

# NOTTINGHAM COMMUNITY ALMSHOUSE CHARITY

England & Wales · Charity number 214040

## Details

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|             |                                                         |
|-------------|---------------------------------------------------------|
| Other names | CHARITY OF JOHN WRIGHT, THE CHARITY OF JOHN WRIGHT      |
| Status      | Registered                                              |
| Legal form  | Other                                                   |
| Registered  | 1963-04-10                                              |
| Register    | <a href="#">View on the Charity Commission register</a> |

## Contact

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|         |                                                                                     |
|---------|-------------------------------------------------------------------------------------|
| Address | Ncha<br>Clifton Place<br>9 Fairham Brook Drive<br>Clifton<br>Nottingham<br>NG11 8PY |
| Phone   | 0800 013 8555                                                                       |
| Email   | <a href="mailto:info@ncha.org.uk">info@ncha.org.uk</a>                              |

## Activities

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**Objects:** THE OBJECTS OF THE CHARITY ARE: (A) THE PROVISION OF ALMSHOUSE ACCOMMODATION FOR BENEFICIARIES; (B) SUCH CHARITABLE PURPOSES FOR THE BENEFIT OF THE RESIDENTS AS THE TRUSTEE DECIDES; AND (C) THE PAYMENT OF ANNUITIES TO NECESSITOUS PERSONS OF GOOD CHARACTER WHO ARE RESIDENT IN THE AREA OF BENEFIT BUT THE TRUSTEE MUST GIVE PREFERENCE TO WIDOWS AND SPINSTERS WHO ARE RESIDENT IN THE NOTTINGHAMSHIRE AREA AT THE TIME OF APPOINTMENT.

**Activities:** Provision of 1 and 2 bed properties for needy people over the age of 50 in the city of Nottingham and the county of Nottinghamshire.

## Classification

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- **How:** Provides Buildings/facilities/open Space
- **What:** Accommodation/housing
- **Who:** Elderly/old People

## Geography

- **Area of benefit:** THE EAST MIDLANDS, NAMELY THE COUNTIES OF NOTTINGHAMSHIRE, LEICESTERSHIRE, NORTHAMPTONSHIRE, DERBYSHIRE, RUTLAND AND LINCOLNSHIRE.
- Nottinghamshire

## Finances

| Period end | Income   | Expenditure | Assets     | Employees |
|------------|----------|-------------|------------|-----------|
| 2025-03-31 | £917,000 | £673,000    | £5,045,000 | 0         |
| 2024-03-31 | £845,000 | £636,075    | £4,798,823 | 0         |
| 2023-03-31 | £887,343 | £646,432    | £4,557,605 | 0         |
| 2022-03-31 | £670,982 | £682,215    | £3,884,757 | 0         |
| 2021-03-31 | £630,683 | £542,023    | £3,303,335 | 0         |

## Trustees

| Name                                             | Role | Appointed |
|--------------------------------------------------|------|-----------|
| NOTTINGHAM COMMUNITY HOUSING ASSOCIATION LIMITED |      |           |

## Linked charities

- W R V S SERVICES CLUB - NUNEATON (214040-1)

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# Accounts

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**ncha**

**Nottingham  
Community  
Almshouse Charity**



**Financial statements**

For the year ended 31 March 2025

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# Trustee, Advisors and Bankers

## Trustee

Nottingham Community Housing Association (NCHA) was appointed in 1992 as the Sole Corporate Trustee of Nottingham Community Almshouse Charity ('the Charity').

Sylvia Hart BA (Hons) CPFA ACG Clerk to the Trustee

## The directors of the Sole Corporate Trustee

Mr Callum Gillespie BSc (Hons) (NCHA Chair) (Retired as Chair 31<sup>st</sup> August 2025)

Mr Andrew Kilby FCCA (Audit and Risk Committee Chair)

Ms Leanne Monger MPA, BA (Hons) CIHCM (NCHA Chair 1<sup>st</sup> September 2025)

Ms Gill Callingham (Audit and Risk Committee)

Mrs Janet Glass (Audit and Risk Committee)

Mrs Sarah Battershall

Mrs Natalie Robinson LL.B. (Hons), LL.M. LPC.

Mr David Harrison BA MCIH (Retired 18 September 2024)

Ms Lorelei Jarvis BSc (Hons) (Retired 17<sup>th</sup> September 2025)

Mr Paul Parkinson BA (Hons) Dip. RSA FCIH

Mr Mohammed Habib FCIH MCIQB

Mr Raj Kambo BA (Hons) FCCA (Audit and Risk Committee) (Appointed 25<sup>th</sup> September 2024)

Mr Nick Sedgwick (Appointed 25<sup>th</sup> September 2024)

## Registered Office

9 Fairham Brook Drive  
Clifton  
Nottingham  
NG11 8AE

**Telephone**  
0800 013 8555

**Facsimile**  
0115 910 4445

**Email**  
info@ncha.org.uk

## External Auditors

RSM UK Audit LLP  
10th Floor  
103 Colmore Row  
Birmingham  
West Midlands  
B3 3AG

## Solicitors

Freeths LLP  
Cumberland Court  
80 Mount Street  
Nottingham  
NG1 6HH

## Bankers

Lloyds Bank plc  
PO Box 72  
Bailey Drive  
Gillingham  
Kent  
ME8 0LS



# Report of the Trustee



## Objectives and activities

The objective of the Charity is to provide rented accommodation to necessitous persons. All activity is carried out in support of this objective.

## Public benefit disclosure

The Charities Act 2011 identifies two key principles of public benefit namely there must be an identifiable benefit or benefits and the benefit must be to the public or to a section of the public.

The Trustee, in the aims and objectives of the Charity and in the oversight of the Charity's operations, has had regard to and believes that it meets with the Charity Commission's guidance on public benefit. The Trustee defines the public benefit of the Charity as being the provision of social rented accommodation to necessitous persons in the East Midlands.

As NCHA is the Charity's sole corporate Trustee. All NCHA Board members are recruited by NCHA and hence there is no need for further recruitment by the Charity. The NCHA Board has identified the priority skill sets for representation across its membership, this includes strategic housing management with consumer regulation, financial & asset management and governance. This skill set informs the Board succession plan and new Board members receive a formal induction and training.

## Achievements and performance

The Charity was formed on 1 April 2008 by combining Nottingham Almshouse Charity and six other individual charities into one charity. It has continued to add further charities over the intervening years: Ada Mary Best Homes; Lambley Almshouses; Henry Brown Homes; Julien Cahn Homes; Warner's Almshouses; Harworth Miners Almshouses; Harworth Miners Bungalows; William Crane Trust; Blyth Cottages; Nottingham Annuity Charity. On 28 March 2023 the Charity Commission amended the scheme of the Charity to incorporate Blyth Cottages Charity. This resulted in the acquisition of the assets and liabilities of Blyth Cottages Charity. No consideration was paid for the acquisition.

The number of housing properties owned and managed by the Charity was 160 units for the whole year. Gross maintenance contributions of £895k were generated (2024 - £832k) at a weekly contribution of between £63 and £136 per property (2023/24 – between £57 and £126). Void losses of £33k (2024 - £20k) were incurred during the year.

## Financial review

There was a surplus for the year of £248k (2024 - £219k).

**The Statement of Financial Position of the Charity is strong...**

...with unrestricted general fund reserves of

**£3.587m**

(2024 - £3.339M).

## Statement of compliance

The Trustee confirms this Report of the Trustee has been prepared in accordance with the principles set out in the 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).

## Identification and evaluation of key risks

The Trustee confirms that there is a long-term ongoing review process for identifying and managing significant risks faced by NCAC covering the period up to the annual report. Management responsibility has been clearly defined for the identification, evaluation and control of significant risks. There is a formal and ongoing process of management review in each area of NCAC's activities. The Executive team regularly considers and receives reports on significant risks facing NCAC and the Chief Executive is responsible for reporting to the Trustee any significant changes affecting key risks. All Trustee reports include a section detailing the risks arising, or identified, from any information or recommendations included in the report.

In meeting its responsibilities, the Trustee has adopted a risk-based approach to internal controls which are embedded within the normal management and governance processes. This approach includes the regular evaluation of the nature and extent of risks to which the organisation is exposed. The Compliance and Risk Panel and our Trustee have continued to work together to assess the quantification of our risk appetite and have produced our Risk Appetite statement.

The Risk Appetite Statement is: "The Trustee recognises that the NCAC's activities involve risk and the taking of appropriately identified, evaluated and controlled risks in pursuit of business objectives is acceptable, particularly in pursuing business opportunities for the benefit of NCAC and its customers".

The process adopted by the Trustee in reviewing the effectiveness of the system of internal control, together with some of the key elements of the control framework, includes:

- The annual review of the Risk Management Strategy and Framework, and biannual review of strategic risk maps, is an ongoing process for identifying and managing significant risks faced by the organisation. This process has been in place throughout the year under review, up to the date of the Annual Report and Accounts, and is regularly reviewed by the Trustee.
- In addition, the Compliance & Risk Panel annually sets a plan to demonstrate to the Executive team, Audit and Risk Committee and Trustee how it intends to deliver its risk management objectives during the year.
- The NCHA Group and the NCAC Trustee approved a new Risk Management Framework in 2024, which replaced our existing risk management procedure and ensured that our risk management processes are consistent with the National Housing Code of Governance, which is adopted by NCAC. The Framework is reviewed annually and the NCHA Group's risk management processes were also awarded 'substantial assurance' in May 2022 by the Group's Internal Auditors.

**The risk-based approach is consistent with best practice across the sector.**

## NCAC strategic risks

Our strategic risk map, reviewed biannually by the Trustee, addresses the risks associated with the following objectives, as outlined within our Group Corporate Plan:

- Failure to comply with charity law, Charity Commission policies and procedures and the rules set out in the Charity's governing document.
- Failure to remain viable by not meeting budgetary targets.

The risks are reviewed by the NCHA Group Audit and Risk Committee and NCHA Board. Risk management includes quarterly monitoring of assurance, early warning indicators, risk tolerances and a biannual risk map.

## Plans for future periods

**In future periods the Charity intends to continue to provide current activities in support of the Charity's objectives.**

## Post balance sheet events

We consider that there have been no events since the financial year end which have a material effect on the financial position of the Charity.

## Structure, governance and management

The Charity is governed by a Charity Commission scheme.

**Nottingham Community Housing Association Limited (NCHA) is the Sole Corporate Trustee of the Charity.**

**Sylvia Hart is the Clerk to the Trustee. The day to day management and activities of the Charity are carried out by employees of NCHA.**

## Reserves policy

It is the policy of the Charity not to designate any of its reserves for any specific purpose, other than the required Social Housing Grant Reserve. Targets are set by the Trustee as part of the budgeting process. In the event of a shortfall the Trustee considers plans to make good where appropriate. Similarly, where an excess is achieved the Trustee considers plans on how best to utilise this.

The Charity Commission defines free reserves as total unrestricted funds less tangible fixed assets for charity use less amounts designated for essential future spending. On this basis the Charity has free reserves of £69k (2024 - £Nil).

## Investments

Control of investments is placed with NCHA's Director of Finance and Resources and Chief Executive. The value of investments will be dictated by the business cash flow requirements and proposed development plans. The exact amount of investments will vary from time to time and will be kept available to meet all liquidity requirements.

The Charity will maintain a list of institutions with whom it will invest.

The Director of Finance and Resources will liaise with external consultants to receive regular updates on the credit standing of the preferred list and will be authorised to add or remove firms as seen fit.

When significant funds are available to invest (typically greater than £5m) the Director of Finance and Resources will approach at least two of the preferred institutions to establish the best possible terms available. The funds will then be invested in accordance with the terms of this policy at the best rates available.

In exceptional circumstances, where the Charity is holding large cash balances, the Director of Finance and Resources will seek to increase the diversity of investment counterparties through the use of Public Debt Constant Net Asset Value and Low Volatility Net Asset Value Money Market Funds and Deposit Funds.

Investments held by the Trust are managed by M & G Securities Limited at PO Box 9038, Chelmsford, England CM99 2XF and CCLA Investment Management at Senator House, 85 Queen Victoria Street, London, EC4V 4ET.

## Statement of Trustee's responsibilities in respect of the accounts

The Trustee is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustee is required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the 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).
- Make judgements and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

## Statement of Trustee's responsibilities in respect of the accounts (continued)

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. The Trustee 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.

The Trustee is responsible for the maintenance and integrity of the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Statement of disclosure to auditors

So far as the Trustee is aware there is no relevant auditor information of which the auditors are unaware. The Trustee has taken all steps it ought to have taken as Trustee in order to make itself aware of any relevant audit information and to establish that the auditors are aware of that information.

## Related parties

NCHA is the Sole Corporate Trustee of Nottingham Community Almshouse Charity. Its registered address, where consolidated accounts can be obtained, is 9 Fairham Brook Drive, Clifton, Nottingham, NG11 8AE.

NCHA is registered as a charitable social landlord under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing. NCHA operates mainly within the East Midlands and has three regional offices and a number of satellite offices across the East Midlands. Its head office is in Nottingham.

NCHA's principal activities are the management, maintenance, improvement and development of social housing together with the provision of care and support services for those people within communities across the East Midlands with additional needs.

## Going concern

The Charity's financial statements have been prepared on a going concern basis which assumes an ability to continue operating for at least twelve months from the date at which these accounts were approved. The Trustee considers it appropriate to continue to prepare the financial statements on a going concern basis.

The Report of the Trustee was approved on 17<sup>th</sup> September 2025 and signed on its behalf by:



**Sylvia Hart**  
Clerk to the Trustee



# Report of the Independent Auditor to the Trustee



## Opinion

We have audited the financial statements of Nottingham Community Almshouse Charity (the 'charity') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Changes in Reserves, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 31 March 2025 and of its incoming resources and application of resources 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 requirements of the Charities Act 2011.

## Basis for opinion

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 Auditor's 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.



## Other information

The other information comprises the information included in the Report of the Trustee other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of the Trustee. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Report of the Trustee; 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.

## Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities in respect of the accounts set out on pages 8 to 9, 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 is 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.



## Auditor's responsibilities for the audit of the financial statements

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 an auditor's report 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.

## The extent to which the audit was considered capable of detecting irregularities including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks, that the charity operates in and how the charity is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

## The extent to which the audit was considered capable of detecting irregularities including fraud (continued)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities Act 2011, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Report of the Trustee, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, reviewing financial statement disclosures and reviewing legal and professional costs incurred during the period.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the General Data Protection Regulations as set out in the Data Protection Act 2018 and the Health and Safety at Work Act 1974. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>.

**This description forms part of our auditor's report.**

## Use of our report

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. 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 an auditor's report 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **For and on behalf of RSM UK Audit LLP, Statutory Auditor,**

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

*RSM UK Audit LLP*

RSM UK Audit LLP  
Statutory Auditor  
Chartered Accountants  
10th Floor  
103 Colmore Row  
Birmingham  
B3 3AG  
Date: 22/09/25



# Statement of Financial Activities



## Statement of Financial Activities

| For the year ended<br>31 March 2025                           |      | Unrestricted<br>General Fund<br>2025 | Unrestricted<br>General Fund<br>2024 |
|---------------------------------------------------------------|------|--------------------------------------|--------------------------------------|
|                                                               | Note | £'000                                | £'000                                |
| <b>Income from</b>                                            |      |                                      |                                      |
| Maintenance contributions net of identifiable service charges |      | 895                                  | 832                                  |
| Less voids                                                    |      | (33)                                 | (20)                                 |
| Other income                                                  | 2    | -                                    | -                                    |
| Interest receivable                                           | 2    | 55                                   | 33                                   |
| Unrealised surplus on revaluation of investments              | 8    | 4                                    | 10                                   |
| <b>Total income</b>                                           |      | <b>921</b>                           | <b>855</b>                           |
| <b>Expenditure on</b>                                         |      |                                      |                                      |
| Management                                                    |      | (157)                                | (140)                                |
| Service charge costs                                          |      | (113)                                | (117)                                |
| Repairs and maintenance                                       |      | (274)                                | (241)                                |
| Rent losses from bad debts                                    |      | (2)                                  | (5)                                  |
| Depreciation of housing properties                            | 7    | (114)                                | (110)                                |
| Interest payable and similar charges                          | 3    | -                                    | (11)                                 |
| Annuity payments                                              | 4    | (13)                                 | (12)                                 |
| <b>Total expenditure</b>                                      |      | <b>(673)</b>                         | <b>(636)</b>                         |
| <b>Net income</b>                                             |      | <b>248</b>                           | <b>219</b>                           |
| <b>Net movement in funds</b>                                  |      | <b>248</b>                           | <b>219</b>                           |
| <b>Reconciliation of funds</b>                                |      |                                      |                                      |
| Total funds brought forward                                   |      | 4,799                                | 4,558                                |
| Permanent Endowment Revaluation                               | 11   | (2)                                  | 22                                   |
| <b>Total funds carried forward</b>                            |      | <b>5,045</b>                         | <b>4,799</b>                         |

The results relate wholly to continuing activities and the notes on pages 24 to 35 form an integral part of these accounts. The financial statements on pages 16 to 35 were approved and authorised for issue by the Trustee on 17<sup>th</sup> September 2025 and were signed on its behalf by:

*Sylvia Hart*

**Sylvia Hart**  
Clerk to the Trustee

Signed on behalf of Nottingham Community Housing Association  
Limited (Sole Corporate Trustee)



