

Sandbach Almshouse Charity
Trustees' Report and Financial Statements
for the year ended 31 December 2022

Charity Registration No. 211106

Sandbach Almshouse Charity

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Sandbach Almshouse Charity

Legal and Administrative Information

Chairperson

Mrs I M Mackenzie

Other Trustees

Mr S Hollinshead

Mrs P Barnett

Mrs P Minshull

Mr E Lea

Mrs P Cotton

Mr R Hovey

Mrs E Nevitt

Mrs S Broad

Mr GP Jones

Mr T Wheatcroft

Clerk to the Trustees

Mrs N Clark

Charity Number

211106

Address of Charity

The Gables

20 Crewe Road

Sandbach

Cheshire

CW11 4NE

Independent Examiner

Dean Statham

29 King Street

Newcastle-Under-Lyme

Staffordshire

ST5 1ER

Bankers

The Royal Bank of Scotland

2 Bradwell Road

Sandbach

CW11 1WB

Trustees' Report for the year ended 31 December 2022

Introduction

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

Objectives and Activities

The purpose of the Charity is to provide rented accommodation for the older persons of the Ancient Parish of Sandbach.

The Trustees confirm they have referred to guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives.

Trustees' Responsibilities

The Statement of Recommended Practice, "Accounting and Reporting by Charities" and the Charity's Constitution require the Trustees to make available an Annual Report for each financial year, showing a true and fair view of the financial transactions of Sandbach Almshouse Charity during the financial year and of the disposition at the end of the financial year, of the assets and liabilities.

In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 this basis applies.

The Trustees under Trust Law are responsible for ensuring proper accounting records are kept which disclose, with reasonable accuracy at any one time, the financial position of the Charity and enable them to ensure that the financial statements comply with the Trust Deed dated 4th August 1967 and the Charities Act 2011. 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.

Trustees' Report for the year ended 31 December 2022

Achievements and Performance

The Charity provides 29 properties (consisting of flats and houses) for occupation. A resident warden is employed to look after the welfare of the occupiers.

Financial Review

During the year the Charity received total income of £111,354 and expended £112,008 on charitable activities resulting in net expenditure for the year of £654.

This figure when adjusted for unrealised losses on investments held of £44,816 has resulted in a negative movement in funds for the year of £45,470.

Investments in Official Charities Funds were valued at £440,998 and further investment is made annually, in order to provide a fund for any major improvements and maintenance work on the properties that may be required in the future.

Structure, Governance and Management

Sandbach Almshouse Charity, The Gables, 20 Crewe Road, Sandbach, Cheshire, CW11 4NE is registered with the Charity Commission (No 211106).

The Charity is constituted and governed by a Trust Deed dated 4th August 1967.

The Charity is managed by a committee of 13 members, 8 nominated members and 5 co-optative members who are elected by the other Trustees.

Management of the Charity's funds was delegated to the Clerk of the Trustees, Mr A Roberts. Investment by the Clerk is in accordance with guidelines prescribed by the Trustees. The clerk's role has since been taken over by Mrs N Clark for the 2023 financial year.

The Clerk deals with the day to day running of the properties. Trustees meetings are usually held four times per year to deal with major issues, however for the current and prior year, the meetings were held off due to the Covid-19 pandemic. The meetings will be resumed.

Recruitment

Eight Trustees are nominated By Town and Parish Councils within the ancient Parish of Sandbach.

Five Trustees are co-opted from within the ancient Parish of Sandbach.

Trustees' Report for the year ended 31 December 2022

Reference and Administrative Details

Sandbach Almshouse Charity, The Gables, 20 Crewe Road, Sandbach, Cheshire, CW11 4NE is registered with the Charity Commission (No 211106).

The Charity was administered by the following members during the year:

Chairperson	Mrs I M Mackenzie
Vice Chairperson	Mr D Robinson
Clerk to the Trustees	Mrs N Clark
Trustees	Mr S Hollinshead Mrs P Barnett Mrs P Minshull Mr E Lea Mrs P Cotton Mr R Hovey Mrs P Eaton Mrs K Flavell Mr GP Jones

The Charity is served by Royal Bank of Scotland PLC in Sandbach and Dean Statham Chartered Accountants in Newcastle-Under-Lyme as Independent Examiner.

