

REGISTERED NUMBER: A3969
CHARITY NUMBER: 210365

Report of the Trustees and
Financial Statements for the Year Ended 31st December 2022
for
The Henry Pinnock and Victoria & Albert Memorial Charity

The Henry Pinnock and Victoria & Albert Memorial Charity

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for the year ended 31st December 2022

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The Henry Pinnock and Victoria & Albert Memorial Charity

Trust Information
for the year ended 31st December 2022

TRUSTEES:	R Gladwell (Chair – resigned January 2022) W Woolley P Painter (Chair from January 2022) J Wallace L Milner A Pritchard A Ridgers N Botley B Hayre Singh C Stone (appointed December 2022)
SECRETARY:	E L Pannell
TREASURER:	S Orme FCCA
REGISTERED OFFICE:	The Lodge St Thomas's Almshouses Old Road West Gravesend DA11 7LA
REGISTERED NUMBER:	A3969
CHARITY NUMBER:	210365
AUDITORS:	Beak Kemmenoe Chartered Accountants & Statutory Auditors 1-3 Manor Road Chatham Kent ME4 6AE
BANKERS:	National Westminster Plc 30 King Street Gravesend DA12 2XX
LEGAL REPRESENTATIVE:	Third Sector Law
HUMAN RESOURCES ADVISOR:	Populo HR
PROPERTY CONSULTANT:	PSW Building Consultancy

Report of the Trustees
for the year ended 31st December 2022

The trustees present their report with the financial statements for the year ended 31st December 2022.

PRINCIPAL ACTIVITY

The principal activity of the charity in the year under review was that of the provision of almshouse accommodation at St Thomas's Almshouses, Gravesend. The almshouses are operated by the charity as a registered social housing provider. Almshouses are a charitable form of self-sufficient, low-cost community housing held in trust for local people in need of genuinely affordable housing. There are currently over 1,600 independent almshouse charities providing homes for over 36,000 people.

The charity was originally founded as a result of the will, in August 1624, of local man Henry Pinnock. The charity's objects although modernised in their language over time, remain in line with his wishes, namely; (a) the prevention or relief of poverty by the provision of social housing in the form of almshouse accommodation to persons in need who (except in special cases approved by the trustees) are inhabitants or former inhabitants of the Borough of Gravesham with a preference for persons who have resided for not less than 10 years in the Borough of Gravesham; and (b) such charitable purposes for the benefit of the residents as the trustees decide.

St Thomas's Almshouses, is one of the largest almshouse providers in the country and provides accommodation in the form of 54 one-bedroomed flats, and 6 one-bedroomed accessible bungalows. The site is designed for independent living, but as a community, and there is consideration given to provide for residents' well-being, both physical and mental.

Supporting the work of almshouse provision is the investment income from properties and land owned by the charity, including residential properties in Northfleet and Swanscombe, a commercial space and flats above in Tunbridge Wells, and land in Norfolk, the bulk of which is leased as farm land.

RISK MANAGEMENT

The Charity operates a Risk Register, which looks at the risks and threats to which the Charity is exposed. This is reviewed on a regular basis. The Trustees are satisfied that appropriate controls are in place to provide reasonable assurance against fraud or error.

Risks have been identified, the highest of which are a) a lack of clear direction and strategy for the future; b) excessive cash reserves and c) licensees not meeting criteria for eligibility, and these are now being actively managed.

The highest risks remain a) excessive cash reserves and b) licensees not meeting criteria for eligibility, and these are now being actively managed. At the time of writing: with regards the first of these risks (a), the charity is actively looking for development opportunities to expand the almshouse provision; and in terms of addressing (b) there has been a significant increase in the number of beneficiaries within the existing almshouse site, and active work ongoing to increase this further.

PUBLIC BENEFIT

The Trustees have considered the Charity Commission's guidance on public benefit. In particular, the trustees consider how future developments will contribute to the objectives and aims they have set, and are actively looking to increase the charity's public benefit.

Key Performance Indicators:

The Trustees monitor the Charity's performance throughout the year. In addition to operational performance indicators, the following strategic performance objectives have been identified and are reviewed on a regular basis:

- Number of beneficiaries
- Free reserves
- Programme investment yield
- Staff engagement
- Trustee Skills
- Residents able to live independently
- Diversity and Inclusion (re. beneficiaries)

Review of Activities:

A comprehensive review of the charity was carried out in early 2022, and trustees agreed to root and branch changes to many operational and strategic aspects of the charity's functions, focusing on the imperative to maximise opportunities for furthering the charity's public benefit. Linked with this was the Trustees' decision to switch to a programme-led investment strategy, focusing resources on furthering the core aims of the charity – to provide housing to those in need, and in consideration around increasing this public benefit outside of the current 60 units, ensuring that the minimum investment return is also achieved.

