

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2021

FOR
HARLOW POORS CHARITIES

Alwyns LLP
Crown House
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HARLOW POORS CHARITIES

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for the Year Ended 31 December 2021

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HARLOW POORS CHARITIES

REPORT OF THE TRUSTEES

for the Year Ended 31 December 2021

The Trustees present their report with the financial statements of the charity for the year ended 31 December 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102) effective 1 January 2019.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

207594

Principal address

Clerk to the Trustees

Mrs Nicola Murray

9 Newton Drive

Sawbridgeworth

Hertfordshire

CM21 9HE

Email address: contactgodsafe@virginmedia.com

Trustees

Dr Shaun Firth (Chairman)

Mr Peter Uglow (Vice-Chairman)

Mrs Angela Page

Mrs Sylvia Dilley

Mr Paul Moulds

Mr John Platt

Ms Sarah Edwards

Mr Tim Gray

Rev Sarah J Swift

Independent Examiner

Jan Rickler

Alwyns LLP

Crown House

151 High Road

Essex

IG10 4LG

Bankers

Barclays Bank PLC

Barclays Business Centre

P O Box 12

Harlow

Essex CM20 1ET

Co-operative Bank

PO Box 250

Skelmersdale

WN8 6WT

Unity Trust Bank

PO Box 7193

Planetary Road

Willenhall

WV1 9DG

CLERK TO THE TRUSTEES

Mrs Nicola Murray

REGULATOR OF SOCIAL HOUSING (FORMERLY HOMES & COMMUNITY AGENCY) NUMBER

A0163

WORKING NAME

Godsafe Almshouses

HARLOW POORS CHARITIES

REPORT OF THE TRUSTEES **for the Year Ended 31 December 2021**

The Trustees present their annual report along with the financial statements of the charity for the year ended 31 December 2021. The Trustees have adopted the provisions of the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) effective from 1 January 2019. The report includes an account of those activities undertaken by the charity to further its charitable purposes for the public benefit. They have also complied with the duty in the Charities Act 2011 to have regard to public benefit guidance published by the Commission.

1. BANKERS

The Charity's main banker is now the Unity Trust Bank and all income and expenditure is managed through this bank. We also have accounts with the Co-operative Bank which provided two loans for major renovations in the past. One of these loans was paid off in full during 2020 and one loan is still outstanding although much reduced.

2. OUR HISTORY AND OBJECTIVES

Harlow Pools Charities is an unincorporated trust, governed by a Trust Deed dated 28 August 1959 and registered with the Charity Commission under the Charity Registration Number 207594. As a provider of social housing, we are also registered with the Regulator of Social Housing under Registration Number A0163. The charity is also a member of the Almshouse Association.

The present charity combines into one trust a series of local Ecclesiastical and Non-ecclesiastical charities originally established between 1504 and 1944 through individual bequests. The assets of these charities included almshouses, land and investments. The area of benefit of Harlow Pools Charities is defined in the 1959 trust deed and corresponds to the area covered by the ancient parishes of Harlow, which became incorporated into the new town of Harlow.

In setting our objectives and managing our almshouse properties, the Trustees have considered the Charity Commission's general guidance on public benefit. The key objective of the charity is to provide sheltered housing for single, retired people of either sex in financial, social and housing need. All prospective Residents must meet these criteria and also have some past or present connection with the Town.

The charity owns 14 almshouses in Churchgate Street, Harlow, Essex, comprising one two bedroom house, five single bedroom bungalows and 8 single bedroom flats. The appointment of Residents is made by the Trustees following extensive local advertising, full investigation of the circumstances of an applicant and after personal interview by the Trustees. There was only one vacancy during 2021.

Residents of the almshouses occupy the property on licence and pay a weekly "maintenance contribution", which is regarded as rent by the local authority. Most Residents are in receipt of Housing Benefit or Universal Credit and many have their maintenance contribution fully paid. Residents are encouraged to authorise payment of Housing Benefit or Universal Credit directly to the charity's bank account.

The charity is an equal opportunity organisation and is committed to an environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. The properties are suitable for people with disabilities.

The charity is committed to safeguarding and promoting the welfare of their Residents and to treating them with respect and consideration. The Trustees encourage the development of a supportive community within the almshouses and facilitate social contacts between Residents. Communal activities are provided or supported by the Trustees although these have of course been curtailed during the Covid 19 pandemic.

