

LANCASTER CHARITY
REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

Scott & Wilkinson
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LANCASTER CHARITY

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FOR THE YEAR ENDED 31 DECEMBER 2023**

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LANCASTER CHARITY

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 DECEMBER 2023

Trustees	Mr R W Carradice Chairman Mrs S E Hodgson Councillor D Brookes Councillor R Redfern Mr C Hanna Mr A Sandham Mrs P Barker Councillor K Budden Dame P Fielding Councillor A Biddulph (resigned 11/5/2023) Councillor K Frea (resigned 11/5/2023) Councillor J Pritchard Rev L Vasey-Saunders Ms N Combe Councillor S McGregor (appointed 11/5/2023) Councillor C Cozler (appointed 11/5/2023)
Principal address	William Penny's Regent Street LANCASTER LA1 1SG
Registered charity number	213461
Independent examiner	Scott & Wilkinson Dalton House 9 Dalton Square LANCASTER LA1 1WD

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities

Objectives and aims

Lancaster Charity is for the public benefit of the people of the City of Lancaster and provides almshouse accommodation and pensions. Residents and pensioners must be persons in need either not less than 55 years of age or who are disabled by age, accident or infirmity from maintaining themselves and who (except in special cases) have resided in the area for not less than three years.

Public benefit

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievement and performance

Charitable activities

Occupancy was 95% over the year, due to the need to leave several properties un-let as they required full refurbishment and bringing up to appropriate standards prior to reallocation.

A substantial waiting list built up over the course of the first part of the year and so a decision was made to close the waiting list in July to be able to manage the expectation of the applicants. A decision was taken to form sub-committees to deal with key aspects of the charity's work e.g. property, policy and personnel and finance. This resulted in identifying several key issues which required attention, including; recruitment of an Assistant to the Almoner, development of a financial and budgeting policy and formulating a project plan for works required over the coming years. All these aims and objectives have been achieved. One of the first things that the Assistant to the Almoner undertook was a review of the waiting list and this exercise resulted in us being able to reopen the waiting list in December.

Returns on investments, whilst still not at pre-pandemic levels, have shown some kind of recovery.

General repairs and maintenance were significantly increased at £93,498, mainly due to our ongoing programme of upgrading properties as they become vacant. Due to a large-scale essential repair project at William Penny's, costs met from the General Fund were substantial at £129,940, but were lower than the previous year.

Maintenance charges were increased in May 2023, however these do not fully meet the Charity's budgeting needs and a full review of the maintenance fees will be carried out by the new finance committee over the coming year.

We also work to review and find ways of meeting the needs of our residents and their homes, ensuring that legal requirements are fulfilled, and that the Charity is able to sustain its position for the future.

Financial review

Investment policy and objectives

Investments are held in accordance with the powers of the trustees.

Investments held can be split into three categories: endowment, current and extraordinary repair fund. The endowment and current investments are held to provide income to enable the charity to maintain the housing property and pay pensions. The extraordinary repair fund is invested for capital growth only and is a reserve to enable the charity to cope with any large or unexpected repair costs.

Reserves policy

The charity maintains sufficient free reserves to enable them to cover one year's fixed and administrative expenses and also any maintenance costs. Free reserves at the year end are £500,887 (2022 - £542,537).

LANCASTER CHARITY

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023**

Structure, governance and management

Governing document

Lancaster Charity is regulated by a scheme of the Charity Commissioners dated 6 January 1987. It is an amalgamation of almshouse and pension charities in Lancaster. The latest scheme combined six charities, but previous combinations precede this.

Recruitment and appointment of new trustees

The charity is administered and run by the trustees, six of whom are appointed by Lancaster City Council. The non Lancaster City Council trustees are nominated by the existing trustees.

Related parties

Platten and Benson Almshouse Charity

The charity has common trustees and management, but there are no transactions between the two charities.

Approved by order of the board of trustees on and signed on its behalf by:

.....
Mr R W Carradice - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LANCASTER CHARITY

Independent examiner's report to the trustees of Lancaster Charity

I report to the charity trustees on my examination of the accounts of Lancaster Charity (the Trust) for the year ended 31 December 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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 Trust 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.

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.

S W Hinnigan FCA CTA
The Institute of Chartered Accountants in England and Wales

Scott & Wilkinson
Dalton House
9 Dalton Square
LANCASTER
LA1 1WD

Date:

LANCASTER CHARITY

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds £	Restricted fund £	Endowment fund £	2023 Total funds £	2022 Total funds £
Income and endowments from						
Donations and legacies		300	-	-	300	930
Charitable activities						
Provision of Almhouse accommodation		277,440	-	-	277,440	263,778
Investment income	2	21,183	-	-	21,183	21,974
Total		298,923	-	-	298,923	286,682
Expenditure on Charitable activities	3					
Provision of Almhouse accommodation		381,161	-	-	381,161	405,575
Relief of aged persons		320	-	-	320	490
Total		381,481	-	-	381,481	406,065
Net gains/(losses) on investments		40,396	-	4,837	45,233	(70,386)
NET INCOME/(EXPENDITURE)		(42,162)	-	4,837	(37,325)	(189,769)
Reconciliation of funds						
Total funds brought forward		1,792,176	-	225,792	2,017,968	2,207,737
Total funds carried forward		1,750,014	-	230,629	1,980,643	2,017,968

