virgin.

Two Nominated and four Co-opted Trustees, who are either resident or work in the area of benefit.

Trustees are nominated by the London Borough of Merton.

Trustees are Co-opted by the Body of Trustees and are usually Church members.

#### **c. Risk management**

The Trustees have assessed the major risks to which the Charity is exposed and are satisfied that systems and procedures are in place to mitigate exposure to the major risks. The main risks the Charity faces are: the loss of its residents, resulting in a decrease in the income from social housing lettings; and fluctuations in the value of its listed investments.

#### **Plans for future periods**

The Trustees will continue to support the objectives of the Charity for the foreseeable future.

## Merton United Charities

### Trustees' report (continued) for the year ended 31 March 2024

#### Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 Charity and of its income and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:



**Rev John Hayward**

Trustee

Date: 27 Jun 2025



**Astrid Spencer**

Trustee

## **Merton United Charities**

### **Independent examiner's report for the year ended 31 March 2024**

#### **Independent examiner's report to the Trustees of Merton United Charities ('the Charity')**

I report to the Charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2024.

#### **Responsibilities and basis of report**

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

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

#### **Independent examiner's statement**

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

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. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed: *S M Rouse*

Samantha Rouse

Dated: 27 January 2025

FCCA DChA

#### **Kreston Reeves LLP**

Chartered Accountants

Montague Place, Quayside

Chatham Maritime, Chatham

Kent, ME4 4QU

## Merton United Charities

### Statement of financial activities for the year ended 31 March 2024

	Note	Unrestricted funds 2024 £	Total funds 2024 £	As restated Total funds 2023 £
<b>Income from:</b>				
Donations and legacies	4	2,200	2,200	4,200
Charitable activities	5	37,939	37,939	38,989
Investments	6	4,247	4,247	3,584
<b>Total income</b>		<b>44,386</b>	<b>44,386</b>	46,773
<b>Expenditure on:</b>				
Charitable activities	7	18,957	18,957	17,832
<b>Total expenditure</b>		<b>18,957</b>	<b>18,957</b>	17,832
<b>Net income before net gains/(losses) on investments</b>		<b>25,429</b>	<b>25,429</b>	28,941
Net gains/(losses) on investments		2,274	2,274	(2,621)
<b>Net movement in funds</b>		<b>27,703</b>	<b>27,703</b>	26,320
<b>Reconciliation of funds:</b>				
Total funds brought forward		255,634	255,634	229,314
Net movement in funds		27,703	27,703	26,320
<b>Total funds carried forward</b>		<b>283,337</b>	<b>283,337</b>	255,634

The Statement of financial activities includes all gains and losses recognised in the year.

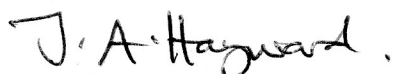
The notes on pages 8 to 17 form part of these financial statements.

**Merton United Charities**

**Balance sheet  
as at 31 March 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	10	85,213	85,213
Investments	11	118,735	91,461
		<u>203,948</u>	<u>176,674</u>
<b>Current assets</b>			
Debtors	12	-	3,164
Cash at bank and in hand		82,301	79,130
		<u>82,301</u>	<u>82,294</u>
Creditors: amounts falling due within one year	13	(2,912)	(3,334)
<b>Net current assets</b>		<u>79,389</u>	<u>78,960</u>
<b>Total net assets</b>		<u><u>283,337</u></u>	<u><u>255,634</u></u>
<b>Charity funds</b>			
Unrestricted funds	14	283,337	255,634
<b>Total funds</b>		<u><u>283,337</u></u>	<u><u>255,634</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



**Rev John Hayward**  
Trustee

Date: 27/03/2025



**Astrid Spencer**  
Trustee

The notes on pages 8 to 17 form part of these financial statements.

## **Merton United Charities**

### **Notes to the financial statements for the year ended 31 March 2024**

#### **1. General information**

Merton United Charities is an unincorporated charity in England and Wales, with charity number 201460. The registered office is The Vicarage, St Mary the Virgin, Church Path, London, SW19 3HJ. The principal objective of the Charity is the provision of accommodation to “poor women who have resided in the area of benefit (London Borough of Merton) for not less than two years preceding the time of their appointment”, with preference given to women who live in the former Parish of Merton. This is as stated in the Charity's governing document.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The financial statements have been prepared in UK sterling, being the its functional currency, and rounded to the nearest pound.

##### **2.2 Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **2.3 Income**

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

## **Merton United Charities**

### **Notes to the financial statements for the year ended 31 March 2024**

#### **2. Accounting policies (continued)**

##### **2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

##### **2.5 Social Housing Grant**

Where developments have been financed wholly or partly by Social Housing Grant (SHG), the cost of these developments has been reduced by the amount of the grant received.

SHG can be recycled by the Charity under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by the Homes and Communities Agency. However, SHG may have to be repaid if certain conditions are not met.

The SHG relating to the freehold property of Merton United Charities amounted to £215,695.

##### **2.6 Fixed assets - housing properties**

Housing properties are stated at cost less the related SHG.

Depreciation is charged on housing properties excluding freehold land, on a straight line basis over the expected economic useful life of the property. The Trustees believe that the properties will have a life of 100 years.

The Trustees have not accounted for depreciation on the housing properties because the depreciation charge and accumulated depreciation are immaterial using the rates and basis above. The Trustees annually review the materiality of the housing properties depreciation.

When housing properties have suffered a permanent diminution in value, the fall in value is recognised after taking account of any related SHG.

##### **2.7 Taxation**

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

##### **2.8 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

## **Merton United Charities**

### **Notes to the financial statements for the year ended 31 March 2024**

#### **2. Accounting policies (continued)**

##### **2.9 Debtors**

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

##### **2.10 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### **2.11 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

##### **2.12 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

##### **2.13 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

#### **3. Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Charity does not currently have any significant accounting estimates or areas of judgement.

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2024

#### 4. Income from donations and legacies

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	Total funds 2023 £
Donations	2,200	<b>2,200</b>	4,200
Total 2023	4,200	4,200	

#### 5. Income from charitable activities

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	As restated Total funds 2023 £
Social housing lettings	37,939	<b>37,939</b>	38,989
Total 2023 as restated	38,989	38,989	

The prior year comparative has been restated, following Trustee consideration, to reflect the income due in the period.

#### 6. Investment income

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	Total funds 2023 £
Income from local listed investments	4,247	<b>4,247</b>	3,584
Total 2023	3,584	3,584	

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2024

#### 7. Analysis of expenditure on charitable activities

##### Summary by fund type

	<b>Unrestricted funds 2024 £</b>	<b>Total 2024 £</b>	As restated Total 2023 £
Charitable activities	18,957	<b>18,957</b>	17,832
Total 2023 as restated	17,832	17,832	

#### 8. Analysis of expenditure by activities

	<b>Support costs 2024 £</b>	<b>Total funds 2024 £</b>	As restated Total funds 2023 £
Charitable activities	18,957	<b>18,957</b>	17,832
Total 2023 as restated	17,832	17,832	

The prior year comparative has been restated, following Trustee consideration, to reflect expenses incurred during the period.