All Trustees give their time, experience and expertise freely and no remuneration or expenses are paid to individual Trustees. No Trustee receives any benefit from the Charity.

HARLOW POORS CHARITIES

REPORT OF THE TRUSTEES **for the Year Ended 31 December 2021**

3. ACTIVITIES

During 2021 our activities have of course been very restricted by the effects of the Covid 19 pandemic. Fortunately, our Residents, most of whom are elderly and some of whom are medically vulnerable, have remained well. We have been unable to arrange any fund raising events and all Trustee meetings have been held remotely via Zoom. We had one vacancy during the year and the management of the recruitment process for a new Resident proved challenging, particularly for our Clerk.

Residents are supported by the Clerk to the Trustees and there is an alarm system in each property connected to the local council's alarm centre, for which the charity pays an annual fee.

Personal care is not provided, but help is given when necessary for Residents to access local health or social care agencies. Residents in need of personal care have been successfully supported in the past through social care provision.

Residents are given a comprehensive Residents' Handbook, which includes details of a complaints procedure. During the year, following guidance from the Housing Ombudsman, we updated our complaints procedure.

Residents are consulted fully before any alterations or maintenance works are carried out on their properties. The Clerk provides easy contact with the Trustees for Residents.

The Trustees have a policy of annual inspection of the properties to highlight maintenance issues and we managed to continue this with relevant precautions during the pandemic. We have undertaken routine electrical checks and completed annual boiler/central heating maintenance. Our general maintenance contractor has been able to respond quickly to issues raised by Residents.

4. GOVERNANCE

The charity is managed by a board of nine Trustees. There is one Ex-officio Trustee, being the incumbent of St. Mary's Church, Churchgate Street, Harlow.

Under normal circumstances, Trustees meet together on a quarterly basis to receive financial reports on income and expenditure against budget estimates and on bank account balances. These regular Trustees' meetings also provide an opportunity to discuss the management of the almshouses and fund raising activities. Special meetings of Trustees are called from time to time to discuss specific issues. In addition to the quarterly meetings, an Annual General Meeting is held in May each year. All these meetings in 2021 were held via Zoom and Trustees were also consulted on individual issues via email.

The quorum for meetings of Trustees is four. Decisions are determined by the majority of votes of the Trustees present and voting on the question. In the case of equality of votes, the Chairman of the meeting has a second or casting vote.

A Chairman and a Vice-Chairman are appointed by the Trustees by election each year at the Annual General Meeting. Individual Trustees are also appointed to undertake specific responsibilities on behalf of the Board as necessary. An Independent Examiner is also appointed at the AGM.

Within the limits prescribed by the Trust Deed, the Trustees have the power to make regulations for the management of the Charities and for the conduct of their business including the summoning of meetings, the deposit of moneys at a bank and the custody of documents.

Formal minutes and appropriate books of accounts are kept on behalf of the Trustees by their Clerk. Minutes are circulated to all Trustees shortly after each meeting. The Clerk to the Trustees works very closely with the Chairman managing the charity's financial affairs.

The accounts are subject to external independent review each year by an accountant acting as an Independent Examiner and a report is made each year in the form required by both the Charity Commissioners and the Regulator of Social Housing.

HARLOW POORS CHARITIES

REPORT OF THE TRUSTEES **for the Year Ended 31 December 2021**

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure that appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees are responsible for determining and agreeing the strategic objectives of the charity, the management of the financial affairs of the charity, management of the almshouses, risk management, policies and performance. The day to day administration of the charity is delegated to the Clerk to the Trustees in close consultation with the Chairman and Vice-Chairman.

The Trustees employ a part-time Clerk to support their activities. The Clerk is paid on a monthly basis at a rate agreed by the Trustees when the annual budget is set. The Clerk's tasks include the day to day management of the charity, general support for the Residents of the almshouses and keeping the charity's accounts and minutes of all Trustees' meetings. The Clerk has the use of a dedicated laptop computer and mobile phone for the charity's business. The work of the Clerk has increased significantly over recent years.

The skill requirements of the Trustees, either individually or as a board, have been recognised as follows: knowledge and understanding of the needs of residents in almshouse accommodation, an understanding of the support available within the local community, financial management in relation to charitable law and general business planning, policy formation and expertise in property management.