The beginning of 2022 saw management of the St Thomas's Almshouse site and collection of weekly maintenance contributions (WMCs) taken back into the direct control of the management team. The same approach was applied to most of the other investment properties owned by the charity, and the rents associated with these. Although the main driver for this change was significant financial savings for the charity (allowing funds to be redirected to further the public benefit), there were other positive outcomes: generally, this change has enabled the management team to understand more directly the issues associated with each site and each property and to communicate with residents more effectively, and with specific regards to the St Thomas's Almshouse site, the change has allowed the management team to develop a much deeper understanding of the site, and its residents.

The charity continued to engage the services of Rosherville Ltd (the commercial arm of Gravesham Borough Council) throughout the year: establishing regular commitments to cleaning of communal areas and gardening across the St Thomas's Almshouse site; setting up a contracted agreement with their provider (Swale) for gas heating supply and maintenance for all properties; ad hoc access to other contractors and services, including tradespeople, as required, and access to the Council's emergency and out of hours repair service for residents and staff.

A review of staffing took place during the first quarter of 2022, and all staff were displaced. Following decades of live-in wardens, and in line with changes throughout the social housing sector, the role of warden and deputy warden were made redundant, and as no other suitable roles were identified, following due consultation, a redundancy process was completed for the affected employees. The tied accommodation previously available to these role holders was then made available for social housing for those in need. Significant resources were committed by the management team during the last quarter of 2022 and into Q1 of 2023 to prepare for an employment tribunal brought against the charity by former employees, which was subsequently withdrawn by them, and the claim dismissed by the tribunal office.

Having identified a need for particular staffing roles, recruitment saw the employment of a Multi-skilled Tradesperson on a part-time basis. By the end of 2022, more than 600 repair and maintenance tasks had been completed across the charity's property portfolio, the majority of which had been completed by their employee tradesperson, demonstrating significant savings on the previous use of contractors for even general repairs. An Independent Living Officer was also employed, becoming established as the main link between the residents and the trustees.

The Henry Pinnock and Victoria & Albert Memorial Charity

Report of the Trustees for the year ended 31st December 2022

As part of the review of the charity's operation, and referring back to one of the big risks for the charity, clarity was agreed around the criteria for any new applicants; namely that they would need to demonstrate financial need by being eligible for, or in receipt of certain housing-related benefits. This new policy has resulted in all new residents of the St Thomas's Almshouses being identifiable beneficiaries. Regular financial reviews would be undertaken for all residents, to ensure ongoing compliance.

In preparation for what is hoped will be an opportunity to celebrate the 400th anniversary of the founding of the charity in 2024, a local historian was engaged to research the history of the charity and its founder, and in August 2022, the inaugural Founder's Day was held at the St Thomas's Almshouse site, marking the 398th anniversary of the founding of the charity. This event provided an opportunity for making all sorts of local connections and raising the profile of the charity within the local area and it was hoped that a further event in 2023 would then set the scene for the 2024 celebrations.

With a switch from the current Public Switch Telephone Network (analogue) system to digital communication being launched across the country, steps needed to be taken to safeguard the welfare call system at the almshouses. Following discussions with various contractors, a provider, Kyndi, was appointed during 2022. Significant work was needed to de-activate the old analogue equipment and to install dispersed units in each flat, and within communal areas, also linking with the smoke detectors across the site. This provider took over the welfare calls to beneficiaries, and any emergency calls from them. As part of enhancing security across the site, CCTV cameras were upgraded, and access to reviewing footage as needed was made easier.

With a renewed focus on providing almshouse accommodation to those in the greatest housing need in the Gravesham area, links were made and strengthened during 2022 and beyond to identify those on the council's housing register who were at greatest risk of homelessness, or already in temporary accommodation, and who met the objects of the charity. The policies and processes for identifying, assessing and allocating accommodation to new beneficiaries were reviewed, and applications for housing came in the vast majority of cases as referrals from Gravesham Council, most of which resulted in applicants being offered licences to live at the almshouses. With the housing crisis deepening during the year, private rental prices rising to unaffordable levels (especially for those on fixed incomes), and numbers on the local authority's housing register steadily increasing, the charity has been able to fulfil its purpose in providing housing for those in need in the local area.

CASE STUDY

We were alerted by Gravesham Borough Council to a person who was in rented accommodation in the borough, and had been served a Section 21 notice to leave, as the property was being sold by the private landlord. They were therefore at imminent risk of homelessness. With help from GBC, their application to St Thomas's Almshouses was completed and assessed by the officers. They met the criteria as a beneficiary of the charity, was approved by the trustees, and was offered a flat.