On behalf of the board of trustees

..... (Signature)

..... (Name)

..... (Date)

Independent Examiners Report to the Trustees

We report to the Trustees on our examination of the accounts of the Charity for the year ended 31 December 2022, which are set out on pages 5 to 14.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirement of the Charities Act 2011 ('the Act').

We report in respect of our examination of the charity's accounts carried out under section 145 of the Act and in carrying out our examination we have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiners statement

We have completed our examination. We can confirm that no material matters have come to our attention in connection with the examination giving us cause to believe that in any material respect:

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

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

.....

Dean Statham
Chartered Accountant
29 King Street
Newcastle-Under-Lyme
Staffordshire
ST5 1ER

Dated

Statement of Financial Activities for the year ended 31 December 2022

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
		£	£	£	£
Income					
Earned from charitable activities	2	110,943	-	110,943	109,265
Investment income:					
Official custodian for Charinco shares		373	-	373	373
Donations		-	-	-	100
Other bank interest received		38	-	38	2
Total income		<u>111,354</u>	<u>-</u>	<u>111,354</u>	<u>109,740</u>
Expenditure					
Costs of raising funds		-	-	-	-
Expenditure on charitable activities	3	112,008	-	112,008	112,145
Total expenditure		<u>112,008</u>	<u>-</u>	<u>112,008</u>	<u>112,145</u>
Net income/(expenditure)		<u>(654)</u>	<u>-</u>	<u>(654)</u>	<u>(2,405)</u>
Transfers					
Transfers between funds		-	-	-	-
Net income/(expenditure) before gains and losses on investments		(654)	-	(654)	(2,405)
Net gains/(losses) on investments		(44,816)	-	(44,816)	69,235
Net movement in funds		<u>(45,470)</u>	<u>-</u>	<u>(45,470)</u>	<u>66,830</u>
Reconciliation of funds					
Balances brought forward at 1 January 2022	10	656,570	-	656,570	589,740
Balances carried forward at 31 December 2022	10	<u>611,100</u>	<u>-</u>	<u>611,100</u>	<u>656,570</u>

The Statement of Financial Activities has been prepared on the basis that all operations are continuing.

There are no gains or losses other than those passing through the Statement of Financial Activities.

Balance Sheet as at 31 December 2022

	Note	2022		2021	
		£	£	£	£
Fixed assets					
Housing properties	4		828,018		828,018
Less: Social housing grant	4		(663,256)		(663,256)
Accumulated depreciation	4		(63,075)		(58,497)
Tangible assets	4		96,743		99,029
			<hr/>		<hr/>
			198,430		205,294
Current assets					
Debtors	5	2,355		2,090	
Investments	6	440,998		482,814	
Cash at bank and in hand	7	15,984		13,410	
		<hr/>		<hr/>	
			459,337		498,314
Creditors:					
amounts falling due within one year	8		(15,525)		(15,645)
			<hr/>		<hr/>
Net current assets			443,812		482,669
			<hr/>		<hr/>
Total assets less current liabilities			642,242		687,963
Creditors:					
amounts falling due after more than one year	9		(31,142)		(31,393)
			<hr/>		<hr/>
Net assets			611,100		656,570
			<hr/> <hr/>		<hr/> <hr/>
Funds	10				
<u>Designated reserves</u>					
Routine maintenance			99,942		91,399
Cyclical maintenance			107,178		100,016
Extraordinary maintenance fund			33,355		33,355
<u>Other reserves</u>					
Investment revaluation reserve			390,070		434,886
Income and expenditure account			(19,445)		(3,086)
			<hr/>		<hr/>
			611,100		656,570
			<hr/> <hr/>		<hr/> <hr/>

Approved by the board of trustees on and signed on their behalf by:

..... (Signature) (Signature)

..... (Name) (Name)

Trustee

Trustee

Statement of Cash Flows for the year ended 31 December 2022

	Note	2022 £	2021 £
Net cash generated from operating activities	7	7,891	6,102
Cash flow from investing activities			
Interest and dividends		411	475
Proceeds from sale of investments		-	-
Purchase of investments		(3,000)	(3,000)
Purchase of fixed assets		-	-
Repayment of borrowings		(2,728)	(2,707)
Net change in cash and cash equivalents		2,574	870
Cash and cash equivalents at 1 January		13,410	12,540
Cash and cash equivalents at 31 December		15,984	13,410

Notes to the Accounts for the year ended 31 December 2022**1. Accounting Policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Charity's financial statements.

