

THE FINCHLEY CHARITIES
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

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THE FINCHLEY CHARITIES

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for the Year Ended 31 March 2024

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THE FINCHLEY CHARITIES

REGISTRATION	By the Almshouse Association (Number 91) By the Charity Commission (Number 206621) By the Regulator of Social Housing (formerly HCA) (Number A0185)	
PRINCIPAL OFFICE	41a Wilmot Close East Finchley London N2 8HP	
CHARITY WEBSITE	www.thefinchleycharities.org	
TRUSTEES	Michael Pughsley (C) – Chair Adam Gheasuddin (N) Ian Anderson (C) – Vice Chair (Resigned 19 February 2024) Cllr Danny Rich (N) Cllr Kathy McGuirk (N) The Rev. Philip Davison (E) Mr Graham Old (C) Richard Merrin (C) Nigel Benjamin (C) Leila Satar (C) Susanna Morales Chinyere Ugwu (C) – Vice Chair from 19 February 2024 (C) Co-opted (E) Ex-Officio (N) Nominated by London Borough of Barnet	
FULL TIME CHIEF EXECUTIVE:	Ms Carmel Miedziolka MBA CIHCM – appointed January 2023 as interim CEO and permanent CEO from 1 May 2023	
MANAGERS	Head of Operations: Olu Babalola CIHCM – Appointed November 2023 Property Services Manager: Kevin Duberry Housing Services Manager: Ms Claire Young - Resigned June 2023	
ACCOUNTANTS/ AUDITORS	Alwyns LLP Chartered Accountants Crown House, 151 High Road Loughton Essex IG10 4LG	Brindley Millen Limited Chartered Accountants & Registered Auditors 167 Turners Hill Cheshunt Hertfordshire EN8 9BH
BANKERS	Barclays Bank plc 1250 High Road London N20 0PB	CAF Bank Limited 25 Kings Hill Avenue West Malling Kent ME19 4JQ
INVESTMENT MANAGERS	Rathbones (Investec Wealth & Investment Limited) 30 Gresham Street London EC2V 7QN	
SOLICITORS	Devonshires Solicitors LLP 30 Finsbury Circus London EC2M 7DT	

THE FINCHLEY CHARITIES

REPORT OF THE TRUSTEES for the Year Ended 31 March 2024

Constitution

The Finchley Charities was founded in 1488 and operates under a Charity Scheme from the Charity Commission dated 3 March 2011 and also as a Registered Social Landlord.

The scheme states that the area of benefit extends into the London Borough of Barnet. The eligibility for residency applies to persons of limited means, aged 55 and above who find it difficult to find suitable and affordable housing for themselves and who are in need of support. The Finchley Charities also operates a Relief in Need fund for local persons and organisations requesting financial assistance subject to certain conditions.

The Finchley Charities own the Fuel Land Allotments. The day-to-day management is delegated to a voluntary management committee.

Objectives

The objectives of The Finchley Charities are the relief of poverty in the London Borough of Barnet. It does this by providing sheltered housing accommodation to beneficiaries over the age of 55 and donations to parish churches, individuals and organisations. Donations to the parish churches take precedence and are to be applied towards the upkeep and repair of the fabric of the church buildings. Other donations must not be recurrent or be applied to public funds or in relief of rates and taxes.

Values, Mission and Vision

During 2024 Residents, Colleagues and Trustees renewed and refreshed the Core Values of The Finchley Charities and were excited to confirm them as: Community, Inclusion, Support, Security and Quality. We are now working to further embed these Core Values into our culture by integrating them into training, performance evaluations, recognition programmes, and decision-making processes so that they remain a central part of the Charity.



Community: The Finchley Charities provides a caring service where respect for all is paramount.

Inclusion: The Finchley Charities work in conjunction with trusted, local partners to deliver a holistic service for its residents.

Support: The Charity prides itself on providing a friendly, caring and welcoming environment where residents can live independently and feel safe and listened to.

Security: Residents of The Finchley Charities enjoy a peaceful, safe neighbourhood, a refuge in older age.

Quality: The Finchley Charities provides high quality, accessible homes for the local community delivering an independent lifestyle for all.

Our Values

Our Values shape how we deliver our Mission and Vision.

Our Mission

The Finchley Charities enhances lives by providing good quality homes, allotments and grants, together with excellent support services to tackle social isolation, loneliness and improve wellbeing.

Our Vision

To become the leading community housing charity that is centred on providing a trusted, secure and safe environment for older people.



THE FINCHLEY CHARITIES

REPORT OF THE TRUSTEES (continued) **for the Year Ended 31 March 2024**

Governance

The Trustees have established systems and processes that determine strategic direction and policies. These are regularly reviewed. The Trustees also determine short, medium and long-term priorities, and review associated risks.

The Trustees give day-to-day authority to the managers but delegate to their Chief Executive, the responsibility to ensure compliance with their policies and procedures and to liaise as required with their professional advisors and regulatory bodies. All Trustees are volunteers. Co-opted Trustees are selected for their experience and complementary skills. The London Borough of Barnet is entitled to nominate three Trustees.

The Trustees meet formally a minimum of four times a year. In addition, there are four Committees; Finance and Information Technology (IT), Property Services, Housing and Support Services and Fuel Land Allotments. All Committees meet at least four times a year.

The Finance and IT Committee has responsibility for reviewing internal and external Audit reports and HR. The Trustees review the financial position at each meeting and consider all proposals made by the Finance and IT Committee.

All Committees meet more regularly as and when the need arises.

The principal role of the Trustees is to provide and review the strategic direction, have financial oversight, adopt a Budget, ensure income is applied within a reasonable time, obtain necessary assurances the organisation complies with the law and regulation and oversee the work of the Committees and the Chief Executive.

To ensure good governance and compliance with the National Housing Federation's Code of Governance following a governance review during 2020, The Finchley Charities undertook a review of the governing documents during the period which included:

1. The Charity Scheme.
2. Governance procedures.
3. Trustees Code of Conduct.
4. An action plan to ensure The Finchley Charities are compliant with the NHF's Code of Governance to ensure good governance continues to be in place.

A refresh of the Governance Review is currently in progress.

Control Environment/Procedures

The Trustees have delegated authority and established lines of responsibility accordingly. Business and management controls set standards of professionalism and integrity for operations, which are managed by experienced and suitably qualified persons.

The Trustees believe that relative to the number of staff, The Finchley Charities has adequate and effective key internal controls.

Policies and procedures are written, implemented and followed. Policies and procedures are regularly reviewed and ratified by Trustees. The review timeframe is dependent on the policy, regulatory requirements and best practice. The introduction of new policies is considered and ratified by Trustees.

Risk Management

The Finchley Charities has a risk management plan. The major risks to which The Finchley Charities is exposed, as identified by the Trustees, are regularly reviewed and steps taken to mitigate those risks.

The Finchley Charities' risks are reviewed regularly and tabled at Trustee meetings to ensure robust risk management is in place. A Risk Management Working Group has been set up as part of the Finance and IT Committee's workplan.