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2024

#### 8. Analysis of expenditure by activities (continued)

##### Analysis of support costs

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	As restated Total funds 2023 £
Telephone	624	<b>624</b>	624
Donations to residents	100	<b>100</b>	2,400
Sundry expenses	409	<b>409</b>	463
Maintenance	8,057	<b>8,057</b>	5,004
Cleaning	1,526	<b>1,526</b>	1,388
Clerk's remuneration	3,000	<b>3,000</b>	3,050
Heat and light	871	<b>871</b>	820
Insurance	1,130	<b>1,130</b>	987
Independent examination fees	2,520	<b>2,520</b>	2,376
Legal and professional fees	720	<b>720</b>	720
	<u>18,957</u>	<u><b>18,957</b></u>	<u>17,832</u>
Total 2023 as restated	<u>17,832</u>	<u>17,832</u>	

#### 9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, no Trustee expenses have been incurred (2023 - £NIL).

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2024

#### 10. Tangible fixed assets

	Freehold property £
<b>Cost less social housing grant</b>	
At 1 April 2023	85,213
At 31 March 2024	<u>85,213</u>
<b>Net book value</b>	
At 31 March 2024	<u>85,213</u>
At 31 March 2023	<u>85,213</u>

As mentioned in the accounting policies, the Charity's freehold property is stated at cost less the Social Housing Grant received of £215,695.

#### 11. Fixed asset investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 April 2023	91,461
Additions	25,000
Revaluations	2,274
At 31 March 2024	<u>118,735</u>
<b>Net book value</b>	
At 31 March 2024	<u>118,735</u>
At 31 March 2023	<u>91,461</u>

Fixed asset investments, at market value, comprise listed investments held in the M&G charity multi asset fund GBP Inc. At the Balance sheet date the Charity holds 130,607.080 income shares, which are all held in the UK.

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2024

#### 12. Debtors

	2024 £	2023 £
<b>Due within one year</b>		
Other debtors	-	3,164
	<u>          </u>	<u>          </u>

#### 13. Creditors: Amounts falling due within one year

	2024 £	2023 £
Other creditors	392	958
Accruals	2,520	2,376
	<u>2,912</u>	<u>3,334</u>

#### 14. Statement of funds

##### Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2024 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Routine maintenance fund	5,472	-	-	-	5,472
Extraordinary repairs fund	55,000	-	-	-	55,000
Cyclical maintenance fund	2,295	-	-	-	2,295
	<u>62,767</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,767</u>
<b>General funds</b>					
Reserves	192,867	44,386	(18,957)	2,274	220,570
	<u>192,867</u>	<u>44,386</u>	<u>(18,957)</u>	<u>2,274</u>	<u>220,570</u>
<b>Total Unrestricted funds</b>	<u>255,634</u>	<u>44,386</u>	<u>(18,957)</u>	<u>2,274</u>	<u>283,337</u>

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2024

#### 14. Statement of funds (continued)

##### Designated funds

###### *Routine maintenance fund*

Established to provide for the maintenance and repairs of the buildings.

###### *Extraordinary repair fund*

Established to provide for the extraordinary repair, improvement or rebuilding of the almshouses.

###### *Cyclical maintenance fund*

Established to provide for items of ordinary maintenance of the almshouses, which recur at infrequent intervals.

##### Statement of funds - prior year

	Balance at 1 April 2022 £	As restated Income £	As restated Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Routine maintenance fund	7,373	-	(1,901)	-	5,472
Extraordinary repairs fund	55,000	-	-	-	55,000
Cyclical maintenance fund	2,295	-	-	-	2,295
	<u>64,668</u>	<u>-</u>	<u>(1,901)</u>	<u>-</u>	<u>62,767</u>
<b>General funds</b>					
	<u>164,646</u>	<u>46,773</u>	<u>(15,931)</u>	<u>(2,621)</u>	<u>192,867</u>
<b>Total Unrestricted funds</b>	<u><u>229,314</u></u>	<u><u>46,773</u></u>	<u><u>(17,832)</u></u>	<u><u>(2,621)</u></u>	<u><u>255,634</u></u>

#### 15. Summary of funds

##### Summary of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2024 £
Designated funds	62,767	-	-	-	62,767
General funds	192,867	44,386	(18,957)	2,274	220,570
	<u>255,634</u>	<u>44,386</u>	<u>(18,957)</u>	<u>2,274</u>	<u>283,337</u>

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2024

#### 15. Summary of funds (continued)

##### Summary of funds - prior year

	Balance at 1 April 2022 £	As restated Income £	As restated Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
Designated funds	64,668	-	(1,901)	-	62,767
General funds	164,646	46,773	(15,931)	(2,621)	192,867
	<u>229,314</u>	<u>46,773</u>	<u>(17,832)</u>	<u>(2,621)</u>	<u>255,634</u>

#### 16. Analysis of net assets between funds

##### Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	85,213	85,213
Fixed asset investments	118,735	118,735
Current assets	82,301	82,301
Creditors due within one year	(2,912)	(2,912)
<b>Total</b>	<u>283,337</u>	<u>283,337</u>

##### Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	85,213	85,213
Fixed asset investments	91,461	91,461
Current assets	82,294	82,294
Creditors due within one year	(3,334)	(3,334)
<b>Total</b>	<u>255,634</u>	<u>255,634</u>

#### 17. Related party transactions

Type text here

The Charity has not undertaken any related party transactions during the financial year (2023: £Nil) and there are no balances outstanding with them at the Balance sheet date (2023: £Nil).

**MERTON UNITED CHARITIES**

England & Wales - Charity number 201460

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# Accounts

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**Charity number: 201460**

## **Merton United Charities**

**Trustees' report and financial statements**

**for the year ended 31 March 2023**

## **Merton United Charities**

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## **Merton United Charities**

### **Reference and administrative details of the Charity, its Trustees and advisers for the year ended 31 March 2023**

#### **Trustees**

Rev John Hayward, Chairman<sup>1</sup>  
Derek Cox, Treasurer<sup>2</sup>  
Bridget Smith (Retired 30 May 2022)<sup>3</sup>  
Stephanie Hitchins<sup>3</sup>  
Ronald Dominy<sup>2</sup>  
Ed Foley<sup>3</sup>  
Cathy Loughran<sup>2</sup>

<sup>1</sup> Ex Officio

<sup>2</sup> Co-opted Trustee

<sup>3</sup> Nominated Trustee

#### **Charity registered number**

201460

#### **Principal office**

The Vicarage  
St Mary the Virgin  
Church Path  
London  
SW19 3HJ

#### **Principal operating office**

49 Tybenham Road  
London  
SW19 3LB

#### **Accountants**

Kreston Reeves LLP  
Chartered Accountants  
Statutory Auditor  
Montague Place, Quayside  
Chatham Maritime, Chatham  
Kent, ME4 4QU

#### **Independent Examiners**

Susan Robinson BA FCA FCIE DChA  
Kreston Reeves LLP  
Chartered Accountants  
Montague Place, Quayside  
Chatham Maritime, Chatham  
Kent, ME4 4QU

## **Merton United Charities**

### **Trustees' report for the year ended 31 March 2023**

The Trustees present their annual report together with the financial statements of the Charity for the year from 1 April 2022 to 31 March 2023.

#### **Objectives and activities**

##### **a. Policies and objectives**

The Charity owns an almshouse containing six one-bedroom flats, providing accommodation restricted by the governing document to "poor women who have resided in the area of benefit (London Borough of Merton) for not less than two years preceding the time of their appointment", with preference given to women who live in the former Parish of Merton.

The Trustees are required to apply the income of the Charity firstly to maintaining the almshouse and secondly to reduce the need, hardship of, in the order of priority:

1. For the benefit of Residents of the Almshouse;
2. For the benefit of the poor of the former Parish of Merton;
3. For the benefit of the poor of the London Borough of Merton.

The Trustees' primary aim is to continue improving the financial position of the Charity in order to ensure the Almshouse is fully maintained to a high standard and in full compliance with latest standards and suitable for continuing use by Residents who are capable of living without 24 hour care.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

#### **Achievements and performance**

##### **a. Review of activities**

The Almshouse was extensively refurbished and modernised in the mid-1990's, though, due to financial constraints, this was achieved to a basic standard.

