

KING GEORGE V MEMORIAL HOUSES

REGISTERED CHARITY NUMBER 212358

SOCIAL HOUSING REGULATOR NUMBER A2250

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST MARCH 2024

Independent Examiner:

Knox Cropper LLP
Chartered Accountants
65 Leadenhall Street
London
EC3A 2AD

King George V Memorial Houses
Financial Statements
For The Year Ended 31st March 2024

Index

	<u>Page</u>
Report of the Trustees	1 - 12
Independent Examiners Report	13
Statement of Financial Activities	14
Balance Sheet	15
Statement of Cash Flows	16
Notes to the Financial Statements	17-27

King George V Memorial Houses
Annual Report of the Trustees
For The Year Ended 31st March 2024

The Trustees submits its report and the financial statements for the year ended 31st March 2024.

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY

Charity Registration

King George V Memorial Houses is an unincorporated charity registered with the Charity Commission under number 212358 and registered with the Regulator of Social Housing under number A2250.

Principal and Administration address:

33 Dean Court
Bowmans Close
Ealing
London
W13 9YU

Trustees

Rev. Mark Melliush	Ex-Officio, Chair
Ms Isabella Rossi	
Mr Matthew Doyle	Retired 16 th October 2023
Ms Andrea Joseph	
Mr Joshua Reddaway	
Ms Fiona Howie	Appointed 13 th July 2023
Ms Tycia Riley	Appointed 13 th July 2023
Ms Alison Pegg	Appointed 9 th February 2024

Custodian Trustees:

Title to the charity's housing properties is vested in Housing Pathways as Custodian

King George V Memorial Houses
Annual Report of the Trustees
For The Year Ended 31st March 2024

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY (continued)

Officers and advisors

Chief Executive Officer and management team

Steve McNaughton is employed as the Chief Executive on a part-time basis.

The Operational Manager Mike Smart left the Charity in March 2023. A Senior Property Manager, Eoin Donnelly, was appointed in November 2023.

Bolaji Omotade was the Head of Finance & Company Secretary. She left Pathways in August 2024.

Principal Advisors

Principal Auditors

Knox Cropper LLP
Chartered Accountants
65 Leadenhall Street
London EC3A 2AD

Principal Bankers

Royal Bank of Scotland
49 Bishopsgate
London
EC2N 3AS

Principal Solicitors

Devonshires
30 Finsbury Circus
London EC2M 7DT

Principal Investment Managers

CCLA Fund Managers Limited
Senator House
85 Queen Victoria Street
London EC4V 4ET

King George V Memorial Houses
Annual Report of the Trustees
For The Year Ended 31st March 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity is governed by a Trust Deed dated 23rd December 1936, as amended by Trust deeds dated 27th October 1969; 11th June 1993; 2nd June 1997; and an Order issued by The Charity Commission of England and Wales dated 30th November 2011. As amended resolution dated 1st April 2022.

How Trustees are Recruited, Appointed, Inducted and Trained

There are no geographical restrictions on trustees' appointment and applications from persons living in Greater London boroughs, particularly where we have a presence, are welcomed. Vacancies are advertised in the local press and on charity-related websites, with a nationwide reach. Applicants for trustee vacancies are interviewed by the Chair of the Board and 2 other Board members of the nominations committee prior to appointments. All new trustees receive an induction session that covers core areas of the business.

Existing trustees also have access to ongoing training opportunities, to assist them in fulfilling their roles and responsibilities. In addition to the Board meetings, trustees attend an annual review day, which allows for detailed discussions on strategic planning issues.

Organisation and Management

The day-to-day management of the charity is delegated to the senior management team. The Chief Executive reports to the Chair and the Board of Trustees.

Housing Pathways Trust (HPT) provides a full management service to the charity, including all operational, administrative, and financial functions, for which it charges a management fee.

HPT' Board of Trustees usually meets six times a year to agree strategy, oversee operations, manage risk, and consider the financial standing of the Charity. In addition to the main meetings of the Board of Trustees, there are the following sub-committees which focus on specific areas of the business in more detail: Audit and Risk, Grants, Nominations and Remuneration. Governance matters are dealt with by the main board, except that the Nominations & Remuneration committee oversees the recruitment of new Trustees.

The Board and each sub-committee have an agreed Terms of Reference, detailing their purpose and responsibilities. The key decision-making protocols are contained in the Committees' terms of reference and the Financial Standing orders, the latter being reviewed by the Audit and Risk Committee annually.