THE FINCHLEY CHARITIES

REPORT OF THE TRUSTEES (continued) **for the Year Ended 31 March 2024**

Fire Risk Assessment

We use a third party to conduct our regular external Fire Risk Assessments. This year the Fire Risk assessor presented their findings to the new Health and Safety Committee which, together with the Senior Leadership Team, oversee the completion of the actions, improvements and training recommended for the Charity. All services have been graded Tolerable and are compliant.

Community Engagement & Fundraising

The level of enthusiasm amongst the Residents of The Finchley Charities for Community related opportunities is high. This was evidenced during 2023-24 by Residents confirming "Community" as one of the Charity's core values, their responses to The Tenant Satisfaction Measures Survey and in other interactions with our Colleagues. We estimate that between 20 to 30% of all Residents are interested in accessing community training and volunteering opportunities and there have been a number of such opportunities during the year.

Hence, we continue to actively develop links with our local communities, peers and key stakeholders prior to identifying appropriate local improvement opportunities and prioritising projects / resources, funding and a fundraising pipeline. An example of such closer engagement is our work on the Fuel Land Allotments. This resource of 122 allotment plots is held by The Finchley Charities in perpetuity for individuals who live in Barnet. This year, we started converting one of the plots into a "Community Plot" to provide opportunities for volunteers to grow fresh produce for those in food poverty while also creating a calm, safe environment for those in our local community such as asylum seekers, marginalised groups and vulnerable school children, to socialise outside with others, learn a little about horticulture and, at harvest time, eat fresh fruit and vegetables. The Community Plot provides fresh food for the Finchley Food Bank to distribute and has been supported by volunteers from the Finchley Food Bank, St Mary's RC East Finchley, local asylum seekers, via The Finchley Progressive Synagogue, Residents of The Finchley Charities, Fuel Land Allotment plot holders and people from the local area. Additional volunteer support is planned by working for example with local organisations such as GoodGym Barnet and corporate volunteers including James Hambro & Partners and MNM Property Services Ltd who have both signed up to help.

Where additional finance is needed, we have submitted bids for grant funding such as our request to the National Lottery Community Fund for £20,000 for an accessible waterless toilet for the Fuel Land Allotments.

The Finchley Charities is also partnering with national and local organisations to better understand and, where possible, to support their objectives and activities. Hence, we work with the Somali Bravanese Welfare Association, and Age UK and have given a grant to The Finchley Progressive Synagogue to help them create a safe welcoming space every week for asylum seeker families. We are also working closely with local schools to deliver intergenerational impact such as providing work experience for some of the students or holding allotment and community brunches. Our partners here include The Pavilion School (N20), Oak Lodge School, Queen Elizabeth Girls School, North London Grammar School and Barnet College. In addition, we are working with Age UK to support older people who want to meet, share and learn new craft skills.

Information Systems

In order to keep overheads costs down financial management and accounting is outsourced and processed by the bookkeeping department of Alwyns LLP from detail provided by the staff of The Finchley Charities and information provided by the Investment Manager, Rathbones (Investec Wealth & Investment). PC based systems with standard software packages are used for this purpose.

The annual budget is approved by the Trustees. The Chief Executive and Alwyns LLP report on significant adverse variances to the Finance and IT Committee. Management accounts are produced monthly for review by the Chief Executive, Chairman of the Finance and IT Committee and Alwyns LLP. Rathbones (Investec Wealth & Investment) provide investment reports to members of the Finance and IT Sub-Committee on a quarterly basis for review and updates the committee twice a year by presentation. Minutes of these meetings are presented for discussion at the next Trustees Meeting / Board.

THE FINCHLEY CHARITIES

REPORT OF THE TRUSTEES (continued) **for the Year Ended 31 March 2024**

Monitoring Systems

The Chief Executive is responsible for the performance of the staff in relation to policies, procedures and budgets set by the Trustees.

Operational issues may be reported to the Finance and IT Committee or to the Chair if quick decisions are required. The Minutes of all Meetings are approved by the appropriate Committee Chairs and reported to the next full Trustees Meeting / Board for information and ratification.

During 2023/24, HR administration was outsourced to BestStart Human Resources, and we are using an online database tool CitrusHR (now SafeHR) as part of our drive to safeguard, digitise and simplify our systems and record keeping.

Reserves Policy

The Trustees have adopted a reserves policy which they consider appropriate to:

- a) Provide annual amounts for future cyclical repairs and maintenance;
- b) Allow for fluctuations in cash flow and be able to meet budgeted expenditure and donations for at least one year ahead;
- c) Accumulate monies expected to be required for the refurbishment of the Almshouses over and above the amounts in Designated and Restricted Reserves;
- d) Purchase investments which provide income from which, make it possible to subsidise the weekly maintenance contributions charged to Residents of the Almshouses and thus fulfilling one of its charitable objectives.

The Trustees keep the level of reserves under regular review to ensure that they are adequate and appropriate to meet the requirements of The Finchley Charities. The Trustees aim to maintain the free reserves at a level of 3-6 months of expenditure. The current level of free reserves meets this policy.

Employees

The Finchley Charities places great emphasis on the contribution of its employees. The Trustees want to place on the record thanks and appreciation for their dedicated work throughout another very difficult year. Colleagues maintained good and safe links with Residents, ensuring high morale throughout the challenges experienced.

During 2023/24, Trustees employed a Senior Leadership Team comprising of the Chief Executive, a Head of Operations, a Property Services Manager and a Sheltered Housing Manager. The team was supported by four Sheltered Housing Officers, a Property Services Officer, a Business Support Officer, an Administrator and a temporary Digital Inclusion Officer. A performance management framework is in place to ensure all staff and the Chief Executive are supported, provided with regular 1-2-1s and yearly appraisals together with performance delivery plans. The Chair of The Finchley Charities carries out the yearly appraisals and 1-2-1s for the Chief Executive and reports performance to the Board. The Finchley Charities is committed to training and development of all staff. The framework ensures Colleagues at all levels have the opportunity to meet, raise and discuss issues with their Manager, the Chief Executive and ultimately the Trustees.

Equality and Diversity Policy

The Trustees are committed to eliminating discrimination and promoting equality of opportunities for all Colleagues and Residents. The Core Values and Mission of The Finchley Charities are based on valuing our diversity and enabling everyone within our organisation, staff and residents alike, to thrive and to support each other. As an employer of a diverse workforce there is representation at all levels from the front line staff through to the Senior Leadership team and Board and we are committed to tackling all forms of inequality whether structural or personal wherever this may occur.

As part of this commitment, we have commissioned The Social Justice Collective to undertake an Equality Diversity and Inclusion (EDI) Audit with their report due in July 2024. This work involves an audit of our key policies, systems, processes and culture. A number of focus groups have been set up with Residents, Colleagues, the Senior Leadership Team and Trustees. In addition to this piece of work we have signed up to Social Housing Anti-Racism Pledge (SHARP) and aim to develop an EDI vision and action plan together with a new EDI policy which will also be available in July 2024. Together, this work will inform our annual report detailing how our services are experienced by people with protected characteristics and generate an action plan for further analysis or improvement plans where needed.