Basis of Accounting

The Financial Statements have been prepared under the historical cost convention as modified by the revaluation of fixed assets.

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

The financial statements have been prepared in accordance with the Statement of Recommended Practice: 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) (effective 1 January 2015) and the Charities Act 2011.

Income

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Investment income includes interest and dividends from investments and bank interest. It is accounted for on an accruals basis.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable activities includes repairs and maintenance which are paid for out of a routine maintenance fund and a cyclical maintenance fund.

Realised Gains and Losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Fixed Assets and Depreciation

Housing properties are stated at cost less social housing grant and depreciation.

Notes to the Accounts for the year ended 31 December 2022**1. Accounting Policies Continued**

Freehold land is not depreciated. Housing properties are split between the structure and those major components which require periodic replacement. Each component is accounted for separately and depreciated over its individual useful economic life. Expenditure relating to subsequent replacement or renewal of components is capitalised as incurred. The Charity depreciates freehold buildings on a straight line basis over the estimated useful life of the component categories. The identified components, to which the Trustees has disaggregated the housing properties balance and their estimated useful economic lives, are as follows:

Housing properties	Structure	100 years
	Roofs	70 years
	Windows and external doors	30 years
	Kitchens	30 years
	Bathrooms	35 years
	Electrics	40 years
	Gas boilers	30 years
	Communal fixtures	10 years
	Central heating	30 years
Communal meeting room	Structure	100 years
	Windows and external doors	30 years
	Gas boiler	30 years
	Kitchen	30 years
Landscaping and car parks		10 years
Sheds and allotments		20 years
Warden control system		10 years

A full years depreciation is charged in the year the above assets were acquired and none in the year of disposal.

Social Housing Grant

Grants for capital expenditure are deducted from the cost of the fixed assets to which they relate as they become receivable. Where individual components are disposed of and this does not create a relevant event for recycling purposes, any grant which has been allocated to the component is released to the income and expenditure account. Upon disposal of the associated property, the Charity is required to recycle these proceeds.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Notes to the Accounts for the year ended 31 December 2022

1. Accounting Policies ContinuedTaxation

As a registered Charity, it is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax is not recoverable by the Charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

2. Income Earned from Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Rental income	110,943	-	110,943	109,265
	<hr/>	<hr/>	<hr/>	<hr/>
	110,943	-	110,943	109,265
	<hr/>	<hr/>	<hr/>	<hr/>

3. Expenditure on Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Wardens salary	25,486	-	25,486	24,724
Telephone (warden)	803	-	803	850
Warden control (intercom)	2,278	-	2,278	2,291
Electricity	3,092	-	3,092	2,723
Gardening	5,939	-	5,939	6,375
Water rates	8,660	-	8,660	8,125
Window cleaner	96	-	96	104
Communal TV license	103	-	103	90
Mortgage interest	3,072	-	3,072	3,093
Routine maintenance	9,437	-	9,437	10,204
Cyclical maintenance	18,880	-	18,880	20,169
Depreciation	6,864	-	6,864	6,865
<u>Support costs</u>				
Surveyors reports etc.	2,305	-	2,305	2,130
Insurances	2,807	-	2,807	2,643
Subscriptions	917	-	917	902
Sundry expenses	550	-	550	908
Fees - clerk	18,840	-	18,840	18,120
Loan arrangement fees	125	-	125	125
Accountancy fees	1,754	-	1,754	1,704
	<hr/>	<hr/>	<hr/>	<hr/>
	112,008	-	112,008	112,145
	<hr/>	<hr/>	<hr/>	<hr/>

Notes to the Accounts for the year ended 31 December 2022

4. Tangible Fixed Assets

	Landscaping & Car Parks £	Sheds & Allotments £	Housing Properties £	Warden Control System £	Communal Meeting Room £	Total £
Cost						
1st January 2022	20,354	1,153	828,018	8,987	95,373	953,885
Additions	-	-	-	-	-	-
31st December 2022	20,354	1,153	828,018	8,987	95,373	953,885
Social Housing Grant						
1st January 2022	-	-	(663,256)	-	-	(663,256)
Additions	-	-	-	-	-	-
31st December 2022	-	-	(663,256)	-	-	(663,256)
Depreciation						
1st January 2022	7,306	1,153	58,497	7,192	11,187	85,335
Additions	144	-	4,578	899	1,243	6,864
31st December 2022	7,450	1,153	63,075	8,091	12,430	92,199
Net book amount						
31st December 2022	12,904	-	101,687	896	82,943	198,430
1st January 2022	13,048	-	106,265	1,795	84,186	205,294