The board considers a range of peer organisations' pay reviews as a benchmark, and the overall economic and regulatory conditions in which the Charity is expected to operate in the coming year. In assessing the April 2023 staff pay review, the prevailing CPI rate, the cost-of-living crisis and its possible effect on the economy in general and house prices and rents in particular were considered.

Staff are responsible for carrying out the strategy agreed by the Board and the Chief Executive may act within the constraints of the overall expense budget agreed by the Board. The management team during the year comprised, in addition to the Chief Executive, an operation team and a Finance team.

King George V Memorial Houses
Annual Report of the Trustees
For The Year Ended 31st March 2024

OBJECTIVES AND ACTIVITIES

Objects

The object of the charity is to provide Housing for aged people living in the Borough of Gillingham.

Activities

The Charity provides accommodation for older people who are in need and who have lived for at least two years in the Borough of Gillingham, Kent. The Trustees has considered the Charity Commissioners guidance on public benefit and considers that the activities of the Almshouse meet its charitable objects and provide a benefit to the public. The charity owns and manages 12 units of accommodation for older people.

In the year ended 31 March 2024, we housed 1 (2023: 1) new residents in our Almshouse accommodation for older people.

During the year Bathroom replacement was carried out for four properties, boiler additions for a property, Door replacements, kitchen replacement was carried out for four properties, and a new fencing was carried out to the charity's properties.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE

VALUE FOR MONEY (VFM)

Our aim is to deliver services of the right quality economically, efficiently, and effectively, thus meeting the needs of our residents and all other stakeholders. The charity is committed to continuously improving our VFM for our residents in all aspects of our business.

Our VFM reporting and analysis are now focused on the seven key metrics that are used for comparison across the sector. The peer group median used comprised 34 smaller housing associations primarily providing Housing for Older People (HfOP) accommodation nationally of which 20 members' data was included in the calculation.

Value for Money Key Metrics

	HfOP peer group 2023-24	King George V
1. Reinvestment % Considers the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held.	3.10%	28.82%
2. New Supply Delivered % The number of new social housing and non-social housing homes that have been acquired or developed in the year as a proportion of total social housing and non-social housing homes owned at period end. A. New supply delivered (Social housing homes) B. New supply delivered (Non-social housing homes)	0% 0%	0% 0%
3. Gearing % Assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance.	7.84%	(8.64) %

King George V Memorial Houses
Annual Report of the Trustees
For The Year Ended 31st March 2024

4. Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %. A key indicator for liquidity and investment capacity. Measures the level of surplus generated compared to interest payable	319%	N/A	VALUE FOR MONEY (VFM) (continued) We recognise that our spend is above that of the sector and by continuing to review our programme, together with our long-term financial modelling we will ensure that the pace at which we reinvest remains financially sustainable and continues to demonstrate
5. Social Housing Cost Per Unit The headline social housing cost per unit as defined by the Regulator	£6,915	£14,521	
6. Operating Margin% Demonstrates the profitability of operating assets before exceptional expenses are taken into account. Increasing margins are one way to improve the financial efficiency of a business. A. Operating Margin (social housing lettings only) B. Operating Margin (overall)	10.9%	(50.67)% (36.90)%	
7. ROCE % Compares the operating surplus to total assets less current liabilities. An assessment of the efficient investment of capital resources.	2.20%	(3.93) %	

Value for Money and improve resident satisfaction and replacing major components to significantly reduce future ongoing responsive repair costs.

Social Housing Cost per Unit

The charity incurred significant major repair costs in the year in respect of the planned refurbishment programme. We anticipated the spend and expect this to reduce significantly as our Value for Money begins to yield the benefits we identified.

Key Performance Indicators (KPIs)

As members of the Housing for Older People (HfOP) benchmarking group, run by Acuity, which comprises about 26 similarly sized housing providers. We have access to a range of KPIs, both for the immediate group and national comparisons with Housemark, enabling us to compare performance and share good practice to drive improvements and reporting to stakeholders. The KPIs cover areas of organizational performance including resident satisfaction, Value for Money, repairs, lettings, voids, and compliance but they also provide benchmarking information on areas such as average working days lost due to staff sickness days.

Information Communication Technology (ICT)

The Charity benefits from HPT's upgraded IT equipment and modernised software to ensure the systems are fit for purpose.

COMPLIANCE WITH THE 2020 NHF CODE OF CONDUCT

King George V Memorial Houses via HPT adopted with National Housing Federation 2020 code of governance.