CASE STUDY

Part of the charity's objects allows for trustees to provide 'charitable purposes for the benefit of residents', and in the housing and financial crisis in which we find ourselves, Pinnocks has been able to assist more than one new beneficiary with furniture, white goods and other household provisions – donated from outside the almshouses in some cases, or purchased if needed. These are items which the beneficiaries would not have the means to purchase themselves. Leading on from this, the charity has started collecting a small number of good quality donated items, which can be passed on at no charge to those in need.

The Henry Pinnock and Victoria & Albert Memorial Charity

Report of the Trustees for the year ended 31st December 2022

Property inspections took place during 2022 at all the charity's almshouse and investment properties, providing a snapshot of the condition of the properties, finding all of them meeting the decent homes standard, but reporting on minor repairs and maintenance issues which were noticed in order to plan in maintenance as required.

Capital expenditure during the year included the replacement of 22 boilers, 3 bathrooms and 2 kitchens.

Following a trial, a contract for a data management system for capturing beneficiary and tenant data and correspondence was commenced, populated with data and is used for recording ongoing interactions with residents.

A new Residents' Handbook was completed during the second half of 2022, and was published and distributed during December. Additionally, key policies were updated and approved at various trustee meetings during the year.

The financial statements for 2022 continues to reflect the effectiveness of the management and administration of the Charity, with significant cost savings becoming evident following the in-house management of the site. The charity's strategic direction is supported by a Board of Trustees through the work of its main board, and sub-committees. Efforts remain underway to recruit further trustees with experience in specific areas, in order to further underpin the work of the charity.

Throughout 2022, work continued on the incorporation of the charity. Land registry of all the charities properties had been transferred to the incorporated entity. However, the decision was taken during the latter part of 2022 to pause the final work around incorporation, to take legal advice, and instead to embark on a CIO. This work was expected to be undertaken during the latter part of 2023.

In a bid to share best practice, management from the charity met with others from neighbouring similar-sized almshouses, and also joined a network of larger almshouses via the almshouse association.

INVESTMENT REVIEW

With the volatility of the financial markets, the trustees took the decision to withdraw funds from the M&G Charity Multi Asset Fund during the first quarter of 2023, and almost all funds were received and re-invested during this period. One final small M&G Fund would require further work to realise the funds, and it was expected that the process would be complete by the 3rd quarter of 2023.

RESERVES POLICY

The Charity's stated Reserves Policy is that the Charity holds at least twelve months' expenditure in reserve, either in cash, or short-term deposits. As at 31 December 2021, the Charity held in excess of the funds required to cover twelve months of expenditure and there are actions in place to address this.

RELATED PARTIES

In addition to the related party disclosure in note.12 in the Report & Accounts, trustees regularly "declare an interest" as appropriate and all have completed the questionnaire.

PLANS FOR THE FUTURE

Keeping the objectives of the charity at the centre of the strategic decisions being made by trustees, the future plans are ambitious, and involve increasing the public benefit by adding significantly to the number of almshouses available within the borough, and work is underway at the time of publication to progress this aim.

The Henry Pinnock and Victoria & Albert Memorial Charity

Report of the Trustees
for the year ended 31st December 2022

VALUE FOR MONEY STATEMENT

In presenting a Value for Money Statement for 2022, Pinnock's Charity has adopted the Value for Money Statement Metrics introduced by the Regulator of Social Housing, which are shown below.

1. Reinvestment %

Works to existing properties	82,451	Housing properties at valuation	5,859,621	
	<u>82,451</u> A		<u>5,859,621</u> B	A/B 1.41%

2. New Supply delivered %

a) Social Housing Units		b) Non-Social Housing Units		
Total Social Housing units developed or acquired in the year	0 A	Total Non -Social Housing units developed or acquired in the year	0 A	
Total Social Housing Units Managed at period end	60	Total Social Housing Units Managed at period end	60	
	<u>60</u> B	Total Non-Social Housing Units Managed at period end	9	
			<u>69</u> B	
	<u>-%</u> A/B		<u>-%</u> A/B	

3. Gearing

Short term loans	0	Housing properties at valuation	5,859,621	
Long term loans	0			
Cash and cash equivalents	680,361			A/B
	<u>680,361</u> A		<u>5,859,621</u> B	11.61%

4. Earnings before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %

Operating surplus/(deficit)	(36,409)	Interest capitalised	0	
+ Interest receivable	23,957	Interest payable and financing costs	0	
+ Total depreciation charge	105,907			A/B
	<u>93,455</u> A		<u>0</u> B	-%

The Henry Pinnock and Victoria & Albert Memorial Charity

Report of the Trustees
for the year ended 31st December 2022

VALUE FOR MONEY STATEMENT (CONTINUED)

5. Headline Social Housing Cost £

Management costs	178,724	Total Social Housing Units Managed at period end	60	
Service charge costs	21,561			
Repairs & maintenance costs	62,805			
Other (social housing letting) costs	0			A/B
	<u>263,090</u> A		<u>60</u> B	£4,385