The Trustees regularly review the financial and other risks to which the charity is exposed and have endeavoured to put in place systems, procedures and policies to mitigate these risks. The charity meets the procedural and governance requirements of both the Charity Commission and the Regulator of Social Housing. The charity is also a member of the Housing Ombudsman scheme and has an agreed written complaints procedure, which is brought to the attention of all Residents of the almshouses.

5. FINANCIAL REVIEW

In spite of the challenges caused by the pandemic, particularly the inability to undertake any fund raising activities, the financial performance during the 2021 financial year was satisfactory, without any major overspends on the various budget heads. There were no major maintenance issues with the almshouses but there was an increase in expenditure on routine repairs and maintenance that is expected to continue in future years. The Trustees remain very aware of the financial risk to the charity of vacant properties and have an agreed protocol to ensure that new Residents are recruited as quickly as possible. The annual budget provides funding for a 10% void level, but long vacancies result inevitably in a reduction in the budgeted operating surplus at year end. There was only one vacancy during the 2021 financial year but we were able to fill that vacancy within a satisfactory timescale.

The charity receives no statutory funding and income is limited to the following funding streams:

- (a) Maintenance Contributions paid directly by Residents
- (b) Housing Benefit and Universal Credit paid on behalf of eligible Residents
- (c) Payments by Residents for use of the communal laundry
- (d) Donations and fund raising activities
- (e) Interest on bank account deposits and investments

Projected Budget for 2021

The Trustees agreed a budget for the financial year ending 31 December 2021, which included a projected annual income of £77,838, after a 10% reduction for possible void properties. The estimated expenditure was £71,315. The budget included a planned transfer of £10,000 from General Funds to the Major Repairs & Renewals reserve account. Regular reports of income and expenditure compared to the budget were provided for Trustees each quarter during 2021.

At the 2021 financial year end (before any allowances for depreciation, component accounting, etc.) actual income was £89,003 and total expenditure was £37,581.

At 31 December 2021, total funds in the various bank accounts amounted to £180,359 (£157,334 at 31/12/2020) and the NAACIF investment amounted to £149,859 (£132,415 at 31/12/2020). The outstanding balance on the remaining loan from the Co-op Bank was £63,783, compared to £81,955 at the end of 2020.

HARLOW POORS CHARITIES

REPORT OF THE TRUSTEES **for the Year Ended 31 December 2021**

Financial Risks

The major financial risks for the charity are the potential loss of income resulting from vacant properties and changes in interest rates resulting in greater repayment costs for the loan from the Co-operative Bank. The continuing low bank interest rate in 2021 has resulted in loss of income from interest on bank deposits. However 2021 saw the low interest rate reflected in the reduced interest payments on the loan. Also as the loan capital outstanding has been reduced significantly, the interest payments have reduced as a result.

A further risk is the possibility of the need for major repairs, for example the need to replace roofs. The successful 2020 programme to upgrade the heating systems in the properties was funded from reserves. Although the Trustees already have a protocol for filling vacancies as quickly as possible, a small working group has been established to try to improve this further.

As all the 14 properties were upgraded at the same time some years ago, items such as cookers, hobs and showers are beginning to need replacing.

Reserves Policy

The Trustees established a reserve fund in 2007 known as the Major Repairs & Renewals Fund, which provides a reserve for future major repairs and renovations. This initially comprised the remaining balance of the funds raised for the Renovation Scheme from individuals and charitable organisations. Donations and the income from fund raising activities are paid into this account. The Trustees also budget for a transfer of £10,000 from general funds to the reserve account. There has been no major expenditure on this account.

6. STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.


In preparing these financial statements, the trustees are required to:

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

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

This report was approved by the Trustees at their Annual General Meeting held on 4 May 2022.

BY ORDER OF THE BOARD OF TRUSTEES


Dr Shaun Firth
Chairman of Trustees

INDEPENDENT EXAMINER'S UNQUALIFIED REPORT

Independent Examiner's Report to the Trustees of Harlow Poors Charities

I report to the charity trustees on my examination of the financial statements of the Charity for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

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 Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 ('the 2011 Act') and 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.

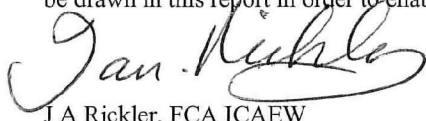
An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

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

- accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the financial statements do not accord with those records; or
- 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.