King George V Memorial Houses

Annual Report of the Trustees

For The Year Ended 31st March 2024

TENANT SATISFACTION MEASURES

The Charity is an alms-house provider registered is a registered provider of social housing regulated by the Regulator of Social Housing (RSH). On 1 April 2023 the RSH published a new system for assessing how well social housing landlords in England are doing at providing good quality homes and services. The system is referred to as tenant satisfaction measures (TSM's). The measures are a list of indicators that social housing landlords must report on. The data collected refers to King George V Memorial Houses and HPT combined.

TSMs collected from Housing Pathways Trust resident perception survey

TP01	Overall satisfaction – 89%
TP02	Satisfaction with repairs – 88%
TP03	Satisfaction with time taken to complete most recent repair – 88%
TP04	Satisfaction that the home is well maintained – 84%
TP05	Satisfaction that the home is safe – 90%
TP06	Satisfaction that the landlord listens to tenant views and acts upon them – 79%
TP07	Satisfaction that the landlord keeps tenants informed about things that matter to them – 84%
TP08	Agreement that the landlord treats tenants fairly and with respect – 86%
TP09	Satisfaction with the landlord's approach to handling complaints – 61%
TP10	Satisfaction that the landlord keeps communal areas clean and well maintained – 84%
TP11	Satisfaction that the landlord makes a positive contribution to neighbourhoods – 78%
TP12	Satisfaction with the landlord's approach to handling anti-social behaviour – 77%

TSMs generated from Housing Pathways Trust management information

CH01	Complaints relative to the size of the landlord – 6.2
CH02	Complaints responded to within Complaint Handling Code timescales – 100%
NM01	Anti-social behaviour cases relative to the size of the landlord - 0
RP01	Homes that do not meet the Decent Homes Standard - 0
RP02	Repairs completed within target timescale – not available
BS01	Gas safety checks – 100%
BS02	Fire safety checks – 100%
BS03	Asbestos safety checks – 100%
BS04	Water safety checks – 100%
BS05	Lift safety checks – 100%

One King George V resident made submitted a complaint during the financial year.

FINANCIAL REVIEW

The Charity recorded a net movement in funds of £22,164 (2023: £(4,023)). This is due to favourable movement on the value of investments of £41,528 (2023: unfavourable movement of £14,449).

In the year the Charity made a deficit on Social Housing Lettings of £32,395 (2023: deficit £1,208) due to the sums incurred to improve the properties at the site. The Statement of Financial Activities shows an increase in Total Funds of £22,164 to £823,840 (2023: £801,676).

Reserves Policy and Reserves

Designated reserves are maintained in accordance with guidance issued by the National Almshouse Association for the cyclical maintenance and repair of the properties. Details of the designated reserves can be found in note 16. The Trustees continue to review the Charity's reserves.

Total Funds at 31st March 2024 of £823,840 (2023: £801,676) comprised cyclical repairs and maintenance £26,876, extraordinary repairs £42,403 general funds of £712,083 and restricted Fixed Asset fund of £111,757.

King George V Memorial Houses

Annual Report of the Trustees

For The Year Ended 31st March 2024

The level of maintenance reserves is considered adequate to cover any such costs that are likely to be charged to the revenue account. Unrestricted funds amount to £712,083 (2023: £687,123) and are in place to ensure ongoing trading in the event of any material loss of income, and as a result of the need to build up liquidity to fund future capital costs of Planned Maintenance and expansion of our housing stock. Taking into account fixed assets held for the charity's activities, reserves amount to £408,630 (2023: £464,388).

Investment Policy

The investment policy lodged with M&G and CCLA is to invest prudently in a broad range of fixed interest securities and equities, which are quoted on a Registered Investment Exchange, and unit trusts, within an agreed range of percentage holdings for each class of investment. Ethical restrictions are determined by the board of each investment fund and prohibit investment in companies which produce certain products or earn a significant amount of their turnover from certain activities

Risk Management

The major risks to which the Almshouse charities are exposed, as identified by the Trustees, are regularly reviewed. In addition, the Trustees have put in place systems, policies, and procedures to mitigate these risks once they are identified and assessed. All reports presented to Board and sub-committees include an executive summary of risk which cross refers to the risks identified in the key risks register.

The Key risks and uncertainties facing the charity cover a number of areas of operation and are controlled using procedures and sub-committee overview identifies further mitigations and the responsible manager. Key risks include loss of income, breach of legislation or covenants, compliance failure, a build-up of arrears and misappropriation of funds through fraud.

Fraud

The Board has a policy on fraud covering prevention, detection and reporting of fraud and the recovery of assets. The Chair and A&R Committee chair are notified immediately of any attempted fraud.