Within the last five years or so, further refurbishment was undertaken as funds became available, when kitchens and bathrooms were replaced and each unit was provided with new floor coverings. The flats were redecorated and the electrical installations were updated to latest standards.

The Charity has been able to meet all its financial commitments over the year including gardening and maintenance works throughout the Almshouse, whilst continuing to establish healthy designated reserves.

The Trustees continue to meet a minimum of four times per year and undertake pastoral and other duties in addition.

#### **Financial review**

##### **a. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

## **Merton United Charities**

### **Trustees' report (continued) for the year ended 31 March 2023**

#### **b. Reserves policy**

As previously noted, after a period of economic stagnation resulting in minimal maintenance, the Almshouse was extensively modernised and refurbished in the mid-1990's, modernisation and routine maintenance more recently.

The Trustees have considered the level of reserves they need to enable them to meet their objectives, which is to maintain the property to a high standard, including further refurbishment, repair, redecoration as considered necessary.

They further consider funds are accumulating at a rate appropriate to meeting this objective and have set up designated funds to cover routine, cyclical and planned maintenance & improvement requirements for a building partly of eighteenth century origin.

At the Balance sheet date, after taking into consideration the tangible fixed assets and the fixed asset investments, the Charity has free reserves amounting to £78,960 (2022: £50,019).

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

##### **a. Constitution**

The Charity is constituted under a trust deed, made in 1907, amended and sealed by Order of the Charity Commissioners dated 27 April 1995, is a registered charity number 201460 and is registered with the Almshouse Association.

##### **b. Methods of appointment or election of Trustees**

The Body of Trustees consists of:

One Ex-Officio Trustee being the current incumbent of St Mary the Virgin.  
Three Nominated and three Co-opted Trustees, who are either resident or work in the area of benefit.

Trustees are nominated by the London Borough of Merton.  
Trustees are Co-opted by the Body of Trustees and are usually Church members.

##### **c. Risk management**

The Trustees have assessed the major risks to which the Charity is exposed and are satisfied that systems and procedures are in place to mitigate exposure to the major risks. The main risks the Charity faces are: the loss of its residents, resulting in a decrease in the income from social housing lettings; and fluctuations in the value of its listed investments.

##### **Plans for future periods**

The Trustees will continue to support the objectives of the Charity for the foreseeable future.

## Merton United Charities

### Trustees' report (continued) for the year ended 31 March 2023

#### Statement of Trustees' responsibilities

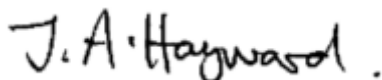
The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 Charity and of its income and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the Board of Trustees on *4TH JULY 2023* and signed on their behalf by:



**Rev John Hayward**  
Trustee



**Derek Cox**  
Trustee

## Merton United Charities

### Independent examiner's report for the year ended 31 March 2023

#### Independent examiner's report to the Trustees of Merton United Charities ('the Charity')

I report to the Charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2023.

#### Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

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

#### Independent examiner's statement

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

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. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:



Susan Robinson

Dated: 18 December 2023

BA FCA FCIE DChA

#### **Kreston Reeves LLP**

Chartered Accountants  
Montague Place, Quayside  
Chatham Maritime, Chatham  
Kent, ME4 4QU

## Merton United Charities

### Statement of financial activities for the year ended 31 March 2023

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>				
Donations and legacies	4	4,200	4,200	-
Charitable activities	5	39,467	39,467	37,596
Investments	6	3,584	3,584	3,379
<b>Total income</b>		<b>47,251</b>	<b>47,251</b>	40,975
<b>Expenditure on:</b>				
Charitable activities	7,8	18,310	18,310	16,427
<b>Total expenditure</b>		<b>18,310</b>	<b>18,310</b>	16,427
<b>Net income before net (losses)/gains on investments</b>				
		28,941	28,941	24,548
Net (losses)/gains on investments		(2,621)	(2,621)	6,124
<b>Net movement in funds</b>		<b>26,320</b>	<b>26,320</b>	30,672
<b>Reconciliation of funds:</b>				
Total funds brought forward		229,314	229,314	198,642
Net movement in funds		26,320	26,320	30,672
<b>Total funds carried forward</b>		<b>255,634</b>	<b>255,634</b>	229,314

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 8 to 16 form part of these financial statements.

**Merton United Charities**

**Balance sheet  
as at 31 March 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	10	85,213	85,213
Investments	11	91,461	94,082
		<u>176,674</u>	<u>179,295</u>
<b>Current assets</b>			
Debtors	12	3,164	4,550
Cash at bank and in hand		79,130	47,629
		<u>82,294</u>	<u>52,179</u>
Creditors: amounts falling due within one year	13	(3,334)	(2,160)
<b>Net current assets</b>		<u>78,960</u>	<u>50,019</u>
<b>Total net assets</b>		<u><u>255,634</u></u>	<u><u>229,314</u></u>
<b>Charity funds</b>			
Unrestricted funds	14	255,634	229,314
<b>Total funds</b>		<u><u>255,634</u></u>	<u><u>229,314</u></u>

The financial statements were approved and authorised for issue by the Trustees on <sup>4th JULY 2023</sup> and signed on their behalf by:

*J.A. Hayward.*

*Derek Cox*

**Rev John Hayward**  
Trustee

**Derek Cox**  
Trustee

The notes on pages 8 to 16 form part of these financial statements.

## **Merton United Charities**

### **Notes to the financial statements for the year ended 31 March 2023**

#### **1. General information**

Merton United Charities is an unincorporated charity in England and Wales. The registered office is The Vicarage, St Mary the Virgin, Church Path, London, SW19 3HJ. The principal objective of the Charity is the provision of accommodation to “poor women who have resided in the area of benefit (London Borough of Merton) for not less than two years preceding the time of their appointment”, with preference given to women who live in the former Parish of Merton. This is as stated in the Charity's governing document.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The financial statements have been prepared in UK sterling, being the its functional currency, and rounded to the nearest pound.

##### **2.2 Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **2.3 Income**

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**Notes to the financial statements  
for the year ended 31 March 2023**

**2. Accounting policies (continued)**

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

**2.5 Social Housing Grant**

Where developments have been financed wholly or partly by Social Housing Grant (SHG), the cost of these developments has been reduced by the amount of the grant received.

SHG can be recycled by the Charity under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by the Homes and Communities Agency. However, SHG may have to be repaid if certain conditions are not met.

The SHG relating to the freehold property of Merton United Charities amounted to £215,695.

**2.6 Fixed assets - housing properties**

Housing properties are stated at cost less the related SHG.

Depreciation is charged on housing properties excluding freehold land, on a straight line basis over the expected economic useful life of the property. The Trustees believe that the properties will have a life of 100 years.

The Trustees have not accounted for depreciation on the housing properties because the depreciation charge and accumulated depreciation are immaterial using the rates and basis above. The Trustees annually review the materiality of the housing properties depreciation.

When housing properties have suffered a permanent diminution in value, the fall in value is recognised after taking account of any related SHG.

**2.7 Taxation**

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

**2.8 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

## **Merton United Charities**

### **Notes to the financial statements for the year ended 31 March 2023**

#### **2. Accounting policies (continued)**

##### **2.9 Debtors**

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

##### **2.10 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### **2.11 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

##### **2.12 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

##### **2.13 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

#### **3. Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Charity does not currently have any significant accounting estimates or areas of judgement.