J A Rickler, FCA ICAEW
Alwyns LLP
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151 High Road
Essex
IG10 4LG

Date:

18/5/22

HARLOW POORS CHARITIES**STATEMENT OF FINANCIAL ACTIVITIES**
for the Year Ended 31 December 2021

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
Income and endowment from:						
Donations and legacies	2	-	-	-	-	2,000
Charitable activities	4	84,643	-	-	84,643	81,879
Grant amortisation		-	-	11,225	11,225	11,225
Investment income	3	-	4,360	-	4,360	5,322
Total income		84,643	4,360	11,225	100,228	100,426
Expenditure on:						
Charitable activities						
- Provision for social living	5	37,581	-	-	37,581	30,231
- Depreciation		2,497	-	40,060	42,557	42,052
Total expenditure		40,078	-	40,060	80,138	72,283
Net gains/(losses) on investments		-	13,084	-	13,084	(9,672)
Net income/(expenditure) before transfers		44,565	17,444	(28,835)	33,174	18,471
Transfers between funds		(28,172)	10,000	18,172	-	-
NET MOVEMENT IN FUNDS		16,393	27,444	(10,663)	33,174	18,471
RECONCILIATION OF FUNDS:						
Total funds brought forward		143,938	172,208	101,920	418,066	399,595
TOTAL FUNDS CARRIED FORWARD		160,331	199,652	91,257	451,240	418,066

All income and expenditure derives from continuing activities.

COMPARATIVE FIGURES ARE SHOWN IN NOTE 18 (PAGE 15)

The notes form part of these financial statements

HARLOW POORS CHARITIES**BALANCE SHEET****At 31 December 2021**

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds £
FIXED ASSETS						
Tangible assets	8	30,751	-	209,976	240,727	279,313
Investments	9	-	149,859	-	149,859	132,415
		<u>30,751</u>	<u>149,859</u>	<u>209,976</u>	<u>390,586</u>	<u>411,728</u>
CURRENT ASSETS						
Debtors	10	1,752	-	-	1,752	1,127
Cash at bank and in hand		<u>130,166</u>	<u>49,793</u>	<u>400</u>	<u>180,359</u>	<u>157,334</u>
		131,918	49,793	400	182,111	158,461
CREDITORS						
Amount falling due within one year	11	(2,338)	-	(29,387)	(31,725)	(32,603)
NET CURRENT ASSETS / (LIABILITIES)		<u>129,580</u>	<u>49,793</u>	<u>(28,987)</u>	<u>150,386</u>	<u>125,858</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		160,331	199,652	180,989	540,972	537,586
CREDITORS						
Amounts falling due after more than one year	12	-	-	(89,732)	(89,732)	(119,520)
NET ASSETS		<u>160,331</u>	<u>199,652</u>	<u>91,257</u>	<u>451,240</u>	<u>418,066</u>
FUNDS	15 & 16					
Unrestricted funds					160,331	143,938
Designated funds					199,652	172,208
Restricted funds					91,257	101,920
TOTAL FUNDS					<u>451,240</u>	<u>418,066</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 4 May 2022 and were signed on its behalf by:

Dr S Firth – Chairman

P Uglow – Vice Chairman

The notes form part of these financial statements

HARLOW POORS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS **for the Year Ended 31 December 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements and assessment of going concern

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with applicable accounting standards including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (except for government grants received towards the freehold properties which are accounted for in accordance with the Statement of Recommended Practice for registered social housing providers, Housing SORP 2018 update) and the Charities Act 2011. The financial statements have been prepared under the historical cost convention as modified for the valuation of investment.

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

The financial statements are presented in sterling and rounded to the nearest £1.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from charitable activities arise from mainly residents fees for the provision of social housing and accounted for on a receivable basis.

Income from investments is included in the year which it is receivable.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Fixed assets

Housing Properties and component Accounting

The Almshouses were constructed in the 19th and 20th centuries and no record of the original cost exists. The Housing Properties' cost relates to improvements carried out in 1975 and 2005.

Housing Properties are stated at cost less accumulated depreciation and any impairment losses. Harlow Pools 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 expected useful life of each component within the housing properties as follows:

HARLOW POORS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS **for the Year Ended 31 December 2021**

Roof	40 years
Bathrooms	30 years
Doors and Windows	15 years
Heating	20 years
Kitchens	20 years
Lifts	20 years

Fixtures, fittings and equipment

Fixtures, fittings and equipment are stated at cost less accumulated depreciation and impairment losses and are depreciated over 3 years.