FINANCIAL REVIEW (continued)

Anti-bribery policy statement

We seek to maintain the highest standards of ethics and integrity in the way we conduct our business. We recognise that bribery and corruption in all its forms, is illegal and unacceptable. Our bribery policy statement has been integrated into our code of conduct and our gifts and hospitality policy, adopted by the Board, signed by the Chairman and Chief Executive. We expect our business partners to adopt a similar approach to bribery or corruption.

FUTURE PLANS

Our key priorities are to:

- Improve customer satisfaction and deliver value for money for our residents.
- Carry out planned maintenance to our alms-houses in accordance with out stock condition survey and planned maintenance programme.
- To reduce our cost base and seek better value for money, which is seen as a sensible approach in what are generally uncertain economic times.

The Board is in the process of defining its asset management strategy and asset management plan. We will continue to reduce our cost base and improve Value for Money in accordance with the standard whilst driving and improving performance against the seven key metrics year on year.

King George V Memorial Houses
Annual Report of the Trustees
For The Year Ended 31st March 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities and to entities under the Regulator of Social Housing in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees is responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity, and which enable them to ensure that the financial statements comply with the Housing and Regeneration Act 2008 and the Accounting Direction for Social Housing 2022 and the Charities Act 2011. It is 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' STATEMENT ON INTERNAL FINANCIAL CONTROLS

The Trustees acknowledges its ultimate responsibility for ensuring that King George V Memorial Houses has in place a system of controls that is appropriate to the various business environments in which it operates.

These controls are designed to give reasonable assurance with respect to:

- (a) the reliability of financial information used within the charity or for publication
- (b) the maintenance of proper accounting records, and
- (c) the safeguard of assets against unauthorised use or disposition

It is the Trustees' responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable but not absolute assurance against material financial misstatement or loss. Key elements include ensuring that:

- (a) formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorized use of the charity's assets.
- (b) experienced and suitably qualified staff take responsibility for important business functions.
- (c) forecasts and budgets are prepared which allow the Trustees and management to monitor the key business risks and financial objectives and progress towards financial plans set for the year and medium term; regular management accounts are prepared promptly; providing relevant, reliable and up-to-date financial and other information and significant variance from budgets are investigated as appropriate.
- (d) all significant new initiatives, major commitments and investment projects are subject to formal authorization procedures, through relevant sub-committees comprising Trustees and others.
- (e) the trustees of King George V Memorial Houses review reports from management and from external auditors to provide reasonable assurance that control procedures are in place and are being followed and this includes a general review of the major risks facing the charity.

King George V Memorial Houses
Annual Report of the Trustees
For The Year Ended 31st March 2024

CHAIRMAN'S REPORT

Pathways feels like a family of friends, from the great relationships between staff in the office through to the friendly chats that I hear between staff and residents.

This last year has seen our 'customer satisfaction' survey come back with some very encouraging facts. We have improved in all areas of service to our community. Repairs are being actioned faster with our residents suggesting that the service has improved. Complaints are down in number and if they do come in are being dealt with quickly and efficiently.

Overall, everyone is feeling we as an organisation are providing a really good service.

None of this would be possible without a settled staff team and a good board of trustees. A huge thank you must first go to our CEO, Steve McNaughton who has helped to lead Pathways in a way that makes us better in so many ways. However it's not just Steve but our wonderful staff who work so well together.

Then of course there are the Board members who all give of their time to ensure that we are in a secure financial place and are investing in the areas we should be.

CHAIR'S REPORT (continued)

Our priority as Pathways is always to have the care and wellbeing of our residents at the forefront of everything we do. We want to ensure that our residents have the security of a good home that is looked after and safe to live in. This is why we are investing so much in our repairs and property development.

This report shows that we are in a healthy place as an organisation to deliver all that we aspire to deliver and I encourage you in the reading of it.

Approved by the Board of Trustees at its meeting on 4 October 2024 and signed on its behalf by:

Mark Melliush

Mark Melliush

Chair of Board of Trustees

[Mark Melliush \(Oct 7, 2024 15:28 GMT+1\)](#)

Independent Examiner's Report
To The Trustees of King George V Memorial House
For the year ended 31st March 2024

I report to the charity trustees on my examination of the accounts of King George V Memorial Houses (the Charity) for the year ended 31 March 2024.

This report is made to the Trustees, as a body, in accordance with the terms of my engagement. Our work has been undertaken so that we might carry out an Independent Examination of the financial statements in accordance with the General Directions given by the Charity Commissioners. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees, as a body, for our work or for this report.