THE FINCHLEY CHARITIES

REPORT OF THE TRUSTEES (continued) **for the Year Ended 31 March 2024**

Trustees Liability Insurance

As allowed by its mandate, the Trustees have taken out cover of £500,000.

Investment Policy

The overall objectives are to create sufficient income and capital growth to enable The Finchley Charities to carry out its purposes consistently year by year with due and proper consideration for future needs and the maintenance of, and if possible, enhancement of the value of the invested funds while they are retained. Both capital and income may be used at any time for the furtherance of The Finchley Charities' aims.

Ethical Considerations

The Trustees wish to preclude investment in tobacco and these are defined as companies with more than 20% of their turnover in this activity.

The Trustees reserve the right to exclude companies that carry out activities contrary to their aims or from holding particular investments which damage The Finchley Charities' reputation.

Trustees expect the Investment manager to have considered the suitability of investments.

Principal Funding Sources

Charges made to Residents for accommodation and Income and Profits from Investments.

Appointments and Training of New Trustees.

Three Trustees are nominated by the London Borough of Barnet and the Ex-Officio Trustee is the Rector of St Mary-at-Finchley Church Rev Philip Davison.

Possible candidates for Co-opted Trusteeship are usually known and nominated by existing Trustees and appointed by the Trustees as a body. Following the Governance Review in 2020, Trustees made the decision to advertise future vacancies. Trustees appoint new Trustees for their specific skills and knowledge following a skills gap analysis. The Chief Executive has the delegated responsibility for providing training.

During 2023/24 The Finchley Charities recruited one new trustee nominated from the London Borough of Barnet. Recruitment of new Trustees is on-going so as to ensure succession planning for 2025/26.

This year also saw the resignation in February 2024 of Ian Anderson from his role as a Trustee. Ian has served as a Trustee of the charity for many years, and we are deeply grateful for his commitment to our Mission and the wisdom and energy he freely offered.

Key Decisions

The Trustees make all Key Decisions including the ratification of decisions delegated to the Chair or the Chair of the Finance and IT sub-committee.

Activity, Performance Review and Future Plans

2023/24 was again a challenging year with continuing high inflation, spiralling cost of repairs and maintenance and high Bank of England base rates resulting in higher interest payment on our loan. However, The Finchley Charities have continued to carry out the core services to a good level.

During the year we experienced 9 voids, which is 5.2% of The Finchley Charities' housing stock, in comparison to 21 voids in 2022/23. The Finchley Charities has continued to reach out to the local community ensuring that colleagues are supported to turn voids around, carrying out the refurbishments necessary to re-let.

There was 100% occupancy at 31 March 2024.

Further challenges experienced were due to the issues faced by contractors, the difficulties with the labour market and the unprecedented increase in cost of materials which affected turning voids around in the expected timeframes.

THE FINCHLEY CHARITIES

REPORT OF THE TRUSTEES (continued) **for the Year Ended 31 March 2024**

The organisation strategy

The organisation strategy is further developed to plan longer term ambitions, to build further homes, reviewing and improving services, processes and governance. The organisational strategy has been reviewed and refreshed with a new strategy planned. The Strategic Planning Day has been set for 21st September 24 and a further review to take place on the 11th November 24

Asset Management

Trustees are committed to ensure the Charity has a well maintained to a high-quality standard housing stock and the resources to keep these homes in good condition. Regular stock condition surveys enable the Charity to maintain an up-to-date register of the works needed to ensure that the accommodation provided both meets with the Decent Homes Standards and is maintained at a good standard for all Residents (i.e. accommodation in a reasonable state of repair, with modern facilities and services and a reasonable degree of thermal comfort). Such surveys enable an understanding of future financial commitments within a 5-to-30-year horizon and inform the 5-year rolling programme of planned repairs and major refurbishment needed.

During 2022/23, the surveyor Faithorn Farrell Timms (FFT) was commissioned to undertake a comprehensive stock condition survey of all The Finchley Charities properties. The results led to the Charity's latest 5-year rolling programme of works and underpinned the procurement of a property services contractor who now conducts the majority of our building fabric repairs.

The stock condition survey by FFT also identified the energy performance certificates (EPCs) of all of our properties. These EPCs describe the performance and sustainability of each property and inform the decarbonisation improvement works required for each property to achieve the Trustees' aim of minimum ratings of C across the portfolio. Such decarbonisation has resulted in a substantial number of boiler, window and door replacements with further retrofitting planned to achieve the "C" EPC ratings targeted.

Key Building and safety works were completed throughout the year included upgrades at the three services for example all Fire Doors at Pewterers were renewed and refreshed and this work was supplemented by upgrading and replacing the compartmentalisation. At Homefield Gardens, consultants from Elektra carried out a project to review the current external lighting and produced lighting designs to improve lighting externally around the site. Resident consultations took place showing the proposed designs and examples of products recommended. Installation work was completed in January 2024.

A defibrillator was installed at each of our three schemes.

Asset Development Appraisal

The Finchley Charities continue to review its cost base and asset management, particularly with regard to financial efficiencies, value for money and standards for property refurbishments and maintenance, whilst being mindful of keeping a good standard of accommodation expected for Residents.

The Trustees are also committed, if able, to develop more homes needed in the area of benefit. During 2021/22, Campbell Tickell were commissioned to appraise all The Finchley Charities' stock and land to investigate and explore opportunities for the future development of new homes. This year, we held discussions with Sheridan Limited to plan the development of new homes in the area of benefit during 2024/25.

Health & Wellbeing

The organisational focus on Health and Well-being for Residents continues, focusing on activities and events to promote good mental health, promote a good community, reduce social isolation and loneliness.

Sheltered Housing Officers maintain regular contact with all beneficiaries and identify those most at risk of isolation so as to increase their contact and support as required. During the past few years, The Finchley Charities' IT improvement programme included moving all the IT and telephone systems to the cloud and the upgrade to the community alarm systems in beneficiaries' homes.

THE FINCHLEY CHARITIES

REPORT OF THE TRUSTEES (continued) **for the Year Ended 31 March 2024**

Face to face support has been enhanced together with the opening of additional communal facilities. Staff are now working towards resuming health and well-being activities and events and a number of community social opportunities have been created including:

- Money Matters and Scam Prevention – delivered with Age UK
- First Aid training for Residents
- Intergenerational projects including art and music classes and volunteering work at the Community Allotment
- Community Brunches.

Grounds, Gardens and Green Space

It is so important for Residents to socialise and be part of a community which contributes to the reduction of social isolation. The Finchley Charities ensures the grounds, gardens and green space are well maintained to benefit the health & wellbeing of Residents. Trustees would like to thank the gardeners for their commitment and hard work for making sure the gardens remained beautiful and accessible for our beneficiaries to enjoy, socialise and be part of a community. Trustees would also like to thank those Residents who also contributed to ensure the gardens were well maintained. Maintaining the grounds and gardens remains a priority.

Resident Engagement and Satisfaction

Resident engagement is about asking the experts (our Residents) about how we should run our services. We want to ensure that they are able to influence, shape, and decide on how services are delivered from the day to day running of our supported housing and individual's personal support plans through the delivery of repairs services to the strategic decision making of the Board.

