

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

England & Wales · Charity number 201687

Details

Other names	ROYAL ALBERT CHILDRENS HOME, ROYAL ALBERT HOMES, R A H
Status	Registered
Legal form	Other
Registered	1967-01-09
Register	View on the Charity Commission register

Contact

Address	4 Norton Close Worcester WR5 3EY
Phone	01905355659

Activities

Objects: THE OBJECTS OF THE CHARITY ARE:A) THE PROVISION OF HOUSING ACCOMMODATION FOR BENEFICIARIES;B) SUCH CHARITABLE PURPOSES FOR THE BENEFIT FO THE RESIDENTS AS THE TRUSTEES DECIDE; ANDC) THE RELIEF OF PERSONS UNDER THE AGE OF 18 WHO ARE IN NEED, HARDSHIP OR DISTRESS IN ACCORDANCE WITH CLAUSE 28(2) OF THIS SCHEME

Activities: Almshouses accomodation.

Classification

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

Geography

- **Area of benefit:** THE CITY OF WORCESTER
- Worcestershire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£200,537	£183,182	-	-
2023-12-31	£169,529	£185,060	-	-
2022-12-31	£165,068	£201,672	-	-
2021-12-31	£160,419	£162,912	-	-
2020-12-31	£157,607	£119,139	-	-

Trustees

Name	Role	Appointed
WILLIAM JAMES SIMPSON MBE	Chair	2013-04-22
Caroline Jane Fitzmaurice		2025-02-12
MARTIN ARMSDEN THOMAS		2012-10-24
MIKE ELLISON		
Sandra Bannister		2022-04-13
Sheila Major		2022-07-06
Steve John MacKay		2016-12-19
Timothy John Clarke Mr		2024-07-10

Linked charities

- HENRY WALWYN PIDCOCK (201687-6)

Accounts

Charity registration number 201687 (England and Wales)

THE ROYAL ALBERT AND ST SWITHUN'S HOMES
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr M Ellison	
	Mr B Thompson	
	Mrs B Thompson	
	Mr W Simpson MBE	
	Mr M A Thomas	
	Councillor S MacKay	
	Mrs S Bannister	
	Mrs S Major	
	M T Clarke	(Appointed 10 July 2024)
	Councillor J Riaz	(Appointed 19 December 2024)
	Councillor A Sadiq	(Appointed 19 December 2024)
Clerk to the Trustees	Mr J I Wagstaff	
Charity number	201687	
Principal address	17 Royal Albert Close Fort Royal Worcester WR5 1BX	
Independent examiner	S J Morley ACA Kendall Wadley LLP Merevale House 27 Sansome Walk Worcester WR1 1NU	
Bankers	Lloyds Bank plc 4 The Cross Worcester WR1 3PY	
Investment advisors	M&G Securities Limited PO Box 9038 Chelmsford CM99 2XF	

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

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THE ROYAL ALBERT AND ST SWITHUN'S HOMES

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees present their annual report and financial statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document of 19 December 2000, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019)

Objectives and activities

Objects of charity

The objects of the charity are:

- the provision of housing accommodation for beneficiaries
- such charitable purpose for the benefit of the residents as the trustees decide; and
- the relief of persons under the age of 18 who are in need, hardship or distress in accordance with clause 28(2) of the charity's Scheme.

Activities of the organisation

The Almshouses belonging to the charity shall be appropriated and used for the residence of Almspersons in accordance with the Scheme.

The Trustees shall charge the Almspersons a weekly sum towards the cost of maintaining the Almshouses and essential services. There have been no changes in the stated objects during the year.

Public benefit

As a charity, The Royal Albert and St Swithun's Homes provides a public benefit to the local community providing housing for the elderly and providing grants to young persons under the age of 18, who are in need, hardship or distress.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Organisation review and results

The replacement of all the side windows and front door units in the Bungalows at the Royal Albert Site have now been completed, as has the work required to repair the issues with the sewer systems at both sites.

During the year we have had one vacancy which had arisen in November 2023 but with the co-operation of our contractors the refurbishment was completed quickly and the new Resident was able to move in without too much loss of income to the Charity.

In May we had the Quinquennial Inspection carried out and the urgent items reported on are already in hand. The Trustees will continue to review the report and carry out the works reported on.

The Charity's investments held in the M & G Charity Multi Asset Funds have recovered and this continues to be a good investment for the funds.

Once again our thanks go out to our Warden who has provided an excellent service of care to our Residents in looking out for their mental and physical welfare. She has also kept the Trustees fully informed, complied with government guidelines and dealt promptly with the maintenance issues as they have arisen.

As usual the ongoing schedule of work to both improve the Residents facilities and to maintain the property to a high standard continues and thus the Trustees set their forward Budget Plan to cover this.

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Financial review

Reserves Policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which provides sufficient funds to cover resources expended for approximately two to three years, which equates to between £300,000 and £400,000, to ensure the continuity of the provision of Almshouses to the residents.

Total reserves stand at £1,461,134 (2023: £1,361,640) of which £231,979 (2023: £231,979) is permanently endowed. Restricted Funds total £148,895 (2023: £140,210) further details are provided on the use of these funds in the notes to the financial statements. Of the remaining funds £422,098 (2023: £378,783) is designated to ensure that the programme of cyclical and other maintenance of the properties can be undertaken, leaving unrestricted funds at £658,162 (2023: £610,668).

Investment policy

The Trustees have considered the most appropriate policy for investing funds and have found that specialised unit trusts, designed for the charity sector, meet their requirements to generate both income and capital growth. The Trustees consider the return on investments in the year to be satisfactory.

Risk review

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

Organisation status

The Organisation is an unincorporated charity regulated by a Charity Scheme dated 19 December 2000 and as approved by the Charity Commission for England and Wales. The board of trustees is responsible for the decisions taken concerning the management of the charity.

Trustees

The Trustees who served during the year were:

Mr H Burton	(Resigned 2 October 2024)
Mr M Ellison	
Mr B Thompson	
Mrs B Thompson	
Mr W Simpson MBE	
Mr M A Thomas	
Councillor L Denham	(Resigned 5 August 2024)
Councillor S MacKay	
Mrs S Bannister	
Mrs S Major	
M T Clarke	(Appointed 10 July 2024)
Councillor J Riaz	(Appointed 19 December 2024)
Councillor A Sadiq	(Appointed 19 December 2024)

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Recruitment and appointment of new Trustees

Trustees are appointed either by nomination or co-option, in accordance with clauses 7 and 8 of the Charity Scheme of 19 December 2000, for a term of four years.

Trustee Training

Trustees must give each new Trustee, on their first appointment, a copy of the Scheme and any amendments made to it and a copy of the charity's latest report and statement of accounts. Trustees receive any additional training as is necessary during Trustee meetings.

The Trustees' report was approved by the Board of Trustees.

Mr W Simpson MBE

Trustee

Dated: 2 April 2025

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE ROYAL ALBERT AND ST SWITHUN'S HOMES

I report to the Trustees on my examination of the financial statements of The Royal Albert and St Swithun's Homes (the charity) for the year ended 31 December 2024.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011.

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared the financial statements in accordance with the relevant version of the Statement of Recommended Practice applicable to charities preparing their financial statements 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 now been withdrawn. I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with UK Generally Accepted Accounting Practice.

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 Charities Act 2011.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements 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 financial statements to be reached.

S J Morley ACA
Kendall Wadley LLP

Merevale House
27 Sansome Walk
Worcester
WR1 1NU

Dated: 2 April 2025

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

Current financial year

		Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total 2024 £	Total 2023 £
	Notes						
<u>Income and endowments from:</u>							
Charitable activities	3	189,334	-	-	-	189,334	163,358
Investments	4	6,545	-	250	-	6,795	6,171
Other income	5	1,348	3,060	-	-	4,408	-
Total income		197,227	3,060	250	-	200,537	169,529
<u>Expenditure on:</u>							
Charitable activities	6	135,126	46,127	1,929	-	183,182	185,060
Net gains/(losses) on investments	10	44,298	27,477	10,364	-	82,139	58,656
Net incoming resources before transfers		106,399	(15,590)	8,685	-	99,494	43,125
Gross transfers between funds	12	(58,905)	58,905	-	-	-	-
Net movement in funds		47,494	43,315	8,685	-	99,494	43,125
Fund balances at 1 January 2024		610,668	378,783	140,210	231,979	1,361,640	1,318,515
Fund balances at 31 December 2024		658,162	422,098	148,895	231,979	1,461,134	1,361,640

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

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

Prior financial year

		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £
	Notes					
<u>Income and endowments from:</u>						
Charitable activities	3	163,358	-	-	-	163,358
Investments	4	5,921	-	250	-	6,171
Total income		169,279	-	250	-	169,529
<u>Expenditure on:</u>						
Charitable activities	6	125,036	57,994	2,030	-	185,060
Net gains/(losses) on investments	10	31,738	19,364	7,554	-	58,656
Net incoming resources before transfers		75,981	(38,630)	5,774	-	43,125
Gross transfers between funds	12	(56,630)	56,630	-	-	-
Net movement in funds		19,351	18,000	5,774	-	43,125
Fund balances at 1 January 2023		591,317	360,783	134,436	231,979	1,318,515
Fund balances at 31 December 2023		610,668	378,783	140,210	231,979	1,361,640

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	13	231,979		231,979	
Investments	14	1,191,097		1,107,512	
		<u>1,423,076</u>		<u>1,339,491</u>	
Current assets					
Debtors	16	3,693		6,105	
Cash at bank and in hand		54,471		54,193	
		<u>58,164</u>		<u>60,298</u>	
Creditors: amounts falling due within one year	17	<u>(20,106)</u>		<u>(38,149)</u>	
Net current assets			38,058		22,149
Total assets less current liabilities			<u>1,461,134</u>		<u>1,361,640</u>
Capital funds					
Endowment funds	18	231,979		231,979	
Income funds					
Restricted funds	19	148,895		140,210	
Unrestricted funds - designated		422,098		378,783	
Unrestricted funds - general		658,162		610,668	
		<u>1,461,134</u>		<u>1,361,640</u>	

The financial statements were approved by the Trustees on 2 April 2025

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Mr W Simpson MBE

Trustee

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Charity information

The Royal Albert and St Swithun's Homes is a charity registered in England and Wales. The principal address is 17 Royal Albert Close, Fort Royal, Worcester, WR5 1BX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purpose and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt.

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.5 Resources expended

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 is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Governance costs include costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examiners fees and costs linked to the strategic management of the charity.

All expenditure is accounted for on an accruals basis and is allocated to the activity to which it relates.

Royal Albert and St Swithun's Homes has established a regular programme of cyclical repairs and maintenance. Costs are charged to the revenue account in the year in which they are incurred.

Costs of extraordinary repairs, unless representing improvements to the properties, are charged to the revenue account in the year in which they are incurred.

The Royal Albert and St Swithun's Homes are not registered for value added tax (VAT).

1.6 Tangible fixed assets

Housing properties are stated at cost. The development cost of housing properties includes the following:

- 1) cost of acquiring land and buildings, and
- 2) development expenditure.