6. Operating Margin %

a) Social Housing lettings		b) Overall	
Operating surplus/(deficit) from social housing lettings	77,190 A	Operating surplus/(deficit) overall	(36,409) A
Turnover from social housing lettings	<u>254,851</u> B	Turnover (overall)	<u>365,492</u> B
	<u>30.29%</u> A/B		<u>-9.96%</u> A/B

7. Return on Capital Employed

Operating surplus/(deficit) overall	(36,409)	Total assets less current liabilities	8,675,019	
	<u>(36,409)</u> A		<u>8,675,019</u> B	A/B -0.42%

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document and objects of the charity

The object of the charity is laid down by a Charity Commission scheme dated 29th June 1982 and is the provision of residences for persons in need in Gravesend or in the ecclesiastical parishes of St Mark, Rosherville or All Saints, Perry Street, Northfleet.

Structure & Organisation

The aim of the charity is to provide almshouse accommodation at St Thomas's Almshouses. The charity operates by means of a board of trustees which aims to meet at least five times per year. A maximum of five trustees are co-optative trustees serving terms of five years. A maximum of five trustees are representative trustees appointed by Gravesham Borough Council for terms of four years.

Trustees induction and training

Advice for trustees published by the Charity Commission is given to new board members and new guidance is notified and made available at Board meetings. Trustees have free access to all members of staff to ensure that they can be fully aware of the activities and methods of the charity.

Statement of Risks and Mitigation

The trustees have reviewed the major risks to which the charity is exposed and established systems of procedures to manage those risks.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of the income and expenditure of the charity for that year. In preparing these the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable the trustees to ensure that the financial statements comply with the Housing and Regeneration Act 2008. 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. The trustees are also responsible for maintaining a satisfactory system of control over the charity's books of accounts and transactions.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant audit information (information needed by the charity's auditors in connection with preparing their report) of which the charity's auditors are unaware, and each trustee has taken all the steps that he or she ought to have taken as a trustee in order to make himself or herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

AUDITORS

The board proposes the re-appointment of our auditors, Messrs Beak Kemmenoe, for the forthcoming year. However, to ensure we continue to benefit from the best possible audit services and in line with best practices regarding auditor rotation and independence, we intend to put the external audit contract out to tender during the next financial year.

ON BEHALF OF THE BOARD:

Charles Painter

.....
C.P Painter - Trustee

Date: 12th September 2023

Opinion

We have audited the financial statements of The Henry Pinnock and Victoria & Albert Memorial Charity (the 'charity') for the year ended 31st December 2022 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Statement of Cash Flows, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2022 and of its income for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers in 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information in the Report of the Trustees, but does not include the financial statements and our Report of the 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page three, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the 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.

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

Based on our understanding of the charity and the wider not-for-profit sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to possible acts by the charity which were contrary to applicable laws and regulations including fraud. We also considered the extent to which non-compliance might have a material effect on the financial statements such as the Charities Act 2011. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that due to the size of these assets on the balance sheet the principal risk related to possible management bias in respect of the valuation of social housing and other freehold properties. A further risk related to the general risk of revenue misstatement but due to the charity's activities that risk was considered low.

In order to evaluate whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud, our audit procedures performed included a review of the disclosures to underlying supporting documentation, such as valuation reports, to ensure there was no evidence of management bias in the underlying approach and assumptions used by the valuers. We also made enquiries of management and completed testing of journals as appropriate.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 Auditors.

Report of the Independent Auditors to the Members of
The Henry Pinnock and Victoria & Albert Memorial Charity

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Beak Kemmenoe

Beak Kemmenoe
Statutory Auditors
1-3 Manor Road Chatham
Kent
ME4 6AE

Date: *12th September 2023*

The Henry Pinnock and Victoria & Albert Memorial Charity

Statement of Comprehensive Income
for the year ended 31st December 2022

		2022	2021
	Notes	£	£
TURNOVER	2	365,492	319,112
Administrative expenses		(402,679)	(433,903)
Other operating income		<u>778</u>	<u>365</u>
OPERATING SURPLUS/(DEFICIT)	5	(36,409)	(114,426)
Income from fixed asset investments		20,507	19,832
Interest receivable and similar income		3,450	7,107
		<u>23,957</u>	<u>26,939</u>
RETAINED (DEFICIT) / SURPLUS FOR THE YEAR		(12,452)	(87,487)
Unrealised movement of revaluation of investments		(4,335)	236,370
Unrealised movement of revaluation of properties		0	0
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(16,788)</u>	<u>148,883</u>
NOTE OF HISTORICAL COST SURPLUSES AND DEFICITS			
Retained surplus for the year		(12,452)	(87,487)
Difference between a historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount		<u>0</u>	<u>0</u>
		<u>(12,452)</u>	<u>(87,487)</u>