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2023

#### 4. Income from donations and legacies

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	Total funds 2022 £
Donations	4,200	<b>4,200</b>	-

#### 5. Income from charitable activities

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	Total funds 2022 £
Social housing lettings	39,467	<b>39,467</b>	37,596
Total 2022	37,596	37,596	

#### 6. Investment income

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	Total funds 2022 £
Income from local listed investments	3,584	<b>3,584</b>	3,379
Total 2022	3,379	3,379	

#### 7. Analysis of expenditure on charitable activities

##### Summary by fund type

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	Total funds 2022 £
Charitable activities	18,310	<b>18,310</b>	16,427
Total 2022	16,427	16,427	

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2023

#### 8. Analysis of expenditure by activities

	<b>Support costs 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Charitable activities	18,310	<b>18,310</b>	16,427
	<u>18,310</u>	<u><b>18,310</b></u>	<u>16,427</u>
Total 2022	16,427	16,427	
	<u>16,427</u>	<u>16,427</u>	

#### Analysis of support costs

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Telephone	624	<b>624</b>	624
Donations to residents	2,400	<b>2,400</b>	-
Sundry expenses	463	<b>463</b>	438
Maintenance	5,004	<b>5,004</b>	5,481
Cleaning	1,388	<b>1,388</b>	1,280
Clerk's remuneration	3,050	<b>3,050</b>	3,250
Heat and light	820	<b>820</b>	374
Insurance	987	<b>987</b>	922
Independent examination fees	2,376	<b>2,376</b>	2,160
Residents income waived	478	<b>478</b>	1,178
Legal and professional fees	720	<b>720</b>	720
	<u>18,310</u>	<u><b>18,310</b></u>	<u>16,427</u>
Total 2022	16,427	16,427	
	<u>16,427</u>	<u>16,427</u>	

#### 9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2023

#### 10. Tangible fixed assets

	Freehold property £
<b>Cost less social housing grant</b>	
At 1 April 2022	85,213
At 31 March 2023	<u>85,213</u>
<b>Net book value</b>	
At 31 March 2023	<u>85,213</u>
At 31 March 2022	<u>85,213</u>

As mentioned in the accounting policies, the Charity's freehold property is stated at cost less the Social Housing Grant received of £215,695.

#### 11. Fixed asset investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 April 2022	94,082
Revaluations	(2,621)
At 31 March 2023	<u>91,461</u>
<b>Net book value</b>	
At 31 March 2023	<u>91,461</u>
At 31 March 2022	<u>94,082</u>

Fixed asset investments, at market value, comprise listed investments held in the M&G charity multi asset fund GBP Inc. At the Balance sheet date the Charity holds 102,396.743 income shares, which are all held in the UK.

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2023

#### 12. Debtors

	2023 £	2022 £
<b>Due within one year</b>		
Other debtors	3,164	4,550
	<u>3,164</u>	<u>4,550</u>

#### 13. Creditors: Amounts falling due within one year

	2023 £	2022 £
Other creditors	958	-
Accruals	2,376	2,160
	<u>3,334</u>	<u>2,160</u>

#### 14. Statement of funds

##### Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Routine maintenance fund	7,373	-	(1,901)	-	5,472
Extraordinary repairs fund	55,000	-	-	-	55,000
Cyclical maintenance fund	2,295	-	-	-	2,295
	<u>64,668</u>	<u>-</u>	<u>(1,901)</u>	<u>-</u>	<u>62,767</u>
<b>General funds</b>					
Reserves	164,646	47,251	(16,409)	(2,621)	192,867
	<u>164,646</u>	<u>47,251</u>	<u>(16,409)</u>	<u>(2,621)</u>	<u>192,867</u>
<b>Total Unrestricted funds</b>	<u>229,314</u>	<u>47,251</u>	<u>(18,310)</u>	<u>(2,621)</u>	<u>255,634</u>

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2023

#### 14. Statement of funds (continued)

##### Designated funds

###### *Routine maintenance fund*

Established to provide for the maintenance and repairs of the buildings.

###### *Extraordinary repair fund*

Established to provide for the extraordinary repair, improvement or rebuilding of the almshouses.

###### *Cyclical maintenance fund*

Established to provide for items of ordinary maintenance of the almshouses, which recur at infrequent intervals.

##### Statement of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Routine maintenance fund	7,793	-	(420)	-	7,373
Extraordinary repairs fund	55,000	-	-	-	55,000
Cyclical maintenance fund	2,295	-	-	-	2,295
	<u>65,088</u>	<u>-</u>	<u>(420)</u>	<u>-</u>	<u>64,668</u>
<b>General funds</b>					
Reserves	<u>133,554</u>	<u>40,975</u>	<u>(16,007)</u>	<u>6,124</u>	<u>164,646</u>
<b>Total Unrestricted funds</b>	<u><u>198,642</u></u>	<u><u>40,975</u></u>	<u><u>(16,427)</u></u>	<u><u>6,124</u></u>	<u><u>229,314</u></u>

#### 15. Summary of funds

##### Summary of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
Designated funds	<b>64,668</b>	-	<b>(1,901)</b>	-	<b>62,767</b>
General funds	<b>164,646</b>	<b>47,251</b>	<b>(16,409)</b>	<b>(2,621)</b>	<b>192,867</b>
	<u><b>229,314</b></u>	<u><b>47,251</b></u>	<u><b>(18,310)</b></u>	<u><b>(2,621)</b></u>	<u><b>255,634</b></u>

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2023

#### 15. Summary of funds (continued)

##### Summary of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
Designated funds	65,088	-	(420)	-	64,668
General funds	133,554	40,975	(16,007)	6,124	164,646
	<u>198,642</u>	<u>40,975</u>	<u>(16,427)</u>	<u>6,124</u>	<u>229,314</u>

#### 16. Analysis of net assets between funds

##### Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	85,213	85,213
Fixed asset investments	91,461	91,461
Current assets	82,294	82,294
Creditors due within one year	(3,334)	(3,334)
<b>Total</b>	<u>255,634</u>	<u>255,634</u>

##### Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	85,213	85,213
Fixed asset investments	94,082	94,082
Current assets	52,179	52,179
Creditors due within one year	(2,160)	(2,160)
<b>Total</b>	<u>229,314</u>	<u>229,314</u>

#### 17. Related party transactions

The Charity has not undertaken any related party transactions during the financial year (2022: £Nil) and there are no balances outstanding with them at the Balance sheet date (2022: £Nil).

**MERTON UNITED CHARITIES**

England & Wales - Charity number 201460

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# Accounts

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**Charity number: 201460**

## **Merton United Charities**

**Unaudited**

**Trustees' report and financial statements**

**for the year ended 31 March 2022**

## **Merton United Charities**

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## **Merton United Charities**

### **Reference and administrative details of the Charity, its Trustees and advisers for the year ended 31 March 2022**

#### **Trustees**

Rev John Hayward, Chairman<sup>1</sup>  
Derek Cox, Treasurer<sup>2</sup>  
Bridget Smith (Retired 30 May 2022)<sup>3</sup>  
Stephanie Hitchins<sup>3</sup>  
Ronald Dominy<sup>2</sup>  
Ed Foley<sup>3</sup>  
Cathy Loughran (appointed 6 September 2021)<sup>2</sup>

<sup>1</sup> Ex Officio

<sup>2</sup> Co-opted Trustee

<sup>3</sup> Nominated Trustee

#### **Charity registered number**

201460

#### **Principal office**

The Vicarage  
St Mary the Virgin  
Church Path  
London  
SW19 3HJ

#### **Principal operating office**

49 Tybenham Road  
London  
SW19 3LB

#### **Accountants**

Kreston Reeves LLP  
Chartered Accountants  
Statutory Auditor  
Montague Place  
Quayside  
Chatham Maritime  
Chatham  
Kent  
ME4 4QU

## **Merton United Charities**

### **Trustees' report for the year ended 31 March 2022**

The Trustees present their annual report together with the financial statements of the Charity for the year from 1 April 2021 to 31 March 2022.