As the properties are maintained in a state of repair such that their estimated residual value is not less than their improvement cost or carrying amount, no depreciation charge is made on the grounds that it would be immaterial.

Housing Association Grant (HAG) is paid by the Housing Corporation to reduce the cost of development and is, therefore, shown as a deduction from the cost of housing the properties on the balance sheet.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

3 Charitable activities

	Notional receipts from occupants	Voids	Rent receivable	Total 2024	Notional receipts from occupants	Voids	Rent receivable	Total 2023
	2024	2024	2024		2023	2023	2023	
	£	£	£	£	£	£	£	£
Provision of Almshouses	180,933	(599)	9,000	189,334	163,540	(7,454)	7,272	163,358

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

4 Income from investments

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income from listed investments	6,279	250	6,529	5,876	250	6,126
Interest receivable	266	-	266	45	-	45
	<u>6,545</u>	<u>250</u>	<u>6,795</u>	<u>5,921</u>	<u>250</u>	<u>6,171</u>

5 Other income

	Unrestricted funds general £	Unrestricted funds £	Total 2024 £	Total 2023 £
Insurance claim	1,348	3,060	4,408	-
	<u>1,348</u>	<u>3,060</u>	<u>4,408</u>	<u>-</u>

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

6 Charitable activities

	House services costs £	Housing maintenance and repairs £	Social costs £	Grants from Children's Fund £	Total 2024 £	Total 2023 £
Staff costs	21,817	-	-	-	21,817	20,696
Water	7,579	-	-	-	7,579	7,886
Heat and light	37,445	-	-	-	37,445	36,603
Insurance	6,155	-	-	-	6,155	6,031
Clerk to the Trustees' fees	4,042	-	-	-	4,042	3,835
Telephone	6,009	-	-	-	6,009	5,154
Subscriptions	502	-	-	-	502	413
Sundry	4,799	-	-	-	4,799	4,422
Gardening	13,909	-	-	-	13,909	10,546
Housing maintenance and repairs (unrestricted fund)	-	20,599	-	-	20,599	18,024
Large non-recurring repairs (extraordinary repairs fund)	-	31,052	-	-	31,052	16,642
Recurring maintenance costs (cyclical maintenance fund)	-	15,075	-	-	15,075	41,352
Social event costs	-	-	1,929	-	1,929	1,530
Grants from Children's Fund	-	-	-	-	-	500
	102,257	66,726	1,929	-	170,912	173,634
Share of governance costs (see note 7)	12,270	-	-	-	12,270	11,426
	114,527	66,726	1,929	-	183,182	185,060

7 Governance costs

	2024 £	2023 £
Clerk to the Trustees' fees	8,082	7,671
Independent examiner's fees	2,120	1,740
Sundry	2,068	2,015
	12,270	11,426
Analysed between Charitable activities	12,270	11,426

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Liability insurance has been taken out by the charity for its trustees. The cost of £484 (2023: £484) is included in governance costs sundry expenses.

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Warden	1	1

Employment costs

	2024 £	2023 £
Wages and salaries	21,363	20,275
Other pension costs	454	421
	21,817	20,696

In addition to employees' wages paid during the year, the Clerk to the Trustees received remuneration of £12,124 (2023: £11,506).

There were no employees whose annual remuneration was £60,000 or more.

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

10 Gains and losses on investments

	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £
Gains/(losses) arising on:								
Revaluation of investments	44,298	27,477	10,364	82,139	31,738	19,364	7,554	58,656

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

12 Transfers

At the year end transfers were made from unrestricted funds to designated funds to increase the amounts set aside to cover future costs of Cyclical maintenance to housing and Extraordinary repairs to housing.

These transfers amounted to £36,540 transferred to the Cyclical repairs and maintenance fund and £22,365 transferred to the Extraordinary repairs to housing fund from unrestricted funds.

13 Tangible fixed assets

	Land and buildings £
Cost	
At 1 January 2024	231,979
At 31 December 2024	231,979
Carrying amount	
At 31 December 2024	231,979
At 31 December 2023	231,979
Net book value of fixed assets at 31 December 2024 represents:	
Freehold property, Fort Royal Worcester	121,344
Less: Housing Association grants	(19,790)
	101,554
Freehold property, St Swithun's Close Worcester	130,425
	231,979

The current value for insurance purposes of the Freehold Property is £10,140,757 (2023: £9,941,918).

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

14 Fixed asset investments

	Income investments £	Accumulation investments £	Total £
Cost or valuation			
At 1 January 2024	144,804	962,708	1,107,512
Additions	-	1,445	1,445
Valuation changes	4,853	77,287	82,140
	<u>149,657</u>	<u>1,041,440</u>	<u>1,191,097</u>
At 31 December 2024	149,657	1,041,440	1,191,097
Carrying amount			
At 31 December 2024	<u>149,657</u>	<u>1,041,440</u>	<u>1,191,097</u>
At 31 December 2023	<u>144,804</u>	<u>962,708</u>	<u>1,107,512</u>

The historical cost as at 31 December 2024 for the M&GCMAF Income Investments was £83,000 (2023: £83,000) and for the M&GCMAF Accumulation Investments was £209,300 (2023: £207,855).

15 Financial instruments	2024 £	2023 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	<u>1,191,097</u>	<u>1,107,512</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>20,106</u>	<u>38,149</u>
16 Debtors		
Amounts falling due within one year:	2024 £	2023 £
Prepayments and accrued income	<u>3,693</u>	<u>6,105</u>
17 Creditors: amounts falling due within one year		
	2024 £	2023 £
Other creditors	18,962	19,530
Accruals and deferred income	1,144	18,619
	<u>20,106</u>	<u>38,149</u>

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

18 Endowment funds

The income funds of the charity include endowment funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	At 1 January 2024 £	At 31 December 2024 £
Permanent endowments		
Property fund	231,979	231,979
	<u>231,979</u>	<u>231,979</u>
Previous year:		
	At 1 January 2023 £	At 31 December 2023 £
Permanent endowments		
	231,979	231,979
	<u>231,979</u>	<u>231,979</u>

The property fund represents the cost of the freehold land and buildings held by the charity on the condition that such property is maintained by the charity.

FOR THE YEAR ENDED 31 DECEMBER 2024

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

20 Designated funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Balance at 1 January 2023	Resources expended	Transfers	Investments gains/losses	Balance at 1 January 2024	Incoming resources	Movement in funds				Balance at 31 December 2024
	£	£	£	£	£	£	Resources expended	Transfers	Investments gains/losses		£
Cyclical Repairs and Maintenance Repairs Fund	170,048	(41,352)	35,140	9,127	172,963	-	(15,075)	36,540	12,627		207,055
Extraordinary Repairs To Housing Fund	190,735	(16,642)	21,490	10,237	205,820	3,060	(31,052)	22,365	14,850		215,043
	<u>360,783</u>	<u>(57,994)</u>	<u>56,630</u>	<u>19,364</u>	<u>378,783</u>	<u>3,060</u>	<u>(46,127)</u>	<u>58,905</u>	<u>27,477</u>		<u>422,098</u>

Cyclical Repairs and Maintenance Repairs Fund - This reserve represents amounts set aside for cyclical maintenance to meet costs in excess of budgeted expenditure for any year.

Extraordinary Repairs To Housing Fund - This reserve represents amounts set aside for the extraordinary repair, improvement or rebuilding of the homes.

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

21 Analysis of net assets between funds

	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total 2024 £
Fund balances at 31 December 2024 are represented by:					
Tangible assets	-	-	-	231,979	231,979
Investments	667,419	382,638	141,040	-	1,191,097
Current assets/(liabilities)	(9,257)	39,460	7,855	-	38,058
	<u>658,162</u>	<u>422,098</u>	<u>148,895</u>	<u>231,979</u>	<u>1,461,134</u>
	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £
Fund balances at 31 December 2023 are represented by:					
Tangible assets	-	-	-	231,979	231,979
Investments	623,120	355,161	129,231	-	1,107,512
Current assets/(liabilities)	(12,452)	23,622	10,979	-	22,149
	<u>610,668</u>	<u>378,783</u>	<u>140,210</u>	<u>231,979</u>	<u>1,361,640</u>

22 Capital commitments

Amounts contracted for but not provided in the financial statements:

At the year end there were no capital commitments. As at 31 December 2023, the Trustees had signed a contract to replace the front door units at the Royal Albert Close Site at a quoted cost of £26,832 including VAT.

23 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

England & Wales - Charity number 201687

Accounts

THE ROYAL ALBERT AND ST SWITHUN'S HOMES
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr H Burton Mr M Ellison Mr B Thompson Mrs B Thompson Mr W Simpson MBE Mr M A Thomas Councillor L Denham Councillor S MacKay Mrs S Bannister Mrs S Major
Clerk to the Trustees	Mr J I Wagstaff
Charity number	201687
Principal address	17 Royal Albert Close Fort Royal Worcester WR5 1BX
Independent examiner	S J Morley ACA Kendall Wadley LLP Merevale House 27 Sansome Walk Worcester WR1 1NU
Bankers	Lloyds Bank plc 4 The Cross Worcester WR1 3PY
Investment advisors	M&G Securities Limited PO Box 9038 Chelmsford CM99 2XF

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

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THE ROYAL ALBERT AND ST SWITHUN'S HOMES

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019)

Objectives and activities

Objects of charity

The objects of the charity are:

- the provision of housing accommodation for beneficiaries
- such charitable purpose for the benefit of the residents as the trustees decide; and
- the relief of persons under the age of 18 who are in need, hardship or distress in accordance with clause 28(2) of the charity's Scheme.

Activities of the organisation

The Almshouses belonging to the charity shall be appropriated and used for the residence of Almspersons in accordance with the Scheme.

The Trustees shall charge the Almspersons a weekly sum towards the cost of maintaining the Almshouses and essential services. There have been no changes in the stated objects during the year.

Public benefit

As a charity, The Royal Albert and St Swithun's Homes provides a public benefit to the local community providing housing for the elderly and providing grants to young persons under the age of 18, who are in need, hardship or distress.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

Organisation review and results

The replacement of all the windows and door units at the St Swithun's Close site has now been completed.

Currently an issue has arisen with the sewer systems at both sites and which will require further work in 2024. An insurance claim for £4408 has been received towards this.

During the year we have had five vacancies, but with the co-operation of our contractors the refurbishments have all been completed quickly and the new Residents have been able to move in without too much loss of income to the Charity.

The commercially let flat also became vacant and this required considerable refurbishment before the new tenant could move in.

Also following an annual inspection of the properties the entrance doors to those at the Royal Albert site were found to now require replacement and this work has been put in hand for early 2024.

The Charity's investments held in the M & G Charity Multi Asset Funds have recovered and this continues to be a good investment for the funds.

Once again our thanks go out to our Warden who has, during a further difficult year, provided an excellent service of care to our Residents in looking out for their mental and physical welfare. She has also kept the Trustees fully informed, complied with government guidelines and dealt promptly with the maintenance issues as they have arisen.

As usual the ongoing schedule of work to both improve the Residents facilities and to maintain the property to a high standard continues and thus the Trustees set their forward Budget Plan to cover this.