The notes form part of these financial statements

Statement of Financial Position
31st December 2022

		2022	2021
	Notes	£	£
FIXED ASSETS			
Tangible assets	6	5,859,621	5,902,164
Investments	7	<u>2,179,144</u>	<u>2,183,479</u>
		8,038,765	8,085,643
CURRENT ASSETS			
Debtors	8	34,132	38,985
Cash at bank		<u>680,361</u>	<u>587,827</u>
		714,493	626,812
CREDITORS			
Amounts falling due within one year	9	(78,238)	(20,647)
NET CURRENT ASSETS		<u>636,255</u>	<u>606,165</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>8,675,019</u>	<u>8,691,808</u>
RESERVES			
Revaluation reserve	10	4,512,414	4,516,772
Other reserve	10	2,955	500,474
Designated reserve	10	3,859,650	954,506
Income and expenditure account	10	<u>300,000</u>	<u>2,720,056</u>
		<u>8,675,019</u>	<u>8,691,808</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 12th September 2023 and were signed on its behalf by:

Charles Painter

.....
C.P Painter – Trustee

N. Botley

.....
N Botley - Trustee

E Pannell

.....
E Pannell - Secretary

The notes form part of these financial statements

The Henry Pinnock and Victoria & Albert Memorial Charity
Statement of Changes in Equity
for the year ended 31st December 2022

	Retained earnings £	Revaluation reserve £	Other reserves £	Designated reserve £	Total equity £
Balance at 1st January 2021	2,807,543	4,280,908	499,968	954,506	8,542,925
Surplus from statement of comprehensive income	148,883	0	0	0	148,883
Increase in property valuation	0	0	0	0	0
Increase in market value of investments transfer	(236,370)	235,864	506	0	0
Interest arising in the year transfer	0	0	0	0	0
Transfer from prior periods	0	0	0	0	0
Transfer from income and expenditure account	0	0	0	0	0
Balance at 31st December 2021	2,720,056	4,516,772	500,474	954,506	8,691,808
Surplus from statement of comprehensive income	(16,788)	0	0	0	(16,788)
Increase in property valuation	0	0	0	0	0
Increase in market value of investments transfer	4,335	(4,358)	23	0	(0)
Interest arising in the year transfer	0	0	0	0	0
Transfer from prior periods	0	0	0	0	0
Transfer from income and expenditure account	(2,407,603)	0	(497,542)	2,905,145	0
Balance at 31st December 2022	300,000	4,512,414	2,955	3,859,651	8,675,020

The notes form part of these financial statements

The Henry Pinnock and Victoria & Albert Memorial Charity

Statement of Cash Flows
for the year ended 31st December 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>151,028</u>	<u>6,354</u>
Net cash from operating activities		<u>151,028</u>	<u>6,354</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(82,451)	(93,380)
Purchase of fixed asset investments		0	0
Interest received		3,450	7,106
Dividends received		<u>20,507</u>	<u>19,832</u>
Net cash from investing activities		<u>(58,494)</u>	<u>(66,442)</u>
Increase in cash and cash equivalents		<u>92,534</u>	<u>(60,088)</u>
Cash and cash equivalents at beginning of year	2	<u>587,827</u>	<u>647,915</u>
Cash and cash equivalents at end of year	2	<u>680,361</u>	<u>587,827</u>

The notes form part of these financial statements

The Henry Pinnock and Victoria & Albert Memorial Charity

Notes to the Statement of Cash Flows
for the year ended 31st December 2022

1. RECONCILIATION OF SURPLUS/(DEFICIT) BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2022	2021
	£	£
Surplus before taxation	(16,788)	148,883
Depreciation charges	124,994	149,972
Gain on revaluation of fixed assets	4,335	(236,370)
Finance income	(23,957)	(26,939)
	<u>88,584</u>	<u>35,546</u>
Decrease/(increase) in trade and other debtors	4,853	193
(Decrease)/increase in trade and other creditors	<u>57,591</u>	<u>(29,385)</u>
Cash generated from operations	<u>151,028</u>	<u>6,354</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31st December 2022

	31.12.22	1.1.22
	£	£
Cash and cash equivalents	<u>680,361</u>	<u>587,827</u>

Year ended 31st December 2021

	31.12.21	1.1.21
	£	£
Cash and cash equivalents	<u>587,827</u>	<u>647,915</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.22	Cash flow	At 31.12.22
	£	£	£
Net cash			
Cash at bank	<u>587,827</u>	<u>92,534</u>	<u>680,361</u>
Total	<u>587,827</u>	<u>92,534</u>	<u>680,361</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Accounting convention

The Henry Pinnock and Victoria & Albert Memorial Charity constitutes a public benefit entity as defined by FRS 102.