#### **Objectives and activities**

##### **a. Policies and objectives**

The Charity owns an almshouse containing six one-bedroom flats, providing accommodation restricted by the governing document to "poor women who have resided in the area of benefit (London Borough of Merton) for not less than two years preceding the time of their appointment", with preference given to women who live in the former Parish of Merton.

The Trustees are required to apply the income of the Charity firstly to maintaining the almshouse and secondly to reduce the need, hardship of, in the order of priority:

1. For the benefit of Residents of the Almshouse;
2. For the benefit of the poor of the former Parish of Merton;
3. For the benefit of the poor of the London Borough of Merton.

The Trustees' primary aim is to continue improving the financial position of the Charity in order to ensure the Almshouse is fully maintained to a high standard and in full compliance with latest standards and suitable for continuing use by Residents who are capable of living without 24 hour care.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

#### **Achievements and performance**

##### **a. Review of activities**

The Almshouse was extensively refurbished and modernised in the mid-1990's, though, due to financial constraints, this was achieved to a basic standard.

Within the last five years or so, further refurbishment was undertaken as funds became available, when kitchens and bathrooms were replaced and each unit was provided with new floor coverings. The flats were redecorated and the electrical installations were updated to latest standards.

The Charity has been able to meet all its financial commitments over the year including gardening and maintenance works throughout the Almshouse, whilst continuing to establish healthy designated reserves.

The Trustees continue to meet a minimum of four times per year and undertake pastoral and other duties in addition.

#### **Financial review**

##### **a. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

## **Merton United Charities**

### **Trustees' report (continued) for the year ended 31 March 2022**

#### **b. Reserves policy**

As previously noted, after a period of economic stagnation resulting in minimal maintenance, the Almshouse was extensively modernised and refurbished in the mid-1990's, modernisation and routine maintenance more recently.

The Trustees have considered the level of reserves they need to enable them to meet their objectives, which is to maintain the property to a high standard, including further refurbishment, repair, redecoration as considered necessary.

They further consider funds are accumulating at a rate appropriate to meeting this objective and have set up designated funds to cover routine, cyclical and planned maintenance & improvement requirements for a building partly of eighteenth century origin.

At the Balance sheet date, after taking into consideration the tangible fixed assets and the fixed asset investments, the Charity has free reserves amounting to £50,019 (2021: £25,471).

Trustees reviewed the amount of free reserves £50,019, and agreed that figure was the appropriate level of reserves needed to replace an unexpected loss of £40k annual rent income and the £10k cost of unexpected refurbishment of a flat.

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

##### **a. Constitution**

The Charity is constituted under a trust deed, made in 1907, amended and sealed by Order of the Charity Commissioners dated 27 April 1995, is a registered charity number 201460 and is registered with the Almshouse Association.

##### **b. Methods of appointment or election of Trustees**

The Body of Trustees consists of:

One Ex-Officio Trustee being the current incumbent of St Mary the Virgin.  
Three Nominated and three Co-opted Trustees, who are either resident or work in the area of benefit.

Trustees are nominated by the London Borough of Merton.  
Trustees are Co-opted by the Body of Trustees and are usually Church members.

##### **c. Risk management**

The Trustees have assessed the major risks to which the Charity is exposed and are satisfied that systems and procedures are in place to mitigate exposure to the major risks. The main risks the Charity faces are: the loss of its residents, resulting in a decrease in the income from social housing lettings; and fluctuations in the value of its listed investments.

#### **Plans for future periods**

The Trustees will continue to support the objectives of the Charity for the foreseeable future.

**Merton United Charities**

**Trustees' report (continued)  
for the year ended 31 March 2022**

**Statement of Trustees' responsibilities**

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 Charity and of its income and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the Board of Trustees on 2 October 2022 and signed on their behalf by:

**Rev John Hayward**  
Trustee



**Derek Cox**  
Trustee



## **Merton United Charities**

### **Independent examiner's report for the year ended 31 March 2022**

#### **Independent examiner's report to the Trustees of Merton United Charities ('the Charity')**

I report to the Charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2022.

#### **Responsibilities and basis of report**

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

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

#### **Independent examiner's statement**

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

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. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:



Dated: 8 December 2022

S Robison

BA FCA FCIE DChA MCMI

**Kreston Reeves LLP**

Chartered Accountants

Chatham Maritime

## Merton United Charities

### Statement of financial activities for the year ended 31 March 2022

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>				
Donations and legacies	3	-	-	500
Charitable activities	4	37,596	37,596	37,532
Investments	5	3,379	3,379	3,584
<b>Total income</b>		<b>40,975</b>	<b>40,975</b>	41,616
<b>Expenditure on:</b>				
Charitable activities	6	16,427	16,427	25,075
<b>Total expenditure</b>		<b>16,427</b>	<b>16,427</b>	25,075
<b>Net income before net gains on investments</b>		<b>24,548</b>	<b>24,548</b>	16,541
Net gains on investments		6,124	6,124	16,291
<b>Net movement in funds</b>		<b>30,672</b>	<b>30,672</b>	32,832
<b>Reconciliation of funds:</b>				
Total funds brought forward		198,642	198,642	165,810
Net movement in funds		30,672	30,672	32,832
<b>Total funds carried forward</b>		<b>229,314</b>	<b>229,314</b>	198,642

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 8 to 16 form part of these financial statements.

**Merton United Charities**

**Balance sheet  
as at 31 March 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	8	85,213	85,213
Investments	9	94,082	87,958
		<u>179,295</u>	<u>173,171</u>
<b>Current assets</b>			
Debtors	10	4,550	3,347
Cash at bank and in hand		47,629	24,368
		<u>52,179</u>	<u>27,715</u>
Creditors: amounts falling due within one year	11	(2,160)	(2,244)
<b>Net current assets</b>		<u>50,019</u>	<u>25,471</u>
<b>Total net assets</b>		<u><u>229,314</u></u>	<u><u>198,642</u></u>
<b>Charity funds</b>			
Unrestricted funds	12	229,314	198,642
<b>Total funds</b>		<u><u>229,314</u></u>	<u><u>198,642</u></u>

The financial statements were approved and authorised for issue by the Trustees on 20 October 2022 and signed on their behalf by:



**Rev John Hayward**  
Trustee



**Derek Cox**  
Trustee

The notes on pages 8 to 16 form part of these financial statements.

## **Merton United Charities**

### **Notes to the financial statements for the year ended 31 March 2022**

#### **1. General information**

Merton United Charities is an unincorporated charity in England and Wales. The registered office is The Vicarage, St Mary the Virgin, Church Path, London, SW19 3HJ. The principal objective of the Charity is the provision of accommodation to “poor women who have resided in the area of benefit (London Borough of Merton) for not less than two years preceding the time of their appointment”, with preference given to women who live in the former Parish of Merton. This is as stated in the Charity's governing document.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

##### **2.2 Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **2.3 Income**

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

##### **2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

## **Merton United Charities**

### **Notes to the financial statements for the year ended 31 March 2022**

#### **2. Accounting policies (continued)**

##### **2.5 Social Housing Grant**

Where developments have been financed wholly or partly by Social Housing Grant (SHG), the cost of these developments has been reduced by the amount of the grant received.

SHG can be recycled by the Charity under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by the Homes and Communities Agency. However, SHG may have to be repaid if certain conditions are not met.