Financial review

Reserves Policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which provides sufficient funds to cover resources expended for approximately two to three years, which equates to between £300,000 and £400,000, to ensure the continuity of the provision of Almshouses to the residents.

Total reserves stand at £1,361,640 (2022 - £1,318,515) of which £231,979 (2022 - £231,979) is permanently endowed. Restricted Funds total £140,210 (2022 - £134,436) further details are provided on the use of these funds in the notes to the financial statements. Of the remaining funds £378,783 (2022 - £360,783) is designated to ensure that the programme of cyclical and other maintenance of the properties can be undertaken, leaving unrestricted funds at £610,668 (2022 - £591,317).

Investment policy

The Trustees have considered the most appropriate policy for investing funds and have found that specialised unit trusts, designed for the charity sector, meet their requirements to generate both income and capital growth. The Trustees consider the return on investments in the year to be satisfactory.

Risk review

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Organisation status

The Organisation is an unincorporated charity regulated by a Charity Scheme dated 19 December 2000 and as approved by the Charity Commission for England and Wales. The board of trustees is responsible for the decisions taken concerning the management of the charity.

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Trustees

The Trustees who served during the year were:

Mr H Burton

Mr M Ellison

Mr B Thompson

Mrs B Thompson

Mr W Simpson MBE

Mr M A Thomas

Councillor L Denham

Councillor S MacKay

Mrs S Bannister

Mrs S Major

Recruitment and appointment of new Trustees

Trustees are appointed either by nomination or co-option, in accordance with clauses 7 and 8 of the Charity Scheme of 19 December 2000, for a term of four years.

Trustee Training

Trustees must give each new Trustee, on their first appointment, a copy of the Scheme and any amendments made to it and a copy of the charity's latest report and statement of accounts. Trustees receive any additional training as is necessary during Trustee meetings.

The Trustees' report was approved by the Board of Trustees.

Mr W Simpson MBE

Trustee

Dated: 10 April 2024

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE ROYAL ALBERT AND ST SWITHUN'S HOMES

I report to the Trustees on my examination of the financial statements of The Royal Albert and St Swithun's Homes (the charity) for the year ended 31 December 2023.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all 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 financial statements in accordance with Accounting and Reporting by 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 now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.

S J Morley ACA
Kendall Wadley LLP

Merevale House
27 Sansome Walk
Worcester
WR1 1NU

Dated: 10 April 2024

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Current financial year

		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Total 2022 £
	Notes						
Income from:							
Charitable activities	3	163,358	-	-	-	163,358	159,421
Investments	4	5,921	-	250	-	6,171	5,647
Total income		169,279	-	250	-	169,529	165,068
Expenditure on:							
Charitable activities	5	125,036	57,994	2,030	-	185,060	201,672
Net gains/(losses) on investments	9	31,738	19,364	7,554	-	58,656	2,506
Net incoming/(outgoing) resources before transfers		75,981	(38,630)	5,774	-	43,125	(34,098)
Gross transfers between funds	11	(56,630)	56,630	-	-	-	-
Net movement in funds		19,351	18,000	5,774	-	43,125	(34,098)
Fund balances at 1 January 2023		591,317	360,783	134,436	231,979	1,318,515	1,352,613
Fund balances at 31 December 2023		610,668	378,783	140,210	231,979	1,361,640	1,318,515

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

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Prior financial year

		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
	Notes					
Income from:						
Charitable activities	3	159,421	-	-	-	159,421
Investments	4	5,397	-	250	-	5,647
Total income		164,818	-	250	-	165,068
Expenditure on:						
Charitable activities	5	116,727	83,210	1,735	-	201,672
Net gains/(losses) on investments	9	934	618	954	-	2,506
Net incoming/(outgoing) resources before transfers		49,025	(82,592)	(531)	-	(34,098)
Gross transfers between funds	11	(50,645)	50,645	-	-	-
Net movement in funds		(1,620)	(31,947)	(531)	-	(34,098)
Fund balances at 1 January 2022		592,937	392,730	134,967	231,979	1,352,613
Fund balances at 31 December 2022		591,317	360,783	134,436	231,979	1,318,515

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	12	231,979		231,979	
Investments	13	1,107,512		1,047,411	
		<u>1,339,491</u>		<u>1,279,390</u>	
Current assets					
Debtors	15	6,105		3,951	
Cash at bank and in hand		54,193		61,607	
		<u>60,298</u>		<u>65,558</u>	
Creditors: amounts falling due within one year	16	<u>(38,149)</u>		<u>(26,433)</u>	
Net current assets			22,149		39,125
Total assets less current liabilities			<u>1,361,640</u>		<u>1,318,515</u>
Capital funds					
Endowment funds	17	231,979		231,979	
Income funds					
Restricted funds	18	140,210		134,436	
Unrestricted funds - designated		378,783		360,783	
Unrestricted funds - general		610,668		591,317	
		<u>1,361,640</u>		<u>1,318,515</u>	

The financial statements were approved by the Trustees on 10 April 2024

.....
Mr W Simpson MBE

Trustee

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

The Royal Albert and St Swithun's Homes is a charity registered in England and Wales. The principal address is 17 Royal Albert Close, Fort Royal, Worcester, WR5 1BX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purpose and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt.

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.5 Resources expended

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 is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Governance costs include costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examiners fees and costs linked to the strategic management of the charity.

All expenditure is accounted for on an accruals basis and is allocated to the activity to which it relates.

Royal Albert and St Swithun's Homes has established a regular programme of cyclical repairs and maintenance. Costs are charged to the revenue account in the year in which they are incurred.

Costs of extraordinary repairs, unless representing improvements to the properties, are charged to the revenue account in the year in which they are incurred.

The Royal Albert and St Swithun's Homes are not registered for value added tax (VAT).

1.6 Tangible fixed assets

Housing properties are stated at cost. The development cost of housing properties includes the following:

- 1) cost of acquiring land and buildings, and
- 2) development expenditure.

As the properties are maintained in a state of repair such that their estimated residual value is not less than their improvement cost or carrying amount, no depreciation charge is made on the grounds that it would be immaterial.

Housing Association Grant (HAG) is paid by the Housing Corporation to reduce the cost of development and is, therefore, shown as a deduction from the cost of housing the properties on the balance sheet.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

3 Charitable activities

	Notional receipts from occupants	Voids	Rent receivable	Total 2023	Notional receipts from occupants	Voids	Rent receivable	Total 2022
	2023	2023	2023		2022	2022	2022	
	£	£	£	£	£	£	£	£
Provision of Almshouses	163,540	(7,454)	7,272	163,358	153,634	(1,485)	7,272	159,421

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

4 Income from investments

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from listed investments	5,876	250	6,126	5,393	250	5,643
Interest receivable	45	-	45	4	-	4
	<u>5,921</u>	<u>250</u>	<u>6,171</u>	<u>5,397</u>	<u>250</u>	<u>5,647</u>

5 Charitable activities

	House services costs £	Housing maintenance and repairs £	Social costs £	Grants from Children's Fund £	Total 2023 £	Total 2022 £
Staff costs	20,696	-	-	-	20,696	19,610
Water	7,886	-	-	-	7,886	7,348
Heat and light	36,603	-	-	-	36,603	33,802
Insurance	6,031	-	-	-	6,031	5,305
Clerk to the Trustees' fees	3,835	-	-	-	3,835	3,636
Telephone	5,154	-	-	-	5,154	4,506
Subscriptions	413	-	-	-	413	309
Sundry	4,422	-	-	-	4,422	4,085
Gardening	10,546	-	-	-	10,546	11,416
Housing maintenance and repairs (unrestricted fund)	-	18,024	-	-	18,024	15,838
Large non-recurring repairs (extraordinary repairs fund)	-	16,642	-	-	16,642	59,450
Recurring maintenance costs (cyclical maintenance fund)	-	41,352	-	-	41,352	23,760
Social event costs	-	-	1,530	-	1,530	1,835
Grants from Children's Fund	-	-	-	500	500	-
	<u>95,586</u>	<u>76,018</u>	<u>1,530</u>	<u>500</u>	<u>173,634</u>	<u>190,900</u>
Share of governance costs (see note 6)	11,426	-	-	-	11,426	10,772
	<u>107,012</u>	<u>76,018</u>	<u>1,530</u>	<u>500</u>	<u>185,060</u>	<u>201,672</u>

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

6 Governance costs

	2023 £	2022 £
Clerk to the Trustees' fees	7,671	7,271
Independent examiner's fees	1,740	1,840
Sundry	2,015	1,661
	<u>11,426</u>	<u>10,772</u>
Analysed between		
Charitable activities	<u>11,426</u>	<u>10,772</u>

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Liability insurance has been taken out by the charity for its trustees. The cost of £484 (2022 £484) is included in governance costs sundry expenses.

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Warden	<u>1</u>	<u>1</u>

Employment costs

	2023 £	2022 £
Wages and salaries	20,275	19,221
Other pension costs	421	389
	<u>20,696</u>	<u>19,610</u>

In addition to employees' wages paid during the year, the Clerk to the Trustees received remuneration of £11,506 (2022 - £10,907).

There were no employees whose annual remuneration was £60,000 or more.

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

9 Gains and losses on investments

	Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total	Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total
	2023	2023	2023	2023	2022	2022	2022	2022
	£	£	£	£	£	£	£	£
Gains/(losses) arising on:								
Revaluation of investments	31,738	19,364	7,554	58,656	934	618	954	2,506
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

11 Transfers

At the year end transfers were made from unrestricted funds to designated funds to increase the amounts set aside to cover future costs of cyclical maintenance to housing and extraordinary repairs to housing.

These transfers amounted to £35,140 transferred to the cyclical repairs and maintenance fund and £21,490 transferred to the extraordinary repairs to housing fund from unrestricted funds.

12 Tangible fixed assets

	Land and buildings £
Cost	
At 1 January 2023	231,979
At 31 December 2023	231,979
Carrying amount	
At 31 December 2023	231,979
At 31 December 2022	231,979
Net book value of fixed assets at 31 December 2022 represents:	
Freehold property, Fort Royal Worcester	121,344
Less: Housing Association grants	(19,790)
	101,554
Freehold property, St Swithun's Close Worcester	130,425
	231,979

The current value for insurance purposes of the Freehold Property is £9,941,918 (2022 - £8,426,067).

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

13 Fixed asset investments

	Income investments	Accumulation investments	Total
	£	£	£
Cost or valuation			
At 1 January 2023	142,370	905,041	1,047,411
Additions	-	1,445	1,445
Valuation changes	2,434	56,222	58,656
At 31 December 2023	144,804	962,708	1,107,512
Carrying amount			
At 31 December 2023	144,804	962,708	1,107,512
At 31 December 2022	142,370	905,041	1,047,411

The historical cost as at 31 December 2023 for the M&GCMAF Income Investments was £83,000 (2022 £83,000) and for the M&GCMAF Accumulation Investments was £207,855 (2022 £206,410).