Responsibilities and basis of report

As the charity trustees of the Charity, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011.

Having satisfied myself that the accounts of the Charity are not required to be audited under Section 136(3) of the Housing and Regeneration Act 2008, an independent examination has been carried out.

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

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:

1. accounting records were not kept in respect of the Charity as required by section 130 of the Charities Act 2011; or section 135(2)(a) of the Housing and Regeneration Act 2008; 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.

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 accounts to be reached.

Matthew Elkins FCA

Knox Cropper LLP
Chartered Accountants
65 Leadenhall Street
London
EC3A 2AD



Date:

King George V Memorial Houses

Statement of Financial Activities

For the year ended 31st March 2024

	Notes	2024			2023		
		Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Income from							
Charitable Activities							
Almshouse Accommodation	2	63,932	-	63,932	59,766	-	59,766
Investments	3	13,031	-	13,031	11,634	-	11,634
		76,963	-	76,963	71,400	-	71,400
Expenditure on							
Charitable Activities							
Almshouse Accommodation	4	93,531	2,796	96,327	58,178	2,796	60,974
		93,531	2,796	96,327	58,178	2,796	60,974
Gains/(losses) on revaluation of investments	11	41,528	-	41,528	(14,449)	-	(14,449)
Net income/(expenditure) and net movement in funds		24,960	(2,796)	22,164	(1,227)	(2,796)	(4,023)
Funds brought forward 1st April 2023	14	687,123	114,553	801,676	688,350	117,349	805,699
Funds carried forward 31st March 2024		712,083	111,757	823,840	687,123	114,553	801,676

King George V Memorial Houses

Balance Sheet

As at 31st March 2024

		2024	2023
	Notes	£	£
Fixed Assets			
Housing Properties	9	345,931	268,009
Investments	11	501,575	452,197
		<u>847,506</u>	<u>720,206</u>
Current Assets			
Debtors	12	3,703	3,017
Cash at Bank and In Hand		29,885	118,666
		<u>33,588</u>	<u>121,683</u>
Creditors: amounts falling due within one year	13	<u>(57,254)</u>	<u>(40,213)</u>
Net Current Assets		<u>(23,666)</u>	<u>81,470</u>
Total Net Assets		<u>£823,840</u>	<u>£801,676</u>
Funds			
Unrestricted funds		712,083	687,123
Restricted funds		111,757	114,553
Total funds	14	<u>£823,840</u>	<u>£801,676</u>

The financial statements were approved by the Trustees
behalf by:

2024 and signed on their

Mark Melliush

[Mark Melliush \(Oct 7, 2024 15:28 GMT+1\)](#)

Trustee

Mark Melliush (Chair)

Joshua Reddaway

[Joshua Reddaway \(Oct 7, 2024 17:57 GMT+1\)](#)

Trustee

Joshua Reddaway

King George V Memorial Houses

Statement of Cash Flows

For the year ended 31st March 2024

		2024	2023
	Notes	£	£
Net cash (used in)/provided by Operating Activities	A	5,748	46,345
Cash flows from Investing Activities			
Purchase of tangible fixed assets		(99,695)	(74,548)
Proceeds on sale of investments		-	-
Dividends received		4,046	4,046
Interest received		1,120	596
Net cash provided by/(used in) Investing Activities		<u>(94,529)</u>	<u>(69,906)</u>
Cash Flows from Financing Activities		<u>-</u>	<u>-</u>
Net change in cash and cash equivalents		(88,781)	(23,561)
Cash and cash equivalents at the beginning of the year		<u>£118,666</u>	<u>£142,227</u>
Cash and cash equivalents at the end of the year		<u>£29,885</u>	<u>£118,666</u>
A Cash flows from Operating Activities			
Net Income/(Expenditure) for the year		22,164	(4,023)
Depreciation		12,971	9,711
Investment Income and Interest Receivable		(13,031)	(11,634)
(Increase)/Decrease in Debtors		(671)	587
Increase/(Decrease) in Creditors		17,041	29,259
Loss/(Gain) on Disposal of Components		8,802	7,996
(Gains)/Losses on Investments		<u>(41,528)</u>	<u>14,449</u>
		<u>5,748</u>	<u>£46,345</u>
B Changes in Net Funds			
	At 01/04/2023	Cash Flows	At 31/03/2024
Cash at bank and in hand	<u>118,666</u>	<u>(88,781)</u>	<u>29,885</u>

King George V Memorial Houses
Notes to the Financial Statements
For the year ended 31st March 2024

1. Accounting Policies

(a) Status

King George V Memorial Houses is an unincorporated charity registered in England and Wales, registered number 212358. The principal office address is as disclosed on page 1 of the annual report. The presentational currency is the Pound Sterling (£).