The SHG relating to the freehold property of Merton United Charities amounted to £215,695.

##### **2.6 Fixed assets - housing properties**

Housing properties are stated at cost less the related SHG.

Depreciation is charged on housing properties excluding freehold land, on a straight line basis over the expected economic useful life of the property. The Trustees believe that the properties will have a life of 100 years.

The Trustees have not accounted for depreciation on the housing properties because the depreciation charge and accumulated depreciation are immaterial using the rates and basis above. The Trustees annually review the materiality of the housing properties depreciation.

When housing properties have suffered a permanent diminution in value, the fall in value is recognised after taking account of any related SHG.

##### **2.7 Taxation**

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

##### **2.8 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

##### **2.9 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### **2.10 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**Notes to the financial statements  
for the year ended 31 March 2022**

**2. Accounting policies (continued)**

**2.11 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

**2.12 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**2.13 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2022

#### 3. Income from donations and legacies

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Donations	-	-	500
Total 2021	500	500	

#### 4. Income from charitable activities

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Social housing lettings	37,596	<b>37,596</b>	37,532
Total 2021	37,532	37,532	

#### 5. Investment income

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Income from local listed investments	3,379	<b>3,379</b>	3,584
Total 2021	3,584	3,584	

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2022

#### 6. Analysis of expenditure by activities

	<b>Support costs 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Charitable activities	16,427	<b>16,427</b>	25,075
Total 2021	25,075	<b>25,075</b>	

#### Analysis of support costs

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Telephone	624	<b>624</b>	624
Sundry expenses	438	<b>438</b>	3,748
Maintenance	5,481	<b>5,481</b>	12,135
Cleaning	1,280	<b>1,280</b>	1,485
Clerk's remuneration	3,250	<b>3,250</b>	3,000
Heat and light	374	<b>374</b>	361
Insurance	922	<b>922</b>	758
Auditors' remuneration	-	-	2,244
Independent examination fees	2,160	<b>2,160</b>	-
Residents income waived	1,178	<b>1,178</b>	-
Legal and professional fees	720	<b>720</b>	720
	16,427	<b>16,427</b>	25,075
Total 2021	25,075	<b>25,075</b>	

#### 7. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2022

#### 8. Tangible fixed assets

	Freehold property £
<b>Cost less social housing grant</b>	
At 1 April 2021	85,213
At 31 March 2022	<u>85,213</u>
<b>Net book value</b>	
At 31 March 2022	<u>85,213</u>
At 31 March 2021	<u>85,213</u>

As mentioned in the accounting policies, the Charity's freehold property is stated at cost less the Social Housing Grant received of £215,695.

#### 9. Fixed asset investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 April 2021	87,958
Revaluations	6,124
At 31 March 2022	<u>94,082</u>
<b>Net book value</b>	
At 31 March 2022	<u>94,082</u>
At 31 March 2021	<u>87,958</u>

Fixed asset investments, at market value, comprise listed investments held in the M&G charity multi asset fund GBP Inc. At the Balance sheet date the Charity holds 102,396.743 income shares, which are all held in the UK.

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2022

#### 10. Debtors

	2022 £	2021 £
<b>Due within one year</b>		
Other debtors	4,550	3,347

#### 11. Creditors: Amounts falling due within one year

	2022 £	2021 £
Accruals	2,160	2,244

#### 12. Statement of funds

##### Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Routine maintenance fund	7,793	-	(420)	-	7,373
Extraordinary repairs fund	55,000	-	-	-	55,000
Cyclical maintenance fund	2,295	-	-	-	2,295
	<u>65,088</u>	<u>-</u>	<u>(420)</u>	<u>-</u>	<u>64,668</u>
<b>General funds</b>					
Reserves	133,554	40,975	(16,007)	6,124	164,646
<b>Total Unrestricted funds</b>	<u>198,642</u>	<u>40,975</u>	<u>(16,427)</u>	<u>6,124</u>	<u>229,314</u>

##### Designated funds

###### *Routine maintenance fund*

Established to provide for the maintenance and repairs of the buildings.

###### *Extraordinary repair fund*

Established to provide for the extraordinary repair, improvement or rebuilding of the almshouses.

###### *Cyclical maintenance fund*

Established to provide for items of ordinary maintenance of the almshouses, which recur at infrequent intervals.

**Merton United Charities**

**Notes to the financial statements  
for the year ended 31 March 2022**

**12. Statement of funds (continued)**

**Statement of funds - prior year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Routine maintenance fund	11,380	-	(3,587)	-	7,793
Extraordinary repairs fund	55,000	-	-	-	55,000
Cyclical maintenance fund	2,295	-	-	-	2,295
	<u>68,675</u>	<u>-</u>	<u>(3,587)</u>	<u>-</u>	<u>65,088</u>
<b>General funds</b>					
Reserves	97,135	41,616	(21,488)	16,291	133,554
	<u>165,810</u>	<u>41,616</u>	<u>(25,075)</u>	<u>16,291</u>	<u>198,642</u>

**13. Summary of funds**

**Summary of funds - current year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
Designated funds	65,088	-	(420)	-	64,668
General funds	133,554	40,975	(16,007)	6,124	164,646
	<u>198,642</u>	<u>40,975</u>	<u>(16,427)</u>	<u>6,124</u>	<u>229,314</u>

**Summary of funds - prior year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2021 £
Designated funds	68,675	-	(3,587)	-	65,088
General funds	97,135	41,616	(21,488)	16,291	133,554
	<u>165,810</u>	<u>41,616</u>	<u>(25,075)</u>	<u>16,291</u>	<u>198,642</u>

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2022

#### 14. Analysis of net assets between funds

##### Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	85,213	<b>85,213</b>
Fixed asset investments	94,082	<b>94,082</b>
Current assets	52,179	<b>52,179</b>
Creditors due within one year	(2,160)	<b>(2,160)</b>
<b>Total</b>	<b>229,314</b>	<b>229,314</b>

##### Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	85,213	85,213
Fixed asset investments	87,958	87,958
Current assets	27,715	27,715
Creditors due within one year	(2,244)	(2,244)
<b>Total</b>	<b>198,642</b>	<b>198,642</b>

#### 15. Related party transactions

The Charity has not undertaken any related party transactions during the financial year (2021: £Nil) and there are no balances outstanding with them at the Balance sheet date (2021: £Nil).

**MERTON UNITED CHARITIES**

England & Wales - Charity number 201460

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# Accounts

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**Charity number: 201460**

## **Merton United Charities**

**Trustees' report and financial statements**

**for the year ended 31 March 2021**

## **Merton United Charities**

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## **Merton United Charities**

### **Reference and administrative details of the Charity, its Trustees and advisers for the year ended 31 March 2021**

#### **Trustees**

Rev John Hayward<sup>1</sup>  
Derek Cox, Treasurer<sup>2</sup>  
Bridget Smith<sup>3</sup>  
Stephanie Hitchins<sup>3</sup>  
Ronald Dominy<sup>2</sup>  
Ed Foley<sup>3</sup>

<sup>1</sup> Ex Officio

<sup>2</sup> Co-opted Trustee

<sup>3</sup> Nominated Trustee

#### **Charity registered number**

201460

#### **Principal office**

The Vicarage  
St Mary the Virgin  
Church Path  
London  
SW19 3HJ

#### **Principal operating office**

49 Tybenham Road  
London  
SW19 3LB

#### **Independent auditor**

Kreston Reeves LLP  
Chartered Accountants  
Statutory Auditor  
Montague Place  
Quayside  
Chatham Maritime  
Chatham  
Kent  
ME4 4QU

## **Merton United Charities**

### **Trustees' report for the year ended 31 March 2021**

The Trustees present their annual report together with the audited financial statements of the Charity for the year from 1 April 2020 to 31 March 2021.