This has always been central to The Finchley Charities' way of working with most systems and mechanisms for engaging Residents being face-to-face individual and group discussions.

We consulted all residents through the annual Tenants Satisfaction Measures (TSM) Survey, service user advisory panel and Residents' meetings with formal Resident Engagement sessions held at least quarterly involving Residents from all schemes, Colleagues and Trustees. We have also been learning from other feedback such as complaints and reporting back on this to Residents.

We endeavour to use such sessions to surface and highlight Residents' issues and make their involvement both a reality and their issues a precursor to action whenever possible. Our intention is to maintain frequent and open communications in order to build the confidence of Residents in our ability as a landlord to support them. Our TSM survey showed that 85% of Residents who responded were either very satisfied or fairly satisfied with the overall service they receive from The Finchley Charities with 11 of the 12 areas surveyed being in the upper quartile of sector results.

Resident Engagement sessions are opportunities for Colleagues and Trustees to learn about the challenges faced by our Residents, and then follow through with managed actions and outcomes that support and demonstrably benefit our Residents. Key areas of activity include:

- Security and signage
- Car parking
- Digital inclusion
- Health and wellbeing
- Health and Safety

Residents' meetings have been held at every scheme to review 'Fire Safety' and scheme specific matters and a Health and Safety Committee mobilised in September 2023 where six elected Residents, work together with Colleagues in a committee chaired by a Trustee. The Health and Safety Committee meets quarterly with minutes of the sessions posted on scheme noticeboards and available to all Residents.

THE FINCHLEY CHARITIES

REPORT OF THE TRUSTEES (continued) **for the Year Ended 31 March 2024**

Public Benefit

The Finchley Charities provide accommodation for those beneficiaries of limited means who have lived within the boundaries of the London Borough of Barnet as set out in the scheme of 2011 registered with the Charities Commission.

Each year the Trustees review The Finchley Charities' objectives, to ensure they continue to reflect The Finchley Charities' aims. In carrying out this review, the Trustees have complied with the duty in section 17(s) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

Donations and Grants

The Finchley Charities made the following donations and grants during the year:

Local Church Donations	£12,075
Other	£2,526

A grant is defined as a financial award made by The Finchley Charities from its funds to support charitable activities, usually to registered charities, charitable community groups and individuals experiencing hardship.

Trustees' grant making policy has no restrictions imposed on the purpose for which grants may be made, as long as the criteria outlined in the Charity Scheme are met. Trustees will award grants when they believe the grant will make a difference and will have an impact in the area of benefit. All applicants will be considered if the organisation or individual can demonstrate the following:

- Need and impact
- The organisation applying for a grant is a registered charity in the UK and operates in the area of benefit – the London Borough of Barnet
- An individual applying for a grant resides in the area of benefit and can demonstrate hardship.

Grants awarded will vary in amount.

All grants are considered at The Finchley Charities' Housing and Support Services Committee on a quarterly basis then ratified by the Finance and IT sub-committee and the Trustees of The Finchley Charities, before grants are awarded in line with The Finchley Charities' charitable objectives.

During 2023/24, we continued to limit the number of grants provided due to the large amount of investment made into the major works programme, for the much-needed work required to be undertaken to The Finchley Charities' assets during a difficult and challenging year. We will continue to provide grants during 2024/25 which will be kept under review.

Overall performance

Performance indicators:

	2024	2023
Operating margin before revaluation		
gain on investments	16%	3%
Occupancy	99%	98%
Rent collected	98%	99%
Overheads as a percentage of maintenance contributions	80%	93%
Cost per unit	£8,676	£9,323
Working capital	£123,323	£49,259

The Finchley Charities' operating margin has increased following an improved performance on the investments and as the charity continues to invest in its properties whilst maintaining a 98% occupancy and rent collected remains consistent. The working capital has improved from the previous year but continues to be low due to the continued investment in our properties through our planned 'major works' programme.

THE FINCHLEY CHARITIES

REPORT OF THE TRUSTEES (continued) **for the Year Ended 31 March 2024**

Financial Review of the Year

The surplus before revaluation losses/gains on investments for the 12 months period was £316,478 (2023 – £60,582).

The results for the year excluding the increase or decrease in the value of investments may be summarised as follows:

	2024	2023
	£	£
Income from Housing	1,868,939	1,716,825
Direct costs	(415,180)	(347,159)
	<u>1,453,759</u>	<u>1,369,666</u>
Administration costs	(622,827)	(685,256)
Depreciation	(357,060)	(351,486)
Loss on replacement of components	(33,537)	(43,805)
Grant Amortisation	64,599	64,599
	<u>504,934</u>	<u>353,718</u>
Cyclical Maintenance Fund costs	(454,273)	(571,161)
Housing activity surplus/(deficit)	<u>50,661</u>	<u>(217,443)</u>
Other income less donations paid	223,535	243,635
Operating Surplus	<u>274,196</u>	<u>26,192</u>
Profit on sale of investments	42,282	34,390
Surplus for the year before revaluation	<u>316,478</u>	<u>60,582</u>
Gains/(losses) on investments	<u>316,478</u>	<u>60,582</u>

The Finchley Charities complies with the Statement of Recommended Practice (SORP) for Registered Social Landlords in the presentation of its Financial Statements.

THE FINCHLEY CHARITIES

REPORT OF THE TRUSTEES (continued) **for the Year Ended 31 March 2024**

Overview

The Finchley Charities is aware of its status as a Charity and that it has always subsidised accommodation which The Finchley Charities offers. The Finchley Charities has endeavoured to principally use investment income to pay for essential extraordinary repairs and capital costs. The Finchley Charities reviews its investment performance on a regular basis with its Investment Managers throughout the year.

The surplus shown above continued to contribute to the reserves, which are therefore considered adequate to support The Finchley Charities' objectives in the future. The Statement of Financial Position shows a increase in reserves to £17,100,206 at 31 March 2024 which are largely represented by the stock of housing accommodation. The free reserves (unrestricted reserves less fixed assets, deferred government grant and loans) at 31 March 2024 were £425,541.

The Finchley Charities continues to retain the services of professionally qualified staff who are keen to continue the development of The Finchley Charities' targets.

The Finchley Charities' auditors have confirmed that we have an adequate financial position. We have ambition to maintain and improve this position in order that we may be able to offer more grants to those organisations who offer assistance to those in need in Barnet.

It should be acknowledged that the Trustees are not remunerated for their often-considerable work, therefore, Trustees Liability Insurance is in place to protect them from personal liability as far as is possible.

Responsibilities of the Trustees

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.