(b) Basis of Accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities, in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (second edition issued in October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The accounts comply with the Charities Act 2011, the Housing and Regeneration Act 2008, the Accounting Direction for Social Housing in England 2022. The accounts are prepared on the historical cost basis of accounting except that the listed investments are shown at their market value at the Statement of Financial Position date.

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) Second Edition issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

King George V Memorial Houses constitutes a public benefit entity as defined by FRS102. The trustees considers there are no material uncertainties about the charity's ability to continue as a going concern.

(c) Income:

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income from Almshouse Accommodation represents weekly maintenance and service contributions receivable from residents.

Investment income is earned through holding assets for investment purposes such as shares. It included dividends and interest. The Trustees consider it is not practical to identify investment management costs incurred within funds managed by M&G and CCLA with reasonable accuracy the investment income is reported net of these costs. Interest income is recognised using the effective interest method and dividend income is recognised as the Charity's right to receive payment is established.

Social Housing Capital grants are recognised only when receivable, or in the period in which a scheme is completed where the amount of the grant has been determined. Grants are reflected in the Fixed Asset Fund.

King George V Memorial Houses
Notes to the Financial Statements
For the year ended 31st March 2024

1. Accounting Policies (continued)

(d) Expenditure:

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs. The Charity is not registered for VAT, therefore all expenditure is shown inclusive of irrecoverable VAT.

(e) Housing Properties:

King George V Memorial Houses were established in 1936 and there is no record of the original cost and no value is attributed thereto. The Housing Properties cost relates to improvements carried out since 1993 which partly were funded by a Housing and Communities Agency Grant.

Housing properties are stated at depreciated cost. The cost of completed housing properties is depreciated over the life of the properties.

Properties are accounted for on a component cost basis with each component being depreciated over its estimated economic life. The principal components identified and the depreciation rate applied to each component are set out below:

Land	-	not depreciated
Main fabric	-	Over 70 years
Roof structure and covering	-	Over 70 years
Windows & external doors	-	Over 30 years
Boilers	-	Over 15 years
Kitchen	-	Over 20 years
Bathrooms	-	Over 30 years
Mechanical systems	-	Over 30 years
Electrics	-	Over 40 years
Fire Alarms/Warden Call	-	Over 15 years

(f) Investments:

Fixed asset investments are a form of basic financial instrument are initially recognised at their transaction value and subsequently measured at their fair value using the closing quoted market price or the share of the Net Asset Value of the fund (if unlisted). All gains and losses are taken to the Statement of Financial Activities as they arise. The Statement of Financial Activities includes all net gains and losses arising on revaluation and disposals throughout the year.

(g) Debtors:

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(h) Cash at bank and in hand:

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

King George V Memorial Houses
Notes to the Financial Statements
For the year ended 31st March 2024

1. Accounting Policies (continued)

(i) Creditors:

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

(j) Financial Instruments:

The Charity only holds basic financial instruments. The financial assets and financial liabilities of the Charity are as follows:

Debtors – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 12. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – trade creditors, accruals and other creditors are classified as financial instruments, and are measured at amortised cost as detailed in Note 13.

(k) 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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 costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

King George V Memorial Houses
Notes to the Financial Statements
For the year ended 31st March 2024

(I) *Significant Management Judgements and Estimation Uncertainties*

The following are the critical judgements and key sources of estimation uncertainty that the Board has made in the process of applying the charity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Identification of housing property components

The charity accounts for its expenditure on housing properties using component accounting. Under component accounting, the housing property is divided into those major components which are considered to have substantially different useful economic lives. Judgement is used in allocating property costs between components (land, structure, kitchens, bathrooms etc) and in determining the useful economic lives of each component.

Housing property depreciation is calculated on a component by component basis. The identification of such components is a matter of judgement and may have a material impact on the depreciation charge. The components selected are those which reflect how the major repairs to the property are managed.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to changes to decent homes standard requiring frequent replacement of components

Bad debt provision

A full line by line review of trade debtors is carried out at the end of each month. Whilst every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provisions do not match the level of debts which ultimately prove to be uncollectible.