These financial statements have been prepared in accordance with applicable accounting standards including the Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102), the Statement of Recommended Practice for registered providers of social housing in England in 2015. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008. The financial statements have been prepared on a going concern basis under the historical cost convention as modified to include certain items at fair value.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Critical accounting judgements and key sources of estimation uncertainty

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Depreciation is provided at rates calculated to write off the cost or valuation of tangible fixed assets over each asset's expected useful life. The charity regularly reassesses the useful economic life of its housing properties and other freehold buildings. When acquired the useful life of the main structures was assessed to be 50 years. Historically the useful lives have been re-set to 50 years each time there has been a revaluation and therefore future depreciation charges are based on the revalued amount and the extended useful life of the building.

Turnover

Turnover represents the maintenance charges (net of agents charges and voids) paid by residents living in the almshouses, and other income received from investment properties.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold Land	- Nil
Housing Properties and freehold buildings	- See below
Plant and machinery etc	- 15% on reducing balance

Social Housing Properties and freehold buildings

Housing properties are principally properties available for rent and are included at valuation, the valuation basis being the existing use value for social housing. Housing properties are re-valued regularly. The aggregated surplus or deficit on re-valuation is transferred to a revaluation reserve.

All properties are depreciated by component on a straight line basis over the estimated useful economic lives of component categories, in accordance with the principles of component accounting in the Housing SORP.

Useful economic lives for identified components as follows:

Structure	- Straight line over 50 years
Outbuildings	- Straight line over 50 years
Kitchens	- Straight line over 20 years
Bathrooms	- Straight line over 30 years
Heating systems	- Straight line over 20 years

Improvements are works to existing properties which result in an increase in the net rental income, including a reduction in maintenance costs or result in a significant extension of the useful life of the property.

1. **ACCOUNTING POLICIES - continued**

Housing association grants and social housing grants

The trust accounts for its housing properties at valuation. In accordance with the Housing SORP government grants are recognised using the performance model as follows:

- (a) A grant that does not impose specified future performance-related conditions is recognised as revenue when the grant proceeds are received or receivable.
- (b) A grant that imposes specified future performance-related conditions is recognised as revenue only when the performance-related conditions are met.
- (c) A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

In certain circumstances, such as the sale of housing properties, these social housing grants may become repayable, and, in the event, is a subordinated debt and is accounted for as soon as liability arises within creditors: amounts falling due within one year.

Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The charity operates a defined contribution plan for the benefit of its employees. Contributions are expenses as they become payable.

Termination benefits refer to the benefits provided to an employee when their employment is terminated by the entity's decision, prior to the employee's normal retirement date.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value through the statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment

1. **ACCOUNTING POLICIES - continued**

Designated reserves

Designated reserves are part of unrestricted reserves which have been earmarked by the Trustees for a particular purpose. Such designations may be reversed by future Trustees decisions. Expenditure cannot be directly set against designated reserves but is taken through the income and expenditure account. A transfer is then made from designated reserves as appropriate.

Details of designated reserves currently included in the accounts are set out below:

Cyclical repairs and maintenance

The Trustees maintain a designated fund entitled Cyclical Maintenance Fund for the purpose of providing for those items of ordinary maintenance and repair of the almshouses belonging to the fund, which recur at infrequent intervals, and the cost of related periodic property surveys.

Major Repairs

The Trustees designate reserves for the future major repairs expenditure on all housing properties under the 1998 Housing Act arrangements and other properties in so far as the major repairs expenditure is not eligible for grants from the Housing Corporation or local authorities. Regular annual contributions are set aside in an Extraordinary Repairs reserve in accordance with Trust Scheme dated 29 June 1982.

Other designated reserves

The Trustees set up temporary reserves as required to assist with specific projects. An emergency and cyclical maintenance works reserve was set up in respect of the residential investment properties held. A transfer of accumulated costs incurred has been transferred from the income and expenditure account to the emergency and cyclical maintenance fund in the year.

Restricted reserves

Restricted reserves are those reserves held for a specific purpose upon which restrictions have been imposed by the donor or which have been raised by the charity for particular purposes. Where a restricted reserve is represented by assets that have then revalued, the revaluation element is added to the restricted reserve.

During the year the Trustees enhanced the designation of the reserves to provide a clear statement of intent in regard to furthering the charity's objectives to increase its public benefit. As a consequence a new designated reserve "Public Benefit" has been created which is to be used for the acquisition of social housing. Furthermore, the Trustees have consolidated and reduced the reserves held for ongoing major repairs and cyclical maintenance across its property portfolio. The unrestricted reserves held is now equivalent to 12 months of operational expenditure.

Property Managed by Agents

Where the RSL carries the financial risk on the property managed by agents, all the income and expenditure arising from the property is included in the Income and Expenditure Account.