# Statement of Financial Position



## Statement of Financial Position

| As at 31 March 2025                 |      | 2025         | 2024         |
|-------------------------------------|------|--------------|--------------|
|                                     | Note | £'000        | £'000        |
| <b>Fixed assets</b>                 |      |              |              |
| Tangible fixed assets               | 7    | 3,517        | 3,571        |
| Investments                         | 8    | 843          | 836          |
| <b>Total fixed assets</b>           |      | <b>4,360</b> | <b>4,407</b> |
| <b>Current assets</b>               |      |              |              |
| Debtors                             | 9    | 11           | 53           |
| Short term deposit                  |      | 562          | 327          |
| Cash at bank and in hand            |      | 185          | 119          |
| <b>Total current assets</b>         |      | <b>758</b>   | <b>499</b>   |
| <b>Creditors</b>                    |      |              |              |
| Amounts falling due within one year | 10   | (73)         | (107)        |
| <b>Net current assets</b>           |      | <b>685</b>   | <b>392</b>   |
| <b>Net assets</b>                   |      | <b>5,045</b> | <b>4,799</b> |
| <b>Funds of the Charity</b>         |      |              |              |
| Unrestricted General Fund           |      | 3,587        | 3,339        |
| Permanent Endowment                 | 11   | 504          | 506          |
| Social Housing Grant Reserve        | 12   | 954          | 954          |
| <b>Total funds of the Charity</b>   |      | <b>5,045</b> | <b>4,799</b> |

The notes on pages 24 to 35 form an integral part of these accounts. The financial statements on pages 16 to 35 were approved and authorised for issue by the Trustee on 17<sup>th</sup> September 2025 and were signed on its behalf by:

*Sylvia Hart*

**Sylvia Hart**  
Clerk to the Trustee

Signed on behalf of Nottingham Community Housing Association  
Limited (Sole Corporate Trustee)



# Statement of Changes in Reserves



## Statement of Changes in Reserves

| For the year ended<br>31 March 2025               | Income and<br>Expenditure | Social<br>Housing<br>Grant | Permanent<br>Endowment | Total        |
|---------------------------------------------------|---------------------------|----------------------------|------------------------|--------------|
|                                                   | £'000                     | £'000                      | £'000                  | £'000        |
| <b>Balance at 31 March 2023</b>                   | <b>3,120</b>              | <b>954</b>                 | <b>484</b>             | <b>4,558</b> |
| Surplus from Statement of Financial<br>Activities | 219                       | -                          | 22                     | 241          |
| <b>Balance at 31 March 2024</b>                   | <b>3,339</b>              | <b>954</b>                 | <b>506</b>             | <b>4,799</b> |
| Surplus from Statement of Financial<br>Activities | 248                       | -                          | (2)                    | 246          |
| <b>Balance at 31 March 2025</b>                   | <b>3,587</b>              | <b>954</b>                 | <b>504</b>             | <b>5,045</b> |

The notes on pages 24 to 35 form an integral part of these accounts.





# Statement of Cash Flows



## Statement of Cash Flows

| As at 31 March 2025                                           | 2025       | 2024         |
|---------------------------------------------------------------|------------|--------------|
|                                                               | £'000      | £'000        |
| <b>Cash flows from operating activities</b>                   |            |              |
| Net movement in funds                                         | 248        | 219          |
| Adjustments for:                                              |            |              |
| Interest receivable                                           | (56)       | (33)         |
| Interest payable and similar charges                          | -          | 11           |
| Unrealised (surplus) on revaluation of investments            | (4)        | (10)         |
| Depreciation of housing properties                            | 114        | 110          |
| Decrease / (increase) in debtors                              | 15         | (29)         |
| (Decrease) in creditors                                       | (8)        | (22)         |
| <b>Net cash generated from operating activities</b>           | <b>309</b> | <b>246</b>   |
| <b>Cash flow from investing activities</b>                    |            |              |
| Purchase of tangible fixed assets                             | (59)       | (127)        |
| Interest received                                             | 51         | 29           |
| <b>Net cash from investing activities</b>                     | <b>(8)</b> | <b>(98)</b>  |
| <b>Cashflow from financing activities</b>                     |            |              |
| Interest paid                                                 | -          | (6)          |
| Repayment of borrowing                                        | -          | (150)        |
| <b>Net cash from financing activities</b>                     | <b>-</b>   | <b>(156)</b> |
| <b>Net change in cash and cash equivalents</b>                | <b>301</b> | <b>(9)</b>   |
| <b>Cash and cash equivalents at the beginning of the year</b> | <b>446</b> | <b>455</b>   |
| <b>Cash and cash equivalents at the end of the year</b>       | <b>747</b> | <b>446</b>   |

The notes on pages 24 to 35 form an integral part of these accounts.



# Notes to the Financial Statements

## Legal status

The Charity is an unincorporated charity registered in England and Wales with the National Almshouse Association and the Charity Commission. The registered office is 9 Fairham Brook Drive, Clifton, Nottingham, NG11 8AE.



## 1. Principal accounting policies

### (a) Basis of accounting

The Charity's financial statements have been prepared in accordance with applicable United Kingdom Generally Accepted Accounting Principles (UK GAAP) and Accounting and Reporting by Charities: Statement of recommended Practice applicable to Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 October 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts are prepared on the historical cost basis of accounting except as modified by the revaluation of investments and are rounded to the nearest thousand pounds.

In applying FRS 102 the Charity meets the definition of a public benefit entity.

### (b) Going concern

The Charity's financial statements have been prepared on a going concern basis which assumes an ability to continue operating for 12 months from approval of these financial statements based on the levels of anticipated income, expenditure and the funds of the Charity.

### (c) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the date of the Statement of Financial Position and the amounts reported for revenue and expenses during the financial year. However, the nature of estimation means that the actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on the amounts recognised in the financial statements:

- i. Categorisation of housing properties. The Charity has undertaken a detailed review of the intended use of all housing properties. In determining the intended use, the Charity has considered if the asset is held for social benefit or to earn commercial rentals.
- ii. The Charity has reviewed the useful economic lives of its housing properties and depreciates the property cost, less freehold land and residual value, for all housing properties.

Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the Statement of Financial Activities.

Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. The Charity has identified a cash generating unit for impairment assessment purposes at a property programmer level. Following a trigger for impairment, the Charity performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from sales transactions in an arm's length transaction on similar cash generating units (properties) or observable market prices less incremental costs for disposing of the properties.

## 1. Principal accounting policies (continued)

### (c) Judgements and key sources of estimation uncertainty (continued)

The value in use calculation is based on either a depreciated replacement cost or a discounted cash flow model. The depreciated replacement cost is based on available data of the cost of constructing or based on either a depreciated replacement cost or a discounted cash flow model. The depreciated replacement cost is based on available data of the cost of constructing or acquiring replacement properties to provide the same level of service potential to the Charity as the existing property. The cash flows are derived from the business plan for the next 30 years and do not include restructuring activities that the Charity is not yet permitted to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes. Following the assessment of impairment no impairment losses were identified in the reporting period.

### (d) Turnover and revenue recognition

Turnover represents maintenance contributions income (less loss of maintenance contributions due to voids) and other charges receivable and other income and is recognised in relation to the period when the goods and services have been supplied.

Maintenance contributions are recognised when the property is available for let. Revenue in weeks that fall across the year end is apportioned based on the days which fall in each year. There were 52 full rent weeks and 1 day recognised during the year (2023/24: 52 weeks).

### (e) Loan interest costs

Loan interest costs are calculated using the effective interest method of the difference between the loan amount at initial recognition and amount of maturity of the related loan.

### (f) Loan finance issue costs

Loan finance costs are amortised evenly over the life of the related loan. Loans are stated in the Statement of Financial Position at the amount of net proceeds after issue, plus any increases to account for any subsequent amounts amortised. Where loans are redeemed in the year, any redemption penalty and any connected loan finance issue costs are recognised in the Statement of Financial Activities in the year in which the redemption took place.

### (g) Provision for bad debts

A provision for maintenance contributions debts becoming irrecoverable is made against 100% of former customer arrears and 50% of current customer arrears for all customers more than six weeks in arrears.

### (h) Corporation Taxation

The Association has charitable status and is exempt from UK Corporation Tax under section 531 of the Income Tax Act 2007.

### (i) Value Added Tax

Nottingham Community Almshouse Charity is not registered for value added tax. In these financial statements, where applicable, expenditure is shown inclusive of VAT.

## 1. Principal accounting policies (continued)

### (j) Housing properties, depreciation and impairment

#### Social housing

The Charity has reviewed the useful economic lives of its housing properties and depreciates the property cost, less freehold land and residual value, for all housing properties other than those held on an investment basis. Housing properties were merged on the basis of historic cost.

Future estimated lives have been determined as follows:

|                                          |           |
|------------------------------------------|-----------|
| New build houses                         | 100 years |
| New build flats and rehabilitated houses | 75 years  |
| Rehabilitated flats                      | 60 years  |

Where a housing property consists of two or more major components with substantially different useful economic lives, each component is accounted for separately and depreciated over its useful economic life. Expenditure relating to the subsequent replacement or renewal of components is capitalised as incurred.

Depreciation is charged in equal annual instalments over the assets expected useful economic lives. The useful economic lives for the identified components are as follows:

|                                                     |                 |
|-----------------------------------------------------|-----------------|
| Freehold land                                       | Not depreciated |
| Structure: new build houses                         | 100 years       |
| Structure: new build flats and rehabilitated houses | 75 years        |
| Structure: rehabilitated flats                      | 60 years        |
| Roof                                                | 50 years        |
| Lifts                                               | 50 years        |
| Windows and doors                                   | 40 years        |
| Energy works                                        | 30 years        |
| Alternative energy systems                          | 25 years        |
| Bathroom                                            | 25 years        |
| Kitchen                                             | 20 years        |
| Heating system                                      | 20 years        |
| Disabled adaptations                                | 20 years        |

### (k) Other fixed assets

All other fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on all non-housing property fixed assets, to write off the cost less estimated residual value over their useful economic lives on the following methods:

|                    |                                   |
|--------------------|-----------------------------------|
| Other fixed assets | Equal annual instalments 10 years |
|--------------------|-----------------------------------|

The useful economic lives of tangible fixed assets are reviewed annually.

## 1. Principal accounting policies (continued)

### (l) Fixed asset investments

The Charity holds fixed asset investments. These are shown at full market valuation at each balance sheet date. Any gains and losses on re-measurement are disclosed in the Statement of Financial Activities for the period.

### (m) Social Housing Grants

In accordance with the Charities SORP (FRS 102), grants received from government have been treated as income and added to reserves. The fund is held separately from unrestricted reserves reflecting the possibility of a repayment demand in certain circumstances from the Regulator of Social Housing.

### (n) Financial instruments

The Charity holds fixed assets investments, short term debtors and creditors, loans and cash as financial instruments. The method of measurement for fixed assets investments is detailed above. Loans are held at contractual value. Cash is held at current value.

Debtors and creditors without any stated interest terms which are receivable or payable within one year are recorded at the transaction price. Should any losses be incurred as a result of impairment, these would be immediately recognised as other operating expenses in the Statement of Financial Activities.

## 2. Interest receivable and other income

|                       | 2025      | 2024      |
|-----------------------|-----------|-----------|
|                       | £'000     | £'000     |
| Bank deposit interest | 22        | 2         |
| Investment income     | 33        | 31        |
| Other income          | -         | -         |
| <b>Total</b>          | <b>55</b> | <b>33</b> |

### 3. Interest payable and similar charges

|                       | 2025     | 2024      |
|-----------------------|----------|-----------|
|                       | £'000    | £'000     |
| Loan interest payable | -        | 6         |
| Loan arrangement fee  | -        | 5         |
| <b>Total</b>          | <b>-</b> | <b>11</b> |

NCAC repaid all external borrowing during the previous financial year and as such has paid no interest or financing fees in the 2024/25 financial year.

### 4. Annuitants

|                                                                            | 2025      | 2024      |
|----------------------------------------------------------------------------|-----------|-----------|
|                                                                            | No.       | No.       |
| The total number of annuitants at the end of the accounting period         | 26        | 23        |
|                                                                            |           |           |
|                                                                            | £'000     | £'000     |
| <b>The cost of annuitants in force at the end of the accounting period</b> | <b>13</b> | <b>12</b> |

### 5. Net income for the year

| Net income for the year is stated after charging     | 2025  | 2024  |
|------------------------------------------------------|-------|-------|
|                                                      | £'000 | £'000 |
| Depreciation                                         | 114   | 110   |
| Auditors' remuneration in their capacity as auditors | 16    | 12    |
| Management fee to Trustee                            | 141   | 133   |
| Maintenance fee to Trustee                           | 31    | 34    |

## 6. Taxation

Nottingham Community Almshouse Charity is a registered Charity and is, therefore, exempt from liability to taxation on its income and capital gains.

## 7. Tangible fixed assets

| Completed - housing properties (freehold) | 2025         | 2024         |
|-------------------------------------------|--------------|--------------|
|                                           | £'000        | £'000        |
| <b>Cost</b>                               |              |              |
| <b>As at 1 April</b>                      | <b>4,761</b> | <b>4,651</b> |
| Additions                                 | 30           | 95           |
| Work in Progress                          | 30           | 32           |
| Disposal of components                    | (19)         | (17)         |
| <b>As at 31 March</b>                     | <b>4,802</b> | <b>4,761</b> |
| <b>Depreciation</b>                       |              |              |
| <b>As at 1 April</b>                      | <b>1,190</b> | <b>1,097</b> |
| Charge for the year                       | 114          | 110          |
| Less disposals during year                | (19)         | (17)         |
| <b>As at 31 March</b>                     | <b>1,285</b> | <b>1,190</b> |
| <b>Net book value</b>                     |              |              |
| <b>As at 31 March</b>                     | <b>3,517</b> | <b>3,571</b> |

Work in Progress relates to the cost of energy surveys that are anticipated to lead to further costs for improvements over the next few years.

## 8. Investments

|                                                             | 2025       | 2024       |
|-------------------------------------------------------------|------------|------------|
|                                                             | £'000      | £'000      |
| <b>Market value at start of year</b>                        | <b>836</b> | <b>800</b> |
| Accumulated dividends during year                           | 4          | 4          |
| Revaluation                                                 | 3          | 32         |
| <b>Market value at 31 March</b>                             | <b>843</b> | <b>836</b> |
| <b>The investment at market value comprises Unlisted</b>    |            |            |
| 471,753 (2024 - 471,753) M&G Multi Asset Fund Income shares | 440        | 430        |
| 846 (2024 - 846) M&G Multi Asset Fund Accumulation shares   | 104        | 97         |
| 3,029 (2024 - 3,029) M&G Charifund Income shares            | 46         | 44         |
| 12,655 (2024 - 12,655) COIF Income units                    | 247        | 259        |
| 26.78 (2024 - 26.78) COIF Accumulation units                | 7          | 7          |
| <b>Market value at 31 March</b>                             | <b>843</b> | <b>836</b> |
|                                                             |            |            |
| <b>Cost at start of year 1 April</b>                        | <b>312</b> | <b>309</b> |
| <b>Accumulated dividends during year</b>                    | <b>4</b>   | <b>3</b>   |
| <b>Cost at end of year 31 March</b>                         | <b>316</b> | <b>312</b> |

Investments are revalued annually using the price as at 31 March and gains and losses arising are recognised in the Statement of Financial Activities.

## 9. Debtors

|                                     | 2025      | 2024      |
|-------------------------------------|-----------|-----------|
|                                     | £'000     | £'000     |
| Maintenance contribution receivable | 22        | 26        |
| Less provision for bad debts        | (16)      | (16)      |
| Amount due from the Trustee         | -         | 27        |
| Other debtors and prepayments       | 5         | 16        |
| <b>Total</b>                        | <b>11</b> | <b>53</b> |

## 10. Creditors: amounts falling due within one year

|                                               | 2025      | 2024       |
|-----------------------------------------------|-----------|------------|
|                                               | £'000     | £'000      |
| Maintenance contributions received in advance | 14        | 18         |
| Amount due to the Trustee                     | 26        | -          |
| Other creditors and accruals                  | 33        | 90         |
| <b>Total</b>                                  | <b>73</b> | <b>108</b> |

## 11. Permanent endowment

|                            | 2025       | 2024       |
|----------------------------|------------|------------|
|                            | £'000      | £'000      |
| Opening balance            | 506        | 484        |
| Revaluation of investments | (2)        | 22         |
| <b>Closing balance</b>     | <b>504</b> | <b>506</b> |

The permanent endowment is held for the purpose of generating income to cover the payments of annuities in perpetuity.

## 12. Social Housing Grant Reserve

|                            | 2025       | 2024       |
|----------------------------|------------|------------|
|                            | £'000      | £'000      |
| Social Housing Grant       | 954        | 954        |
| <b>Total Housing Grant</b> | <b>954</b> | <b>954</b> |

## 13. Capital commitments

At 31 March 2025 and 2024 there were no capital commitments.

## 14. Contingent liabilities

At 31 March 2025 and 2024, there were no known contingent liabilities.

## 15. Housing properties and maintenance contribution

The number of properties managed as at 31 March 2025 was 160. (2024 - 160).

## **16. Ultimate controlling party, staff costs, directors' emoluments and related parties**

Nottingham Community Housing Association Limited is the Sole Corporate Trustee of Nottingham Community Almshouse Charity. Its registered address, where consolidated accounts can be obtained, is 9 Fairham Brook Drive, Clifton, Nottingham, NG11 8AE.