King George V Memorial Houses
Notes to the Financial Statements
For the year ended 31st March 2024

2. Income from Charitable Activities

	2024	2023
	£	£
<i>Almshouse Accommodation</i>		
Residents Contributions	63,573	57,857
Service Charges	3,211	3,211
Voids	(2,852)	(1,302)
	<u>£63,932</u>	<u>£59,766</u>

3. Income from Investments

	2024	2023
	£	£
Deposit Interest	1,120	596
Investment Income	11,911	11,038
	<u>£13,031</u>	<u>£11,634</u>

4. Expenditure on Charitable Activities

	2024	2023
	£	£
<i>Almshouse Accommodation</i>		
Services	2,635	3,023
Maintenance	50,874	24,372
Bad Debts	-	-
Depreciation	12,971	9,711
Replacement of fixed asset components	8,802	7,996
Support costs (Note 5)	21,045	15,872
	<u>£96,327</u>	<u>£60,974</u>

King George V Memorial Houses
Notes to the Financial Statements
For the year ended 31st March 2024

5. Support Costs

	2024	2023
	£	£
<i>Almshouse Accommodation</i>		
Management charges	15,816	11,918
Bank charges	48	78
Residents' welfare	503	27
Subscription	1,330	1,054
Legal and professional fees	730	1,045
Governance costs	2,618	1,750
	<u>£21,045</u>	<u>£15,872</u>

Included within Governance Costs is independent examiner's remuneration amounting to £2,268 excluding VAT £1,890 (2023: independent examiner's remuneration £2,100, excluding VAT £1,750).

6. Social Housing Activities

	2024	2023
	£	£
Turnover from Social Housing Activities	63,932	59,766
Operating Costs	(96,327)	(60,974)
	<u>£(32,395)</u>	<u>£(1,208)</u>

7. Staff Costs

All employees are jointly employed by Housing Pathways Trust and the Charity. The day-to-day management of the Charity is carried out by Housing Pathways Trust and Housing Pathways Trust charges a management fee of 20% of the Residents contribution of the charity. Within the management fee, the proportion of staff costs charged to the Charity is as follows:

	2024	2023
	£	£
Wages and salaries	5,260	3,800
Social security costs	478	357
Pension costs	441	231
Redundancy	-	159
Off-payroll contractors	1,476	2,501
	<u>£7,655</u>	<u>£7,048</u>

The average weekly numbers of full-time equivalent employees during the year was 8 (2023: 7) and the average number of employees was 8 (2023: 8). Key management personnel is defined as the trustees of King George V Memorial Houses, the Chief Executive, the Senior Property Manager, and the Head of Finance & Company Secretary. The proportion of remuneration payable to key management personnel for their services to the Charity amounted to £2,661 (2023: £2,462).

The number of staff whose total remuneration payable by the charities fell in the band £60,000 to £70,000 was nil (2023: nil), in the band £70,000 to £80,000 was nil (2023: nil), in the band £80,000 to £90,000 was nil (2023: nil), and in the band £90,000 to £100,000 was nil (2023: nil).

King George V Memorial Houses
Notes to the Financial Statements
For the year ended 31st March 2024

8. Taxation

King George V Memorial Houses is a registered Charity, and is, therefore, exempt from liability to taxation on Income and Capital Gains.

9. Housing Properties

	Total Completed Housing Properties £
Cost	
At 1st April 2023	341,800
Works to existing properties	99,695
Components replaced	<u>(21,765)</u>
At 31st March 2024	<u>419,730</u>
Accumulated Depreciation	
At 1st April 2023	73,791
Charge for the year	12,971
Depreciation released on components replaced	<u>(12,963)</u>
At 31st March 2024	<u>73,799</u>
Net Book Value	
At 31st March 2024	<u>£345,931</u>
At 31st March 2023	<u>£268,009</u>

King George V Memorial Houses were established in 1936. There is no record of the original cost and no value is attributed thereto. The above details relate to improvements carried out since 1993, which were partly funded by a Homes and Communities Agency Grant of £195,597. King George V Memorial Houses holds the freehold to the land on which these improvements are situated.

10. Capital Grants

	2024	2023
	£	£
Aggregate Amount Received		
At 1st April 2023		
and 31st March 2024	<u>£195,597</u>	<u>£195,597</u>
Released to Statement of Financial Activities		
At 1st April 2023		
and 31st March 2024	<u>£195,597</u>	<u>£195,597</u>
Capital Grants Carrying Value	<u>£-</u>	<u>£-</u>

King George V Memorial Houses
Notes to the Financial Statements
For the year ended 31st March 2024

11. Fixed Asset Investments

	2024	2023
	£	£
Market Value:		
At 1st April 2023	452,197	459,654
Disposals in year	-	-
Accumulated income	7,850	6,992
Realised gains on investments	-	-
Unrealised gains/(losses) on investments	41,528	(14,449)
At 31st March 2024	<u>£501,575</u>	<u>£452,197</u>
Historical cost as at 31st March 2024	<u>£161,095</u>	<u>£153,245</u>

Included in fixed asset investments is financial assets of £501,575 (2023: £452,197) measured at fair value through net income/(expenditure).