#### **Objectives and activities**

##### **a. Policies and objectives**

The Charity owns an almshouse containing six one-bedroom flats, providing accommodation restricted by the governing document to "poor women who have resided in the area of benefit (London Borough of Merton) for not less than two years preceding the time of their appointment", with preference given to women who live in the former Parish of Merton.

The Trustees are required to apply the income of the Charity firstly to maintaining the almshouse and secondly to reduce the need, hardship of, in the order of priority:

1. For the benefit of Residents of the Almshouse;
2. For the benefit of the poor of the former Parish of Merton;
3. For the benefit of the poor of the London Borough of Merton.

The Trustees' primary aim is to continue improving the financial position of the Charity in order to ensure the Almshouse is fully maintained to a high standard and in full compliance with latest standards and suitable for continuing use by Residents who are capable of living without 24 hour care.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

#### **Achievements and performance**

##### **a. Review of activities**

The Almshouse was extensively refurbished and modernised in the mid-1990's, though, due to financial constraints, this was achieved to a basic standard.

Within the last five years or so, further refurbishment was undertaken as funds became available, when kitchens and bathrooms were replaced and each unit was provided with new floor coverings. The flats were redecorated and the electrical installations were updated to latest standards.

The Charity has been able to meet all its financial commitments over the year including gardening and maintenance works throughout the Almshouse, whilst continuing to establish healthy designated reserves.

The Trustees continue to meet a minimum of four times per year and undertake pastoral and other duties in addition.

#### **Financial review**

##### **a. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

## **Merton United Charities**

### **Trustees' report (continued) for the year ended 31 March 2021**

#### **b. Reserves policy**

As previously noted, after a period of economic stagnation resulting in minimal maintenance, the Almshouse was extensively modernised and refurbished in the mid-1990's, modernisation and routine maintenance more recently.

The Trustees have considered the level of reserves they need to enable them to meet their objectives, which is to maintain the property to a high standard, including further refurbishment, repair, redecoration as considered necessary.

They further consider funds are accumulating at a rate appropriate to meeting this objective and have set up designated funds to cover routine, cyclical and planned maintenance & improvement requirements for a building partly of eighteenth century origin.

At the Balance sheet date, after taking into consideration the tangible fixed assets and the fixed asset investments, the Charity has free reserves amounting to £25,471 (2020: £8,930).

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

##### **a. Constitution**

The Charity is constituted under a trust deed, made in 1907, amended and sealed by Order of the Charity Commissioners dated 27 April 1995, is a registered charity number 201460 and is registered with the Almshouse Association.

##### **b. Methods of appointment or election of Trustees**

The Body of Trustees consists of:

One Ex-Officio Trustee being the current incumbent of St Mary the Virgin.  
Three Nominated and two Co-opted Trustees, who are either resident or work in the area of benefit.

Trustees are nominated by the London Borough of Merton.  
Trustees are Co-opted by the Body of Trustees and are usually Church members.

##### **c. Risk management**

The Trustees have assessed the major risks to which the Charity is exposed and are satisfied that systems and procedures are in place to mitigate exposure to the major risks. The main risks the Charity faces are: the loss of its residents, resulting in a decrease in the income from social housing lettings; and fluctuations in the value of its listed investments.

##### **Plans for future periods**

The Trustees will continue to support the objectives of the Charity for the foreseeable future.

## Merton United Charities

### Trustees' report (continued) for the year ended 31 March 2021

#### Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 Charity and of its income and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

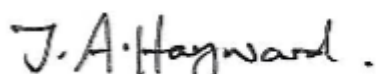
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the Charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Approved by order of the members of the Board of Trustees on *29th November 2021* and signed on their behalf by:



**Rev John Hayward**  
Trustee



**Derek Cox**  
Trustee

## **Merton United Charities**

### **Independent auditor's report to the Members of Merton United Charities**

#### **Opinion**

We have audited the financial statements of Merton United Charities (the 'Charity') for the year ended 31 March 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2021 and of its income and application of resources 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.

#### **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 United Kingdom, including the Financial Reporting Council'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 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.

## **Merton United Charities**

### **Independent auditor's report to the Members of Merton United Charities (continued)**

#### **Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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 Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 145 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 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.

## Merton United Charities

### Independent auditor's report to the Members of Merton United Charities (continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

#### *Capability of the audit in detecting irregularities, including fraud*

Based on our understanding of the Charity and the sector as a whole, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities SORP (FRS 102) Second Edition (released October 2019) and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to: inappropriate journal entries to increase revenue or reduce expenditure; and management bias in accounting estimates and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation

## Merton United Charities

### Independent auditor's report to the Members of Merton United Charities (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of my Auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### 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. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



**Kreston Reeves LLP**  
Chartered Accountants  
Statutory Auditor

Chatham Maritime

Date: 1 December 2021

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

## Merton United Charities

### Statement of financial activities for the year ended 31 March 2021

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>				
Donations and legacies	3	500	500	2,000
Charitable activities	4	37,532	37,532	35,115
Investments	5	3,584	3,584	3,587
		<u>41,616</u>	<u>41,616</u>	<u>40,702</u>
<b>Total income</b>				
<b>Expenditure on:</b>				
Charitable activities	6	25,075	25,075	35,509
		<u>25,075</u>	<u>25,075</u>	<u>35,509</u>
<b>Total expenditure</b>				
<b>Net income before net gains/(losses) on investments</b>				
		16,541	16,541	5,193
Net gains/(losses) on investments		16,291	16,291	(15,513)
		<u>32,832</u>	<u>32,832</u>	<u>(10,320)</u>
<b>Net movement in funds</b>				
<b>Reconciliation of funds:</b>				
Total funds brought forward		165,810	165,810	176,130
Net movement in funds		32,832	32,832	(10,320)
		<u>198,642</u>	<u>198,642</u>	<u>165,810</u>
<b>Total funds carried forward</b>				

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 11 to 20 form part of these financial statements.

**Merton United Charities**

**Balance sheet  
as at 31 March 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	8	85,213	85,213
Investments	9	87,958	71,667
		<u>173,171</u>	<u>156,880</u>
<b>Current assets</b>			
Debtors	10	3,347	1,566
Cash at bank and in hand		24,368	9,506
		<u>27,715</u>	<u>11,072</u>
Creditors: amounts falling due within one year	11	(2,244)	(2,142)
<b>Net current assets</b>		<u>25,471</u>	8,930
<b>Total net assets</b>		<u>198,642</u>	<u>165,810</u>
<b>Charity funds</b>			
Unrestricted funds	12	198,642	165,810
<b>Total funds</b>		<u>198,642</u>	<u>165,810</u>

The financial statements were approved and authorised for issue by the Trustees on 29/11/2021 and signed on their behalf by:

*J. A. Hayward*

**Rev John Hayward**  
Trustee

*Derek Cox*

**Derek Cox**  
Trustee

The notes on pages 11 to 20 form part of these financial statements.

## **Merton United Charities**

### **Notes to the financial statements for the year ended 31 March 2021**

#### **1. General information**

Merton United Charities is an unincorporated charity in England and Wales. The registered office is The Vicarage, St Mary the Virgin, Church Path, London, SW19 3HJ. The principal objective of the Charity is the provision of accommodation to "poor women who have resided in the area of benefit (London Borough of Merton) for not less than two years preceding the time of their appointment", with preference given to women who live in the former Parish of Merton. This is as stated in the Charity's governing document.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

##### **2.2 Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Whilst the impact of the Covid-19 pandemic has been assessed by the Trustees, so far as is reasonably possible, due to its unprecedented impact on the worldwide economy it is difficult to evaluate with any certainty the potential outcomes on the Charity's future activities. However, taking into consideration the Charity's level of reserves, the Trustees believe that the Charity will be able to continue in operational existence for the foreseeable future.