The law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare The Finchley Charities' financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of The Finchley Charities and of the surplus or deficit for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain The Finchley Charities' transactions and disclose with reasonable accuracy at any time the financial position of The Finchley Charities and enable them to ensure that the financial statements comply with the Charities Act, the Housing and Regeneration Act 2008, the Accounting Direction for private registered providers of social housing 2022 and the Statement of Recommended Practice: Accounting by registered social housing providers (SORP 2018 update). They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Trustees:


Chairman – M. Pughsley


Trustee – G. Old

29/7/24
Date

THE FINCHLEY CHARITIES

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE FINCHLEY CHARITIES **for the Year Ended 31 March 2024**

Opinion

We have audited the financial statements of The Finchley Charities (the 'charity') for the year ended 31 March 2024 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of The Finchley Charities' affairs as at 31 March 2024 and of its incoming resources and application of resources for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing in England 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

THE FINCHLEY CHARITIES

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE FINCHLEY CHARITIES (continued) **for the Year Ended 31 March 2024**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Charities Act 2011 and the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are those covered by the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2019, the Statement of Recommended Practice for Charities (SORP 2019) and the Charities Act 2011. We assessed the risk of material misstatement in respect of fraud by making enquiries of management and trustees and by testing the implementation of accounting controls in place.

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above by making enquiries with key personnel and reviewing relevant documentation such as minutes of Trustee meetings and correspondence with regulatory bodies. We considered the risk of fraud through management override by incorporation testing of journal entries and reviewing any requirements to meet performance targets. We also considered, and tested for, the possibility of unauthorised payments to related parties.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

THE FINCHLEY CHARITIES

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE FINCHLEY
CHARITIES (continued)**
for the Year Ended 31 March 2024

Use of our report

This report is made solely to The Finchley Charities' Trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Finchley Charities and The Finchley Charities' Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Maurice Brindley BSc FCA (Senior Statutory Auditor)
for and on behalf of Brindley Millen Ltd
Chartered Accountants and Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
167 Turners Hill
Cheshunt
Hertfordshire
EN8 9BH

Date: 20/8/2024

THE FINCHLEY CHARITIES


STATEMENT OF COMPREHENSIVE INCOME for the Year Ended 31 March 2024

		Unrestricted funds	Designated funds	Restricted funds	2024 Total	2023 Total
	Note	£	£	£	£	£
INCOME FROM HOUSING						
Social housing lettings	2	1,933,538	-	-	1,933,538	1,781,424
Operating expenditure	2	(1,882,877)	-	-	(1,882,877)	(1,998,867)
HOUSING ACTIVITY SURPLUS	3	50,661	-	-	50,661	(217,443)
Profit on sale of investments		42,282	-	-	42,282	34,390
Investment property income		74,064	-	13,520	87,584	80,034
Interest receivable and similar income	4	231,420	-	-	231,420	229,132
Interest payable		(82,543)	-	-	(82,543)	(51,591)
Donations received		1,675	-	-	1,675	720
Other expenditure		-	-	-	-	-
Donations payable		(14,601)	-	-	(14,601)	(14,660)
Surplus before revaluation gain/(loss) on investments and transfers		252,297	-	13,520	265,817	278,025
Net revaluation gain/(loss) on investments		302,958	-	13,520	316,478	60,582
Transfers between reserves	8a	214,954	-	-	214,954	(471,507)
Surplus/(Deficit) for the year before revaluation of fixed assets	12	5,183	(5,611)	428	-	-
SURPLUS/(DEFICIT) FOR THE YEAR		523,095	(5,611)	13,948	531,432	(410,925)
Reserves brought forward		12,525,130	3,842,024	201,620	16,568,774	16,979,699
Reserves carried forward		13,048,225	3,836,413	215,568	17,100,206	16,568,774

The Finchley Charities has no other recognised gains or losses other than the results for the year as set out above.
All the activities of The Finchley Charities are continuing.

Approved and authorised for issue by the Trustees on 29/7/24


Chairman - M. Pughsley


Trustee - G. Old

The notes on pages 18 to 27 form part of these financial statements.

THE FINCHLEY CHARITIES

STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

		2024		2023	
	Note	£	£	£	£
FIXED ASSETS					
Housing Properties	7a		12,484,656		12,489,943
Fuel Land Allotments	7b		450,000		450,000
Office equipment	7a		8,506		5,151
			<u>12,943,162</u>		<u>12,945,094</u>
Investment Properties	7c		450,000		450,000
Investments - Shares	8a	6,416,469		6,036,507	
- Cash	8b	<u>160,162</u>		<u>179,126</u>	
			6,576,631		6,215,633
			<u>19,969,793</u>		<u>19,610,727</u>
CURRENT ASSETS					
Debtors	9	70,617		51,709	
Cash at bank and in hand		<u>273,634</u>		<u>168,334</u>	
		344,251		220,043	
CREDITORS: Amounts falling due within one year	10	<u>(338,832)</u>		<u>(287,217)</u>	
NET CURRENT(LIABILITIES)			5,419		(67,174)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>19,975,212</u>		<u>19,543,553</u>
CREDITORS: Amounts falling due after more than one year	10		(2,875,006)		(2,974,779)
NET ASSETS			<u>17,100,206</u>		<u>16,568,774</u>
RESERVES	12/13				
Revenue - unrestricted			9,925,793		9,617,652
Property revaluation reserve			1,621,632		1,621,632
Investment revaluation reserve			<u>1,500,800</u>		<u>1,285,846</u>
			13,048,225		12,525,130
Designated			3,836,413		3,842,024
Restricted			<u>215,568</u>		<u>201,620</u>
			<u>17,100,206</u>		<u>16,568,774</u>

Approved and authorised for issue by the Trustees on 29/7/24

Chairman M. Pughsley

Trustee - G. Old

The notes on pages 18 to 27 form part of these financial statements.

THE FINCHLEY CHARITIES**STATEMENT OF CASH FLOWS****As at 31 March 2024**

	2024	2023
	£	£
Net cash from operating activities	352,118	119,323
Cash flows from financing activities:		
Mortgage capital movement	(33,703)	(43,454)
Interest paid on mortgage	<u>(82,543)</u>	<u>(51,591)</u>
Net cash flow from financing activities	<u>(116,246)</u>	<u>(95,045)</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(333,674)	(638,430)
Purchase of other PPE	(7,170)	(1,465)
Purchase of investments (shares)	(891,711)	(725,368)
Proceeds from disposal of investments (shares)	800,441	628,931
Investment property income	87,584	80,034
Investment income	<u>194,994</u>	<u>185,023</u>
Net cash flow used in investing activities	<u>(149,536)</u>	<u>(471,275)</u>
Net increase/(decrease) in cash and cash equivalents in the reporting period	86,336	(446,997)
Cash and cash equivalents at beginning of the reporting period	<u>347,460</u>	<u>794,457</u>
Cash and cash equivalents at end of the reporting period (Note 15)	<u>433,796</u>	<u>347,460</u>
<u>RECONCILIATION OF NET INCOME/(EXPENDITURE)</u>		
<u>TO NET CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net income before revaluation gains on investments	316,478	60,582
Adjustments for:		
Depreciation charges	357,060	351,486
Loss on disposal of fixed assets	33,537	43,805
Amortisation of Grant	(64,599)	(64,599)
Investment property income received	(87,584)	(80,034)
Interest payable	82,543	51,591
Investment income received	(228,935)	(213,333)
Interest received	-	-
(Profit)/Loss on sale of investment (shares)	(42,282)	(34,390)
Decrease/(Increase) in debtors (less accrued investment income)	(16,423)	21,147
(Decrease)/Increase in creditors (less mortgage, deferred government grants and capital creditors)	2,323	(16,932)
Net cash provided from operating activities	<u>352,118</u>	<u>119,323</u>

THE FINCHLEY CHARITIES

NOTES TO THE FINANCIAL STATEMENTS **for the Year Ended 31 March 2024**

1. PRINCIPAL ACCOUNTING POLICIES

Legal Status

The Finchley Charities is a registered charity (Registered Number 206621) and is registered with the Regulator of Social Housing (formerly Homes and Communities Agency) as a Private Registered Provider of Social Housing (Registered Number A0185) and the Almshouse Association (Registered Number 91). The registered office is 41a Wilmot Close, East Finchley, London N2 8HP.