14 Financial instruments	2023 £	2022 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	1,107,512	1,047,411
Carrying amount of financial liabilities		
Measured at amortised cost	38,149	26,433
15 Debtors		
	2023 £	2022 £
Amounts falling due within one year:		
Prepayments and accrued income	6,105	3,951
16 Creditors: amounts falling due within one year		
	2023 £	2022 £
Other creditors	19,530	17,433
Accruals and deferred income	18,619	9,000
	38,149	26,433

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

17 Endowment funds

The income funds of the charity include endowment funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	At 1 January 2023 £	At 31 December 2023 £
Permanent endowments		
	231,979	231,979
	<u>231,979</u>	<u>231,979</u>
Previous year:	At 1 January 2022 £	At 31 December 2022 £
Permanent endowments		
Property fund	231,979	231,979
	<u>231,979</u>	<u>231,979</u>

The property fund represents the cost of the freehold land and buildings held by the charity on the condition that such property is maintained by the charity.

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

18 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Movement in funds				Movement in funds				
	Balance at 1 January 2022	Incoming resources	Resources expended	Investments gains/losses ¹	Balance at January 2023	Incoming resources	Resources expended	Investments gains/losses	Balance at 31 December 2023
	£	£	£	£	£	£	£	£	£
Social Fund	8,251	-	(1,735)	-	6,516	-	(1,530)	-	4,986
Children's Fund - Capital	4,692	-	-	-	4,692	-	-	-	4,692
Children's Fund - Income	1,300	250	-	-	1,550	250	(500)	-	1,300
Capital Redemption	120,724	-	-	954	121,678	-	-	7,554	129,232
	<u>134,967</u>	<u>250</u>	<u>(1,735)</u>	<u>954</u>	<u>134,436</u>	<u>250</u>	<u>(2,030)</u>	<u>7,554</u>	<u>140,210</u>

Social Fund - This fund is held for use by the Social Committee in providing and promoting social events, outings and activities for the benefit of the Residents.

Children's Fund - The trustees allocate amounts of £250, or as agreed, to the relief of persons under the age of 18, living in the city of Worcester, who are in need, hardship or distress.

Capital Redemption Fund - This reserve is for the future development and/or rebuilding costs.

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

19 Designated funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Balance at 1 January 2022	Resources expended	Transfers	Investments gains/losses	Balance at 1 January 2023	Resources expended	Transfers	Investments gains/losses	Balance at 31 December 2023
	£	£	£	£	£	£	£	£	£
Cyclical Repairs and Maintenance Repairs Fund	162,123	(23,760)	31,430	255	170,048	(41,352)	35,140	9,127	172,963
Extraordinary Repairs To Housing Fund	230,607	(59,450)	19,215	363	190,735	(16,642)	21,490	10,237	205,820
	<u>392,730</u>	<u>(83,210)</u>	<u>50,645</u>	<u>618</u>	<u>360,783</u>	<u>(57,994)</u>	<u>56,630</u>	<u>19,364</u>	<u>378,783</u>

Cyclical Repairs and Maintenance Repairs Fund - This reserve represents amounts set aside for cyclical maintenance to meet costs in excess of budgeted expenditure for any year.

Extraordinary Repairs To Housing Fund - This reserve represents amounts set aside for the extraordinary repair, improvement or rebuilding of the homes.

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

20 Analysis of net assets between funds

	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £
Fund balances at 31 December 2023 are represented by:					
Tangible assets	-	-	-	231,979	231,979
Investments	623,120	355,161	129,231	-	1,107,512
Current assets/(liabilities)	(12,452)	23,622	10,979	-	22,149
	<u>610,668</u>	<u>378,783</u>	<u>140,210</u>	<u>231,979</u>	<u>1,361,640</u>

	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
Fund balances at 31 December 2022 are represented by:					
Tangible assets	-	-	-	231,979	231,979
Investments	589,936	335,797	121,678	-	1,047,411
Current assets/(liabilities)	1,381	24,986	12,758	-	39,125
	<u>591,317</u>	<u>360,783</u>	<u>134,436</u>	<u>231,979</u>	<u>1,318,515</u>

21 Capital commitments

Amounts contracted for but not provided in the financial statements:

At the year end the Trustees had signed a contract to replace the front door units at the Royal Albert Close Site at a quoted cost of £26,832 including VAT.

22 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

Accounts

THE ROYAL ALBERT & ST SWITHUN'S HOMES
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

THE ROYAL ALBERT & ST SWITHUN'S HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr H Burton Mr M Ellison Mr B Thompson Mrs B Thompson Mr W Simpson MBE Mr M A Thomas Councillor L Denham Councillor S MacKay Mrs S Bannister Mrs S Major	(Appointed 13 April 2022) (Appointed 6 July 2022)
Clerk to the Trustees	Mr J I Wagstaff	
Charity number	201687	
Principal address	17 Royal Albert Close Fort Royal Worcester WR5 1BX	
Independent examiner	S J Morley ACA Kendall Wadley LLP Merevale House 27 Sansome Walk Worcester WR1 1NU	
Bankers	Lloyds Bank plc 4 The Cross Worcester WR1 3PY	
Investment advisors	M&G Securities Limited PO Box 9038 Chelmsford CM99 2XF	

THE ROYAL ALBERT & ST SWITHUN'S HOMES

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THE ROYAL ALBERT & ST SWITHUN'S HOMES

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019)

Objectives and activities

Objects of charity

The objects of the charity are:

- the provision of housing accommodation for beneficiaries
- such charitable purpose for the benefit of the residents as the trustees decide; and
- the relief of persons under the age of 18 who are in need, hardship or distress in accordance with clause 28(2) of the charity's Scheme.

Activities of the organisation

The Almshouses belonging to the charity shall be appropriated and used for the residence of Almspersons in accordance with the Scheme.

The Trustees shall charge the Almspersons a weekly sum towards the cost of maintaining the Almshouses and essential services. There have been no changes in the stated objects during the year.

Public benefit

As a charity, The Royal Albert and St Swithun's Homes provides a public benefit to the local community providing housing for the elderly and providing grants to young persons under the age of 18, who are in need, hardship or distress.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Organisation review and results

At the start of the year the Trustees considered replacement of the Entrance Doors and all Windows at the St Swithun's Close site. Having received quotes this work commenced in June 2022. We have had two vacancies during the year, one just before the end of the financial year. With the refurbishment being completed quickly on the other unit the new resident could move in. With some of the major maintenance work, including replacement of the kitchen units in some flats at the St Swithun's Close site it has once again been necessary to reschedule some for completion in 2023.

The Charity's investments held in the M & G Charity Multi Asset Funds have recovered and this continues to be a good investment in the fund.

Once again our thanks go out to our Warden who has, during a further difficult year, provided an excellent service of care to our Residents in looking out for their mental and physical welfare. She has also kept the Trustees fully informed, complied with government guidelines and dealt promptly with the maintenance issues as they have arisen.

As usual the ongoing schedule of work to both improve the Residents facilities and to maintain the property to a high standard continues and thus the Trustees set their forward Budget Plan to cover this.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Financial review

Reserves Policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which provides sufficient funds to cover resources expended for approximately two to three years, which equates to between £300,000 and £400,000, to ensure the continuity of the provision of Almshouses to the residents.

Total reserves stand at £1,318,515 (2021 - £1,352,613) of which £231,979 (2021 - £231,979) is permanently endowed. Restricted Funds total £134,436 (2021 - £134,967) further details are provided on the use of these funds in the notes to the financial statements. Of the remaining funds £360,783 (2021 - £392,730) is designated to ensure that the programme of cyclical and other maintenance of the properties can be undertaken, leaving unrestricted funds at £591,317 (2021 - £592,937).

Investment policy

The Trustees have considered the most appropriate policy for investing funds and have found that specialised unit trusts, designed for the charity sector, meet their requirements to generate both income and capital growth. The Trustees consider the return on investments in the year to be satisfactory.

Risk review

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

Organisation status

The Organisation is an unincorporated charity regulated by a Charity Scheme dated 19 December 2000 and as approved by the Charity Commission for England and Wales. The board of trustees is responsible for the decisions taken concerning the management of the charity.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees

The Trustees who served during the year were:

Mr H Burton

Mr M Ellison

Mr B Thompson

Mrs B Thompson

Mr W Simpson MBE

Mr M A Thomas

Councillor L Denham

Councillor S MacKay

Mrs C G Gardner

(Resigned 12 October 2022)

Mrs S Bannister

(Appointed 13 April 2022)

Mrs S Major

(Appointed 6 July 2022)

Recruitment and appointment of new Trustees

Trustees are appointed either by nomination or co-option, in accordance with clauses 7 and 8 of the Charity Scheme of 19 December 2000, for a term of four years.

Trustee Training

Trustees must give each new Trustee, on their first appointment, a copy of the Scheme and any amendments made to it and a copy of the charity's latest report and statement of accounts. Trustees receive any additional training as is necessary during Trustee meetings.

The Trustees' report was approved by the Board of Trustees.

Mr W Simpson MBE

Trustee

Dated: 8 February 2023

THE ROYAL ALBERT & ST SWITHUN'S HOMES

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE ROYAL ALBERT & ST SWITHUN'S HOMES

I report to the Trustees on my examination of the financial statements of The Royal Albert & St Swithun's Homes (the charity) for the year ended 31 December 2022.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all 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 financial statements in accordance with Accounting and Reporting by 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 now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.

S J Morley ACA
Kendall Wadley LLP

Merevale House
27 Sansome Walk
Worcester
WR1 1NU

Dated: 8 February 2023

THE ROYAL ALBERT & ST SWITHUN'S HOMES

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

Current financial year

		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Total 2021 £
	Notes						
Income from:							
Charitable activities	3	159,421	-	-	-	159,421	154,895
Investments	4	5,397	-	250	-	5,647	5,524
Total income		164,818	-	250	-	165,068	160,419
Expenditure on:							
Charitable activities	5	116,727	83,210	1,735	-	201,672	162,912
Net gains/(losses) on investments	9	934	618	954	-	2,506	116,399
Net incoming/(outgoing) resources before transfers		49,025	(82,592)	(531)	-	(34,098)	113,906
Net incoming/(outgoing) resources before transfers		49,025	(82,592)	(531)	-	(34,098)	113,906
Gross transfers between funds	10	(50,645)	50,645	-	-	-	-
Net movement in funds		(1,620)	(31,947)	(531)	-	(34,098)	113,906
Fund balances at 1 January 2022		592,937	392,730	134,967	231,979	1,352,613	1,238,707
Fund balances at 31 December 2022		591,317	360,783	134,436	231,979	1,318,515	1,352,613

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

All income and expenditure derive from continuing activities.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Prior financial year

		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
	Notes					
Income from:						
Charitable activities	3	154,895	-	-	-	154,895
Investments	4	5,274	-	250	-	5,524
Total income		160,169	-	250	-	160,419
Expenditure on:						
Charitable activities	5	113,150	49,092	670	-	162,912
Net gains/(losses) on investments	9	61,556	40,790	14,053	-	116,399
Net incoming/(outgoing) resources before transfers		108,575	(8,302)	13,633	-	113,906
Gross transfers between funds	10	(48,160)	48,160	-	-	-
Net movement in funds		60,415	39,858	13,633	-	113,906
Fund balances at 1 January 2021		532,522	352,872	121,334	231,979	1,238,707
Fund balances at 31 December 2021		592,937	392,730	134,967	231,979	1,352,613

THE ROYAL ALBERT & ST SWITHUN'S HOMES

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	11	231,979		231,979	
Investments	12	1,047,411		1,043,459	
		<u>1,279,390</u>		<u>1,275,438</u>	
Current assets					
Debtors	14	3,951		4,000	
Cash at bank and in hand		61,607		103,272	
		<u>65,558</u>		<u>107,272</u>	
Creditors: amounts falling due within one year	15	<u>(26,433)</u>		<u>(30,097)</u>	
Net current assets			39,125		77,175
Total assets less current liabilities			<u>1,318,515</u>		<u>1,352,613</u>
Capital funds					
Endowment funds	16	231,979		231,979	
Income funds					
Restricted funds	17	134,436		134,967	
Unrestricted funds - designated		360,783		392,730	
Unrestricted funds - general		591,317		592,937	
		<u>1,318,515</u>		<u>1,352,613</u>	

The financial statements were approved by the Trustees on 8 February 2023

.....
Mr W Simpson MBE

Trustee

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

The Royal Albert & St Swithun's Homes is a charity registered in England and Wales. The principal address is 17 Royal Albert Close, Fort Royal, Worcester, WR5 1BX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purpose and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 Resources expended

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 is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Governance costs include costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examiners fees and costs linked to the strategic management of the charity.