Accommodation

The number of Almshouses during 2021 was 14 (2020: 14).

Major Repairs

Costs of major repairs, unless representing improvements to the fabric of the Housing Properties, are charged to the SOFA in the year in which they are incurred, or to the reserve account at the Trustees discretion.

A fund has been set up to represent amounts set aside to carry out major repairs on the Housing Properties.

Impairment

At each statement of financial position date, housing properties are assessed to determine if there are indicators that the properties may be impaired in value; if there are such indicators of impairment, then a comparison of the properties' 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 SOFA; the carrying value is reduced appropriately.

Investments

Investments are measured initially at cost and subsequently at fair value (their market value) at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

Government 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 over the estimated useful life of the housing property components, under the accrual model.

Cash at bank and in hand

Cash at bank and in hand includes bank current accounts and bank deposit accounts with no withdrawal limitations.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount.

Financial Instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Charity 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 Charity will not be able to collect all amounts due.

HARLOW POORS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 December 2021

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 Charity's 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.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

Value Added Tax

The Harlow Poors Charities is not registered for Value Added Tax. In these Financial Statements, where applicable, expenditure is shown inclusive of VAT.

2. DONATIONS AND LEGACIES

	31.12.21	31.12.20
	£	£
Donations and gifts	-	2,000

3. INVESTMENT INCOME

	31.12.21	31.12.20
	£	£
Income from investments	4,360	5,320
Deposit account interest	-	2
	<u>4,360</u>	<u>5,322</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	31.12.21	31.12.20
	£	£
Contributions from residents	84,643	81,879

5. CHARITABLE ACTIVITIES COSTS

	31.12.21	31.12.20
	£	£
Staff costs	12,536	7,755
Direct costs	21,203	19,024
Administrative costs	715	-
Independent Examiner's fees	2,225	2,161
Loan interest	902	1,291
	<u>37,581</u>	<u>30,231</u>

HARLOW POORS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 December 2021

6. KEY MANAGEMENT PERSONNEL

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

There are no key employees.

7. STAFF COSTS

	31.12.21	31.12.20
	£	£
Wages and salaries	<u>12,536</u>	<u>7,755</u>

The average number of persons employed during the year was one, the Clerk of the Trustees (part-time) (2020: one).

8. TANGIBLE FIXED ASSETS

	Freehold Property £	Fixtures, fittings & equipment £	Total £
COST			
At 1 January 2021	962,501	1,937	964,438
Additions	<u>2,495</u>	<u>1,476</u>	<u>3,971</u>
At 31 December 2021	<u>964,996</u>	<u>3,413</u>	<u>968,409</u>
DEPRECIATION			
At 1 January 2021	684,266	859	685,125
Depreciation for the year	<u>41,680</u>	<u>877</u>	<u>42,557</u>
At 31 December 2021	<u>725,946</u>	<u>1,736</u>	<u>727,682</u>
NET BOOK VALUE			
At 31 December 2021	<u>239,050</u>	<u>1,677</u>	<u>240,727</u>
At 31 December 2020	<u>278,235</u>	<u>1,078</u>	<u>279,313</u>

The Almshouses were established in the 19th and 20th Centuries. There is no record of the original cost and no value is attributed thereto. The freehold to the land on which these improvements are situated is owned by the Charity.

The Charity received a Housing Corporation grant of £234,936 towards the renovation and used existing funds and loans from the Cooperative Bank to fund the remaining cost. The capital repaid each year on the mortgage is transferred to the restricted fund so that the restricted fund will equal the value of the renovation of the housing properties when the mortgage is fully repaid. The Co-operative Bank hold a legal charge over the Freehold property.

HARLOW POORS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED **for the Year Ended 31 December 2021**

9. INVESTMENTS

	£
At 1 January 2021	132,415
Net income	4,360
Unrealised gain	<u>13,084</u>
At 31 December 2021	<u>149,859</u>

Book cost of investments in M&G NAACIF £1,431 Accumulated Shares is £120,000.