12. Debtors: amounts due within one year

	£	£
Amounts due from residents	2,051	1,068
Prepayments and accrued income	1,652	1,949
	<u>£3,703</u>	<u>£3,017</u>

13. Creditors: amounts due within one year

	£	£
Trade Creditors	30,297	5,260
Accruals and other creditors	5,720	24,603
Amounts due to related organisations (Note 16)	21,237	10,350
	<u>£57,254</u>	<u>£40,213</u>

King George V Memorial Houses

Notes to the Financial Statements

For the year ended 31st March 2024

14. Funds

	Balance at 1 April 2023	Income	Expenditure	Gains/(Losses) on investments	Transfers	Balance at 31 March 2024
	£	£	£	£	£	£
Unrestricted Funds						
General Funds	617,844	76,963	(93,531)	41,528	-	642,804
<i>Designated Funds</i>						
Cyclical Repairs and Maintenance Reserve	26,876	-	-	-	-	26,876
Extraordinary Repairs Reserve	42,403	-	-	-	-	42,403
	687,123	76,963	(93,531)	41,528	-	712,083
Restricted Funds						
Fixed Asset Fund	114,553	-	(2,796)	-	-	111,757
	£801,676	£76,963	£(96,327)	£41,528	£ -	£823,840

	Balance at 1 April 2022	Income	Expenditure	Gains/(Losses) on investments	Transfers	Balance at 31 March 2023
	£	£	£	£	£	£
Unrestricted Funds						
General Funds	619,071	71,400	(58,178)	(14,449)	-	617,844
<i>Designated Funds</i>						
Cyclical Repairs and Maintenance Reserve	26,876	-	-	-	-	26,876
Extraordinary Repairs Reserve	42,403	-	-	-	-	42,403
	688,350	71,400	(58,178)	(14,449)	-	687,123
Restricted Funds						
Fixed Asset Fund	117,349	-	(2,796)	-	-	114,553
	£805,699	£71,400	£(60,974)	£(14,449)	£ -	£801,676

King George V Memorial Houses
Notes to the Financial Statements
For the year ended 31st March 2024

14. Funds (continued)

Cyclical Repairs and Maintenance Reserve

This designated fund represented amounts set aside for cyclical maintenance to meet costs in excess of budgeted expenditure for any year, and is considered adequate at this point in time.

Extraordinary Repairs Reserve

This designated fund represented amounts set aside to carry out major repairs on Housing Properties. With the advent of component accounting, major repairs are usually capitalised. The level of the reserve is considered adequate to cover any such costs that are likely to be charged to the revenue account.

Fixed Asset Fund

This restricted fund represents social housing grants recognised within income. A portion of the depreciation of housing properties is charged against this fund annually over the life of the properties which the grants funded.

Social housing grants may be repayable if the charity sells a property or ceases to use them for a qualifying purpose.

15. Net Assets Between Funds

	Unrestricted Funds £	Restricted Funds £	2024 Total £
Housing Properties	234,174	111,757	345,931
Investments	501,575	-	501,575
Net Current Assets	(23,666)	-	(23,666)
	<u>£712,083</u>	<u>£111,757</u>	<u>£823,840</u>
	Unrestricted Funds £	Restricted Funds £	2023 Total £
Housing Properties	153,456	114,553	268,009
Investments	452,197	-	452,197
Net Current Assets	81,470	-	81,470
	<u>£687,123</u>	<u>£114,553</u>	<u>£801,676</u>

16. Related Party Transactions

All employees jointly employed by Housing Pathways Trust and King George V Memorial Houses with an agreed fee of 20% of Residents contribution including allocated staff costs. Housing Pathways Trust charged the Charity £19,993 during the year, of which £4,178 related to the previous year. Amounts due to Housing Pathways Trust at the year-end amounted to £21,237 (2023: £4,664).

King George V Memorial Houses
Notes to the Financial Statements
For the year ended 31st March 2024

17. Housing Units

The Charity owned and managed 12 units of sheltering housing at 31 March 2024 and 31 March 2023.

18. Capital Commitments

At 31 March 2024, there were no known capital commitments.