The notes form part of these financial statements

LANCASTER CHARITY

BALANCE SHEET
31 DECEMBER 2023

	Notes	Unrestricted funds £	Restricted fund £	Endowment fund £	2023 Total funds £	2022 Total funds £
Fixed assets						
Tangible assets	9	1,249,127	-	-	1,249,127	1,249,639
Investments	10	427,225	-	230,629	657,854	712,622
		<u>1,676,352</u>	<u>-</u>	<u>230,629</u>	<u>1,906,981</u>	<u>1,962,261</u>
Current assets						
Debtors	11	2,783	-	-	2,783	2,438
Cash at bank		99,528	-	-	99,528	74,687
		<u>102,311</u>	<u>-</u>	<u>-</u>	<u>102,311</u>	<u>77,125</u>
Creditors						
Amounts falling due within one year	12	(28,649)	-	-	(28,649)	(21,418)
		<u>73,662</u>	<u>-</u>	<u>-</u>	<u>73,662</u>	<u>55,707</u>
Net current assets						
		<u>73,662</u>	<u>-</u>	<u>-</u>	<u>73,662</u>	<u>55,707</u>
Total assets less current liabilities		<u>1,750,014</u>	<u>-</u>	<u>230,629</u>	<u>1,980,643</u>	<u>2,017,968</u>
NET ASSETS		<u>1,750,014</u>	<u>-</u>	<u>230,629</u>	<u>1,980,643</u>	<u>2,017,968</u>
Funds	13					
Unrestricted funds					1,750,014	1,792,176
Endowment funds					230,629	225,792
Total funds					<u>1,980,643</u>	<u>2,017,968</u>

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

.....
Mr R W Carradice - Trustee

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

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 the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland 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.

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

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

Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies - continued

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains or losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

2. Investment income

	2023	2022
	£	£
Fixed asset investment income	21,183	21,974
	<u>21,183</u>	<u>21,974</u>

3. Charitable activities costs

	Direct Costs (see note 4) £	Support costs (see note 5) £	Totals £
Provision of Almhouse accommodation	370,729	10,432	381,161
Relief of aged persons	320	-	320
	<u>371,049</u>	<u>10,432</u>	<u>381,481</u>

4. Direct costs of charitable activities

	2023	2022
	£	£
Staff costs	61,360	51,246
Rates and water	11,121	9,541
Insurance	7,897	7,433
Light and heat	59,210	62,593
Telephone	2,673	2,395
Website	86	86
Repairs and maintenance	93,498	49,479
Gardening	3,615	4,396
Payments to named pensioners	320	490
Christmas party	1,329	1,664
Extraordinary repairs	129,940	208,103
	<u>371,049</u>	<u>397,426</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

5. Support costs

	Finance	Governance	Totals
	£	costs	£
	£	£	£
Provision of Almhouse accommodation	522	9,910	10,432
	<u>522</u>	<u>9,910</u>	<u>10,432</u>

Support costs, included in the above, are as follows:

Governance costs

	2023	2022
	Provision	Total
	of	activities
	Almhouse	£
	accommodation	£
	£	£
Wages	1,720	1,640
Postage, travel and sundries	2,913	1,799
Independent examiner fees	3,118	2,816
Trade subscriptions	781	839
Depreciation of tangible fixed assets	1,378	1,545
	<u>9,910</u>	<u>8,639</u>
	<u>9,910</u>	<u>8,639</u>

6. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

7. Staff costs

	2023	2022
	£	£
Wages and salaries	63,080	52,886
	<u>63,080</u>	<u>52,886</u>
	<u>63,080</u>	<u>52,886</u>

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

	2023	2022
Charitable activities	4	4
Governance	1	1
	<u>5</u>	<u>5</u>
	<u>5</u>	<u>5</u>

No employees received emoluments in excess of £60,000.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

8. Comparatives for the statement of financial activities

	Unrestricted funds £	Restricted fund £	Endowment fund £	Total funds £
Income and endowments from				
Donations and legacies	130	800	-	930
Charitable activities				
Provision of Almhouse accommodation	263,778	-	-	263,778
Investment income	21,974	-	-	21,974
Total	285,882	800	-	286,682
Expenditure on				
Charitable activities				
Provision of Almhouse accommodation	404,775	800	-	405,575
Relief of aged persons	490	-	-	490
Total	405,265	800	-	406,065
Net gains/(losses) on investments	(56,003)	-	(14,383)	(70,386)
NET INCOME/(EXPENDITURE)	(175,386)	-	(14,383)	(189,769)
Reconciliation of funds				
Total funds brought forward	1,967,562	-	240,175	2,207,737
Total funds carried forward	1,792,176	-	225,792	2,017,968