The Henry Pinnock and Victoria & Albert Memorial Charity

Notes to the Financial Statements - continued
for the year ended 31st December 2022

2. **TURNOVER**

	Number of units managed by Registered Social Landlord at	
	31 December	1 January
	2022	2022
Social Housing units – almshouses	60	60
Other rental properties - non-social housing	9	9
Other rental properties – commercial	1	1
	<u>70</u>	<u>70</u>

	Maintenance Charges	Other Rental Income	2022 Total	2021 Total
	£	£	£	£
Gross rents	265,200	119,905	385,105	378,474
Rent losses from voids	(10,140)	0	(10,140)	(12,759)
Rent losses from bad debts	0	0	0	0
Management charges	(209)	(9,264)	(9,473)	(46,603)
Total income from lettings	<u>254,851</u>	<u>110,641</u>	<u>365,492</u>	<u>319,112</u>

3. **EMPLOYEES**

	2022	2021
	£	£
Wages and salaries	<u>164,478</u>	<u>77,021</u>

Wages and salaries costs included severance pay for the two Warden roles, which were terminated due to redundancy on 30th June 2022. These costs, which were paid under the charity's statutory obligation, were £16,153.

The average number of employees during the year was as follows:

	2022	2021
Administration	4	2
Wardens	<u>1</u>	<u>2</u>
	<u>5</u>	<u>4</u>

4. **TRUSTEES' REMUNERATION AND EXPENSES**

Trustees received no remuneration in the year. Out of pocket expenses reimbursed to Trustees in the year amounted to £176 (2021 : £135)

The Henry Pinnock and Victoria & Albert Memorial Charity

Notes to the Financial Statements - continued
for the year ended 31st December 2022

5. OPERATING SURPLUS

The operating deficit is stated after charging:

	2022	2021
	£	£
Depreciation - owned assets	124,994	149,972

6. TANGIBLE FIXED ASSETS

	Social Housing Properties £	Freehold Property £	Plant and machinery £	Totals £
COST OR VALUATION				
At 1st January 2022	3,528,655	2,543,675	10,506	6,082,836
Additions	82,451	0	0	82,451
Revaluation				0
Disposals	(22,774)	0	0	(22,774)
At 31st December 2022	3,588,331	2,543,675	10,506	6,142,512
DEPRECIATION				
At 1st January 2022	75,488	94,678	10,506	180,672
Charge for year	70,205	35,702	0	105,907
Revaluation				0
Eliminated on disposal	(3,688)	0	0	(3,688)
At 31st December 2022	142,005	130,380	10,506	282,892
NET BOOK VALUE				
At 31st December 2022	3,446,326	2,413,295	0	5,859,621
At 31st December 2021	3,453,167	2,448,997	0	5,902,164

Notes to the Financial Statements - continued
for the year ended 31st December 2022

6. TANGIBLE FIXED ASSETS - continued

The freehold property relates to property held for non-social letting.

One of the Northfleet properties has been revalued in 2018 following extensive refurbishment. During 2019, freehold properties at Tunbridge Wells were revalued by AU Consultancy Ltd on a capital market value. In 2020 the remaining two Northfleet properties were revalued by Walker Jarvis at market value. The freehold properties were also revalued in 2020 by TW Gaze LLP at an open market value. The almshouses were re-valued during 2020 by the DVS Property Specialists for the public sector, valued on Existing Use Value - Social Housing. There were no revaluations undertaken in 2022.

Assets held at valuation

The carrying amount of assets held at valuation is as follows:

	Housing Properties	Freehold Property	Total	Total
	2022	2022	2022	2021
	£	£	£	£
Amount of revaluation	(720,214)	2,149,681	1,429,467	1,429,467
Historic cost	4,308,546	393,994	4,702,540	4,642,863
	<u>3,588,331</u>	<u>2,543,675</u>	<u>6,132,006</u>	<u>6,072,330</u>

7. FIXED ASSET INVESTMENTS

	Other investments
	£
COST OR VALUATION	
At 1st January 2022	2,183,479
Additions	0
Revaluations	(4,335)
At 31st December 2022	<u>2,179,144</u>
NET BOOK VALUE	
At 31st December 2022	<u>2,179,144</u>
At 31st December 2021	<u>2,183,479</u>

Historical cost information

The historical cost of investments held at valuation is as follows:

	2022	2021
	£	£
Historical cost	<u>773,023</u>	<u>773,023</u>

The Henry Pinnock and Victoria & Albert Memorial Charity

Notes to the Financial Statements - continued
for the year ended 31st December 2022

8. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Trade debtors	2,613	29,529
Other debtors	<u>31,520</u>	<u>9,456</u>
	<u>34,132</u>	<u>38,985</u>

Included in trade receivables are rent arrears off £2,613 (2021: £3,750)

9. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Other creditors	39,453	12,826
Accruals and deferred income	<u>38,785</u>	<u>7,821</u>
	<u>78,238</u>	<u>20,647</u>

The average number of days between receipt and payment of purchase invoices is less than 30 days.