Nottingham Community Housing Association Limited (NCHA) is registered as a charitable social landlord under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing. It was first registered on the 22 March 1973 for the benefit of the community. NCHA operates mainly within the East Midlands and has three regional offices and a number of satellite offices across the East Midlands. Its head office is in Nottingham.

NCHA's principal activities are the management, maintenance, improvement and development of social housing together with the provision of care and support services for those people within communities across the East Midlands with additional needs.

## 16. Ultimate controlling party, staff costs, directors' emoluments and related parties (continued)

Services are secured from the ultimate parent. The key employees of the ultimate parent are its Executive team:

|                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                     | <p><b>Paul Moat</b><br/>DMS, MBA, MRICS,<br/>BSc (Hons)<br/><b>Chief Executive</b></p>                                                                                                                                                                                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>• The NCHA Group Leadership</li> <li>• Corporate Governance</li> <li>• Risk</li> <li>• Health and Safety</li> <li>• Marketing Communications</li> </ul>                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                 |
|  <p><b>Allan Fisher</b> BSc (Hons), PG (DIP), MSc<br/><b>Director of Development and Sustainability</b></p> <ul style="list-style-type: none"> <li>• Development</li> <li>• Sales</li> <li>• Pelham Architects</li> <li>• Environmental Sustainability</li> </ul> |  <p><b>Holly Dagnall</b><br/>BA (Hons), PG (DIP), MSc<br/><b>Director of Homes and Wellbeing</b></p> <ul style="list-style-type: none"> <li>• Affordable Social Housing</li> <li>• Sub Market Rent</li> <li>• Shared Ownership</li> <li>• Care and Support</li> <li>• Almshouse Charities</li> <li>• Equality, Diversity and Inclusion</li> <li>• Social Impact</li> </ul> |  <p><b>Naomi Dobraszczyk</b><br/>BA (Hons) ACA<br/><b>Director of Finance and Resources</b></p> <ul style="list-style-type: none"> <li>• Finance</li> <li>• People</li> <li>• Technology</li> <li>• Transformation</li> <li>• Procurement</li> <li>• Information and Intelligence</li> <li>• Value for Money</li> </ul> |  <p><b>David Langhorne</b><br/>Bsc (Hons)<br/><b>Director of Assets and Property Services</b></p> <ul style="list-style-type: none"> <li>• Direct Maintenance Services</li> <li>• Planned Investment</li> <li>• Asset Management</li> <li>• Work Planning and Operational Support</li> <li>• Systems Improvement</li> </ul> |

The Directors of the Sole Corporate Trustee are the key management personnel of the Charity. They receive no payment for their role in the Charity.

The Charity receives management and financial services from NCHA. These services include the handling and settling of the majority of the Charity's invoices on its behalf and NCHA recharges the Charity for the invoiced amount. The Charity paid £140,534 for the management by the Trustee (2024 - £133,396) and £30,812 for the maintenance by the Trustee (2024 - £34,090). At the end of the accounting year there is a debtor balance of £26,293 payable to NCHA (2024 - £27,141 receivable from NCHA).

## 17. Post balance sheet events

We consider that there have been no events since the financial year end which have a material effect on the financial position of the Charity.

## 18. Financial instruments

|                                                         | 2025         | 2024         |
|---------------------------------------------------------|--------------|--------------|
|                                                         | £'000        | £'000        |
| <b>Assets measured at fair value</b>                    |              |              |
| Investment                                              | 843          | 836          |
|                                                         |              |              |
| Maintenance contributions net of provision for bad debt | 7            | 10           |
| Amount from the Trustee                                 | -            | 27           |
| Other debtors and prepayments                           | 5            | 16           |
| Cash at bank and in hand                                | 747          | 446          |
| <b>Total</b>                                            | <b>1,602</b> | <b>1,335</b> |

|                                                  |           |           |
|--------------------------------------------------|-----------|-----------|
| <b>Liabilities measured at amortised cost</b>    |           |           |
| Amount due to the Trustee                        | 26        | -         |
| Other creditors and accruals due within one year | 33        | 90        |
| <b>Total</b>                                     | <b>59</b> | <b>90</b> |



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 /NottinghamCommunityHousingAssociation

An electronic version of this report can be found on our website, [www.ncha.org.uk](http://www.ncha.org.uk)

Nottingham Community Housing Association Limited is a charitable community benefit society, registered with the Financial Conduct Authority under number 7104.

Published September 2025

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# Accounts

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# ncha

# Nottingham Community Almshouse Charity

Financial statements

for the year ended 31 March 2024



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# Trustee, Advisors and Bankers

## Trustee

Nottingham Community Housing Association appointed in 1992 as the Sole Corporate Trustee.

Sylvia Hart BA (Hons) CPFA ACG  
Clerk to the Trustee

## The directors of the Sole Corporate Trustee

Mr Callum Gillespie BSc (Hons) (NCHA Chair)

Mr Andrew Kilby FCCA (Audit and Risk Committee Chair)

Ms Leanne Monger MPA, BA (Hons) CIHCM (Audit and Risk Committee)

Ms Gill Callingham (Audit and Risk Committee)

Mr Mike Finister-Smith (Audit and Risk Committee. Resigned 31 March 2024)

Mrs Janet Glass (Audit and Risk Committee. Appointed 20 September 2023)

Mrs Sarah Battershall (Appointed 20 September 2023)

Mrs Natalie Robinson LL.B. (Hons), LL.M. LPC (Appointed 20 September 2023)

Mr David Harrison BA MCIH (resigned 18 September 2024)

Ms Lorelei Jarvis BSc (Hons)

Mr Paul Parkinson BA (Hons) Dip. RSA FCIH

Mr Mohammed Habib LLB (Hons) MA FCIH MCIQB

## Registered Office

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## External Auditors

RSM UK Audit LLP  
10th Floor,  
103 Colmore Row,  
Birmingham,  
West Midlands,  
B3 3AG

## Solicitors

Freeths LLP  
Cumberland Court  
80 Mount Street  
Nottingham  
NG1 6HH

## Bankers

Lloyds Bank plc  
PO Box 72  
Bailey Drive  
Gillingham  
Kent  
ME8 0LS



# **Report of the Trustee**



## Objectives and activities

The objective of the Charity is to provide rented accommodation to necessitous persons. All activity is carried out in support of this objective.

## Public benefit disclosure

The Charities Act 2011 identifies two key principles of public benefit namely there must be an identifiable benefit or benefits and the benefit must be to the public or to a section of the public.

The Trustee, in the aims and objectives of the Charity and in the oversight of the Charity's operations, has had regard to and believes that it meets with the Charity Commission's guidance on public benefit. The Trustee defines the public benefit of the Charity as being the provision of social rented accommodation to necessitous persons in the East Midlands.

## Achievements and performance

Nottingham Community Almshouse Charity was formed on 1 April 2008 by combining Nottingham Almshouse Charity and six other individual charities into one charity. It has continued to add further charities over the intervening years: Ada Mary Best Homes; Lambley Almshouses; Henry Brown Homes; Julien Cahn Homes; Warner's Almshouses; Harworth Miners Almshouses; Harworth Miners Bungalows; William Crane Trust; Nottingham Annuity Charity.

On 28 March 2023 the Charity Commission amended the scheme of Nottingham Community Almshouse Charity to incorporate Blyth Cottages Charity. This resulted in the acquisition of the assets and liabilities of Blyth Cottages Charity. No consideration was paid for the acquisition which resulted in a donation of £192k being received by NCAC last financial year.

The Charity increased the number of housing properties owned on 28 March 2023 following the transfer of Blyth Cottages Charity from 148 to 160 units. No gross maintenance contributions receivable were generated from one property at William Woodsend Memorial Homes where the tenant was allowed to reside without making maintenance contributions. Gross maintenance contributions of £832,138 were generated (2023 - £688,678) at a weekly contribution of between £56.50 and £126.22 per property. Void losses of £20,362 (2023 - £22,389) were incurred during the year.

## Financial review

There was a surplus for the year of £219,325 (2023 - £230,974). The 2023 balance included a donation from Blyth Cottages Charity of £192,552.

**The Statement  
of Financial  
Position of  
the Charity is  
strong...**

**...with unrestricted  
general fund  
reserves of**

**£3,338,615**

(2023 - £3,119,290).

**More homes, great services, better lives**

## Statement of compliance

The Trustee confirms this Report of the Trustee has been prepared in accordance with the principles set out in the 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).

## Identification and evaluation of key risks

The Trustee confirms that there is a long-term ongoing review process for identifying and managing significant risks faced by NCAC covering the period up to the annual report. Management responsibility has been clearly defined for the identification, evaluation and control of significant risks. There is a formal and ongoing process of management review in each area of NCAC's activities. The Executive team regularly considers and receives reports on significant risks facing NCAC and the Chief Executive is responsible for reporting to the Trustee any significant changes affecting key risks. All Trustee reports include a section detailing the risks arising, or identified, from any information or recommendations included in the report.

In meeting its responsibilities, the Trustee has adopted a risk-based approach to internal controls which are embedded within the normal management and governance processes. This approach includes the regular evaluation of the nature and extent of risks to which the organisation is exposed. The Compliance and Risk Panel and our Trustee have continued to work together to assess the quantification of our risk appetite and have produced the following Risk Appetite statement:

**The risk-based approach is consistent with best practice across the sector.**

The process adopted by the Trustee in reviewing the effectiveness of the system of internal control, together with some of the key elements of the control framework, includes:

- The annual review of the Risk Management Strategy and Framework, and biannual review of strategic risk maps, is an ongoing process for identifying and managing significant risks faced by the organisation. This process has been in place throughout the year under review, up to the date of the Annual Report and Accounts, and is regularly reviewed by the Trustee.
- In addition, the Compliance and Risk Panel annually sets a plan to demonstrate to the Executive team, Audit and Risk Committee and Trustee how it intends to deliver its risk management objectives during the year.
- The NCHA Group and the NCAC Trustee approved a new Risk Management Framework in 2023, which replaced our existing risk management procedure and ensured that our risk management processes are consistent with the National Housing Code of Governance, which is adopted by NCAC. The Framework is reviewed annually and the NCHA Group's risk management processes were also awarded 'substantial assurance' in May 2022 by the Group's Internal Auditors.

## NCAC strategic risks

Our strategic risk map, reviewed biannually by the Trustee, addresses the risks associated with the following objectives, as outlined within our Group Corporate Plan:

- Failure to comply with charity law, Charity Commission policies and procedures and the rules set out in the Charity's governing document.
- Failure to remain viable by not meeting budgetary targets.

## Plans for future periods

**In future periods the Charity intends to continue to provide current activities in support of the Charity's objectives.**

## Post balance sheet events

We consider that there have been no events since the financial year end which have a material effect on the financial position of the Charity.

## Structure, governance and management

The Charity is governed by a Charity Commission scheme.

**Nottingham Community Housing Association Limited (NCHA) is the Sole Corporate Trustee of the Charity.**

**Sylvia Hart is the Clerk to the Trustee. The day to day management and activities of the Charity are carried out by employees of NCHA.**

## Reserves policy

It is the policy of the Charity not to designate any of its reserves for any specific purpose, other than the required Social Housing Grant Reserve. Targets are set by the Trustee as part of the budgeting process. In the event of a shortfall the Trustee considers plans to make good where appropriate. Similarly, where an excess is achieved the Trustee considers plans on how best to utilise this.

The Charity Commission defines free reserves as total unrestricted funds less tangible fixed assets for charity use less amounts designated for essential future spending. On this basis the Charity has free reserves of £721,383 (2023 - £519,360).

## Investments

Control of investments is placed with NCHA's Director of Finance and Resources and Chief Executive. The value of investments will be dictated by the business cash flow requirements and proposed development plans. The exact amount of investments will vary from time to time and will be kept available to meet all liquidity requirements.

The Charity will maintain a list of institutions with whom it will invest.

The Director of Finance and Resources will liaise with external consultants to receive regular updates on the credit standing of the preferred list and will be authorised to add or remove firms as seen fit.

When significant funds are available to invest (typically greater than £5m) the Director of Finance and Resources will approach at least two of the preferred institutions to establish the best possible terms available. The funds will then be invested in accordance with the terms of this policy at the best rates available.

In exceptional circumstances, where the Charity is holding large cash balances, the Director of Finance and Resources will seek to increase the diversity of investment counterparties through the use of Public Debt Constant Net Asset Value and Low Volatility Net Asset Value Money Market Funds and Deposit Funds.

Investments held by the Trust are managed by M & G Securities Limited at PO Box 9038, Chelmsford, England CM99 2XF and CCLA Investment Management at Senator House, 85 Queen Victoria Street, London, EC4V 4ET.

## Statement of Trustee's responsibilities in respect of the accounts

The Trustee is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustee is required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the 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).
- 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.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

## Statement of Trustee's responsibilities in respect of the accounts (continued)

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. The Trustee 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.

The Trustee is responsible for the maintenance and integrity of the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Statement of disclosure to auditors

So far as the Trustee is aware there is no relevant auditor information of which the auditors are unaware. The Trustee has taken all steps it ought to have taken as Trustee in order to make itself aware of any relevant audit information and to establish that the auditors are aware of that information.

## Related parties

NCHA is the Sole Corporate Trustee of Nottingham Community Almshouse Charity. Its registered address, where consolidated accounts can be obtained, is 12-14 Pelham Road, Nottingham, NG5 1AP.

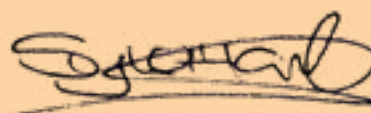
NCHA is registered as a charitable social landlord under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing. NCHA operates mainly within the East Midlands and has three regional offices and a number of satellite offices across the East Midlands. Its head office is in Nottingham.

NCHA's principal activities are the management, maintenance, improvement and development of social housing together with the provision of care and support services for those people within communities across the East Midlands with additional needs.

## Going concern

The Charity's financial statements have been prepared on a going concern basis which assumes an ability to continue operating for at least twelve months from the date at which these accounts were approved. The Trustee considers it appropriate to continue to prepare the financial statements on a going concern basis.

The Report of the Trustee was approved on 18 September 2024 and signed on its behalf by:



**Sylvia Hart**

Clerk to the Trustee



# **Report of the Independent Auditor to the Trustee**



## Opinion

We have audited the financial statements of Nottingham Community Almshouse Charity (the 'charity') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Changes in Reserves, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 31 March 2024 and of its incoming resources and application of resources 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 requirements of the Charities Act 2011.

## Basis for opinion

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 Auditor's 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.



## Other information

The other information comprises the information included in the Report of the Trustee other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of the Trustee. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Report of the Trustee; 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.

## Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities in respect of the accounts set out on pages 8 to 9, 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 is 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.



## Auditor's responsibilities for the audit of the financial statements

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 an auditor's report 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.

## The extent to which the audit was considered capable of detecting irregularities including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks, that the charity operates in and how the charity is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

## The extent to which the audit was considered capable of detecting irregularities including fraud (continued)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities Act 2011, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Report of the Trustee, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, reviewing financial statement disclosures and reviewing legal and professional costs incurred during the period.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the General Data Protection Regulations as set out in the Data Protection Act 2018 and the Health and Safety at Work Act 1974. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>.