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

9. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
Cost				
At 1 January 2023	1,245,000	57,640	2,235	1,304,875
Additions	-	116	750	866
At 31 December 2023	1,245,000	57,756	2,985	1,305,741
Depreciation				
At 1 January 2023	-	53,730	1,506	55,236
Charge for year	-	1,007	371	1,378
At 31 December 2023	-	54,737	1,877	56,614
Net book value				
At 31 December 2023	1,245,000	3,019	1,108	1,249,127
At 31 December 2022	1,245,000	3,910	729	1,249,639

10. Fixed asset investments

	Listed investments £
Market value	
At 1 January 2023	712,622
Additions	99,998
Disposals	(202,626)
Revaluations	47,860
At 31 December 2023	657,854
Net book value	
At 31 December 2023	657,854
At 31 December 2022	712,622

There were no investment assets outside the UK.

Cost or valuation at 31 December 2023 is represented by:

	Listed investments £
Valuation in 2021	753,207
Valuation in 2022	(141,453)
Valuation in 2023	(24,781)
Cost	70,881
	657,854

LANCASTER CHARITY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023**

11. Debtors: amounts falling due within one year

	2023	2022
	£	£
Prepayments and accrued income	2,783	2,438

12. Creditors: amounts falling due within one year

	2023	2022
	£	£
Other creditors	28,649	21,418

13. Movement in funds

	At 1/1/23	Net movement in funds	At 31/12/23
	£	£	£
Unrestricted funds			
General fund	1,751,426	(44,692)	1,706,734
Extraordinary Repair Designated fund	40,750	2,530	43,280
	1,792,176	(42,162)	1,750,014
Endowment funds			
Permanent endowment	225,792	4,837	230,629
TOTAL FUNDS	2,017,968	(37,325)	1,980,643

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	298,923	(381,481)	37,866	(44,692)
Extraordinary Repair Designated fund	-	-	2,530	2,530
	298,923	(381,481)	40,396	(42,162)
Endowment funds				
Permanent endowment	-	-	4,837	4,837
TOTAL FUNDS	298,923	(381,481)	45,233	(37,325)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

13. Movement in funds - continued

Comparatives for movement in funds

	At 1/1/22 £	Net movement in funds £	At 31/12/22 £
Unrestricted funds			
General fund	1,835,654	(84,228)	1,751,426
Extraordinary Repair Designated fund	131,908	(91,158)	40,750
	1,967,562	(175,386)	1,792,176
Endowment funds			
Permanent endowment	240,175	(14,383)	225,792
TOTAL FUNDS	<u>2,207,737</u>	<u>(189,769)</u>	<u>2,017,968</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	285,882	(315,265)	(54,845)	(84,228)
Extraordinary Repair Designated fund	-	(90,000)	(1,158)	(91,158)
	285,882	(405,265)	(56,003)	(175,386)
Restricted funds				
Restricted fund	800	(800)	-	-
Endowment funds				
Permanent endowment	-	-	(14,383)	(14,383)
TOTAL FUNDS	<u>286,682</u>	<u>(406,065)</u>	<u>(70,386)</u>	<u>(189,769)</u>

14. Related party disclosures

There were no related party transactions for the year ended 31 December 2023.

LANCASTER CHARITY

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023 £	2022 £
Income and endowments		
Donations and legacies		
Donations	300	930
Investment income		
Fixed asset investment income	21,183	21,974
Charitable activities		
Maintenance contributions	270,238	258,486
Rents and wayleaves	22	2
Cold weather payments	7,180	5,290
	<u>277,440</u>	<u>263,778</u>
Total incoming resources	298,923	286,682
Expenditure		
Charitable activities		
Wages	61,360	51,246
Rates and water	11,121	9,541
Insurance	7,897	7,433
Light and heat	59,210	62,593
Telephone	2,673	2,395
Website	86	86
Repairs and maintenance	93,498	49,479
Gardening	3,615	4,396
Payments to named pensioners	320	490
Christmas party	1,329	1,664
Extraordinary repairs	129,940	208,103
	<u>371,049</u>	<u>397,426</u>
Support costs		
Finance		
Bank charges	522	-
Governance costs		
Wages	1,720	1,640
Postage, travel and sundries	2,913	1,799
Independent examiner fees	3,118	2,816
Trade subscriptions	781	839
Fixtures and fittings	1,007	1,303
Computer equipment	371	242
	<u>9,910</u>	<u>8,639</u>

This page does not form part of the statutory financial statements

LANCASTER CHARITY**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	£	£
Total resources expended	<u>381,481</u>	<u>406,065</u>
Net expenditure before gains and losses	(82,558)	(119,383)
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>(2,627)</u>	<u>(1,480)</u>
Net expenditure	<u>(85,185)</u>	<u>(120,863)</u>

This page does not form part of the statutory financial statements