Accounting Convention

The financial statements have been prepared in accordance with applicable accounting standards including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, and the Statement of Recommended Practice for registered social housing providers (SORP 2018 update). The principal activity of The Finchley Charities is to provide relief of poverty in the London Borough of Barnet. In accordance with FRS 102 (3.3 A), the charity is a public benefit entity that has applied the "PBE" prefixed paragraphs.

The financial statements comply with the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. The accounts are prepared on the historical cost basis of accounting except for investment properties and investments which are included at fair value and are presented in sterling (£).

Going concern

The accounts have been prepared on the basis that it will continue as a going concern. There are sufficient reserves to enable The Finchley Charities to continue to achieve its objectives for the foreseeable future.

A summary of significant accounting policies is set out below.

Income

Income from Housing represents income receivable from accommodation net of any voids, amortised capital grants from Local Authorities, The Housing Corporation and the GLA and charitable donations measured at value of the consideration received or receivable.

Fixed Assets, Housing Properties and Component Accounting

Housing Properties held to provide a social benefit are stated at cost less accumulated depreciation and impairment losses. The Finchley Charities calculates depreciation by implementing component accounting. Estimated figures have been used where due to the elapse of time or the disproportionate cost of ascertaining the figures, it has not been possible to get actual information. This means that depreciation is charged based on the estimated useful life of each component within the housing properties as follows:

Structure	100 years
Roofs	60 years
Windows and Doors	30 years
Lifts	30 years
Plumbing	30 years
Electrics	30 years
Bathrooms	20 years and 30 years
Kitchens	20 years
Heating	20 years
Careline & safety systems	20 years
External structures	20 years
Office	20 years
Communal Hall	10 years

THE FINCHLEY CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (continued) **for the Year Ended 31 March 2024**

Fixed Assets, Housing Properties and Component Accounting (cont'd)

Housing stock under construction, together with interest on mortgage are capitalised but not depreciated until the property is occupied. Interest is capitalised in fixed asset housing properties up to the date of completion of capital works on each scheme. The interest is either on borrowings specifically financing a scheme or on net borrowings to the extent that they are deemed to be financing a scheme.

Office equipment is depreciated at the rate of 25% on cost per annum.

Social Housing Grant

Government grants include grants receivable from the Homes & Communities Agency (HCA), local authorities, and other government organisations. Government grants received for housing properties are treated as deferred income and recognised in income from housing over the estimated useful life of the housing property components, under the accrual model.

Grants due from government organisations or received in advance are included as current liabilities.

Impairment

At each Statement of Financial Position date, housing schemes are assessed to determine if there are indicators that the scheme may be impaired in value; if there are such indicators of impairment, then a comparison of the scheme's carrying value compared to its recoverable amount, is undertaken. Any excess over the recoverable amount is recognised as an impairment loss and charged as expenditure in the Statement of Comprehensive Income; the carrying value is reduced appropriately.

Investments

Investments are measured initially at cost and subsequently at fair value (their market value) valued at market value at the Statement of Financial Position date. The Statement of Comprehensive Income includes the net gains and losses arising on revaluations and disposals throughout the year.

Investment properties are included in the Statement of Financial Position at fair value. The last revaluation was July 2018 carried out by Lambert Chartered Surveyors. Revaluation surpluses and deficits are recognised as part of the Statement of Comprehensive Income.

Fuel Land Allotments

This property came under the jurisdiction of The Finchley Charities in 1892 and laid out 113 allotments. The income from the holders was used to buy coal for poor people and pensioners. It later was used for fuel vouchers for Finchley Old People's Welfare. It is now incorporated in the latest scheme of 2011 to be rented out to allotments holders who fall in the area of benefit. The property has been treated as a permanent endowment of The Finchley Charities. It has been revalued by Lambert Chartered Surveyors in July 2018.

Pension costs

The Finchley Charities contributes to an industrial scheme for employees (defined contribution scheme). The assets of the scheme are held separately from those of The Finchley Charities. The annual contributions payable are charged to the Statement of Comprehensive Income. The Finchley Charities has no potential liability other than for the payment of those contributions.

Debtors

Debtors are amounts owed to The Finchley Charities and are included at their recoverable amount. Debtors also include prepayments where payment has been made in advance of receipt of the goods or services.

THE FINCHLEY CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (continued) **for the Year Ended 31 March 2024**

Cash at Bank and in hand

Cash at Bank and in hand is held to meet short term cost commitments as they fall due and includes all cash equivalents held in the liquid investments.

Creditors

A liability is an amount due to a creditor and is recognised as the amount The Finchley Charities anticipates it will pay to settle the debt. Creditors also include amounts received in advance for goods and services it must provide.

Financial Instruments

Financial assets and financial liabilities are recognised in the Statement of Financial Position when The Finchley Charities becomes a party to the contractual provisions of the instrument.

Trade (including rental) and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that The Finchley Charities will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Finchley Charities' cash management.

Interest bearing bank loans, overdrafts and other loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

Cyclical Maintenance Fund

The Finchley Charities charges actual costs incurred to the Statement of Comprehensive Income. However it aims to keep a balance in the Designated Reserve approximately equal to five times the budgeted cost of work in the following year, adjusted for one off expenditure.

Extraordinary Repair Fund

The Finchley Charities charges actual costs to the Statement of Comprehensive Income. However, it aims to keep a balance in the Designated Reserve approximately equal to five times the budgeted costs of work in the following year, adjusted for one off expenditure.

Restricted Reserves

When additional works on the Almshouses was undertaken in the 1970's the Charity Commission required £428 per annum to be invested annually from 1976 to 2036 and it is accumulated with its attached investments so as to replace the capital.

Taxation

The Finchley Charities is registered with the Tenant Services Authority and has charitable status. It is therefore exempt from liability to taxation on its charitable income and capital gains.

Value Added Tax

The Finchley Charities is not registered for value added tax. In these financial statements, where applicable income and expenditure is shown inclusive of VAT.