**This description forms part of our auditor's report.**

## Use of our report

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. 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 an auditor's report 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*RSM UK Audit LLP*

Date: 24/09/24

**For and on behalf of RSM UK Audit LLP, Statutory Auditor,**

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

RSM UK Audit LLP  
Statutory Auditor  
Chartered Accountants  
10th Floor,  
103 Colmore Row  
Birmingham  
B3 3AG



# **Statement of Financial Activities**



## Statement of Financial Activities

| <b>For the year ended<br/>31 March 2024</b>                   |             | <b>Unrestricted<br/>General Fund<br/>2024</b> | <b>Unrestricted<br/>General Fund<br/>2023</b> |
|---------------------------------------------------------------|-------------|-----------------------------------------------|-----------------------------------------------|
|                                                               | <b>Note</b> | <b>£</b>                                      | <b>£</b>                                      |
| <b>Income from</b>                                            |             |                                               |                                               |
| Maintenance contributions net of identifiable service charges |             | 832,138                                       | 688,678                                       |
| Less voids                                                    |             | (20,362)                                      | (22,389)                                      |
| Donation                                                      | 2           | -                                             | 192,552                                       |
| Other income                                                  | 3           | 320                                           | 10                                            |
| Interest receivable                                           | 3           | 32,904                                        | 28,492                                        |
| Unrealised surplus / (deficit) on revaluation of investments  | 9           | 10,400                                        | (9,937)                                       |
| <b>Total income</b>                                           |             | <b>855,400</b>                                | <b>877,406</b>                                |
| <b>Expenditure on</b>                                         |             |                                               |                                               |
| Management                                                    |             | (139,751)                                     | (123,740)                                     |
| Service charge costs                                          |             | (117,148)                                     | (78,000)                                      |
| Repairs and maintenance                                       |             | (240,775)                                     | (311,906)                                     |
| Rent losses from bad debts                                    |             | (5,183)                                       | (9,132)                                       |
| Depreciation of housing properties                            | 8           | (109,957)                                     | (104,389)                                     |
| Interest payable and similar charges                          | 4           | (11,131)                                      | (7,825)                                       |
| Annuity payments                                              | 5           | (12,130)                                      | (11,440)                                      |
| <b>Total expenditure</b>                                      |             | <b>(636,075)</b>                              | <b>(646,432)</b>                              |
| <b>Net income</b>                                             |             | <b>219,325</b>                                | <b>230,974</b>                                |
| <b>Net movement in funds</b>                                  |             | <b>219,325</b>                                | <b>230,974</b>                                |
| <b>Reconciliation of funds</b>                                |             |                                               |                                               |
| Total funds brought forward                                   |             | 4,557,605                                     | 3,884,757                                     |
| Permanent Endowment Revaluation                               | 9           | 21,893                                        | (15,996)                                      |
| SHG transfer Blyth Cottages                                   | 2           | -                                             | 457,870                                       |
| <b>Total funds carried forward</b>                            |             | <b>4,798,823</b>                              | <b>4,557,605</b>                              |

The results relate wholly to continuing activities and the notes on pages 24 to 35 form an integral part of these accounts. The financial statements on pages 16 to 35 were approved and authorised for issue by the Trustee on 18 September 2024 and were signed on its behalf by:



**Sylvia Hart**  
Clerk to the Trustee

Signed on behalf of Nottingham Community Housing Association Limited (Sole Corporate Trustee)



# **Statement of Financial Position**



## Statement of Financial Position

| <b>As at 31 March 2024</b>                   |             | <b>2024</b>      | <b>2023</b>      |
|----------------------------------------------|-------------|------------------|------------------|
|                                              | <b>Note</b> | <b>£</b>         | <b>£</b>         |
| <b>Fixed assets</b>                          |             |                  |                  |
| Tangible fixed assets                        | 8           | 3,571,494        | 3,553,922        |
| Investments                                  | 9           | 836,208          | 800,414          |
| <b>Total fixed assets</b>                    |             | <b>4,407,702</b> | <b>4,354,336</b> |
| <b>Current assets</b>                        |             |                  |                  |
| Debtors                                      | 10          | 53,192           | 24,006           |
| Short term deposit                           |             | 326,552          | 46,552           |
| Cash at bank and in hand                     |             | 119,190          | 407,954          |
| <b>Total current assets</b>                  |             | <b>498,934</b>   | <b>478,512</b>   |
| <b>Creditors</b>                             |             |                  |                  |
| Amounts falling due within one year          | 11          | (107,813)        | (128,696)        |
| <b>Net current assets</b>                    |             | <b>391,121</b>   | <b>349,816</b>   |
| <b>Creditors</b>                             |             |                  |                  |
| Amounts falling due after more than one year | 12          | -                | (146,547)        |
| <b>Net assets</b>                            |             | <b>4,798,823</b> | <b>4,557,605</b> |
| <b>Funds of the Charity</b>                  |             |                  |                  |
| Unrestricted General Fund                    |             | 3,338,615        | 3,119,290        |
| Permanent Endowment                          | 14          | 505,946          | 484,053          |
| Social Housing Grant Reserve                 | 13          | 954,262          | 954,262          |
| <b>Total funds of the Charity</b>            |             | <b>4,798,823</b> | <b>4,557,605</b> |

The notes on pages 24 to 35 form an integral part of these accounts. The financial statements on pages 16 to 35 were approved and authorised for issue by the Trustee on 18 September 2024 and were signed on its behalf by:



**Sylvia Hart**  
Clerk to the Trustee

Signed on behalf of Nottingham Community Housing  
Association Limited (Sole Corporate Trustee)



# **Statement of Changes in Reserves**



## Statement of Changes in Reserves

| For the year ended<br>31 March 2024               | Income and<br>Expenditure | Social<br>Housing<br>Grant | Permanent<br>Endowment | Total     |
|---------------------------------------------------|---------------------------|----------------------------|------------------------|-----------|
|                                                   | £                         | £                          | £                      | £         |
| Balance at 31 March 2022                          | 2,888,316                 | 496,392                    | 500,049                | 3,884,757 |
| Surplus from Statement of Financial<br>Activities | 230,974                   | 457,870                    | (15,996)               | 672,848   |
| Balance at 31 March 2023                          | 3,119,290                 | 954,262                    | 484,053                | 4,557,605 |
| Surplus from Statement of Financial<br>Activities | 219,325                   | -                          | 21,893                 | 241,218   |
| Balance at 31 March 2024                          | 3,338,615                 | 954,262                    | 505,946                | 4,798,823 |

The notes on pages 24 to 35 form an integral part of these accounts.





# Statement of Cash Flows



## Statement of Cash Flows

| <b>As at 31 March 2024</b>                                    | <b>2024</b>      | <b>2023</b>      |
|---------------------------------------------------------------|------------------|------------------|
|                                                               | <b>£</b>         | <b>£</b>         |
| <b>Cash flows from operating activities</b>                   |                  |                  |
| Net movement in funds                                         | 219,325          | 230,974          |
| Adjustments for:                                              |                  |                  |
| Interest receivable                                           | (32,904)         | (28,492)         |
| Interest payable and similar charges                          | 11,131           | 7,825            |
| Unrealised (surplus) / deficit on revaluation of investments  | (10,400)         | 9,937            |
| Depreciation of housing properties                            | 109,957          | 104,389          |
| Donation from Blyth transfer                                  | -                | (99,826)         |
| (Increase)/decrease in debtors                                | (29,186)         | 7,098            |
| (Decrease) / increase in creditors                            | (22,420)         | 57,408           |
| <b>Net cash generated from operating activities</b>           | <b>245,503</b>   | <b>289,313</b>   |
| <b>Cash flow from investing activities</b>                    |                  |                  |
| Purchase of tangible fixed assets                             | (127,529)        | (145,773)        |
| Interest received                                             | 29,404           | 25,297           |
| <b>Net cash from investing activities</b>                     | <b>(98,125)</b>  | <b>(120,476)</b> |
| <b>Cashflow from financing activities</b>                     |                  |                  |
| Interest paid                                                 | (5,692)          | (6,289)          |
| Newly secured loans                                           | -                | -                |
| Loan issue fees                                               | (450)            | -                |
| Repayment of borrowing                                        | (150,000)        | -                |
| <b>Net cash from financing activities</b>                     | <b>(156,142)</b> | <b>(6,289)</b>   |
| <b>Net change in cash and cash equivalents</b>                | <b>(8,764)</b>   | <b>162,548</b>   |
| <b>Cash and cash equivalents at the beginning of the year</b> | <b>454,506</b>   | <b>291,958</b>   |
| <b>Cash and cash equivalents at the end of the year</b>       | <b>445,742</b>   | <b>454,506</b>   |

The notes on pages 24 to 35 form an integral part of these accounts.



# Notes to the Financial Statements

## Legal status

The Charity is an unincorporated charity registered in England and Wales with the National Almshouse Association and the Charity Commission. The registered office is 12-14 Pelham Road, Nottingham, NG5 1AP.



# 1. Principal accounting policies

## (a) Basis of accounting

The Charity's financial statements have been prepared in accordance with applicable United Kingdom Generally Accepted Accounting Principles (UK GAAP) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 October 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts are prepared on the historical cost basis of accounting except as modified by the revaluation of investments and are presented in rounded pounds sterling.

In applying FRS 102 the Charity meets the definition of a public benefit entity.

## (b) Going concern

The Charity's financial statements have been prepared on a going concern basis which assumes an ability to continue operating for 12 months from approval of these financial statements based on the levels of anticipated income, expenditure and the funds of the Charity.

## (c) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the date of the Statement of Financial Position and the amounts reported for revenue and expenses during the financial year. However, the nature of estimation means that the actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on the amounts recognised in the financial statements:

- i. Categorisation of housing properties. The Charity has undertaken a detailed review of the intended use of all housing properties. In determining the intended use, the Charity has considered if the asset is held for social benefit or to earn commercial rentals.
- ii. The Charity has reviewed the useful economic lives of its housing properties and depreciates the property cost, less freehold land and residual value, for all housing properties.

Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the Statement of Financial Activities. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. The Charity has identified a cash generating unit for impairment assessment purposes at a property programme level. Following a trigger for impairment, the Charity performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from sales transactions in an arm's length transaction on similar cash generating units (properties) or observable market prices less incremental costs for disposing of the properties.

## 1. Principal accounting policies (continued)

### (c) Judgements and key sources of estimation uncertainty (continued)

The value in use calculation is based on either a depreciated replacement cost or a discounted cash flow model. The depreciated replacement cost is based on available data of the cost of constructing or based on either a depreciated replacement cost or a discounted cash flow model. The depreciated replacement cost is based on available data of the cost of constructing or acquiring replacement properties to provide the same level of service potential to the Charity as the existing property. The cash flows are derived from the business plan for the next 30 years and do not include restructuring activities that the Charity is not yet permitted to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes. Following the assessment of impairment no impairment losses were identified in the reporting period.

### (d) Turnover and revenue recognition

Turnover represents maintenance contributions income (less loss of maintenance contributions due to voids) and other charges receivable and other income and is recognised in relation to the period when the goods and services have been supplied.

Maintenance contributions are recognised when the property is available for let. There were 52 rent weeks during the year (2022/23: 52 weeks).

### (e) Loan interest costs

Loan interest costs are calculated using the effective interest method of the difference between the loan amount at initial recognition and amount of maturity of the related loan.

### (f) Loan finance issue costs

Loan finance costs are amortised evenly over the life of the related loan. Loans are stated in the Statement of Financial Position at the amount of net proceeds after issue, plus any increases to account for any subsequent amounts amortised. Where loans are redeemed in the year, any redemption penalty and any connected loan finance issue costs are recognised in the Statement of Financial Activities in the year in which the redemption took place.

### (g) Provision for bad debts

A provision for maintenance contributions debts becoming irrecoverable is made against 100% of former customer arrears and 50% of current customer arrears for all customers more than six weeks in arrears.

### (h) Corporation Taxation

The Association has charitable status and is exempt from UK Corporation Tax under section 531 of the Income Tax Act 2007.

### (i) Value Added Tax

Nottingham Community Almshouse Charity is not registered for value added tax. In these financial statements, where applicable, expenditure is shown inclusive of VAT.

## 1. Principal accounting policies (continued)

### (j) Housing properties, depreciation and impairment

#### Social housing

The Charity has reviewed the useful economic lives of its housing properties and depreciates the property cost, less freehold land and residual value, for all housing properties other than those held on an investment basis. Housing properties were merged on the basis of historic cost.

Future estimated lives have been determined as follows:

|                                          |           |
|------------------------------------------|-----------|
| New build houses                         | 100 years |
| New build flats and rehabilitated houses | 75 years  |
| Rehabilitated flats                      | 60 years  |

Where a housing property consists of two or more major components with substantially different useful economic lives, each component is accounted for separately and depreciated over its useful economic life. Expenditure relating to the subsequent replacement or renewal of components is capitalised as incurred.

Depreciation is charged in equal annual instalments over the assets expected useful economic lives. The useful economic lives for the identified components are as follows:

|                                                     |                 |
|-----------------------------------------------------|-----------------|
| Freehold land                                       | Not depreciated |
| Structure: new build houses                         | 100 years       |
| Structure: new build flats and rehabilitated houses | 75 years        |
| Structure: rehabilitated flats                      | 60 years        |
| Roof                                                | 50 years        |
| Lifts                                               | 50 years        |
| Windows and doors                                   | 40 years        |
| Energy works                                        | 30 years        |
| Alternative energy systems                          | 25 years        |
| Bathroom                                            | 25 years        |
| Kitchen                                             | 20 years        |
| Heating system                                      | 20 years        |
| Disabled adaptations                                | 20 years        |

### (k) Other fixed assets

All other fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on all non-housing property fixed assets, to write off the cost less estimated residual value over their useful economic lives on the following methods:

|                    |                                   |
|--------------------|-----------------------------------|
| Other fixed assets | Equal annual instalments 10 years |
|--------------------|-----------------------------------|

The useful economic lives of tangible fixed assets are reviewed annually.

## 1. Principal accounting policies (continued)

### (l) Fixed asset investments

The Charity holds fixed asset investments. These are shown at full market valuation at each balance sheet date. Any gains and losses on re-measurement are disclosed in the Statement of Financial Activities for the period.

### (m) Social Housing Grants

In accordance with the Charities SORP (FRS 102), grants received from government have been treated as income and added to reserves. The fund is held separately from unrestricted reserves reflecting the possibility of a repayment demand in certain circumstances from the Regulator of Social Housing.

### (n) Financial instruments

The Charity holds fixed assets investments, short term debtors and creditors, loans and cash as financial instruments. The method of measurement for fixed assets investments is detailed above. Loans are held at contractual value. Cash is held at current value.

Debtors and creditors without any stated interest terms which are receivable or payable within one year are recorded at the transaction price. Should any losses be incurred as a result of impairment, these would be immediately recognised as other operating expenses in the Statement of Financial Activities.

## 2. Donations

On 28 March 2023 the Charity Commission scheme for Nottingham Community Almshouse Charity (NCAC) was amended to incorporate the Charity Commission scheme for Blyth Cottages Charity. This resulted in the acquisition of the assets and liabilities of Blyth Cottages Charity. No consideration was paid for the acquisition which has resulted in a donation of £193k being received by NCAC in the year. The net assets acquired were as follows:

|                                            | 2024     | 2023             |
|--------------------------------------------|----------|------------------|
|                                            |          | £                |
| Tangible fixed assets (housing properties) | -        | 526,103          |
| Investments                                | -        | 31,592           |
| Short term deposit                         | -        | 10,541           |
| Cash at bank and in hand                   | -        | 111,298          |
| Debtors                                    | -        | 626              |
| <b>Total assets</b>                        | <b>-</b> | <b>680,160</b>   |
| Creditors                                  | -        | (29,738)         |
| Social Housing Grant                       | -        | (457,870)        |
| <b>Total liabilities</b>                   | <b>-</b> | <b>(487,608)</b> |
| <b>Total donated</b>                       | <b>-</b> | <b>192,552</b>   |

### 3. Interest receivable and other income

|                       | 2024          | 2023          |
|-----------------------|---------------|---------------|
|                       | £             | £             |
| Bank deposit interest | 1,751         | 993           |
| Investment income     | 31,153        | 27,499        |
| Other income          | 320           | 10            |
| <b>Total</b>          | <b>33,224</b> | <b>28,502</b> |

### 4. Interest payable and similar charges

|                       | 2024          | 2023         |
|-----------------------|---------------|--------------|
|                       | £             | £            |
| Loan interest payable | 5,692         | 6,289        |
| Loan arrangement fee  | 5,439         | 1,536        |
| <b>Total</b>          | <b>11,131</b> | <b>7,825</b> |

### 5. Annuitants

|                                                                            | 2024          | 2023          |
|----------------------------------------------------------------------------|---------------|---------------|
|                                                                            | No.           | No.           |
| The total number of annuitants at the end of the accounting period         | 23            | 23            |
|                                                                            |               |               |
|                                                                            | £             | £             |
| <b>The cost of annuitants in force at the end of the accounting period</b> | <b>12,130</b> | <b>11,440</b> |

### 6. Net income for the year

|                                                                      |         |         |
|----------------------------------------------------------------------|---------|---------|
| Net income for the year is stated after charging                     | 2024    | 2023    |
|                                                                      | £       | £       |
| Depreciation                                                         | 109,957 | 104,389 |
| Auditors' remuneration (excluding VAT) in their capacity as auditors | 11,850  | 6,655   |
| Management fee to Trustee (including VAT)                            | 133,396 | 109,611 |
| Maintenance fee to Trustee (including VAT)                           | 34,090  | 42,362  |

## 7. Taxation

Nottingham Community Almshouse Charity is a registered Charity and is, therefore, exempt from liability to taxation on its income and capital gains.

## 8. Tangible fixed assets

|                                 | 2024                                               | 2023                                               |
|---------------------------------|----------------------------------------------------|----------------------------------------------------|
|                                 | Completed -<br>housing<br>properties<br>(freehold) | Completed -<br>housing<br>properties<br>(freehold) |
|                                 | £                                                  | £                                                  |
| <b>Cost</b>                     |                                                    |                                                    |
| <b>1 April 2023</b>             | <b>4,650,978</b>                                   | <b>3,815,984</b>                                   |
| Additions                       | 95,309                                             | 145,773                                            |
| Work in Progress                | 32,220                                             | -                                                  |
| Disposal of components          | (17,083)                                           | (26,787)                                           |
| Blyth Cottages Charity transfer | -                                                  | 716,008                                            |
| <b>31 March 2024</b>            | <b>4,761,424</b>                                   | <b>4,650,978</b>                                   |
|                                 |                                                    |                                                    |
| <b>Depreciation</b>             |                                                    |                                                    |
| <b>1 April 2023</b>             | <b>1,097,056</b>                                   | <b>829,549</b>                                     |
| Charge for the year             | 109,957                                            | 104,389                                            |
| Less disposals during year      | (17,083)                                           | (26,787)                                           |
| Blyth Cottages Charity transfer | -                                                  | 189,905                                            |
| <b>31 March 2024</b>            | <b>1,189,930</b>                                   | <b>1,094,084</b>                                   |
|                                 |                                                    |                                                    |
| <b>Net book value</b>           |                                                    |                                                    |
| <b>31 March 2024</b>            | <b>3,571,494</b>                                   | <b>3,553,922</b>                                   |

Work on Progress relates to the cost of energy surveys that are anticipated to lead to further costs for improvements over the next few years.