Accruals and deferred income includes rent payable in advance of £5,974 (2021: £2,771)

The Henry Pinnock and Victoria & Albert Memorial Charity

Notes to the Financial Statements - continued
for the year ended 31st December 2022

10. RESERVES

	Income and expenditure account	Revaluation reserve	Other reserves	Designated reserve	Totals
	£	£	£	£	£
At 1st January 2022	2,720,056	4,516,772	500,474	954,506	8,691,808
Surplus for the year	(16,788)	0	0	0	(16,788)
Market value of investment	4,335	(4,358)	24	0	1
Valuation of properties	0	0	0	0	0
Interest received transfer	0	0	0	0	0
Transfers from prior periods	0	0	0	0	0
Reserves transfer	(2,407,603)	0	(497,542)	2,905,145	0
At 31st December 2022	<u>300,000</u>	<u>4,512,414</u>	<u>2,955</u>	<u>3,859,651</u>	<u>8,675,021</u>

Revaluation Reserve

	Property Reserve	Investment Reserve	Total
	£	£	£
At 1st January 2022	2,808,911	1,707,861	4,516,772
Increase in market value	0	(4,358)	(4,358)
At 31st December 2022	<u>2,808,911</u>	<u>1,703,503</u>	<u>4,512,414</u>

Other reserves

	Capital Account	Caroline Richards Trust	Minnie Selina Downing Trust	Total
	£	£	£	£
At 1st January 2022	497,258	2,931	285	500,474
Increase in market value		24	(1)	24
Reserves Transfer	(497,258)	0	(284)	(497,542)
At 31st December 2022	<u>0</u>	<u>2,955</u>	<u>0</u>	<u>2,956</u>

The Caroline Richards Charity funds are held solely for the maintenance of the graves of the Richards family in Gravesend cemetery. The fund is being used to clean and repair the graves.

The Minnie Selina Downing trust provides for the payment of income to or between such person or persons as the trustees shall consider to be a poor person or persons resident within the municipal borough of Gravesend and who from age, ill-health, accident or infirmity shall be unable to maintain herself/himself or themselves by his/her or their own exertions. The trustees have fully utilised this fund during the year. The Capital Account has been redesignated to the Public Benefit Fund.

The Henry Pinnock & V & A Mem Charity

Notes to the Financial Statements - continued
for the year ended 31st December 2022

Designated Reserves

	Public Benefit	Extraordinary Repair	Cyclical Maintenance	Emergency & Cyclical Maintenance	Total
	£	£	£	£	£
At 1st January 2022	0	354,396	571,034	29,076	954,506
Reserves Transfer	3,609,650	(104,396)	(571,034)	(29,076)	2,905,144
At 31st December 2022	<u>3,609,650</u>	<u>250,000</u>	<u>0</u>	<u>0</u>	<u>3,859,650</u>

The fund included within designated reserves are fully explained in the accounting policy in note 1 to these accounts.

11. **CAPITAL COMMITMENTS**

	2022 £	2021 £
Contracted but not provided for in the financial statements	<u>0</u>	<u>0</u>

12. **RELATED PARTY DISCLOSURES**

At the date of these financial statements, five trustees were councillors of related Local Authorities.

Detailed Income and Expenditure Account
for the year ended 31st December 2022

	2022		2021	
	£	£	£	£
Turnover				
Rents receivable	110,641		103,693	
Residents weekly contributions	<u>254,851</u>		<u>215,419</u>	
		365,492		319,112
Other income				
Sundry receipts	778		366	
Listed investment income	20,507		19,832	
Deposit account interest	<u>3,450</u>		<u>7,107</u>	
		<u>24,735</u>		<u>27,305</u>
		390,227		346,417
Expenditure				
Insurance	9,622		9,719	
Utilities	10,577		9,327	
Staff Costs	164,658		77,203	
Telephone	2,884		1,877	
Repair and maintenance	68,425		175,525	
Administration expenses	8,433		3,658	
Legal and professional fees	9,701		3,827	
Accountancy & Auditors' remuneration	2,640		2,640	
Depreciation of tangible fixed assets:				
Housing property	89,292		87,950	
Other freehold property	35,702		61,510	
Plant and machinery	<u>0</u>		<u>511</u>	
		<u>401,934</u>		<u>433,747</u>
		(11,706)		(87,329)
Finance costs				
Bank charges		<u>746</u>		<u>156</u>
		(12,452)		(87,486)
Gain/(loss) on revaluation of assets				
(Loss) / gain on revaluation of investments	(4,335)		236,370	
Gain on revaluation of investment property	<u>0</u>		<u>0</u>	
		<u>(4,335)</u>		<u>236,370</u>
NET SURPLUS		<u>(16,788)</u>		<u>148,884</u>

This page does not form part of the statutory financial statements