All expenditure is accounted for on an accruals basis and is allocated to the activity to which it relates.

Royal Albert and St Swithun's Homes has established a regular programme of cyclical repairs and maintenance. Costs are charged to the revenue account in the year in which they are incurred.

Costs of extraordinary repairs, unless representing improvements to the properties, are charged to the revenue account in the year in which they are incurred.

The Royal Albert and St Swithun's Homes are not registered for value added tax (VAT).

1.6 Tangible fixed assets

Housing properties are stated at cost. The development cost of housing properties includes the following:

- 1) cost of acquiring land and buildings, and
- 2) development expenditure.

As the properties are maintained in a state of repair such that their estimated residual value is not less than their improvement cost or carrying amount, no depreciation charge is made on the grounds that it would be immaterial.

Housing Association Grant (HAG) is paid by the Housing Corporation to reduce the cost of development and is, therefore, shown as a deduction from the cost of housing the properties on the balance sheet.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Charitable activities

	Notional receipts from occupants	Voids	Rent receivable	Total 2022	Notional receipts from occupants	Voids	Rent receivable	Total 2021
	2022	2022	2022		2021	2021	2021	
	£	£	£	£	£	£	£	£
Provision of Almshouses	153,634	(1,485)	7,272	159,421	148,328	(705)	7,272	154,895

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

4 Investments

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
Income from listed investments	5,393	250	5,643	5,070	250	5,320
Interest receivable	4	-	4	204	-	204
	<u>5,397</u>	<u>250</u>	<u>5,647</u>	<u>5,274</u>	<u>250</u>	<u>5,524</u>

5 Charitable activities

	House services costs £	Housing maintenance and repairs £	Social costs £	Total 2022 £	Total 2021 £
Staff costs	19,610	-	-	19,610	18,987
Water	7,348	-	-	7,348	7,509
Heat and light	33,802	-	-	33,802	31,319
Insurance	5,305	-	-	5,305	4,999
Clerk to the Trustees' fees	3,636	-	-	3,636	3,522
Telephone	4,506	-	-	4,506	4,325
Subscriptions	309	-	-	309	442
Sundry	4,085	-	-	4,085	3,453
Gardening	11,416	-	-	11,416	10,158
Housing maintenance and repairs (unrestricted fund)	-	15,838	-	15,838	17,247
Large non-recurring repairs (extraordinary repairs fund)	-	59,450	-	59,450	21,977
Recurring maintenance costs (cyclical maintenance fund)	-	23,760	-	23,760	27,115
Social event costs	100	-	1,735	1,835	1,316
	<u>90,117</u>	<u>99,048</u>	<u>1,735</u>	<u>190,900</u>	<u>152,369</u>
Share of governance costs (see note 6)	10,772	-	-	10,772	10,543
	<u>100,889</u>	<u>99,048</u>	<u>1,735</u>	<u>201,672</u>	<u>162,912</u>

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

6 Governance costs

	2022 £	2021 £
Clerk to the Trustees' fees	7,271	7,043
Independent examiner's fees	1,840	1,710
Sundry	1,661	1,790
	<u>10,772</u>	<u>10,543</u>
Analysed between Charitable activities	<u>10,772</u>	<u>10,543</u>

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Liability insurance has been taken out by the charity for its trustees. The cost of £484 (2021 £484) is included in governance costs sundry expenses.

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Warden	<u>1</u>	<u>1</u>

Employment costs

	2022 £	2021 £
Wages and salaries	19,221	18,616
Other pension costs	389	371
	<u>19,610</u>	<u>18,987</u>

In addition to employees' wages paid during the year, the Clerk to the Trustees received remuneration of £10,907 (2021 £10,565).

There were no employees whose annual remuneration was £60,000 or more.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Net gains/(losses) on investments

	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £
Revaluation of investments	934	618	954	2,506	61,556	40,790	14,053	116,399

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

10 Transfers

At the year end transfers were made from unrestricted funds to designated funds to increase the amounts set aside to cover future costs of cyclical maintenance to housing and extraordinary repairs to housing.

These transfers amounted to £31,430 transferred to the cyclical repairs and maintenance fund and £19,215 transferred to the extraordinary repairs to housing fund from unrestricted funds.

11 Tangible fixed assets

	Land and buildings £
Cost	
At 1 January 2022	231,979
At 31 December 2022	231,979
Carrying amount	
At 31 December 2022	231,979
At 31 December 2021	231,979
Net book value of fixed assets at 31 December 2022 represents:	
Freehold property, Fort Royal Worcester	121,344
Less: Housing Association grants	(19,790)
	101,554
Freehold property, St Swithun's Close Worcester	130,425
	231,979

The current value for insurance purposes of the Freehold Property is £8,426,067 (2021 - £7,712.646).

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

12 Fixed asset investments

	Income investments £	Accumulation investments £	Total £
Cost or valuation			
At 1 January 2022	146,947	896,512	1,043,459
Additions	-	1,445	1,445
Valuation changes	(4,577)	7,084	2,507
At 31 December 2022	142,370	905,041	1,047,411
Carrying amount			
At 31 December 2022	142,370	905,041	1,047,411
At 31 December 2021	146,947	896,512	1,043,459

The historical cost as at 31 December 2022 for the M&GCMAF Income Investments was £83,000 (2021 £83,000) and for the M&GCMAF Accumulation Investments was £207,865 (2021 £206,420).

13 Financial instruments	2022 £	2021 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	1,047,411	1,043,459
Carrying amount of financial liabilities		
Measured at amortised cost	26,433	30,097
14 Debtors		
	2022 £	2021 £
Amounts falling due within one year:		
Prepayments and accrued income	3,951	4,000
15 Creditors: amounts falling due within one year		
	2022 £	2021 £
Other creditors	17,433	23,930
Accruals and deferred income	9,000	6,167
	26,433	30,097

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 Endowment funds

The income funds of the charity include endowment funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds					Movement in funds					
	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at 1 January 2022	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at 31 December 2022
	£	£	£	£	£	£	£	£	£	£	£
Permanent endowments											
Property fund	231,979	-	-	-	-	231,979	-	-	-	-	231,979
	<u>231,979</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,979</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,979</u>
	<u>231,979</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,979</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,979</u>

The property fund represents the cost of the freehold land and buildings held by the charity on the condition that such property is maintained by the charity.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds				Balance at 31 December 2022
	Balance at 1 January 2021	Incoming resources	Resources expended	Investments gains/losses	Balance at 1 January 2022	Incoming resources	Resources expended	Investments gains/losses	
	£	£	£	£	£	£	£	£	£
Social Fund	8,921	-	670	-	8,251	-	(1,735)	-	6,516
Children's Fund - Capital	4,692	-	-	-	4,692	-	-	-	4,692
Children's Fund - Income	1,050	250	-	-	1,300	250	-	-	1,550
Capital Redemption	106,671	-	-	14,053	120,724	-	-	954	121,678
	<u>121,334</u>	<u>250</u>	<u>(670)</u>	<u>14,053</u>	<u>134,967</u>	<u>250</u>	<u>(1,735)</u>	<u>954</u>	<u>134,436</u>

Social Fund - This fund is held for use by the Social Committee in providing and promoting social events, outings and activities for the benefit of the Residents.

Children's Fund - The trustees allocate amounts of £250, or as agreed, to the relief of persons under the age of 18, living in the city of Worcester, who are in need, hardship or distress.

Capital Redemption Fund - This reserve is for the future development and/or rebuilding costs.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2021 £	Resources expended £	Transfers £	Investments gains/losses £	Balance at 1 January 2022 £	Resources expended £	Transfers £	Investments gains/losses £	Balance at 31 December 2022 £
Cyclical Repairs and Maintenance Repairs Fund	142,837	(27,115)	29,890	16,511	162,123	(23,760)	31,430	255	170,048
Extraordinary Repairs To Housing Fund	210,035	(21,977)	18,270	24,279	230,607	(59,450)	19,215	363	190,735
	<u>352,872</u>	<u>(49,092)</u>	<u>48,160</u>	<u>40,790</u>	<u>392,730</u>	<u>(83,210)</u>	<u>50,645</u>	<u>618</u>	<u>360,783</u>

Cyclical Repairs and Maintenance Repairs Fund - This reserve represents amounts set aside for cyclical maintenance to meet costs in excess of budgeted expenditure for any year.

Extraordinary Repairs To Housing Fund - This reserve represents amounts set aside for the extraordinary repair, improvement or rebuilding of the homes.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

19 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:										
Tangible assets	-	-	-	231,979	231,979	-	-	-	231,979	231,979
Investments	589,936	335,797	121,678	-	1,047,411	589,002	333,733	120,724	-	1,043,459
Current assets/(liabilities)	1,381	24,986	12,758	-	39,125	3,935	58,997	14,243	-	77,175
	<u>591,317</u>	<u>360,783</u>	<u>134,436</u>	<u>231,979</u>	<u>1,318,515</u>	<u>592,937</u>	<u>392,730</u>	<u>134,967</u>	<u>231,979</u>	<u>1,352,613</u>

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2022*

20 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

England & Wales - Charity number 201687

Accounts

THE ROYAL ALBERT & ST SWITHUN'S HOMES
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

THE ROYAL ALBERT & ST SWITHUN'S HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr H Burton Mr M Ellison Mr B Thompson Mrs B Thompson Mr W Simpson MBE Mr M A Thomas Councillor L Denham Councillor S MacKay Mrs C G Gardner
Clerk to the Trustees	Mr J I Wagstaff
Charity number	201687
Principal address	17 Royal Albert Close Fort Royal Worcester WR5 1BX
Independent examiner	T. C. P. Calder FCA Kendall Wadley LLP Merevale House 27 Sansome Walk Worcester WR1 1NU
Bankers	Lloyds Bank plc 4 The Cross Worcester WR1 3PY
Investment advisors	M&G Securities Limited PO Box 9038 Chelmsford CM99 2XF

THE ROYAL ALBERT & ST SWITHUN'S HOMES

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THE ROYAL ALBERT & ST SWITHUN'S HOMES

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019)

Objectives and activities

Objects of charity

The objects of the charity are:

- the provision of housing accommodation for beneficiaries
- such charitable purpose for the benefit of the residents as the trustees decide; and
- the relief of persons under the age of 18 who are in need, hardship or distress in accordance with clause 28 (2) of the charity's Scheme.