The net book value of assets held as security for loan balances at 31 March 2024 was £nil (31 March 2023 - £1,302,715)

## 9. Investments

|                                                             | 2024           | 2023           |
|-------------------------------------------------------------|----------------|----------------|
|                                                             | £              | £              |
| <b>Market value at start of year</b>                        | <b>800,414</b> | <b>791,559</b> |
| Accumulated dividends during year                           | 3,501          | 3,196          |
| Blyth Cottages transfer                                     | -              | 31,592         |
| Revaluation                                                 | 32,293         | (25,933)       |
| <b>Market value at end of year</b>                          | <b>836,208</b> | <b>800,414</b> |
| <b>The investment at market value comprises</b>             |                |                |
| <b>Unlisted</b>                                             |                |                |
| 471,753 (2023 - 471,753) M&G Multi Asset Fund Income shares | 429,630        | 421,370        |
| 846 (2023 - 846) M&G Multi Asset Fund Accumulation shares   | 97,002         | 91,128         |
| 3,029 (2023 - 3,029) M&G Charifund Income shares            | 44,108         | 44,928         |
| 12,655 (2023 - 12,655) COIF Income units                    | 258,584        | 236,858        |
| 26.78 (2023 - 26.78) COIF Accumulation units                | 6,884          | 6,130          |
| <b>Market value at 31 March 2024 and 31 March 2023</b>      | <b>836,208</b> | <b>800,414</b> |
|                                                             |                |                |
| <b>Cost at start of year 1 April 2023</b>                   | <b>308,824</b> | <b>274,036</b> |
| <b>Accumulated dividends during year</b>                    | <b>3,501</b>   | <b>3,196</b>   |
| <b>Blyth Cottages transfer</b>                              | <b>-</b>       | <b>31,592</b>  |
| <b>Cost at end of year 31 March 2024</b>                    | <b>312,325</b> | <b>308,824</b> |

Investments are revalued annually using the price as at 31 March and gains and losses arising are recognised in the Statement of Financial Activities.

## 10. Debtors

|                                     | 2024          | 2023          |
|-------------------------------------|---------------|---------------|
|                                     | £             | £             |
| Maintenance contribution receivable | 26,183        | 19,021        |
| Less provision for bad debts        | (15,739)      | (10,791)      |
| Amount due from the Trustee         | 27,141        | -             |
| Other debtors and prepayments       | 15,607        | 15,776        |
| <b>Total</b>                        | <b>53,192</b> | <b>24,006</b> |

## 11. Creditors: amounts falling due within one year

|                                               | 2024           | 2023           |
|-----------------------------------------------|----------------|----------------|
|                                               | £              | £              |
| Maintenance contributions received in advance | 17,677         | 13,707         |
| Amount due to the Trustee                     | -              | 52,393         |
| Loan issue cost within one year               | -              | (1,536)        |
| Other creditors and accruals                  | 90,136         | 64,132         |
| <b>Total</b>                                  | <b>107,813</b> | <b>128,696</b> |

## 12. Creditors: amounts falling due after more than one year

|                                                                                 | 2024     | 2023           |
|---------------------------------------------------------------------------------|----------|----------------|
|                                                                                 | £        | £              |
| Housing loans including loan finance issue costs                                | -        | 150,000        |
| Loan finance issue cost                                                         | -        | (3,453)        |
| <b>Total</b>                                                                    | <b>-</b> | <b>146,547</b> |
| <b>Housing loans are repayable in instalments falling due as detailed below</b> |          |                |
| In less than one year                                                           | -        | (1,536)        |
| Between one and two years                                                       | -        | (1,536)        |
| Between two and five years                                                      | -        | 148,083        |
| In five years or more                                                           | -        | -              |
| <b>Total housing loans</b>                                                      | <b>-</b> | <b>145,011</b> |

The Svenska Handelsbanken loan, taken out in June 2021 for £150k, was repaid in full during the year ended 31 March 2024.

### 13. Social Housing Grant Reserve

|                            | 2024           | 2023           |
|----------------------------|----------------|----------------|
|                            | £              | £              |
| Social Housing Grant       | 954,262        | 496,392        |
| Blyth Cottages transfer    | -              | 457,870        |
| <b>Total Housing Grant</b> | <b>954,262</b> | <b>954,262</b> |

### 14. Permanent endowment

|                            | 2024           | 2023           |
|----------------------------|----------------|----------------|
|                            | £              | £              |
| Opening balance            | 484,053        | 500,049        |
| Revaluation of investments | 21,893         | (15,996)       |
| <b>Closing balance</b>     | <b>505,946</b> | <b>484,053</b> |

The permanent endowment is held for the purpose of generating income to cover the payments of annuities in perpetuity.

### 15. Capital commitments

At 31 March 2024 and 2023 there were no capital commitments.

### 16. Contingent liabilities

At 31 March 2024 and 2023, there were no known contingent liabilities.

### 17. Housing properties and maintenance contribution

The number of properties managed as at 31 March 2024 was 160. (2023 - 160).

### 18. Ultimate controlling party, staff costs, directors' emoluments and related parties

Nottingham Community Housing Association Limited is the Sole Corporate Trustee of Nottingham Community Almshouse Charity. Its registered address, where consolidated accounts can be obtained, is 12-14 Pelham Road, Nottingham, NG5 1AP.

Nottingham Community Housing Association Limited (NCHA) is registered as a charitable social landlord under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing. It was first registered on the 22 March 1973 for the benefit of the community. NCHA operates mainly within the East Midlands and has three regional offices and a number of satellite offices across the East Midlands. Its head office is in Nottingham.

NCHA's principal activities are the management, maintenance, improvement and development of social housing together with the provision of care and support services for those people within communities across the East Midlands with additional needs.

## 18. Ultimate controlling party, staff costs, directors' emoluments and related parties (continued)

Services are secured from the ultimate parent. The key employees of the ultimate parent are its Executive team:

|                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                    | <p><b>Paul Moat</b><br/>DMS, MBA, MRICS,<br/>BSc (Hons)<br/><b>Chief Executive</b></p>                                                                                                                                                                                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>• The NCHA Group Leadership</li> <li>• Corporate Governance</li> <li>• Risk</li> <li>• Health and Safety</li> <li>• Marketing Communications</li> </ul>                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                 |
|  <p><b>Allan Fisher</b> BSc (Hons), PG (DIP), MSc<br/><b>Director of Development and Sustainability</b></p> <ul style="list-style-type: none"> <li>• Development</li> <li>• Sales</li> <li>• Pelham Architects</li> <li>• Environmental Sustainability</li> </ul> |  <p><b>Holly Dagnall</b><br/>BA (Hons), PG (DIP), MSc<br/><b>Director of Homes and Wellbeing</b></p> <ul style="list-style-type: none"> <li>• Affordable Social Housing</li> <li>• Sub Market Rent</li> <li>• Shared Ownership</li> <li>• Care and Support</li> <li>• Almshouse Charities</li> <li>• Equality, Diversity and Inclusion</li> <li>• Social Impact</li> </ul> |  <p><b>Naomi Dobraszczyk</b><br/>BA (Hons) ACA<br/><b>Director of Finance and Resources</b></p> <ul style="list-style-type: none"> <li>• Finance</li> <li>• People</li> <li>• Technology</li> <li>• Transformation</li> <li>• Procurement</li> <li>• Information and Intelligence</li> <li>• Value for Money</li> </ul> |  <p><b>David Langhorne</b><br/>Bsc (Hons)<br/><b>Director of Assets and Property Services</b></p> <ul style="list-style-type: none"> <li>• Direct Maintenance Services</li> <li>• Planned Investment</li> <li>• Asset Management</li> <li>• Work Planning and Operational Support</li> <li>• Systems Improvement</li> </ul> |

The Directors of the Sole Corporate Trustee are the key management personnel of the Charity. They receive no payment for their role in the Charity.

The Charity receives management and financial services from NCHA. These services include the handling and settling of the majority of Nottingham Community Almshouse Charity's invoices on behalf of the Charity and NCHA recharges the Charity for the invoiced amount. The Charity paid £133,396 for the management by the Trustee (2023 - £109,611) and £34,090 for the maintenance by the Trustee (2023 - £42,362). At the end of the accounting year there is a debtor balance of £27,141 receivable from NCHA (2023 - £52,393 payable to NCHA).

## 19. Post balance sheet events

We consider that there have been no events since the financial year end which have a material effect on the financial position of the Charity.

## 20. Financial instruments

|                                                         | 2024             | 2023             |
|---------------------------------------------------------|------------------|------------------|
|                                                         | £                | £                |
| <b>Assets measured at fair value</b>                    |                  |                  |
| Investment                                              | 836,208          | 800,414          |
| <b>Assets measured at amortised cost</b>                |                  |                  |
| Maintenance contributions net of provision for bad debt | 10,444           | 8,230            |
| Amount due from Trustee                                 | 27,141           | -                |
| Other debtors and prepayments                           | 15,706           | 15,776           |
| Cash at bank and in hand                                | 445,742          | 454,506          |
| <b>Total</b>                                            | <b>1,335,142</b> | <b>1,278,926</b> |

|                                                   |               |                |
|---------------------------------------------------|---------------|----------------|
| <b>Liabilities measured at amortised cost</b>     |               |                |
| Loan finance falling due after more than one year | -             | 146,547        |
| Loan finance falling due within one year          | -             | (1,536)        |
| Amount due to the Trustee                         | -             | 52,393         |
| Other creditors and accruals due within one year  | 90,136        | 64,132         |
| <b>Total</b>                                      | <b>90,136</b> | <b>261,536</b> |

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 /NottinghamCommunityHousingAssociation

An electronic version of this report can be found on our website, [www.ncha.org.uk](http://www.ncha.org.uk)

Nottingham Community Housing Association Limited is a charitable community benefit society, registered with the Financial Conduct Authority under number 7104.

Published September 2024

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# Accounts

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# Nottingham Community Almshouse Charity



**Financial statements**  
for the year ended 31 March 2023

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The Nottingham Community Almshouse Charity is a registered Charity No. 214040 being an unincorporated association governed by a Charity Commission Scheme dated 31 March 2009.

## Trustee, Advisors and Bankers

### Trustee

Nottingham Community Housing Association appointed in 1992 as the Sole Corporate Trustee.

Sylvia Hart BA(Hons) CPFA ACG  
Clerk to the Trustee

### The directors of the Sole Corporate Trustee

Ms Claire Winfield BA (Hons) (NCHA Chair) (retired 31 August 2022)  
Mr Callum Gillespie BSc (Hons) (Audit and Risk Committee Chair) (appointed as NCHA Chair 1 September 2022)  
Ms Gill Callingham (Audit and Risk Committee) (appointed 1 September 2022)  
Mr David Harrison BA MCIH  
Mr Christopher Blackburn (retired 20 September 2023)  
Ms Donna Edwards BA, CPFA (retired 20 September 2023)  
Mr Mike Finister-Smith (Audit and Risk Committee)  
Ms Lorelei Jarvis BSc (Hons)  
Mr Pradeep Khuti (retired 20 September 2023)  
Mr Paul Parkinson BA (Hons) Dip. RSA FCIH  
Mr Andrew Kilby FCCA (Audit and Risk Committee) (appointed as Audit and Risk Committee Chair 1 September 2022)  
Ms Leanne Monger MPA, BA Hons CIHCM (Audit and Risk Committee)  
Mr Mohammed Habib FCIH MCIOB

### Registered Office

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**Telephone**  
0800 013 8555  
  
**Facsimile**  
0115 910 4445

**Email**  
info@ncha.org.uk

### External Auditors

RSM UK Audit LLP  
10th Floor,  
103 Colmore Row,  
Birmingham,  
West Midlands,  
B3 3AG

### Solicitors

Freeths LLP  
Cumberland Court  
80 Mount Street  
Nottingham  
NG1 6HH

### Bankers

Lloyds Bank plc  
PO Box 72  
Bailey Drive  
Gillingham  
Kent  
ME8 0LS

# Report of the Trustee

## Objectives and activities

The objective of the Charity is to provide rented accommodation to necessitous persons. All activity is carried out in support of this objective.

## Public benefit disclosure

The Charities Act 2011 identifies two key principles of public benefit namely there must be an identifiable benefit or benefits and the benefit must be to the public or to a section of the public.

The Trustee, in the aims and objectives of the Charity and in the oversight of the Charity's operations, has had regard to and believes that it meets with the Charity Commission's guidance on public benefit. The Trustee defines the public benefit of the Charity as being the provision of social rented accommodation to necessitous persons in the East Midlands.

## Achievements and performance

Nottingham Community Almshouse Charity was formed on 1 April 2008 by combining individual charities into one charity, namely: Nottingham Almshouse Charity; Ada Mary Best Homes; Lambley Almshouses. It has continued add further charities over the intervening years: Henry Brown Homes; Julien Cahn Homes; Warner's Almshouses; Harworth Miners Almshouses; Harworth Miners Bungalows; William Crane Trust; Nottingham Annuity Charity.

On 28 March 2023 the Charity Commission amended the scheme of Nottingham Community Almshouse Charity to incorporate Blyth Cottages Charity. This resulted in the acquisition of the assets and liabilities of Blyth Cottages Charity. No consideration was paid for the acquisition which has resulted in a donation of £192k being received by NCAC in the year.

The Charity increased the number of housing properties owned on 28 March 2023 following the transfer of Blyth Cottages Charity from 148 to 160 units. No gross maintenance contributions receivable were generated from one property at William Woodsend Memorial Homes where the tenant was allowed to reside without making maintenance contributions. Gross maintenance contributions of £688,678 were generated (2022 - £662,757) at a weekly contribution of between £48.85 and £114.23 per property. Void losses of £22,389 (2022 - £18,085) were incurred during the year.

## Financial review

There was a surplus for the year of £230,974 (2022 - £9,268). This included a donation from Blyth Cottages Charity of £192,552.

**The Statement of Financial Position of the Charity is strong...**

**...with unrestricted general fund reserves of £3,119,290**  
(2022 - £2,888,316).

**More homes, great services, better lives**

## Statement of compliance

The Trustee confirms this Report of the Trustee has been prepared in accordance with the principles set out in the 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).

## Identification and evaluation of key risks

The Trustee confirms that there is a long-term ongoing review process for identifying and managing significant risks faced by NCAC covering the period up to the annual report. Management responsibility has been clearly defined for the identification, evaluation and control of significant risks. There is a formal and ongoing process of management review in each area of NCAC's activities. The Executive team regularly considers and receives reports on significant risks facing NCAC and the Chief Executive is responsible for reporting to the Trustee any significant changes affecting key risks. All Trustee reports include a section detailing the risks arising, or identified, any information or recommendations included in the report.

In meeting its responsibilities, the Trustee has adopted a risk-based approach to internal controls which are embedded within the normal management and governance processes. This approach includes the regular evaluation of the nature and extent of risks to which the organisation is exposed. The Compliance and Risk Panel and our Trustee have continued to work together to assess the quantification of our risk appetite and have produced the following Risk Appetite statement:

"The Trustee recognises that the NCAC's activities involve risk and the taking of appropriately identified, evaluated and controlled risks in pursuit of business objectives is acceptable, particularly in pursuing business opportunities for the benefit of NCAC and its customers."

**The risk-based approach is consistent with best practice across the sector.**

The process adopted by the Trustee in reviewing the effectiveness of the system of internal control, together with some of the key elements of the control framework, includes:

- The annual review of the Risk Management Strategy and Framework, and biannual review of strategic risk maps, is an ongoing process for identifying and managing significant risks faced by the organisation. This process has been in place throughout the year under review, up to the date of the Annual Report and Accounts, and is regularly reviewed by the Trustee.
- In addition, the Compliance and Risk Panel annually sets a plan to demonstrate to the Executive team, Audit and Risk Committee and Trustee how it intends to deliver its risk management objectives during the year.
- The NCHA Group and the NCAC Trustee approved a new Risk Management Framework in 2021, which replaced our existing risk management procedure and ensured that our risk management processes are consistent with the National Housing Code of Governance, which is adopted by NCAC. The Framework is reviewed annually and the NCHA Group's risk management processes were awarded 'substantial assurance' in May 2022 by the Group's Internal Auditors.

## NCAC strategic risks

Our strategic risk map, reviewed biannually by the Trustee, addresses the risks associated with the following objectives, as outlined within our Group Corporate Plan:

- Failure to comply with charity law, Charity Commission policies and procedures and the rules set out in the Charity's governing document.
- Failure to remain viable by not meeting budgetary targets.

## Plans for future periods

**In future periods the Charity intends to continue to provide current activities in support of the Charity's objectives.**

## Post balance sheet events

We consider that there have been no events since the financial year end which have a material effect on the financial position of the Charity.

## Structure, governance and management

The Charity is governed by a Charity Commission scheme.

**Nottingham Community Housing Association Limited (NCHA) is the Sole Corporate Trustee of the Charity.**

**Sylvia Hart is the Clerk to the Trustee. The day to day management and activities of the Charity are carried out by employees of NCHA.**

## Reserves policy

It is the policy of the Charity not to designate any of its reserves for any specific purpose, other than the required Social Housing Grant Reserve. Targets are set by the Trustee as part of the budgeting process. In the event of a shortfall the Trustee considers plans to make good where appropriate. Similarly, where an excess is achieved the Trustee considers plans on how best to utilise this.

The Charity Commission defines free reserves as total unrestricted funds less tangible fixed assets for charity use less amounts designated for essential future spending. On this basis the Charity has free reserves of £519,360 (2022 - £398,272).

## Investments

Control of investments is placed with NCHA's Director of Finance and Resources and Chief Executive. The value of investments will be dictated by the business cash flow requirements and proposed development plans. The exact amount of investments will vary from time to time and will be kept available to meet all liquidity requirements.

The Charity will maintain a list of institutions with whom it will invest.

The Director of Finance and Resources will liaise with external consultants to receive regular updates on the credit standing of the preferred list and will be authorised to add or remove firms as seen fit.