##### **2.3 Income**

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

## **Merton United Charities**

### **Notes to the financial statements for the year ended 31 March 2021**

#### **2. Accounting policies (continued)**

##### **2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

##### **2.5 Social Housing Grant**

Where developments have been financed wholly or partly by Social Housing Grant (SHG), the cost of these developments has been reduced by the amount of the grant received.

SHG can be recycled by the Charity under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by the Homes and Communities Agency. However, SHG may have to be repaid if certain conditions are not met.

The SHG relating to the freehold property of Merton United Charities amounted to £215,695.

##### **2.6 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

##### **2.7 Fixed assets - housing properties**

Housing properties are stated at cost less the related SHG.

Depreciation is charged on housing properties excluding freehold land, on a straight line basis over the expected economic useful life of the property. The Trustees believe that the properties will have a life of 100 years.

The Trustees have not accounted for depreciation on the housing properties because the depreciation charge and accumulated depreciation are immaterial using the rates and basis above. The Trustees annually review the materiality of the housing properties depreciation.

When housing properties have suffered a permanent diminution in value, the fall in value is recognised after taking account of any related SHG.

**Notes to the financial statements  
for the year ended 31 March 2021**

**2. Accounting policies (continued)**

**2.8 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

**2.9 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.10 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.11 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

**2.12 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**2.13 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2021

#### 3. Income from donations and legacies

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	Total funds 2020 £
Donations	500	<b>500</b>	2,000
Total 2020	2,000	2,000	

#### 4. Income from charitable activities

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	Total funds 2020 £
Social housing lettings	37,532	<b>37,532</b>	35,115
Total 2020	35,115	35,115	

#### 5. Investment income

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	Total funds 2020 £
Income from local listed investments	3,584	<b>3,584</b>	3,584
Interest receivable from cash investment	-	-	3
	3,584	<b>3,584</b>	3,587
Total 2020	3,587	3,587	

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2021

#### 6. Analysis of expenditure by activities

	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Charitable activities	25,075	<b>25,075</b>	35,509
Total 2020	35,509	35,509	

#### Analysis of support costs

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Telephone	624	<b>624</b>	624
Sundry expenses	3,748	<b>3,748</b>	1,634
Maintenance	12,135	<b>12,135</b>	25,139
Cleaning	1,485	<b>1,485</b>	1,118
Clerk's remuneration	3,000	<b>3,000</b>	3,000
Heat and light	361	<b>361</b>	394
Insurance	758	<b>758</b>	766
Auditors' remuneration	2,244	<b>2,244</b>	2,142
Legal and professional fees	720	<b>720</b>	692
	25,075	<b>25,075</b>	35,509
Total 2020	35,509	35,509	

#### 7. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2021

#### 8. Tangible fixed assets

	Freehold property £
<b>Cost less social housing grant</b>	
At 1 April 2020	85,213
At 31 March 2021	<u>85,213</u>
<b>Net book value</b>	
At 31 March 2021	<u>85,213</u>
At 31 March 2020	<u>85,213</u>

As mentioned in the accounting policies, the Charity's freehold property is stated at cost less the Social Housing Grant received of £215,695.

#### 9. Fixed asset investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 April 2020	71,667
Revaluations	16,291
At 31 March 2021	<u>87,958</u>
<b>Net book value</b>	
At 31 March 2021	<u>87,958</u>
At 31 March 2020	<u>71,667</u>

Fixed asset investments, at market value, comprise listed investments held in the M&G charity multi asset fund GBP Inc. At the Balance sheet date the Charity holds 102,396.743 income shares, which are all held in the UK.

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2021

#### 10. Debtors

	2021 £	2020 £
<b>Due within one year</b>		
Other debtors	3,347	1,566
	<u>3,347</u>	<u>1,566</u>

#### 11. Creditors: Amounts falling due within one year

	2021 £	2020 £
Accruals	2,244	2,142
	<u>2,244</u>	<u>2,142</u>

#### 12. Statement of funds

##### Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Routine maintenance fund	11,380	-	(3,587)	-	7,793
Extraordinary repairs fund	55,000	-	-	-	55,000
Cyclical maintenance fund	2,295	-	-	-	2,295
	<u>68,675</u>	<u>-</u>	<u>(3,587)</u>	<u>-</u>	<u>65,088</u>
<b>General funds</b>					
Reserves	97,135	41,616	(21,488)	16,291	133,554
	<u>97,135</u>	<u>41,616</u>	<u>(21,488)</u>	<u>16,291</u>	<u>133,554</u>
<b>Total Unrestricted funds</b>	<u>165,810</u>	<u>41,616</u>	<u>(25,075)</u>	<u>16,291</u>	<u>198,642</u>

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2021

#### 12. Statement of funds (continued)

Designated funds

*Routine maintenance fund*

Established to provide for the maintenance and repairs of the buildings.

*Extraordinary repair fund*

Established to provide for the extraordinary repair, improvement or rebuilding of the almshouses.

*Cyclical maintenance fund*

Established to provide for items of ordinary maintenance of the almshouses, which recur at infrequent intervals.

#### Statement of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2020 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Routine maintenance fund	11,380	-	-	-	11,380
Extraordinary repairs fund	55,000	-	-	-	55,000
Cyclical maintenance fund	22,106	-	(19,811)	-	2,295
	<u>88,486</u>	<u>-</u>	<u>(19,811)</u>	<u>-</u>	<u>68,675</u>
<b>General funds</b>					
Reserves	<u>87,644</u>	<u>40,702</u>	<u>(15,698)</u>	<u>(15,513)</u>	<u>97,135</u>
<b>Total Unrestricted funds</b>	<u><u>176,130</u></u>	<u><u>-</u></u>	<u><u>(35,509)</u></u>	<u><u>(15,513)</u></u>	<u><u>165,810</u></u>

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2021

#### 13. Summary of funds

##### Summary of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2021 £
Designated funds	68,675	-	(3,587)	-	65,088
General funds	97,135	41,616	(21,488)	16,291	133,554
	<b>165,810</b>	<b>41,616</b>	<b>(25,075)</b>	<b>16,291</b>	<b>198,642</b>

##### Summary of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2020 £
Designated funds	88,486	-	(19,811)	-	68,675
General funds	87,644	40,702	(15,698)	(15,513)	97,135
	<b>176,130</b>	<b>40,702</b>	<b>(35,509)</b>	<b>(15,513)</b>	<b>165,810</b>

#### 14. Analysis of net assets between funds

##### Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	85,213	85,213
Fixed asset investments	87,958	87,958
Current assets	27,715	27,715
Creditors due within one year	(2,244)	(2,244)
<b>Total</b>	<b>198,642</b>	<b>198,642</b>

## Merton United Charities

### Notes to the financial statements for the year ended 31 March 2021

#### 14. Analysis of net assets between funds (continued)

##### Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	85,213	85,213
Fixed asset investments	71,667	71,667
Current assets	11,072	11,072
Creditors due within one year	(2,142)	(2,142)
<b>Total</b>	<b>165,810</b>	<b>165,810</b>

#### 15. Related party transactions

The Charity has not undertaken any related party transactions during the financial year (2020: £Nil) and there are no balances outstanding with them at the Balance sheet date (2020: £Nil).