Activities of the organisation

The Almshouses belonging to the charity shall be appropriated and used for the residence of Almspersons in accordance with the Scheme.

The Trustees shall charge the Almspersons a weekly sum towards the cost of maintaining the Almshouses and essential services. There have been no changes in the stated objects during the year.

Public benefit

As a charity, The Royal Albert and St Swithun's Homes provides a public benefit to the local community providing housing for the elderly and providing grants to young persons under the age of 18, who are in need, hardship or distress.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Organisation review and results

At the start of the year the first meeting of the Trustees in February had to be held virtually, due to the ongoing restrictions for the Coronavirus pandemic. The April meeting was cancelled and the AGM, usually held in April, was deferred until July. Normal meetings of the Trustees then resumed.

We have had two vacancies during the year and with the refurbishment of the units being completed quickly the new residents could move in. Some of the major maintenance work has been carried out but it has also been necessary to re-schedule some for completion in 2022.

The charity's investments held in the M & G Charity Multi Asset Funds have recovered and are now back in value to pre-pandemic levels.

Once again our thanks go out to our Warden who has, during a further difficult year, provided an excellent service of care to our Residents in looking out for their mental and physical welfare. She has also kept the Trustees fully informed, complied with government guidelines and dealt promptly with the maintenance issues as they have arisen.

As usual the ongoing schedule of work to both improve the Residents facilities and to maintain the property to a high standard continues and thus the Trustees set their forward Budget Plan to cover this.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Financial review

Reserves Policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which provides sufficient funds to cover resources expended for approximately two to three years, which equates to between £300,000 and £400,000, to ensure the continuity of the provision of Almshouses to the residents.

Total reserves stand at £1,352,613 (2020 - £1,238,707) of which £231,979 (2020 - £231,979) is permanently endowed. Restricted Funds total £134,967 (2020 - £121,334) further details are provided on the use of these funds in the notes to the financial statements. Of the remaining funds £392,730 (2020 - £352,872) is designated to ensure that the programme of cyclical and other maintenance of the properties can be undertaken, leaving unrestricted funds at £592,937 (2020 - £532,522).

Investment policy

The Trustees have considered the most appropriate policy for investing funds and have found that specialised unit trusts, designed for the charity sector, meet their requirements to generate both income and capital growth. The Trustees consider the return on investments in the year to be satisfactory.

Risk review

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

Organisation status

The Organisation is an unincorporated charity regulated by a Charity Scheme dated 19 December 2000 and as approved by the Charity Commission for England and Wales. The board of trustees is responsible for the decisions taken concerning the management of the charity.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees

The Trustees who served during the year were:

Mr H Burton

Mr M Ellison

Mr B Thompson

Mrs B Thompson

Mr W Simpson MBE

Mr M A Thomas

Councillor L Denham

Councillor S MacKay

Mrs C G Gardner

Recruitment and appointment of new Trustees

Trustees are appointed either by nomination or co-option, in accordance with clauses 7 and 8 of the Charity Scheme of 19 December 2000, for a term of four years.

Trustee Training

Trustees must give each new Trustee, on their first appointment, a copy of the Scheme and any amendments made to it and a copy of the charity's latest report and statement of accounts. Trustees receive any additional training as is necessary during Trustee meetings.

The Trustees' report was approved by the Board of Trustees.

Mrs B Thompson

Trustee

Dated: 9 February 2022

THE ROYAL ALBERT & ST SWITHUN'S HOMES

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE ROYAL ALBERT & ST SWITHUN'S HOMES

I report to the Trustees on my examination of the financial statements of The Royal Albert & St Swithun's Homes (the charity) for the year ended 31 December 2021.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all 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 financial statements in accordance with Accounting and Reporting by 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 now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.

T. C. P. Calder FCA
Kendall Wadley LLP

Merevale House
27 Sansome Walk
Worcester
WR1 1NU

Dated: 4 April 2022

THE ROYAL ALBERT & ST SWITHUN'S HOMES

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
	Notes										
<u>Income from:</u>											
Charitable activities	3	154,895	-	-	-	154,895	151,738	-	-	-	151,738
Investments	4	5,274	-	250	-	5,524	5,619	-	250	-	5,869
Total income		160,169	-	250	-	160,419	157,357	-	250	-	157,607
<u>Expenditure on:</u>											
Charitable activities	5	113,150	49,092	670	-	162,912	103,971	14,668	500	-	119,139
Net gains/(losses) on investments	9	61,556	40,790	14,053	-	116,399	(20,531)	(12,517)	(3,506)	-	(36,554)
Net incoming resources before transfers		108,575	(8,302)	13,633	-	113,906	32,855	(27,185)	(3,756)	-	1,914

THE ROYAL ALBERT & ST SWITHUN'S HOMES

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
Notes											
Net incoming resources before transfers		108,575	(8,302)	13,633	-	113,906	32,855	(27,185)	(3,756)	-	1,914
Gross transfers between funds	10	(48,160)	48,160	-	-	-	(46,865)	46,865	-	-	-
Net movement in funds		60,415	39,858	13,633	-	113,906	(14,010)	19,680	(3,756)	-	1,914
Fund balances at 1 January 2021		532,522	352,872	121,334	231,979	1,238,707	546,532	333,192	125,090	231,979	1,236,793
Fund balances at 31 December 2021		592,937	392,730	134,967	231,979	1,352,613	532,522	352,872	121,334	231,979	1,238,707

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

All income and expenditure derive from continuing activities.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	11	231,979		231,979	
Investments	12	1,043,459		925,614	
		<u>1,275,438</u>		<u>1,157,593</u>	
Current assets					
Debtors	14	4,000		4,215	
Cash at bank and in hand		103,272		93,942	
		<u>107,272</u>		<u>98,157</u>	
Creditors: amounts falling due within one year	15	(30,097)		(17,043)	
Net current assets		<u>77,175</u>		<u>81,114</u>	
Total assets less current liabilities		<u>1,352,613</u>		<u>1,238,707</u>	
Capital funds					
Endowment funds	16	231,979		231,979	
Income funds					
Restricted funds	17	134,967		121,334	
Unrestricted funds - designated	18	392,730		352,872	
Unrestricted funds - general		592,937		532,522	
		<u>1,352,613</u>		<u>1,238,707</u>	

The financial statements were approved by the Trustees on 9 February 2022

.....
Mrs B Thompson

Trustee

.....
Trustee

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

The Royal Albert & St Swithun's Homes is a charity registered in England and Wales. The principal address is 17 Royal Albert Close, Fort Royal, Worcester, WR5 1BX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purpose and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Resources expended

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 is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Governance costs include costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examiners fees and costs linked to the strategic management of the charity.

All expenditure is accounted for on an accruals basis and is allocated to the activity to which it relates.

Royal Albert and St Swithun's Homes has established a regular programme of cyclical repairs and maintenance. Costs are charged to the revenue account in the year in which they are incurred.

Costs of extraordinary repairs, unless representing improvements to the properties, are charged to the revenue account in the year in which they are incurred.

The Royal Albert and St Swithun's Homes are not registered for value added tax (VAT).

1.6 Tangible fixed assets

Housing properties are stated at cost. The development cost of housing properties includes the following:

- 1) cost of acquiring land and buildings, and
- 2) development expenditure.

As the properties are maintained in a state of repair such that their estimated residual value is not less than their improvement cost or carrying amount, no depreciation charge is made on the grounds that it would be immaterial.

Housing Association Grant (HAG) is paid by the Housing Corporation to reduce the cost of development and is, therefore, shown as a deduction from the cost of housing the properties on the balance sheet.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Charitable activities

	Notional receipts from occupants	Voids	Rent receivable	Total 2021	Notional receipts from occupants	Voids	Rent receivable	Total 2020
	2021	2021	2021		2020	2020	2020	
	£	£	£	£	£	£	£	£
Provision of Almshouses	148,328	(705)	7,272	154,895	144,897	(395)	7,236	151,738

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Investments

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Income from listed investments	5,070	250	5,320	5,393	250	5,643
Interest receivable	204	-	204	226	-	226
	<u>5,274</u>	<u>250</u>	<u>5,524</u>	<u>5,619</u>	<u>250</u>	<u>5,869</u>

5 Charitable activities

	House services costs £	Housing maintenance and repairs £	Social costs £	Total 2021 £	Total 2020 £
Staff costs	18,987	-	-	18,987	18,485
Water	7,509	-	-	7,509	7,646
Heat and light	31,319	-	-	31,319	24,399
Insurance	4,999	-	-	4,999	4,865
Clerk to the Trustees' fees	3,522	-	-	3,522	3,425
Telephone	4,325	-	-	4,325	3,910
Subscriptions	442	-	-	442	281
Sundry	3,453	-	-	3,453	3,792
Gardening	10,158	-	-	10,158	10,057
Housing maintenance and repairs (unrestricted fund)	-	17,247	-	17,247	16,950
Large non-recurring repairs (extraordinary repairs fund)	-	21,977	-	21,977	5,487
Recurring maintenance costs (cyclical maintenance fund)	-	27,115	-	27,115	9,181
Social event costs	646	-	670	1,316	-
Grants from Children's Fund	-	-	-	-	500
	<u>85,360</u>	<u>66,339</u>	<u>670</u>	<u>152,369</u>	<u>108,978</u>
Share of governance costs (see note 6)	10,543	-	-	10,543	10,161
	<u>95,903</u>	<u>66,339</u>	<u>670</u>	<u>162,912</u>	<u>119,139</u>

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

6 Governance costs

	2021 £	2020 £
Clerk to the Trustees' fees	7,043	6,850
Independent examiner's fees	1,710	1,680
Sundry	1,790	1,631
	<u>10,543</u>	<u>10,161</u>
Analysed between Charitable activities	<u>10,543</u>	<u>10,161</u>

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Liability insurance has been taken out by the charity for its trustees. The cost of £484 (2020 £484) is included in governance costs sundry expenses.

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Warden	<u>1</u>	<u>1</u>

Employment costs

	2021 £	2020 £
Wages and salaries	18,616	18,124
Other pension costs	371	361
	<u>18,987</u>	<u>18,485</u>

In addition to employees' wages paid during the year, the Clerk to the Trustees received remuneration of £10,565 (2020 £10,275).

There were no employees whose annual remuneration was £60,000 or more.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Net gains/(losses) on investments

	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £
Revaluation of investments	61,556	40,790	14,053	116,399	(20,531)	(12,517)	(3,506)	(36,554)

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Transfers

At the year end transfers were made from unrestricted funds to designated funds to increase the amounts set aside to cover future costs of cyclical maintenance to housing and extraordinary repairs to housing. These transfers amounted to £29,890 transferred to the Cyclical Repairs and Maintenance Fund and £18,270 transferred to the Extraordinary Repairs to Housing Fund from unrestricted funds.