When significant funds are available to invest (typically greater than £5m) the Director of Finance and Resources will approach at least two of the preferred institutions to establish the best possible terms available. The funds will then be invested in accordance with the terms of this policy at the best rates available.

In exceptional circumstances, where the Charity is holding large cash balances, the Director of Finance and Resources will seek to increase the diversity of investment counterparties through the use of Public Debt Constant Net Asset Value and Low Volatility Net Asset Value Money Market Funds and Deposit Funds.

Investments held by the Trust are managed by M & G Securities Limited at PO Box 9038, Chelmsford, England CM99 2XF and CCLA Investment Management at Senator House, 85 Queen Victoria Street, London, EC4V 4ET.

## Statement of Trustee's responsibilities in respect of the accounts

The Trustee is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustee is required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the 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).
- 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.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

## Statement of Trustee's responsibilities in respect of the accounts (continued)

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. The Trustee 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.

The Trustee is responsible for the maintenance and integrity of the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Statement of disclosure to auditors

So far as the Trustee is aware there is no relevant auditor information of which the auditors are unaware. The Trustee has taken all steps it ought to have taken as Trustee in order to make itself aware of any relevant audit information and to establish that the auditors are aware of that information.

## Related parties

NCHA is the Sole Corporate Trustee of Nottingham Community Almshouse Charity. Its registered address, where consolidated accounts can be obtained, is 12-14 Pelham Road, Nottingham, NG5 1AP.

NCHA is registered as a charitable social landlord under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing. NCHA operates mainly within the East Midlands and has three regional offices and a number of satellite offices across the East Midlands. Its head office is in Nottingham.

NCHA's principal activities are the management, maintenance, improvement and development of social housing together with the provision of care and support services for those people within communities across the East Midlands with additional needs.

## Going concern

The Charity's financial statements have been prepared on a going concern basis which assumes an ability to continue operating for at least twelve months from the date at which these accounts were approved. The Trustee considers it appropriate to continue to prepare the financial statements on a going concern basis.

The Report of the Trustee was approved on 20 September 2023 and signed on its behalf by:

*Sylvia Hart*

**Sylvia Hart**  
Clerk to the Trustee

# Report of the Independent Auditor to the Trustee

## Opinion

We have audited the financial statements of Nottingham Community Almshouse Charity (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Changes in Reserves, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 31 March 2023 and of its incoming resources and application of resources 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 requirements of the Charities Act 2011.

## Basis for opinion

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 Auditor's 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the Report of the Trustee other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Report of the Trustee. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Report of the Trustee; 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.

## Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities in respect of the accounts set out on pages 8 to 9, 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 is 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

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 an auditor's report 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.

## The extent to which the audit was considered capable of detecting irregularities including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

## In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks, that the charity operates in and how the charity is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

## The extent to which the audit was considered capable of detecting irregularities including fraud (continued)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities Act 2011, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Report of the Trustee, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, reviewing financial statement disclosures and reviewing legal and professional costs incurred during the period.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the General Data Protection Regulations as set out in the Data Protection Act 2018 and the Health and Safety at Work Act 1974. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>.

**This description forms part of our auditor's report.**

## Use of our report

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. 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 an auditor's report 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*RSM UK Audit LLP*

Date 20/09/23

**For and on behalf of RSM UK Audit LLP, Statutory Auditor,**

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

RSM UK Audit LLP  
Statutory Auditor  
Chartered Accountants  
10th Floor,  
103 Colmore Row  
Birmingham  
B3 3AG

# Statement of Financial Activities

## Statement of Financial Activities

| For the year ended<br>31 March 2023                           |      | Unrestricted<br>General Fund<br>2023 | Unrestricted<br>General Fund<br>2022 |
|---------------------------------------------------------------|------|--------------------------------------|--------------------------------------|
|                                                               | Note | £                                    | £                                    |
| <b>Income from</b>                                            |      |                                      |                                      |
| Maintenance contributions net of identifiable service charges |      | 688,678                              | 662,757                              |
| Less voids                                                    |      | (22,389)                             | (18,085)                             |
| Donation                                                      | 2    | 192,552                              | -                                    |
| Other income                                                  | 3    | 10                                   | 118                                  |
| Interest receivable                                           | 3    | 28,492                               | 26,192                               |
| Unrealised (deficit)/surplus on revaluation of investments    | 9    | (9,937)                              | 20,501                               |
| <b>Total income</b>                                           |      | <b>877,406</b>                       | <b>691,483</b>                       |
| <b>Expenditure on</b>                                         |      |                                      |                                      |
| Management                                                    |      | (123,740)                            | (128,030)                            |
| Service charge costs                                          |      | (78,000)                             | (88,935)                             |
| Repairs and maintenance                                       |      | (311,906)                            | (349,309)                            |
| Rent losses from bad debts                                    |      | (9,132)                              | (20)                                 |
| Depreciation of housing properties                            | 8    | (104,389)                            | (99,824)                             |
| Interest payable and similar charges                          | 4    | (7,825)                              | (4,527)                              |
| Annuity payments                                              | 5    | (11,440)                             | (11,570)                             |
| <b>Total expenditure</b>                                      |      | <b>(646,432)</b>                     | <b>(682,215)</b>                     |
| <b>Net income</b>                                             |      | <b>230,974</b>                       | <b>9,268</b>                         |
| <b>Net movement in funds</b>                                  |      | <b>230,974</b>                       | <b>9,268</b>                         |
| <b>Reconciliation of funds</b>                                |      |                                      |                                      |
| Total funds brought forward                                   |      | 3,884,757                            | 3,840,259                            |
| Permanent Endowment Revaluation                               | 9    | (15,996)                             | 35,230                               |
| SHG transfer Blyth Cottages                                   | 2    | 457,870                              | -                                    |
| <b>Total funds carried forward</b>                            |      | <b>4,557,605</b>                     | <b>3,884,757</b>                     |

The results relate wholly to continuing activities and the notes on pages 24 to 35 form an integral part of these accounts. The financial statements on pages 16 to 35 were approved and authorised for issue by the Trustee on 20 September 2023 and were signed on its behalf by:

*Sylvia Hart*

**Sylvia Hart**  
Clerk to the Trustee

Signed on behalf of Nottingham Community Housing Association Limited (Sole Corporate Trustee)

# Statement of Financial Position

## Statement of Financial Position

| As at 31 March 2023                          |      | 2023             | 2022             |
|----------------------------------------------|------|------------------|------------------|
|                                              | Note | £                | £                |
| <b>Fixed assets</b>                          |      |                  |                  |
| Tangible fixed assets                        | 8    | 3,553,922        | 2,986,435        |
| Investments                                  | 9    | 800,414          | 791,559          |
| <b>Total fixed assets</b>                    |      | <b>4,354,336</b> | <b>3,777,994</b> |
| <b>Current assets</b>                        |      |                  |                  |
| Debtors                                      | 10   | 24,006           | 31,104           |
| Short term deposit                           |      | 46,552           | 35,675           |
| Cash at bank and in hand                     |      | 407,954          | 256,283          |
| <b>Total current assets</b>                  |      | <b>478,512</b>   | <b>323,062</b>   |
| <b>Creditors</b>                             |      |                  |                  |
| Amounts falling due within one year          | 11   | (128,696)        | (71,288)         |
| <b>Net current assets</b>                    |      | <b>349,816</b>   | <b>251,774</b>   |
| <b>Creditors</b>                             |      |                  |                  |
| Amounts falling due after more than one year | 12   | (146,547)        | (145,011)        |
| <b>Net assets</b>                            |      | <b>4,557,605</b> | <b>3,884,757</b> |
| <b>Funds of the Charity</b>                  |      |                  |                  |
| Unrestricted General Fund                    |      | 3,119,290        | 2,888,316        |
| Permanent Endowment                          | 14   | 484,053          | 500,049          |
| Social Housing Grant Reserve                 | 13   | 954,262          | 496,392          |
| <b>Total funds of the Charity</b>            |      | <b>4,557,605</b> | <b>3,884,757</b> |

The notes on pages 24 to 35 form an integral part of these accounts. The financial statements on pages 16 to 35 were approved and authorised for issue by the Trustee on 20 September 2023 and were signed on its behalf by:

*Sylvia Hart*

**Sylvia Hart**  
Clerk to the Trustee

Signed on behalf of Nottingham Community Housing Association Limited (Sole Corporate Trustee)

# Statement of Changes in Reserves

## Statement of Changes in Reserves

| For the year ended<br>31 March 2023            | Income and<br>Expenditure | Social<br>Housing<br>Grant | Permanent<br>Endowment | Total     |
|------------------------------------------------|---------------------------|----------------------------|------------------------|-----------|
|                                                | £                         | £                          | £                      | £         |
| Balance at 31 March 2021                       | 2,879,048                 | 496,392                    | 464,819                | 3,840,259 |
| Surplus from Statement of Financial Activities | 9,268                     | -                          | 35,230                 | 44,498    |
| Balance at 31 March 2022                       | 2,888,316                 | 496,392                    | 500,049                | 3,884,757 |
| Surplus from Statement of Financial Activities | 230,974                   | 457,870                    | (15,996)               | 672,848   |
| Balance at 31 March 2023                       | 3,119,290                 | 954,262                    | 484,053                | 4,557,605 |

The notes on pages 24 to 35 form an integral part of these accounts.

# Statement of Cash Flows

## Statement of Cash Flows

| As at 31 March 2023                                           | 2023             | 2022             |
|---------------------------------------------------------------|------------------|------------------|
|                                                               | £                | £                |
| <b>Cash flows from operating activities</b>                   |                  |                  |
| Net movement in funds                                         | 230,974          | 9,268            |
| Adjustments for:                                              |                  |                  |
| Interest receivable                                           | (28,492)         | (26,192)         |
| Interest payable and similar charges                          | 7,825            | 4,527            |
| Unrealised deficit/ (surplus) on revaluation of investments   | 9,937            | (20,501)         |
| Depreciation of housing properties                            | 104,389          | 99,824           |
| Donation from Blyth transfer                                  | (99,826)         | -                |
| (Increase)/decrease in debtors                                | 7,098            | (17,889)         |
| Increase/(decrease) in creditors                              | 57,408           | (70,584)         |
| <b>Net cash generated from operating activities</b>           | <b>289,313</b>   | <b>(21,547)</b>  |
| <b>Cash flow from investing activities</b>                    |                  |                  |
| Purchase of tangible fixed assets                             | (145,773)        | (142,418)        |
| Interest received                                             | 25,297           | 23,448           |
| <b>Net cash from investing activities</b>                     | <b>(120,476)</b> | <b>(118,970)</b> |
| <b>Cashflow from financing activities</b>                     |                  |                  |
| Interest paid                                                 | (6,289)          | (3,375)          |
| Newly secured loans                                           | -                | 150,000          |
| Loan issue fees                                               | -                | (7,676)          |
| Repayment of borrowing                                        | -                | (3,151)          |
| <b>Net cash from financing activities</b>                     | <b>(6,289)</b>   | <b>135,798</b>   |
| <b>Net change in cash and cash equivalents</b>                | <b>162,548</b>   | <b>(4,719)</b>   |
| <b>Cash and cash equivalents at the beginning of the year</b> | <b>291,958</b>   | <b>296,677</b>   |
| <b>Cash and cash equivalents at the end of the year</b>       | <b>454,506</b>   | <b>291,958</b>   |

The notes on pages 24 to 35 form an integral part of these accounts.

# Notes to the Financial Statements

## Legal status

The Charity is an unincorporated charity registered in England and Wales with the National Almshouse Association and the Charity Commission. The registered office is 12-14 Pelham Road, Nottingham, NG5 1AP.

## 1. Principal accounting policies

### (a) Basis of accounting

The Charity's financial statements have been prepared in accordance with applicable United Kingdom Generally Accepted Accounting Principles (UK GAAP) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 October 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts are prepared on the historical cost basis of accounting except as modified by the revaluation of investments and are presented in rounded pounds sterling.

In applying FRS 102 the Charity meets the definition of a public benefit entity.

### (b) Going concern

The Charity's financial statements have been prepared on a going concern basis which assumes an ability to continue operating for 12 months from approval of these financial statements based on the levels of anticipated income, expenditure and the funds of the Charity.

### (c) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the date of the Statement of Financial Position and the amounts reported for revenue and expenses during the financial year. However, the nature of estimation means that the actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on the amounts recognised in the financial statements:

- i. Categorisation of housing properties. The Charity has undertaken a detailed review of the intended use of all housing properties. In determining the intended use, the Charity has considered if the asset is held for social benefit or to earn commercial rentals.
- ii. The Charity has reviewed the useful economic lives of its housing properties and depreciates the property cost, less freehold land and residual value, for all housing properties.

Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the Statement of Financial Activities. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. The Charity has identified a cash generating unit for impairment assessment purposes at a property programme level. Following a trigger for impairment, the Charity performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from sales transactions in an arm's length transaction on similar cash generating units (properties) or observable market prices less incremental costs for disposing of the properties.

## 1. Principal accounting policies (continued)

### (c) Judgements and key sources of estimation uncertainty (continued)

The value in use calculation is based on either a depreciated replacement cost or a discounted cash flow model. The depreciated replacement cost is based on available data of the cost of constructing or based on either a depreciated replacement cost or a discounted cash flow model. The depreciated replacement cost is based on available data of the cost of constructing or acquiring replacement properties to provide the same level of service potential to the Charity as the existing property. The cash flows are derived from the business plan for the next 30 years and do not include restructuring activities that the Charity is not yet permitted to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes. Following the assessment of impairment no impairment losses were identified in the reporting period.

### (d) Turnover and revenue recognition

Turnover represents maintenance contributions income (less loss of maintenance contributions due to voids) and other charges receivable and other income and is recognised in relation to the period when the goods and services have been supplied.

Maintenance contributions are recognised when the property is available for let. There were 52 rent weeks during the year (2021/22: 52 weeks).

### (e) Loan interest costs

Loan interest costs are calculated using the effective interest method of the difference between the loan amount at initial recognition and amount of maturity of the related loan.

### (f) Loan finance issue costs

Loan finance costs are amortised evenly over the life of the related loan. Loans are stated in the Statement of Financial Position at the amount of net proceeds after issue, plus any increases to account for any subsequent amounts amortised. Where loans are redeemed in the year, any redemption penalty and any connected loan finance issue costs are recognised in the Statement of Financial Activities in the year in which the redemption took place.

### (g) Provision for bad debts

A provision for maintenance contributions debts becoming irrecoverable is made against 100% of former customer arrears and 50% of current customer arrears for all customers more than six weeks in arrears.

### (h) Corporation Taxation

The Association has charitable status and is exempt from UK Corporation Tax under section 531 of the Income Tax Act 2007.

### (i) Value Added Tax

Nottingham Community Almshouse Charity is not registered for value added tax. In these financial statements, where applicable, expenditure is shown inclusive of VAT.

## 1. Principal accounting policies (continued)

### (j) Housing properties, depreciation and impairment

#### Social housing

The Charity has reviewed the useful economic lives of its housing properties and depreciates the property cost, less freehold land and residual value, for all housing properties other than those held on an investment basis. Housing properties were merged on the basis of historic cost.

#### Future estimated lives have been determined as follows:

|                                          |           |
|------------------------------------------|-----------|
| New build houses                         | 100 years |
| New build flats and rehabilitated houses | 75 years  |
| Rehabilitated flats                      | 60 years  |

Where a housing property consists of two or more major components with substantially different useful economic lives, each component is accounted for separately and depreciated over its useful economic life. Expenditure relating to the subsequent replacement or renewal of components is capitalised as incurred.

Depreciation is charged in equal annual instalments over the assets expected useful economic lives. The useful economic lives for the identified components are as follows:

| Freehold land                                       | Not depreciated |
|-----------------------------------------------------|-----------------|
| Structure: new build houses                         | 100 years       |
| Structure: new build flats and rehabilitated houses | 75 years        |
| Structure: rehabilitated flats                      | 60 years        |
| Roof                                                | 50 years        |
| Lifts                                               | 50 years        |
| Windows and doors                                   | 40 years        |
| Energy works                                        | 30 years        |
| Alternative energy systems                          | 25 years        |
| Bathroom                                            | 25 years        |
| Kitchen                                             | 20 years        |
| Heating system                                      | 20 years        |
| Disabled adaption                                   | 20 years        |

### (k) Other fixed assets

All other fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on all non-housing property fixed assets, to write off the cost less estimated residual value over their useful economic lives on the following methods:

|                    |                                   |
|--------------------|-----------------------------------|
| Other fixed assets | Equal annual instalments 10 years |
|--------------------|-----------------------------------|

The useful economic lives of tangible fixed assets are reviewed annually.

## 1. Principal accounting policies (continued)

### (l) Fixed asset investments

The Charity holds fixed asset investments. These are shown at full market valuation at each balance sheet date. Any gains and losses on re-measurement are disclosed in the Statement of Financial Activities for the period.

### (m) Short-term debtors and creditors

Debtors and creditors without any stated interest terms which are receivable or payable within one year are recorded at the transaction price. Should any losses be incurred as a result of impairment, these would be immediately recognised as other operating expenses in the Statement of Financial Activities.

### (n) Social Housing Grants

In accordance with the Charities SORP (FRS 102), grants received from government have been treated as income and added to reserves. The fund is held separately from unrestricted reserves reflecting the possibility of a repayment demand in certain circumstances from the Regulator of Social Housing.