10. DEBTORS

	31.12.21	31.12.20
	£	£
Residents fees due	1,603	985
Prepayments	<u>149</u>	<u>142</u>
	<u>1,752</u>	<u>1,127</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Deferred government grants (Note 14)	11,225	11,225
Bank loans	18,162	17,771
Other creditors and accruals	<u>2,338</u>	<u>3,607</u>
	<u>31,725</u>	<u>32,603</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.21	31.12.20
	£	£
Deferred government grants (Note 14)	44,111	55,336
Bank loans	<u>45,621</u>	<u>64,184</u>
	<u>89,732</u>	<u>119,520</u>

13. BANK LOANS

	31.12.21	31.12.20
	£	£
Due within one year	18,162	17,771
Due within 2 -5 years	<u>45,621</u>	<u>64,184</u>
	<u>63,783</u>	<u>81,955</u>

The loan is a 20 year loan due for repayment by May 2025 and secured by way of a charge over the properties in favour of the Co-op Bank.

HARLOW POORS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED **for the Year Ended 31 December 2021**

14. GOVERNMENT GRANTS

	31.12.21 £	31.12.20 £
Deferred:		
Due within one year (Note 11)	11,225	11,225
Due after one year (Note 12)	44,111	55,336
	<hr/>	<hr/>
	55,336	66,561
Amortised to date	179,600	168,375
	<hr/>	<hr/>
Total government grants received	<u>234,936</u>	<u>234,936</u>

15. FUNDS ANALYSIS

	General Fund £	Designated Repairs Fund £	Restricted Renovation Fund £	Restricted Repairs & Maintenance Fund £	Total Funds £
Year ended 31.12.2020:					
Funds at 01.01.2020	126,641	164,560	107,994	400	399,595
Income	81,881	7,320	11,225	-	100,426
Expenditure	(32,223)	-	(40,060)	-	(72,283)
Net unrealised loss on investments	-	(9,672)	-	-	(9,672)
Transfer between funds	(32,361)	10,000	22,361	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Funds at 31.12.2020	143,938	172,208	101,520	400	418,066
Year ended 31.12.2021:					
Income	84,643	4,360	11,225	-	100,228
Expenditure	(40,078)	-	(40,060)	-	(80,138)
Net unrealised gain on investments	-	13,084	-	-	13,084
Transfer between funds	(28,172)	10,000	18,172	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Funds at 31.12.2021	<u>160,331</u>	<u>199,652</u>	<u>90,857</u>	<u>400</u>	<u>451,240</u>

16. FUNDS

Repairs Fund

These amounts are set aside, out of unrestricted income, for future repairs and are therefore unrestricted.

Renovation Fund

The Renovation Fund now represents the renovation cost of Housing properties (see note 1), net of the outstanding mortgage.

Repairs and Maintenance Fund

This fund represents amounts specifically received from donors for repairs and maintenance.

HARLOW POORS CHARITIES

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED **for the Year Ended 31 December 2021**

17. TAXATION

Harlow Poors Charity is a registered charity, and is therefore, exempt from liability to taxation on its charitable income.

18. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

					31.12.20	31.12.19
		Unrestricted	Designated	Restricted	Total	Total
	Notes	funds	funds	funds	funds	funds
		£	£	£	£	£
Income and endowment from:						
Donations and legacies	2	-	2,000	-	2,000	435
Charitable activities	4	81,879	-	-	81,879	81,944
Grant amortisation		-	-	11,225	11,225	11,225
Investment income	3	2	5,320	-	5,322	5,430
Total income		81,881	7,320	11,225	100,426	99,034
Expenditure on:						
Charitable activities						
- Provision for social living	5	30,231	-	-	30,231	31,758
- Depreciation		1,992	-	40,060	42,052	40,469
Total expenditure		32,223	-	40,060	72,283	72,227
Net (losses)/gains on investments		-	(9,672)	-	(9,672)	15,931
Net income/(expenditure) before transfers		49,658	(2,352)	(28,835)	18,471	42,738
Transfers between funds		(32,361)	10,000	22,361	-	-
NET MOVEMENT IN FUNDS		17,297	7,648	(6,474)	18,471	42,738
RECONCILIATION OF FUNDS:						
Total funds brought forward		126,641	164,560	108,394	399,595	356,857
TOTAL FUNDS CARRIED FORWARD		143,938	172,208	101,920	418,066	399,595

19. RELATED PARTY TRANSACTIONS

There were no related party transactions either this year or last year.