THE FINCHLEY CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the Year Ended 31 March 2024

2. PARTICULARS OF INCOME AND EXPENDITURE FROM HOUSING ACCOMMODATION

	2024	2023
	Total	Total
	£	£
Income from housing		
Maintenance charges - Housing for older people	1,878,519	1,755,391
Less: Losses from voids	(9,580)	(38,566)
Amortised government grant	64,599	64,599
Total income from housing	1,933,538	1,781,424
Expenditure on housing activities		
Services	137,871	114,742
Management	132,178	122,702
Routine maintenance	145,131	109,715
Cyclical Maintenance Fund	454,273	571,161
Housing properties depreciation	353,245	346,263
Loss on disposal of components	33,537	43,805
Bad debts & provision	325	542
Other costs	626,317	689,937
Total expenditure on housing	1,882,877	1,998,867
Operating surplus on housing activities	50,661	(217,443)
Number of units	No	No
At 1 April 2023	172	172
At 31 March 2024 (all managed and owned)	172	172

3. HOUSING ACTIVITY SURPLUS

The operating surplus is stated after charging:

	2024	2023
	£	£
Depreciation	357,060	351,486
Loss on disposal of components	33,537	43,805
Grant amortisation	(64,599)	(64,599)
Auditors remuneration - as auditors	6,540	6,000

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	2024	2023
	£	£
Investment income	228,935	213,333
Interest from cash deposits	-	-
Other income	2,485	15,799
	231,420	229,132

Investment income includes £31,456 accumulated dividends (2023: £29,986) and accrued interest of £2,662 (2023: £177).

THE FINCHLEY CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (continued) **for the Year Ended 31 March 2024**

5. STAFF

The average number of staff employed by the Charity during the financial period was:

	2024	2023
	No.	No.
Administrative	8	6
Sheltered Housing Officers	5	5
	<u>13</u>	<u>11</u>
	2024	2023
	£	£
Wages & salaries	427,606	434,899
Social security costs	31,187	26,947
Pension costs	<u>14,044</u>	<u>11,740</u>
	<u>472,837</u>	<u>473,586</u>

The key management personnel (excluding the Trustees) is the Chief Executive whose remuneration for the year ended 31 March 2024 was £105,205 including £8,621 employer's NI and £7,425 employer's pension contributions (2023: £124,898 including £7,613 employer's NI and £5,929 employer's pension contribution). The Chief Executive is an ordinary member of the defined contribution pension scheme with pension arrangements which are similar to those of other staff.

The above key management personnel information includes the cost of the Acting Chief Executive for the period January to April 2023. The Acting Chief executive was appointed as a full-time employee from May 2023.

No other employee earned in excess of £60,000 (2023: none).

6. TRANSACTIONS WITH TRUSTEES

None of the Trustees received any emoluments for their services. Expenses for travel and telecommunication totalling £nil were reimbursed during the period (2023: £nil).

Many of the Trustees are involved with Churches and other charities in the area, some of whom received financial help through the Relief in Need programme.

When considering making donations, Trustees with any interest declare that interest and abstain from these decisions. These actions are recorded in the minutes of Trustees meetings.

Other than the above none of the Trustees has any interest in any contracts with The Finchley Charities.

THE FINCHLEY CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the Year Ended 31 March 2024

7. FIXED ASSETS

a) Tangible fixed assets	Freehold Housing Properties £	Housing Property Under Construction £	Office Equipment £	Total 2024 £
COST / VALUATION				
At 1 April 2023	15,389,196	20,442	32,112	15,441,750
Additions	376,634	4,861	7,170	388,665
Disposals	(68,092)	-	-	(68,092)
Transfer			-	-
At 31 March 2024	15,697,738	25,303	39,282	15,762,323
DEPRECIATION				
At 1 April 2023	2,919,695	-	26,961	2,946,656
Charge for period	353,245	-	3,815	357,060
Disposals	(34,555)	-	-	(34,555)
At 31 March 2024	3,238,385	-	30,776	3,269,161
NET BOOK VALUE				
At 31 March 2024	12,459,353	25,303	8,506	12,493,162
At 31 March 2023	12,469,501	20,442	5,151	12,495,094

Additions in the year include component additions of £376,634 of which £65,920 was included in creditors (2023: £553,843 of which £18,099 included in creditors).

b) Fuel Land Allotments

This property is a permanent endowment of the Charity and is shown as a fixed asset with no known original cost. There is income from the allotments amounting to £13,520 (2023: £13,016 which is used towards the donations made under the Relief in Need objective. The property is included in the Statement of Financial Position at valuation of £450,000 (2023: £450,000).

c) Investments - Property

Property	Valuation 2024 £	2023 £	Tenant	Current Annual Rent £	Current Insurance Premiums £
Advertising Hoardings, 250 - 274 High Road	50,000	50,000	J C Decaux Ltd	5,000	*
The Ann Owens Centre, Tarling Road	400,000	400,000	Age UK Barnet	29,023	1,935
	450,000	450,000		34,023	1,935

*Arranged by Tenants

The above property valuations were carried out by professional external valuers, Lamberts Chartered Surveyors.

THE FINCHLEY CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (continued) for the Year Ended 31 March 2024

8a. INVESTMENTS - SHARES

Balance at 1 April 2023	£
Additions (including £31,456 accumulated dividends)	6,036,507
Disposals	923,167
Net unrealised gain on revaluation	(758,159)
	214,954
Balance at 31 March 2024	<u>6,416,469</u>

	Cost		Market value	
	2024	2023	2024	2023
	£	£	£	£
Funds managed by:				
Rathbones (Investec Wealth & Investment) - 1	2,925,655	2,792,103	3,655,640	3,325,710
- M&G	1,847,584	1,827,318	1,979,442	1,993,140
COIF	16,588	16,588	359,405	378,929
M&G Charity Multi Asset Fund (previously NAACIF)	169,566	158,377	421,982	338,728
	<u>4,959,393</u>	<u>4,794,386</u>	<u>6,416,469</u>	<u>6,036,507</u>
8b. Investment - Cash			<u>160,162</u>	<u>179,126</u>

9. DEBTORS: Due within one year

	2024	2023
	£	£
Rent arrears	29,439	20,048
Less: bad debt provision	(5,000)	(5,000)
	<u>24,439</u>	<u>15,048</u>
Prepayments and Other debtors	46,178	36,661
	<u>70,617</u>	<u>51,709</u>

10. CREDITORS: Amounts falling due within one year

	2024	2023
	£	£
Creditors	86,832	40,266
PAYE/NI	10,633	6,532
Other creditors	123,463	123,986
Deferred government grant (Note 11)	64,599	64,599
Mortgage	53,305	51,834
	<u>338,832</u>	<u>287,217</u>

CREDITORS: Amounts falling due after one year

	2024	2023
	£	£
Deferred government grant (Note 11)	1,793,395	1,857,994
Mortgage 2-5 years	227,842	221,890
More than 5 years	853,769	894,895
	<u>2,875,006</u>	<u>2,974,779</u>

The mortgage is payable in monthly instalments over 25 years. The annual interest rate is 2.15% plus BEBR and the mortgage of £1,500,000 is secured on the new property.

THE FINCHLEY CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (continued) for the Year Ended 31 March 2024

11. DEFERRED GOVERNMENT GRANT

	Total 2024	Total 2023
At 1 April 2023	£	£
Amortisation of grant for the year	1,922,593 (64,599)	1,987,192 (64,599)
At 31 March 2024	1,857,994	1,922,593
Due within one year	64,599	64,599
Due after one year	1,793,395	1,857,994

The Finchley Charities received government grants totalling £4,634,238 over the years of which £2,776,244 has been released to the Statement of Comprehensive Income to date.