### (o) Financial instruments

The Charity holds fixed assets investments, short term debtors and creditors, loans and cash as financial instruments. The method of measurement for fixed assets investments and short term debtors and creditors are detailed above. Loans are held at contractual value. Cash is held at current value.

## 2. Donations

On 28 March 2023 the Charity Commission scheme for Nottingham Community Almshouse Charity (NCAC) was amended to incorporate the Charity Commission scheme for Blyth Cottages Charity. This resulted in the acquisition of the assets and liabilities of Blyth Cottages Charity. No consideration was paid for the acquisition which has resulted in a donation of £193k being received by NCAC in the year. The net assets acquired were as follows:

|                                            | 2023             |
|--------------------------------------------|------------------|
|                                            | £                |
| Tangible fixed assets (housing properties) | 526,103          |
| Investments                                | 31,592           |
| Short term deposit                         | 10,541           |
| Cash at bank and in hand                   | 111,298          |
| Debtors                                    | 626              |
| <b>Total assets</b>                        | <b>680,160</b>   |
| Creditors                                  | (29,738)         |
| Social Housing Grant                       | (457,870)        |
| <b>Total liabilities</b>                   | <b>(487,608)</b> |
| <b>Total donated</b>                       | <b>192,552</b>   |

## 3. Interest receivable and other income

|                       | 2023          | 2022          |
|-----------------------|---------------|---------------|
|                       | £             | £             |
| Bank deposit interest | 993           | 15            |
| Investment income     | 27,499        | 26,177        |
| Other income          | 10            | 118           |
| <b>Total</b>          | <b>28,502</b> | <b>26,310</b> |

## 4. Interest payable and similar charges

|                       | 2023         | 2022         |
|-----------------------|--------------|--------------|
|                       | £            | £            |
| Loan interest payable | 6,289        | 3,375        |
| Loan arrangement fee  | 1,536        | 1,152        |
| <b>Total</b>          | <b>7,825</b> | <b>4,527</b> |

## 5. Annuitants

|                                                                            | 2023          | 2022          |
|----------------------------------------------------------------------------|---------------|---------------|
|                                                                            | No.           | No.           |
| The total number of annuitants at the end of the accounting period         | 23            | 23            |
|                                                                            | £             | £             |
| <b>The cost of annuitants in force at the end of the accounting period</b> | <b>11,440</b> | <b>11,570</b> |

## 6. Net income for the year

| Net income for the year is stated after charging                     | 2023    | 2022    |
|----------------------------------------------------------------------|---------|---------|
|                                                                      | £       | £       |
| Depreciation                                                         | 104,389 | 99,824  |
| Auditors' remuneration (excluding VAT) in their capacity as auditors | 6,655   | 4,450   |
| Management fee to Trustee (including VAT)                            | 109,611 | 112,665 |
| Maintenance fee to Trustee (including VAT)                           | 42,362  | 45,560  |

7. Taxation

Nottingham Community Almshouse Charity is a registered Charity and is, therefore, exempt from liability to taxation on its income and capital gains.

8. Tangible fixed assets

|                                 | 2023                                      | 2022                                      |
|---------------------------------|-------------------------------------------|-------------------------------------------|
|                                 | Completed - housing properties (freehold) | Completed - housing properties (freehold) |
|                                 | £                                         | £                                         |
| Cost                            |                                           |                                           |
| 1 April 2022                    | 3,815,984                                 | 3,692,144                                 |
| Additions                       | 145,773                                   | 142,418                                   |
| Disposal of components          | (26,787)                                  | (18,418)                                  |
| Blyth Cottages Charity transfer | 716,008                                   | -                                         |
| 31 March 2023                   | 4,650,978                                 | 3,815,984                                 |
| Depreciation                    |                                           |                                           |
| 1 April 2022                    | 829,549                                   | 748,303                                   |
| Charge for the year             | 104,389                                   | 99,824                                    |
| Less disposals during year      | (26,787)                                  | (18,578)                                  |
| Blyth Cottages Charity transfer | 189,905                                   | -                                         |
| 31 March 2023                   | 1,097,056                                 | 829,549                                   |
| Net book value                  |                                           |                                           |
| 31 March 2023                   | 3,553,922                                 | 2,986,435                                 |

The net book value of charged assets at 31 March 2023 was £1,320,715 (31 March 2022 - £1,308,705).

9. Investments

|                                                             | 2023     | 2022    |
|-------------------------------------------------------------|----------|---------|
|                                                             | £        | £       |
| Market value at start of year                               | 791,559  | 733,083 |
| Accumulated dividends during year                           | 3,196    | 2,745   |
| Blyth Cottages transfer                                     | 31,592   | -       |
| Revaluation                                                 | (25,933) | 55,731  |
| Market value at end of year                                 | 800,414  | 791,559 |
| The investment at market value comprises Unlisted           |          |         |
| 471,753 (2022 - 436,383) M&G Multi Asset Fund Income shares | 421,370  | 400,949 |
| 846 (2022- 846) M&G Multi Asset Fund Accumulation shares    | 91,128   | 90,119  |
| 3,029 (2022- 3,029) M&G Charifund Income shares             | 44,928   | 47,853  |
| 12,655 (2022 - 12,655) COIF Income units                    | 236,858  | 246,446 |
| 26.78 (2022 – 26.78) COIF Accumulation units                | 6,130    | 6,192   |
| Market value at 31 March 2023 and 31 March 2022             | 800,414  | 791,559 |
| Cost at start of year 1 April 2022                          |          |         |
|                                                             | 274,036  | 271,291 |
| Accumulated dividends during year                           | 3,196    | 2,745   |
| Blyth Cottages transfer                                     | 31,592   | -       |
| Cost at end of year 31 March 2023                           | 308,824  | 274,036 |

Investments are revalued annually on 31 March taking the values published on the respective websites.

10. Debtors

|                                     | 2023     | 2022    |
|-------------------------------------|----------|---------|
|                                     | £        | £       |
| Maintenance contribution receivable | 19,021   | 27,934  |
| Less provision for bad debts        | (10,791) | (9,367) |
| Other debtors and prepayments       | 15,776   | 12,537  |
| Total                               | 24,006   | 31,104  |

11. Creditors: amounts falling due within one year

|                                               | 2023    | 2022    |
|-----------------------------------------------|---------|---------|
|                                               | £       | £       |
| Maintenance contributions received in advance | 13,707  | 9,926   |
| Amount due to the Trustee                     | 52,393  | 15,413  |
| Loan issue cost within one year               | (1,536) | (1,536) |
| Other creditors and accruals                  | 64,132  | 47,485  |
| Total                                         | 128,696 | 71,288  |

12. Creditors: amounts falling due after more than one year

|                                                                          | 2023    | 2022    |
|--------------------------------------------------------------------------|---------|---------|
|                                                                          | £       | £       |
| Housing loans including loan finance issue costs                         | 150,000 | 150,000 |
| Loan finance issue cost                                                  | (3,453) | (4,989) |
| Total                                                                    | 146,547 | 145,011 |
| Housing loans are repayable in instalments falling due as detailed below |         |         |
| In less than one year                                                    | (1,536) | (1,536) |
| Between one and two years                                                | (1,536) | (1,536) |
| Between two and five years                                               | 148,083 | 146,547 |
| In five years or more                                                    | -       | -       |
| Total housing loans                                                      | 145,011 | 143,475 |

There is one loan taken out in June 2021 for £150,000 from Svenska Handelsbanken.

The average interest rate was 4.19%.

13. Social Housing Grant Reserve

|                         | 2023    | 2022    |
|-------------------------|---------|---------|
|                         | £       | £       |
| Social Housing Grant    | 496,392 | 496,392 |
| Blyth Cottages transfer | 457,870 | -       |
| Total Housing Grant     | 954,262 | 496,392 |

14. Permanent endowment

|                            | 2023     | 2022    |
|----------------------------|----------|---------|
|                            | £        | £       |
| Opening balance            | 500,049  | 464,819 |
| Revaluation of investments | (15,996) | 35,230  |
| Closing balance            | 484,053  | 500,049 |

The permanent endowment is held for the purpose of generating income to cover the payments of annuities in perpetuity.

15. Capital commitments

At 31 March 2023 and 2022, there were no capital commitments.

16. Contingent liabilities

At 31 March 2023 and 2022, there were no known contingent liabilities.

17. Housing properties and maintenance contribution

The number of properties managed as at 31 March 2023 was 160. (2022 - 148). Increase in 2022/23 due to donation of 12 properties from Blyth Cottages Charity as explained on Page five.

18. Ultimate controlling party, staff costs, Directors' emoluments and related parties

Nottingham Community Housing Association Limited is the Sole Corporate Trustee of Nottingham Community Almshouse Charity. Its registered address, where consolidated accounts can be obtained, is 12-14 Pelham Road, Nottingham, NG5 1AP.

Nottingham Community Housing Association Limited (NCHA) is registered as a charitable social landlord under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing. It was first registered on the 22 March 1973 for the benefit of the community. NCHA operates mainly within the East Midlands and has three regional offices and a number of satellite offices across the East Midlands. Its head office is in Nottingham.

NCHA's principal activities are the management, maintenance, improvement and development of social housing together with the provision of care and support services for those people within communities across the East Midlands with additional needs.

17. Ultimate controlling party, staff costs, directors' emoluments and related parties (continued)

Services are secured from the ultimate parent. The key employees of the ultimate parent are its

Executive team:



**Paul Moat**  
DMS, MBA, MRICS,  
BSc (Hons)  
Chief Executive

- The NCHA Group Leadership
- Corporate Governance
- Risk
- Health and Safety



**Allan Fisher**  
BSc (Hons), PG  
(DIP), MSc  
Director of  
Development  
and Assets

- Development
- Sales
- Property Services
- Environmental Sustainability



**Holly Dagnall**  
BA (Hons), PG  
(DIP), MSc  
Director of  
Homes and  
Wellbeing

- Affordable Social Housing
- Sub Market Rent
- Shared Ownership
- Care and Support
- Almshouse Charities
- Equality, Diversity and Inclusion
- Social Impact



**Naomi Dobraszczyc**  
BA (Hons) ACA  
Director of  
Finance and  
Resources

- Finance
- People
- Technology
- Transformation
- Marketing Communications
- Procurement
- Information and Intelligence
- Value for Money

The Directors of the Sole Corporate Trustee are the key management personnel of the Charity. They receive no payment for their role in the Charity.

The Charity receives management and financial services from NCHA. These services include the handling and settling of the majority of Nottingham Community Almshouse Charity's invoices on behalf of the Charity and NCHA recharges the Charity for the invoiced amount. The Charity paid £109,611 for the management by the Trustee (2022 - £112,665) and £42,362 for the maintenance by the Trustee (2022 - £45,560). At the end of the accounting year there is a creditor balance of £52,393 payable to NCHA (2022 - £15,413).

18. Post balance sheet events

We consider that there have been no events since the financial year end which have a material effect on the financial position of the Charity.

19. Financial instruments

|                                                         | 2023      | 2022      |
|---------------------------------------------------------|-----------|-----------|
|                                                         | £         | £         |
| Assets measured at fair value                           |           |           |
| Investment                                              | 800,414   | 791,559   |
| Assets measured at amortised cost                       |           |           |
| Maintenance contributions net of provision for bad debt | 8,230     | 18,567    |
| Other debtors and prepayments                           | 15,776    | 12,537    |
| Cash at bank and in hand                                | 454,506   | 291,958   |
| Total                                                   | 1,278,926 | 1,114,621 |

|                                                   |         |         |
|---------------------------------------------------|---------|---------|
| Liabilities measured at amortised cost            |         |         |
| Loan finance falling due after more than one year | 146,547 | 145,011 |
| Loan finance falling due within one year          | (1,536) | (1,536) |
| Amount due to the Trustee                         | 52,393  | 15,413  |
| Other creditors and accruals due within one year  | 64,132  | 47,485  |
| Total                                             | 261,536 | 206,373 |



 0800 013 8555  
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 Nottingham Community Housing Association  
12/14 Pelham Road, Sherwood Rise  
Nottingham  
NG5 1AP

 @NottsCommHA  
 /NottinghamCommunityHousingAssociation

An electronic version of this report can be found on our website, [www.ncha.org.uk](http://www.ncha.org.uk)

Nottingham Community Housing Association Limited is a charitable community benefit society, registered with the Financial Conduct Authority under number 7104.

Published September 2023

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# Accounts

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# **Nottingham Community Almshouse Charity**

Financial statements for the year ended 31 March 2022

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# Trustee, Advisors and Bankers

## Trustee

Nottingham Community Housing Association appointed in 1992 as the Sole Corporate Trustee.

Naomi Dobraszczyk

Clerk to the Trustee (resigned 15 September 2021)

Sylvia Gough

Clerk to the Trustee (appointed 15 September 2021)

## The directors of the Sole Corporate Trustee

Ms Claire Winfield BA (Hons) (NCHA Chair) (retired 31 August 2022)

Ms Carri Swann BA (Audit and Risk Committee) (retired 2 June 2021)

Mr Paul Casey BA MCIH (retired 28 July 2021)

Ms Audra Wynter MBA FCMI MIC ATT Fellow FMATT (Audit and Risk Committee) (retired 28 July 2021)

Mr David Harrison BA MCIH

Mr Christopher Blackburn

Ms Donna Edwards BA, CPFA

Mr Callum Gillespie BSc (Hons) (Audit and Risk Committee Chair) (appointed as NCHA Chair 1 September 2022)

Mr Mike Finister-Smith (Audit and Risk Committee)

Ms Lorelei Jarvis BSc (Hons)

Mr Pradeep Khuti BA

Mr Paul Parkinson BA (Hons) Dip. RSA FCIH

Mr Andrew Kilby FCCA (Audit and Risk Committee) (appointed 15 September 2021)

Ms Leanne Monger MPA, BA Hons CIHCM (Audit and Risk Committee) (appointed 15 September 2021)

Mr Mohammed Habib FCIH MCIOB (appointed 15 September 2021)

## Registered Office

12/14 Pelham Road  
Sherwood Rise  
Nottingham  
NG5 1AP

### Telephone

0800 013 8555

### Facsimile

0115 910 4445

### Email

info@ncha.org.uk

## External Auditors

RSM UK Audit LLP  
10th Floor,  
103 Colmore Row,  
Birmingham,  
West Midlands,  
B3 3AG

## Solicitors

Freeths LLP  
Cumberland Court  
80 Mount Street  
Nottingham  
NG1 6HH

## Bankers

Lloyds Bank plc  
PO Box 72  
Bailey Drive  
Gillingham  
Kent  
ME8 0LS

# Report of the Trustee



## Objectives and activities

The objective of the Charity is to provide rented accommodation to necessitous persons. All activity is carried out in support of this objective.

## Public benefit disclosure

The Charities Act 2011 identifies two key principles of public benefit namely there must be an identifiable benefit or benefits and the benefit must be to the public or to a section of the public.

The Trustee, in the aims and objectives of the Charity and in the oversight of the Charity's operations, has had regard to and believes that it meets with the Charity Commission's guidance on public benefit. The Trustee defines the public benefit of the Charity as being the provision of social rented accommodation to necessitous persons in the East Midlands.

## Achievements and performance

Nottingham Community Almshouse Charity was formed on 1 April 2008 by combining seven individual charities into one Charity. Nottingham Almshouse Charity, Ada Mary Best Homes, Lambley Almshouses, Henry Brown Homes & Julien Cahn Homes were subsequently added into the Charity. During 2019/20 two further Charities were added, Warner's Almshouses on 1 June 2019 and Harworth Miners Bungalows on 20 December 2019. During 2021/22 an additional two Charities were added, William Crane Trust on 1 April 2021 and Nottingham Annuity

Charity on 20 August 2021. All assets, liabilities and reserves of the various charities were transferred to Nottingham Community Almshouse Charity and these accounts show performance for the current and prior year as a combined charity. The 2020/21 figures have been fully restated.

The Charity increased the number of housing properties owned during 2021-2022 from 144 to 148 units following the transfer of William Crane Trust and Nottingham Annuity Charity into the Charity. No gross maintenance contributions receivable were generated from one property at William Woodsend Memorial Homes where the tenants are allowed to reside without making maintenance contributions. The remaining 147 properties provided gross maintenance contributions of £662,757 (restated 2021 - £644,078) at a weekly contribution of between £45.00 and £109.14 per property. Void losses of £18,085 (restated 2021 - £5,015) were incurred during the year.

## Financial review

There was a surplus for the year of £9,268 (restated 2021 - £222,003).

The Statement of Financial Position of the Charity is strong, with unrestricted general fund reserves of £2,888,316 (restated 2021 - £2,879,048).

## Statement of compliance

The Trustee confirms this Report of the Trustee has been prepared in accordance with the principles set out in the 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 (FRS102).

## Identification and evaluation of key risks

The Trustee confirms that there is a long-term ongoing review process for identifying and managing significant risks faced by NCAC covering the period up to the annual report. Management responsibility has been clearly defined for the identification, evaluation and control of significant risks. There is a formal and ongoing process of management review in each area of NCAC's activities. The Executive team regularly considers and receives reports on significant risks facing NCAC and the Chief Executive is responsible for reporting to the Trustee any significant changes affecting key risks. All Trustee reports include a section detailing the risks arising or identified as a result of any information or recommendations included in the report.

In meeting its responsibilities, the Trustee has adopted a risk-based approach to internal controls which are embedded within the normal management and governance processes. This approach includes the regular evaluation of the nature and extent of risks to which the organisation is exposed. The Compliance and Risk Panel and our Trustee have continued to work together to assess the quantification of our risk appetite and have produced the following Risk Appetite statement:

"The Trustee recognises that the NCAC's activities involve risk and the taking of appropriately identified, evaluated and controlled risks in pursuit of business objectives is acceptable, particularly in pursuing business opportunities for the benefit of NCAC and its customers."