11 Tangible fixed assets

	Land and buildings £
Cost	
At 1 January 2021	231,979
At 31 December 2021	231,979
Carrying amount	
At 31 December 2021	231,979
At 31 December 2020	231,979
Net book value of fixed assets at 31 December 2021 represents:	
Freehold property, Fort Royal Worcester	121,344
Less: Housing Association grants	(19,790)
	101,554
Freehold property, St Swithun's Close Worcester	130,425
	231,979

The current value for insurance purposes of the Freehold Property is £7,712,646 (2020 - £7,488.005)

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

12 Fixed asset investments

	Income investments £	Accumulation investments £	Total £
Cost or valuation			
At 1 January 2021	134,809	790,805	925,614
Additions	-	1,446	1,446
Valuation changes	12,139	104,260	116,399
At 31 December 2021	146,948	896,511	1,043,459
Carrying amount			
At 31 December 2021	146,948	896,511	1,043,459
At 31 December 2020	134,809	790,805	925,614

The historical cost as at 31 December 2021 for the M&GCMAF Income Investments was £83,000 (2020 £83,000) and for the M&GCMAF Accumulation Investments was £204,965 (2020 £203,520).

13 Financial instruments	2021 £	2020 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	1,043,459	960,724
Carrying amount of financial liabilities		
Measured at amortised cost	30,097	17,043
14 Debtors	2021 £	2020 £
Amounts falling due within one year:		
Prepayments and accrued income	4,000	4,215
15 Creditors: amounts falling due within one year	2021 £	2020 £
Other creditors	23,930	13,092
Accruals and deferred income	6,167	3,951
	30,097	17,043

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

16 Endowment funds

The income funds of the charity include endowment funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds					Movement in funds					
	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at January 2021	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at 31 December 2021
	£	£	£	£	£	£	£	£	£	£	£
Permanent endowments											
Property fund	231,979	-	-	-	-	231,979	-	-	-	-	231,979
	<u>231,979</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,979</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,979</u>
	<u>231,979</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,979</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,979</u>

The property fund represents the cost of the freehold land and buildings held by the charity on the condition that such property is maintained by the charity.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds				
	Balance at 1 January 2020	Incoming resources	Resources expended	Investments gains/losses	Balance at 1 January 2021	Incoming resources	Resources expended	Investments gains/losses	Balance at 31 December 2021
	£	£	£	£	£	£	£	£	£
Social Fund	8,921	-	-	-	8,921	-	(670)	-	8,251
Children's Fund - Capital	4,692	-	-	-	4,692	-	-	-	4,692
Children's Fund - Income	1,300	250	(500)	-	1,050	250	-	-	1,300
Capital Redemption	110,177	-	-	(3,506)	106,671	-	-	14,053	120,724
	<u>125,090</u>	<u>250</u>	<u>(500)</u>	<u>(3,506)</u>	<u>121,334</u>	<u>250</u>	<u>(670)</u>	<u>14,053</u>	<u>134,967</u>

Social Fund - This fund is held for use by the Social Committee in providing and promoting social events, outings and activities for the benefit of the Residents.

Children's Fund - The trustees allocate amounts of £250, or as agreed, to the relief of persons under the age of 18, living in the city of Worcester, who are in need, hardship or distress.

Capital Redemption Fund - This reserve is for the future development and/or rebuilding costs.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

18 Unrestricted funds - designated

These are unrestricted funds which are material to the charity's activities made up as follows:

	Movement in funds					Movement in funds					
	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Investments gains/(losses)	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Investments gains/(losses)	Balance at 31 December 2021
	£	£	£	£	£	£	£	£	£	£	£
Cyclical Repairs and Maintenance Repairs Fund	127,731	-	(9,181)	29,085	(4,798)	142,837	-	(27,115)	29,890	16,511	162,123
Extraordinary Repairs to Housing Fund	205,461	-	(5,487)	17,780	(7,719)	210,035	-	(21,977)	18,270	24,279	230,607
	<u>333,192</u>	<u>-</u>	<u>(14,668)</u>	<u>46,865</u>	<u>(12,517)</u>	<u>352,872</u>	<u>-</u>	<u>(49,092)</u>	<u>48,160</u>	<u>40,790</u>	<u>392,730</u>

Cyclical Repairs and Maintenance Repairs Fund - This reserve represents amounts set aside for the cyclical maintenance to meet costs in excess of budgeted expenditure for any year.

Extraordinary Repairs To Housing Fund - This reserve represents amounts set aside for the extraordinary repair, improvement or rebuilding of the homes.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Analysis of net assets between funds

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:										
Tangible assets	-	-	-	231,979	231,979	-	-	-	231,979	231,979
Investments	589,002	333,733	120,724	-	1,043,459	526,000	292,943	106,671	-	925,614
Current assets/(liabilities)	3,935	58,997	14,243	-	77,175	6,522	59,929	14,663	-	81,114
	<u>592,937</u>	<u>392,730</u>	<u>134,967</u>	<u>231,979</u>	<u>1,352,613</u>	<u>532,522</u>	<u>352,872</u>	<u>121,334</u>	<u>231,979</u>	<u>1,238,707</u>

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2021*

20 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

THE ROYAL ALBERT AND ST SWITHUN'S HOMES

England & Wales - Charity number 201687

Accounts

THE ROYAL ALBERT & ST SWITHUN'S HOMES
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

THE ROYAL ALBERT & ST SWITHUN'S HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr H Burton Mr M Ellison Mr B Thompson Mrs B Thompson Mr W Simpson MBE Mr M A Thomas Councillor L Denham Councillor S MacKay Mrs C G Gardner
Clerk to the Trustees	Mr J I Wagstaff
Charity number	201687
Principal address	17 Royal Albert Close Fort Royal Worcester WR5 1BX
Independent examiner	T. C. P. Calder FCA Kendall Wadley LLP Merevale House 27 Sansome Walk Worcester WR1 1NU
Bankers	Lloyds Bank plc 4 The Cross Worcester WR1 3PY
Investment advisors	M&G Securities Limited PO Box 9038 Chelmsford CM99 2XF

THE ROYAL ALBERT & ST SWITHUN'S HOMES

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THE ROYAL ALBERT & ST SWITHUN'S HOMES

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019)

Objectives and activities

Objects of charity

The objects of the charity are:

- the provision of housing accommodation for beneficiaries
- such charitable purpose for the benefit of the residents as the trustees decide; and
- the relief of persons under the age of 18 who are in need, hardship or distress in accordance with clause 28 (2) of the charity's Scheme.

Activities of the organisation

The Almshouses belonging to the charity shall be appropriated and used for the residence of Almspersons in accordance with the Scheme.

The Trustees shall charge the Almspersons a weekly sum towards the cost of maintaining the Almshouses and essential services. There have been no changes in the stated objects during the year.

Public benefit

As a charity, The Royal Albert and St Swithun's Homes provides a public benefit to the local community providing housing for the elderly and providing grants to young persons under the age of 18, who are in need, hardship or distress.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Organisation review and results

With the break out of the Coronavirus pandemic early in the year we have had to adapt to a different way of managing the charity. We were fortunate that we could hold the February 2020 meeting but then had to change to "virtual" type meetings.

We have had only one vacancy and with the refurbishment of this bungalow unit being completed quickly the new residents could move in. However some of the major maintenance work could not proceed and this has now been rescheduled for 2021.

The Charity's investments held in the M & G Charity Multi Asset Funds also suffered losses due to the pandemic and it is hoped these will recover during 2021.

Our thanks go out to our Warden who has, during this most difficult year, provided an excellent service of care to our residents in looking out for their mental and physical welfare. She has also kept the trustees fully informed, complied with government guidelines and dealt promptly with maintenance issues as they have arisen.

As usual the ongoing schedule of work to both improve the Residents facilities and to maintain the property to a high standard continues and the Trustees set their forward Budget Plan to cover this.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

Reserves Policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which provides sufficient funds to cover resources expended for approximately two to three years, which equates to between £300,000 and £400,000, to ensure the continuity of the provision of Almshouses to the residents.

Total reserves stand at £1,238,707 (2019 - £1,236,793) of which £231,979 (2019 - £231,979) is permanently endowed. Restricted Funds total £121,334 (2019 - £125,090) further details are provided on the use of these funds in the notes to the financial statements. Of the remaining funds £352,872 (2019 - £333,192) is designated to ensure that the programme of cyclical and other maintenance of the properties can be undertaken, leaving unrestricted funds at £532,522 (2019 - £546,532).

Investment policy

The Trustees have considered the most appropriate policy for investing funds and have found that specialised unit trusts, designed for the charity sector, meet their requirements to generate both income and capital growth. The Trustees consider the return on investments in the year to be satisfactory.

Risk review

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

Organisation status

The Organisation is an unincorporated charity regulated by a Charity Scheme dated 19 December 2000 and as approved by the Charity Commission for England and Wales. The board of trustees is responsible for the decisions taken concerning the management of the charity.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees

The Trustees who served during the year were:

Mr H Burton

Mr M Ellison

Mr B Thompson

Mrs B Thompson

Mr W Simpson MBE

Mr M A Thomas

Councillor L Denham

Councillor S MacKay

Mrs C G Gardner

Recruitment and appointment of new Trustees

Trustees are appointed either by nomination or co-option, in accordance with clauses 7 and 8 of the Charity Scheme of 19 December 2000, for a term of four years.

Trustee Training

Trustees must give each new Trustee, on their first appointment, a copy of the Scheme and any amendments made to it and a copy of the charity's latest report and statement of accounts. Trustees receive any additional training as is necessary during Trustee meetings.

The Trustees' report was approved by the Board of Trustees.


Mrs B Thompson

Trustee

Dated: 17 February 2021

THE ROYAL ALBERT & ST SWITHUN'S HOMES

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE ROYAL ALBERT & ST SWITHUN'S HOMES

I report to the Trustees on my examination of the financial statements of The Royal Albert & St Swithun's Homes (the charity) for the year ended 31 December 2020.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

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

Independent examiner's statement

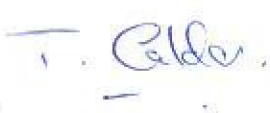
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting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

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.