5. Debtors

	2022 £	2021 £
Rent debtors	895	749
Prepayments and accrued income	1,460	1,341
	2,355	2,090

Notes to the Accounts for the year ended 31 December 2022

6. Investments

	2022 £	2021 £
Cost or valuation		
Market value at 1 January 2022	482,814	410,579
Additions at cost	3,000	3,000
Carrying value of disposals	-	-
Net unrealised (loss)/gain on revaluation of investments	(44,816)	69,235
	<hr/>	<hr/>
Market value at 31 December 2022	440,998	482,814
	<hr/>	<hr/>

Unlisted Investments

At 1 January 2022 and 31 December 2022 shares were held in Co-op Housing Services (North West) at a historic cost of £1 and a market value of £nil.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London stock exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The charity is not reliant on investment income to meet its charitable objectives.

7. Reconciliation of Net Movement in Funds to Net Cash Flow from Operating Activities

	2022 £	2021 £
Net movement in funds	(45,470)	66,830
Investment income	(411)	(475)
Add back depreciation charge	6,864	6,865
Losses/(gains) on investments	44,816	(69,235)
Decrease/(increase) in debtors	(265)	62
Increase/(decrease) in creditors	2,357	2,055
	<hr/>	<hr/>
Net cash used in operating activities	7,891	6,102
	<hr/>	<hr/>
Analysis of Cash and Cash Equivalents		
Royal Bank of Scotland current account	511	543
Royal Bank of Scotland high interest account	14,565	11,967
CCLA - Charities deposit fund	908	900
	<hr/>	<hr/>
	15,984	13,410
	<hr/>	<hr/>

Notes to the Accounts for the year ended 31 December 2022

	2022 £	2021 £
8. <u>Creditors: Amounts falling due within one year</u>		
Mortgages - secured	251	228
Non - housing loan	-	2,500
Rent received in advance	4,695	4,204
Accruals and sundry creditors	10,579	8,713
	<u>15,525</u>	<u>15,645</u>
	2022 £	2021 £
9. <u>Creditors: Amounts falling due after one year</u>		
Mortgages - secured	31,142	31,393
	<u>31,142</u>	<u>31,393</u>
Maturity of debt included above		
Between one and two years	276	251
Between two and five years	1,005	914
In five years or more	29,861	30,228
	<u>31,142</u>	<u>31,393</u>

10. Statement of Funds

	Balance B/F £	Incoming £	Outgoing £	Gains/ Losses £	Balance C/F £
a) Routine maintenance fund	91,399	17,980	(9,437)	-	99,942
b) Cyclical maintenance fund	100,016	26,042	(18,880)	-	107,178
c) Extraordinary maintenance fund	33,355	-	-	-	33,355
d) Investment revaluation reserve	434,886	-	-	(44,816)	390,070
e) Income and expenditure account	(3,086)	67,332	(83,691)	-	(19,445)
	<u>656,570</u>	<u>111,354</u>	<u>(112,008)</u>	<u>(44,816)</u>	<u>611,100</u>
Total capital and reserves	656,570	111,354	(112,008)	(44,816)	611,100

All funds are unrestricted.

Notes to the Accounts for the year ended 31 December 2022

10. Statement of Funds Continued

- a) The routine maintenance fund provides for those items of routine maintenance and repair of almshouses belonging to the Charity.
- b) The cyclical maintenance fund provides for those items of ordinary maintenance and repair of almshouses belonging to the Charity which reoccur at infrequent intervals.
- c) The extraordinary maintenance fund provides for extraordinary repair, improvement or rebuilding of the almshouses belonging to the Charity.
- d) The investment revaluation reserve provides for the revaluation of unrestricted investments.
- e) The Income and expenditure account relates to funds which can be spent for any purpose of the Charity.

11. Trustee Expenses and Remuneration

No Trustee received any remuneration or expenses in respect of services as Trustee during the year (2021 - £nil).

12. Clerk Fees

John Greenhall & Co Limited charged fees of £18,840 (2021 - £18,120) for services as the clerk to the trustees.

13. Winding up and Dissolution of the charity

If upon winding up or dissolution of the Charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the Charity.