12. RESERVES

UNRESTRICTED FUNDS

	Investments Revaluation	Property Revaluation	Revenue Fund	Total 2024	Total 2023
	£	£	£	£	£
At 31 March 2022	1,757,353	1,621,632	9,549,168	12,928,153	12,498,045
Year ended 31 March 2023:					
Surplus for the year before grant amortisation and revaluations	-	-	(17,033)	(17,033)	342,058
Amortisation of grant - current year	-	-	64,599	64,599	80,749
Transfers between reserves	-	-	20,918	20,918	(420,428)
Revaluation	(471,507)	-	-	(471,507)	427,729
At 31 March 2023	1,285,846	1,621,632	9,617,652	12,525,130	12,928,153
Year ended 31 March 2024:					
Surplus for the year before grant amortisation and revaluations	-	-	238,359	238,359	(17,033)
Amortisation of grant - current year	-	-	64,599	64,599	64,599
Transfers between reserves	-	-	5,183	5,183	20,918
Revaluation	214,954	-	-	214,954	(471,507)
At 31 March 2024	1,500,800	1,621,632	9,925,793	13,048,225	12,525,130

DESIGNATED FUNDS

	Community, Health & Wellbeing Fund	Development Fund	Component Accounting Fund	Cyclical Maintenance Fund	Extraordinary Repair Fund	2024 Total	2023 Total
	£	£	£	£	£	£	£
At 31 March 2022	48,429	420,000	1,594,941	700,000	1,100,000	3,863,370	3,394,941
Income	-	-	-	-	-	-	48,429
Transfer from unrestricted funds	(904)	(20,442)	-	-	-	(21,346)	420,000
At 31 March 2023	47,525	399,558	1,594,941	700,000	1,100,000	3,842,024	3,863,370
Income	-	-	-	-	-	-	-
Transfer from unrestricted funds	(750)	(4,861)	-	-	-	(5,611)	(21,346)
At 31 March 2024	46,775	394,697	1,594,941	700,000	1,100,000	3,836,413	3,842,024

The Community, Health and Wellbeing Fund was created by the Trustees for the wellbeing of the residents and the community.

The Development Fund was created by the Trustees to set aside for future developments.

The Component Accounting Fund was created to comply with the change to Housing Regulations in 2011.

THE FINCHLEY CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (continued) **for the Year Ended 31 March 2024**

12 RESERVES (continued)

The Cyclical Maintenance Fund provides a fund for routine repairs, should income from the housing stock be insufficient to meet these costs.

The Extraordinary Repair Fund provides a fund for major repairs, should annual income be insufficient to meet these costs.

RESTRICTED	Residents' Donations	Reserve for recoupment of Capital expenditure	2024 Total	2023 Total
	£	£	£	£
At 31 March 2022	1,448	186,728	188,176	171,791
Year ended 31 March 2023:				
Income		13,016	13,016	15,957
Expenditure	-	-	-	-
Transfers between reserves	-	428	428	428
At 31 March 2023	1,448	200,172	201,620	188,176
Year ended 31 March 2024:				
Income		13,520	13,520	13,016
Expenditure		-	-	-
Transfers between reserves	-	428	428	428
At 31 March 2024	1,448	214,120	215,568	201,620

13. ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

	Unrestricted funds	Designated funds	Restricted funds	Property revaluation reserve	Investment revaluation reserve	Total funds 2024	Total funds 2023
	£	£	£	£	£	£	£
Fixed assets:							
Housing properties	12,484,656	-	-	-	-	12,484,656	12,489,943
Office Equipment	8,506	-	-	-	-	8,506	5,151
Fuel Land Allotments	-	-	38,368	411,632	-	450,000	450,000
Investments	220,582	3,814,941	120,146	760,000	1,500,800	6,416,469	6,034,507
Investment properties	-	-	-	450,000	-	450,000	450,000
Investments-Cash	160,162	-	-	-	-	160,162	179,126
Current assets:							
Debtors	70,617	-	-	-	-	70,617	51,709
Cash at bank	195,108	21,472	57,054	-	-	273,634	168,334
Current liabilities:							
Creditors	(338,832)	-	-	-	-	(338,832)	(287,217)
Long Term Liabilities	(2,875,006)	-	-	-	-	(2,875,006)	(2,974,779)
	9,925,793	3,836,413	215,568	1,621,632	1,500,800	17,100,206	16,566,774

14. PAYMENTS TO CREDITORS

The Finchley Charities endeavours to settle suppliers' accounts within 30 days of receipt of invoices.

THE FINCHLEY CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (continued) for the Year Ended 31 March 2024

15. ANALYSIS OF CHANGES IN NET DEBT

	At 01 Apr 2023 £	Cash flows £	Other non- cash changes £	At 31 Mar 2024 £
Cash and cash equivalent				
Cash at bank & in hand	168,334	105,300	-	273,634
Investment cash	179,126	(18,964)	-	160,162
	347,460	86,336		433,796
Borrowings				
Debt due within one year	(51,834)	33,703	(35,174)	(53,305)
Debt due after one year	(1,116,785)	-	35,174	(1,081,611)
	(1,168,619)	33,703	-	(1,134,916)
Total	(821,159)	120,039	-	(701,120)

16. STATEMENT OF COMPREHENSIVE INCOME FOR THE COMPARATIVE PERIOD

	Unrestricted funds £	Designated funds £	Restricted funds £	2023 £	Total £
INCOME FROM HOUSING					
Social Housing lettings	1,781,424	-	-	1,781,424	
Operating expenditure	(1,998,867)	-	-	(1,998,867)	
HOUSING ACTIVITY SURPLUS	(217,443)	-	-	(217,443)	
(Loss) on sale of investments	34,390	-	-	34,390	
Investment property income	67,018	-	13,016	80,034	
Interest receivable and similar income	229,132	-	-	229,132	
Interest payable	(51,591)	-	-	(51,591)	
Donations received	720	-	-	720	
Other expenditure	-	-	-	-	
Donations payable	(14,660)	-	-	(14,660)	
	265,009	-	13,016	278,025	
Surplus before revaluation gain on investments and transfers	47,566	-	13,016	60,582	
Revaluation loss on investments	(471,507)	-	-	(471,507)	
Transfers between funds	20,918	(21,346)	428	-	
DEFICIT FOR THE YEAR	(403,023)	(21,346)	13,444	(410,925)	
Reserves brought forward	12,928,153	3,863,370	188,176	16,979,699	
Reserves carried forward	12,525,130	3,842,024	201,620	16,568,774	

17. CHARITY SCHEME

The Charity Scheme provides that the Finchley Charities will make annual grants to local Church charities, providing it has the necessary financial resources. In 2024 grants to local Churches amounted to £12,075 (2023 £11,500).

18. CAPITAL COMMITMENT

As at 31 March 2024 there were no capital commitments (2023: commitments totalling £179,453 for external lighting and upkeep of the properties).