T. C. P. Calder FCA
Kendall Wadley LLP

Merevale House
27 Sansome Walk
Worcester
WR1 1NU

Dated: 9 April 2021

THE ROYAL ALBERT & ST SWITHUN'S HOMES

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total 2019 £
Income from:											
Charitable activities	3	151,738	-	-	-	151,738	147,881	-	-	-	147,881
Investments	4	5,619	-	250	-	5,869	5,596	-	250	-	5,846
Total income		157,357	-	250	-	157,607	153,477	-	250	-	153,727
Expenditure on:											
Charitable activities	5	103,971	14,668	500	-	119,139	96,340	54,589	1,047	-	151,976
Net gains/(losses) on investments	9	(20,531)	(12,517)	(3,506)	-	(36,554)	75,886	50,057	16,995	-	142,938
Net incoming/(outgoing) resources before transfers		32,855	(27,185)	(3,756)	-	1,914	133,023	(4,532)	16,198	-	144,689

THE ROYAL ALBERT & ST SWITHUN'S HOMES

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

Net incoming/(outgoing) resources before transfers	32,855	(27,185)	(3,756)	-	1,914	133,023	(4,532)	16,198	-	144,689
Gross transfers between funds	10	(46,865)	46,865	-	-	(45,220)	45,220	-	-	-
Net movement in funds		(14,010)	19,680	(3,756)	-	1,914	87,803	16,198	-	144,689
Fund balances at 1 January 2020		546,532	333,192	125,090	231,979	1,236,793	458,729	108,892	231,979	1,092,104
Fund balances at 31 December 2020		532,522	352,872	121,334	231,979	1,238,707	546,532	125,090	231,979	1,236,793

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

All income and expenditure derive from continuing activities.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	11	231,979		231,979	
Investments	12	925,614		960,724	
		<u>1,157,593</u>		<u>1,192,703</u>	
Current assets					
Debtors	14	4,215		4,540	
Cash at bank and in hand		93,942		65,085	
		<u>98,157</u>		<u>69,625</u>	
Creditors: amounts falling due within one year	15	<u>(17,043)</u>		<u>(25,535)</u>	
Net current assets			81,114		44,090
Total assets less current liabilities			<u>1,238,707</u>		<u>1,236,793</u>
Capital funds					
Endowment funds	16	231,979		231,979	
Income funds					
Restricted funds	17	121,334		125,090	
Unrestricted funds - designated	18	352,872		333,192	
Unrestricted funds - general		532,522		546,532	
		<u>1,238,707</u>		<u>1,236,793</u>	

The financial statements were approved by the Trustees on 17 February 2021


 Mrs B Thompson

Trustee


 Trustee

Trustee

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

The Royal Albert & St Swithun's Homes is a charity registered in England and Wales. The principal address is 17 Royal Albert Close, Fort Royal, Worcester, WR5 1BX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purpose and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Resources expended

Governance costs include costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examiners fees and costs linked to the strategic management of the charity.

All expenditure is accounted for on an accruals basis and is allocated to the activity to which it relates.

Royal Albert and St Swithun's Homes has established a regular programme of cyclical repairs and maintenance. Costs are charged to the revenue account in the year in which they are incurred.

Costs of extraordinary repairs, unless representing improvements to the properties, are charged to the revenue account in the year in which they are incurred.

The Royal Albert and St Swithun's Homes are not registered for value added tax (VAT).

1.6 Tangible fixed assets

Housing properties are stated at cost. The development cost of housing properties includes the following:

- 1) cost of acquiring land and buildings, and
- 2) development expenditure.

As the properties are maintained in a state of repair such that their estimated residual value is not less than their improvement cost or carrying amount, no depreciation charge is made on the grounds that it would be immaterial.

Housing Association Grant (HAG) is paid by the Housing Corporation to reduce the cost of development and is, therefore, shown as a deduction from the cost of housing the properties on the balance sheet.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

3 Charitable activities

	Notional receipts from occupants	Voids	Rent receivable	Total 2020	Notional receipts from occupants	Voids	Rent receivable	Total 2019
	2020 £	2020 £	2020 £	£	2019 £	2019 £	2019 £	£
Sales within charitable activities	144,897	(395)	7,236	151,738	141,465	(661)	7,077	147,881

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

4 Investments

	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £	Restricted funds 2019 £	Total 2019 £
Income from listed investments	5,393	250	5,643	5,392	250	5,642
Interest receivable	226	-	226	204	-	204
	<u>5,619</u>	<u>250</u>	<u>5,869</u>	<u>5,596</u>	<u>250</u>	<u>5,846</u>

5 Charitable activities

	House services costs £	Housing maintenance and repairs £	Social costs £	Total 2020 £	Total 2019 £
Staff costs	18,485	-	-	18,485	17,933
Water	7,646	-	-	7,646	2,032
Heat and light	24,399	-	-	24,399	27,522
Insurance	4,865	-	-	4,865	4,850
Clerk to the Trustees' fees	3,425	-	-	3,425	3,325
Telephone	3,910	-	-	3,910	3,846
Subscriptions	281	-	-	281	309
Sundry	3,792	-	-	3,792	3,951
Gardening	10,057	-	-	10,057	8,009
Housing maintenance and repairs (unrestricted fund)	-	16,950	-	16,950	14,547
Large non-recurring repairs (extraordinary repairs fund)	-	5,487	-	5,487	16,648
Recurring maintenance costs (cyclical maintenance fund)	-	9,181	-	9,181	37,941
Social event costs	-	-	-	-	1,090
Grants from Children's Fund	-	-	500	500	-
	<u>76,860</u>	<u>31,618</u>	<u>500</u>	<u>108,978</u>	<u>142,003</u>
Share of governance costs (see note 6)	10,161	-	-	10,161	9,973
	<u>87,021</u>	<u>31,618</u>	<u>500</u>	<u>119,139</u>	<u>151,976</u>

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Governance costs

	2020 £	2019 £
Clerk to the Trustees' fees	6,850	6,650
Independent examiner's fees	1,680	1,744
Sundry	1,631	1,579
	<u>10,161</u>	<u>9,973</u>
Analysed between Charitable activities	<u>10,161</u>	<u>9,973</u>

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Liability insurance has been taken out by the charity for its trustees. The cost of £484 (2019 £484) is included in governance costs sundry expenses.

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Warden	<u>1</u>	<u>1</u>

Employment costs

	2020 £	2019 £
Wages and salaries	18,124	17,601
Other pension costs	361	332
	<u>18,485</u>	<u>17,933</u>

In addition to employees' wages paid during the year, the Clerk to the Trustees received remuneration of £10,275 (2019 £9,975).

There were no employees whose annual remuneration was £60,000 or more.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

9 Net gains/(losses) on investments

	Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total	Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total
	2020	2020	2020	2020	2019	2019	2019	2019
	£	£	£	£	£	£	£	£
Revaluation of investments	(20,531)	(12,517)	(3,506)	(36,554)	75,886	50,057	16,995	142,938

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Transfers

At the year end transfers were made from unrestricted funds to designated funds to increase the amounts set aside to cover future costs of cyclical maintenance to housing and extraordinary repairs to housing. These transfers amounted to £29,085 transferred to the Cyclical Repairs and Maintenance Fund and £17,780 transferred to the Extraordinary Repairs to Housing Fund from unrestricted funds.

11 Tangible fixed assets

	Land and buildings £
Cost	
At 1 January 2020	231,979
At 31 December 2020	231,979
Carrying amount	
At 31 December 2020	231,979
At 31 December 2019	231,979
Net book value of fixed assets at 31 December 2020 represents:	
Freehold property, Fort Royal Worcester	121,344
Less: Housing Association grants	(19,790)
	101,554
Freehold property, St Swithun's Close Worcester	130,425
	231,979

The current value for insurance purposes of the Freehold Property is £7,488,005 (2019 - £7,326,815)

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Fixed asset investments

	Income investments £	Accumulation investments £	Total £
Cost or valuation			
At 31 December 2020	145,691	815,033	960,724
Additions	-	1,445	1,445
Valuation changes	(10,882)	(25,673)	(36,555)
	<u>134,809</u>	<u>790,805</u>	<u>925,614</u>
At 31 December 2020	134,809	790,805	925,614
Carrying amount			
At 31 December 2020	<u>134,809</u>	<u>790,805</u>	<u>925,614</u>
At 31 December 2019	<u>145,691</u>	<u>815,033</u>	<u>960,724</u>

The historical cost as at 31 December 2020 for the M&GCMAF Income Investments was £83,000 (2019 £83,000) and for the M&GCMAF Accumulation Investments was £203,520 (2019 £202,075).

13 Financial instruments	2020 £	2019 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	<u>925,614</u>	<u>960,724</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>17,043</u>	<u>25,535</u>
14 Debtors		
	2020 £	2019 £
Amounts falling due within one year:		
Prepayments and accrued income	<u>4,215</u>	<u>4,540</u>
15 Creditors: amounts falling due within one year		
	2020 £	2019 £
Other creditors	13,092	20,836
Accruals and deferred income	<u>3,951</u>	<u>4,699</u>
	<u>17,043</u>	<u>25,535</u>

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

16 Endowment funds

The income funds of the charity include endowment funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2019	Movement in funds					Movement in funds					Balance at 31 December 2020
		Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at January 2020	Incoming resources	Resources expended	Transfers	Investments gains/losses		
	£	£	£	£	£	£	£	£	£	£	£	
Permanent endowments												
Property fund	231,979	-	-	-	-	231,979	-	-	-	-	231,979	
	231,979	-	-	-	-	231,979	-	-	-	-	231,979	

The property fund represents the cost of the freehold land and buildings held by the charity on the condition that such property is maintained by the charity.

THE ROYAL ALBERT & ST SWITHUN'S HOMES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2019	Movement in funds			Movement in funds			Balance at 31 December 2020		
	£	Incoming resources	Resources expended	Investments gains/losses	£	Incoming resources	Resources expended	Investments gains/losses	£	£
Social Fund	9,968	-	(1,047)	-	-	-	-	-	-	8,921
Children's Fund - Capital	4,692	-	-	-	-	-	-	-	-	4,692
Children's Fund - Income	1,050	250	-	-	250	250	(500)	-	-	1,050
Capital Redemption	93,182	-	-	16,995	110,177	-	-	(3,506)	-	106,671
	<u>108,892</u>	<u>250</u>	<u>(1,047)</u>	<u>16,995</u>	<u>125,090</u>	<u>250</u>	<u>(500)</u>	<u>(3,506)</u>	<u>121,334</u>	

Social Fund - This fund is held for use by the Social Committee in providing and promoting social events, outings and activities for the benefit of the Residents.

Children's Fund - The trustees allocate amounts of £250, or as agreed, to the relief of persons under the age of 18, living in the city of Worcester, who are in need, hardship or distress.

Capital Redemption Fund - This reserve is for the future development and/or rebuilding costs.

THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18 Unrestricted funds - designated

These are unrestricted funds which are material to the charity's activities made up as follows:

	Balance at 1 January 2019	Movement in funds					Movement in funds					Balance at 31 December 2020
		Incoming resources	Resources expended	Transfers	Investments gains/(losses)	Balance at January 2020	Incoming resources	Resources expended	Transfers	Investments gains/(losses)		
	£	£	£	£	£	£	£	£	£	£	£	
Cyclical Repairs and Maintenance Repairs Fund	114,693	-	(37,941)	28,070	22,909	127,731	-	(9,181)	29,085	(4,798)	142,837	
Extraordinary Repairs to Housing Fund	177,811	-	(16,648)	17,150	27,148	205,461	-	(5,487)	17,780	(7,719)	210,035	
	292,504	-	(54,589)	45,220	50,057	333,192	-	(14,668)	46,865	(12,517)	352,872	

Cyclical Repairs and Maintenance Repairs Fund - This reserve represents amounts set aside for the cyclical maintenance to meet costs in excess of budgeted expenditure for any year.

Extraordinary Repairs To Housing Fund - This reserve represents amounts set aside for the extraordinary repair, improvement or rebuilding of the homes.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

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THE ROYAL ALBERT & ST SWITHUN'S HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

20 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