The risk based approach is consistent with best practice across the sector.

The process adopted by the Trustee in reviewing the effectiveness of the system of internal control, together with some of the key elements of the control framework, includes:

- The annual review of the Risk Management Strategy and Framework, and biannual review of strategic risk maps is an ongoing process for identifying and managing significant risks faced by the organisation. This process has been in place throughout the year under review, up to the date of the Annual Report and Accounts, and is regularly reviewed by the Trustee.
- In addition, the Compliance and Risk Panel annually sets a plan to demonstrate to the Executive team, Audit and Risk Committee and Trustee how it intends to deliver its risk management objectives during the year.
- The NCHA Group and the NCAC Trustee approved a new Risk Management Framework in 2021, which replaced our existing risk management procedure and ensured that our risk management processes are consistent with the National Housing Code of Governance, which is adopted by NCHA. We will review this Framework in 2022/23 alongside the newly published National Housing Federation Risk and Assurance Guide. In addition, an Internal Audit review and sector benchmark of our risk management activity was scheduled to take place in Q1 2022/23.

## NCAC strategic risks

Our strategic risk map, reviewed biannually by the Trustee, addresses the risks associated with the following objectives, as outlined within our Group Corporate Plan:

- Failure to comply with charity law, Charity Commission policies and procedures and the rules set out in the Charity's governing document.
- Failure to remain viable by not meeting budgetary targets.

## Plans for future periods

**In future periods the Charity intends to continue to provide current activities in support of the Charity's objectives.**

## Post balance sheet events

We consider that there have been no events since the financial year end which have a material effect on the financial position of the Charity.

## Structure, governance and management

The Charity is governed by a Charity Commission scheme.

Nottingham Community Housing Association Limited (NCHA) is the Sole Corporate Trustee of the Charity. Sylvia Gough is the Clerk to the Trustee. The day to day management and activities of the Charity are carried out by employees of NCHA.

## Reserves policy

It is the policy of the Charity not to designate any of its reserves for any specific purpose, other than the required Social Housing Grant Reserve. Targets are set by the Trustee as part of the budgeting process. In the event of a shortfall the Trustee considers plans to make good where appropriate. Similarly, where an excess is achieved the Trustee considers plans on how best to utilise this.

The Charity Commission defines free reserves as total unrestricted funds less tangible fixed assets for charity use less amounts designated for essential future spending. On this basis the Charity has free reserves of £398,272 (restated 2021 - £431,599).

## Investments

Control of investments is placed with NCHA's Director of Finance and Resources and Chief Executive. The value of investments will be dictated by the business cash flow requirements and proposed development plans. The exact amount of investments will vary from time to time and will be kept available to meet all liquidity requirements.

The Charity will maintain a list of institutions with whom it will invest.

The Director of Finance and Resources will liaise with external consultants to receive regular updates on the credit standing of the preferred list and will be authorised to add or remove firms as seen fit.

When significant funds are available to invest (typically greater than £5m) the Director of Finance and Resources will approach at least two of the preferred institutions to establish the best possible terms available. The funds will then be invested in accordance with the terms of this policy at the best rates available.

In exceptional circumstances, where the Charity is holding large cash balances, the Director of Finance and Resources will seek to increase the diversity of investment counterparties through the use of Public Debt Constant Net Asset Value and Low Volatility Net Asset Value Money Market Funds and Deposit Funds.

Investments held by the Trust are managed by M & G Securities Limited at PO Box 9038, Chelmsford, England CM99 2XF and CCLA Investment Management at Senator House, 85 Queen Victoria Street, London, EC4V 4ET.

## Statement of Trustee's responsibilities in respect of the accounts

The Trustee is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustee is required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the 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)
- Make judgements and 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
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

## Statement of Trustee's responsibilities in respect of the accounts (continued)

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. The Trustee 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.

The Trustee is responsible for the maintenance and integrity of the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

So far as the Trustee is aware there is no relevant auditor information of which the auditors are unaware. The Trustee has taken all steps it ought to have taken as Trustee in order to make itself aware of any relevant audit information and to establish that the auditors are aware of that information.

## Related parties

NCHA is the Sole Corporate Trustee of Nottingham Community Almshouse Charity. Its registered address, where consolidated accounts can be obtained, is 12-14 Pelham Road, Nottingham, NG5 1AP.

NCHA is registered as a charitable social landlord under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing. It was first registered on the 22 March 1973 for the benefit of the community. NCHA operates mainly within the East Midlands and has three regional offices and a number of satellite offices across the East Midlands. Its head office is in Nottingham.

NCHA's principal activities are the management, maintenance, improvement and development of social housing together with the provision of care and support services for those people within communities across the East Midlands with additional needs.

## Going concern

After making enquiries, the Trustee has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

The report of the Trustee was approved on 9 November 2022 and signed on its behalf by:



**Sylvia Gough**  
Clerk to the Trustee

# **Report of the Independent Auditor to the Trustee**



## Opinion

We have audited the financial statements of Nottingham Community Almshouse Charity (the 'Charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, Statement of Financial Position, Statement of Changes in Reserves and the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 31 March 2022 and of its incoming resources and application of resources for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Charities Act 2011.

## Basis for opinion

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 Auditor's 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the Report of the Trustee other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Report of the Trustee. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 where the Charities Act 2011 requires us to report to you if, in our opinion:

- The information given in the financial statements is inconsistent in any material respect with the Report of the Trustee
- Sufficient accounting records have not been kept
- The financial statements are not in agreement with the accounting records and returns
- We have not received all the information and explanations we require for our audit
- The financial statements are not in agreement with the accounting records and returns.

## Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities set out on pages 8-9, the Trustee is 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 Trustee determines is 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 Trustee is responsible for assessing the Charity'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 Trustee either intends to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

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 an auditor's report 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.

### **The extent to which the audit was considered capable of detecting irregularities including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the

assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

### **In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:**

- Obtained an understanding of the nature of the sector, including the legal and regulatory framework, that the Charity operates in and how the Charity is complying with the legal and regulatory framework
- Inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud
- Discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

## Auditor's responsibilities for the audit of the financial statements (continued)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities Act 2011, the parent charity's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence local tax authorities and evaluating advice received from internal/external advisors

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the General Data Protection

Regulations and Health and Safety legislation. We performed audit procedures to inquire of management and those charged with governance whether the entity is in compliance with these law and regulations and inspected correspondence with regulatory authorities

The audit engagement team identified the risk of management override of controls as the areawhere the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates .

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## Use of our report

This report is made solely to the Charity's Trustees as a body, in accordance with the Charities Act 2011. 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 an auditor's report 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 Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



11 November 2022

### **For and on behalf of RSM UK Audit LLP, Statutory Auditor,**

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

RSM UK Audit LLP  
10th Floor,  
103 Colmore Row,  
Birmingham,  
West Midlands,  
B3 3AG

# Statement of Financial Activities



## Statement of Financial Activities (including Income and Expenditure Account)

| <b>For the year ended<br/>31 March 2022</b>                   |             | <b>Unrestricted<br/>General Fund<br/><br/>2022</b> | <b>Unrestricted<br/>General Fund<br/><br/>2021<br/>Restated</b> |
|---------------------------------------------------------------|-------------|----------------------------------------------------|-----------------------------------------------------------------|
|                                                               | <b>Note</b> | <b>£</b>                                           | <b>£</b>                                                        |
| <b>Income from</b>                                            |             |                                                    |                                                                 |
| Maintenance contributions net of identifiable service charges |             | 662,757                                            | 644,078                                                         |
| Less voids                                                    |             | (18,085)                                           | (5,015)                                                         |
| Other income                                                  | 2           | 118                                                | -                                                               |
| Interest receivable                                           | 2           | 26,192                                             | 27,640                                                          |
| Unrealised surplus on revaluation of investments              | 8           | 20,501                                             | 131,283                                                         |
| <b>Total income</b>                                           |             | <b>691,483</b>                                     | <b>797,986</b>                                                  |
| <b>Expenditure on</b>                                         |             |                                                    |                                                                 |
| Management                                                    |             | (128,030)                                          | (128,164)                                                       |
| Service charge costs                                          |             | (88,935)                                           | (67,541)                                                        |
| Repairs and maintenance                                       |             | (349,309)                                          | (230,747)                                                       |
| Rent losses from bad debts                                    |             | (20)                                               | (5,234)                                                         |
| Depreciation of housing properties                            | 7           | (99,824)                                           | (114,560)                                                       |
| Interest payable and similar charges                          | 3           | (4,527)                                            | (18,427)                                                        |
| Annuity payments                                              | 4           | (11,570)                                           | (11,310)                                                        |
| <b>Total expenditure</b>                                      |             | <b>(682,215)</b>                                   | <b>(575,983)</b>                                                |
| <b>Net income</b>                                             |             | <b>9,268</b>                                       | <b>222,003</b>                                                  |
| <b>Net movement in funds</b>                                  |             | <b>9,268</b>                                       | <b>222,003</b>                                                  |
| <b>Reconciliation of funds</b>                                |             |                                                    |                                                                 |
| Total funds brought forward                                   |             | 3,840,259                                          | 3,618,256                                                       |
| Permanent Endowment Revaluation                               |             | 35,230                                             | -                                                               |
| <b>Total funds carried forward</b>                            |             | <b>3,884,757</b>                                   | <b>3,840,259</b>                                                |

The results relate wholly to continuing activities and the notes on pages 25 to 37 form an integral part of these accounts. The financial statements of pages 17 to 37 were approved and authorised for issue by the Trustee on 9 November 2022 and were signed on its behalf by:



**Sylvia Gough**  
Clerk to the Trustee

Signed on behalf of Nottingham Community Housing Association Limited (Sole Corporate Trustee)

# Statement of Financial Position



## Statement of Financial Position

| <b>As at 31 March 2022</b>                   |             | <b>2022</b>      | <b>2021<br/>Restated</b> |
|----------------------------------------------|-------------|------------------|--------------------------|
|                                              | <b>Note</b> | <b>£</b>         | <b>£</b>                 |
| <b>Fixed assets</b>                          |             |                  |                          |
| Tangible fixed assets: (housing properties)  | 7           | 2,986,435        | 2,943,841                |
| Investments                                  | 8           | 791,559          | 733,083                  |
| <b>Total fixed assets</b>                    |             | <b>3,777,994</b> | <b>3,676,924</b>         |
| <b>Current assets</b>                        |             |                  |                          |
| Debtors                                      | 9           | 31,104           | 13,215                   |
| Short term deposit                           |             | 35,675           | 29,878                   |
| Cash at bank and in hand                     |             | 256,283          | 266,799                  |
| <b>Total current assets</b>                  |             | <b>323,062</b>   | <b>309,892</b>           |
| <b>Creditors</b>                             |             |                  |                          |
| Amounts falling due within one year          | 10          | (71,288)         | (146,557)                |
| <b>Net current assets</b>                    |             | <b>251,774</b>   | <b>163,335</b>           |
| <b>Creditors</b>                             |             |                  |                          |
| Amounts falling due after more than one year | 11          | (145,011)        | -                        |
| <b>Net assets</b>                            |             | <b>3,884,757</b> | <b>3,840,259</b>         |
| <b>Funds of the Charity</b>                  |             |                  |                          |
| Unrestricted General Fund                    |             | 2,888,316        | 2,879,048                |
| Permanent Endowment                          | 13          | 500,049          | 464,819                  |
| Social Housing Grant Reserve                 | 12          | 496,392          | 496,392                  |
| <b>Total funds of the Charity</b>            |             | <b>3,884,757</b> | <b>3,840,259</b>         |

The notes on pages 25 to 37 form an integral part of these accounts. The financial statements on pages 17 to 37 were approved and authorised for issue by the Trustee on 9 November 2022 and were signed on its behalf by:



**Sylvia Gough**  
Clerk to the Trustee

Signed on behalf of Nottingham Community Housing  
Association Limited (Sole Corporate Trustee)

# Statement of Changes in Reserves



## Statement of Changes in Reserves

| <b>For the year ended<br/>31 March 2022</b>    | <b>Income and<br/>Expenditure</b> | <b>Social<br/>Housing<br/>Grant</b> | <b>Permanent<br/>Endowment</b> | <b>Total</b>     |
|------------------------------------------------|-----------------------------------|-------------------------------------|--------------------------------|------------------|
|                                                | £                                 | £                                   | £                              | £                |
| <b>Original balance at 31 March 2020</b>       | <b>3,121,864</b>                  | <b>496,392</b>                      | <b>-</b>                       | <b>3,618,256</b> |
| Surplus from Statement of Financial Activities | 222,003                           | -                                   | -                              | 222,003          |
| <b>Original balance at 31 March 2021</b>       | <b>3,343,867</b>                  | <b>496,392</b>                      | <b>-</b>                       | <b>3,840,259</b> |
| Transfer to Permanent Endowment                | (464,819)                         | -                                   | 464,819                        | -                |
| <b>Balance at 31 March 2021 (Restated)</b>     | <b>2,879,048</b>                  | <b>496,392</b>                      | <b>464,819</b>                 | <b>3,840,259</b> |
| Surplus from Statement of Financial Activities | 9,268                             | -                                   | 35,230                         | 44,498           |
| <b>Balance at 31 March 2022</b>                | <b>2,888,316</b>                  | <b>496,392</b>                      | <b>500,049</b>                 | <b>3,884,757</b> |

The notes on pages 25 to 37 form an integral part of these accounts.

# Statement of Cash Flows



## Statement of Cash Flows

| <b>As at 31 March 2022</b>                                    | <b>2022</b>      | <b>2021<br/>Combined</b> |
|---------------------------------------------------------------|------------------|--------------------------|
|                                                               | <b>£</b>         | <b>£</b>                 |
| <b>Cash flows from operating activities</b>                   |                  |                          |
| Net movement in funds                                         | 9,268            | 222,003                  |
| Adjustments for:                                              |                  |                          |
| Interest receivable                                           | (26,192)         | (27,640)                 |
| Interest payable and similar charges                          | 4,527            | 18,427                   |
| Unrealised (surplus) on revaluation of investments            | (20,501)         | (131,283)                |
| Depreciation of housing properties                            | 99,824           | 114,560                  |
| (Decrease)/increase in debtors                                | (17,889)         | 16,590                   |
| (Increase)/decrease in creditors                              | (70,584)         | 50,931                   |
| (Increase) in provisions                                      | -                | (4,430)                  |
| <b>Net cash generated from operating activities</b>           | <b>(21,547)</b>  | <b>259,158</b>           |
| <b>Cash flow from investing activities</b>                    |                  |                          |
| Purchase of tangible fixed assets                             | (142,418)        | (113,545)                |
| Interest received                                             | 23,448           | 24,724                   |
| <b>Net cash from investing activities</b>                     | <b>(118,970)</b> | <b>(88,821)</b>          |
| <b>Cashflow from financing activities</b>                     |                  |                          |
| Interest paid                                                 | (3,375)          | (12,465)                 |
| Newly secured loans                                           | 150,000          | -                        |
| Loan issue fees                                               | (7,676)          | (5,962)                  |
| Repayment of borrowing                                        | (3,151)          | (455,814)                |
| <b>Net cash from financing activities</b>                     | <b>135,798</b>   | <b>(474,241)</b>         |
| <b>Net change in cash and cash equivalents</b>                | <b>(4,719)</b>   | <b>(303,904)</b>         |
| <b>Cash and cash equivalents at the beginning of the year</b> | <b>296,677</b>   | <b>600,581</b>           |
| <b>Cash and cash equivalents at the end of the year</b>       | <b>291,958</b>   | <b>296,677</b>           |

# Notes to the Financial Statements

## Legal status

The Charity is an unincorporated charity registered in England and Wales with the National Almshouse Association and the Charity Commission. The registered office is 12-14 Pelham Road, Nottingham, NG5 1AP.



## 1. Principal accounting policies

### (a) Basis of accounting

The Charity's financial statements have been prepared in accordance with applicable United Kingdom Accounting Generally Accepted Accounting Practice (UK GAAP) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 October 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts are prepared on the historical cost basis of accounting except as modified by the revaluation of investments and are presented in rounded pounds sterling.

In applying FRS 102 the Charity meets the definition of a public benefit entity.

### (b) Going concern

The Charity's financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future based on the levels of anticipated income, expenditure and the funds of the Charity.

### (c) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the date of the Statement of Financial Position and the amounts reported for revenue and expenses during the financial year. However, the nature of estimation means that the actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on the amounts recognised in the financial statements:

- i. **Categorisation of housing properties.** The Charity has undertaken a detailed review of the intended use of all housing properties. In determining the intended use, the Charity has considered if the asset is held for social benefit or to earn commercial rentals.
- ii. The Charity has reviewed the useful economic lives of its housing properties and depreciates the property cost, less freehold land and residual value, for all housing properties.

Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the Statement of Financial Activities. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. The Charity has identified a cash generating unit for impairment assessment purposes at a property programme level. Following a trigger for impairment, the Charity performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from sales transactions in an arm's length transaction on similar cash generating units (properties) or observable market prices less incremental costs for disposing of the properties.

## 1. Principal accounting policies (continued)

### (c) Judgements and key sources of estimation uncertainty (continued)

The value in use calculation is based on either a depreciated replacement cost or a discounted cash flow model. The depreciated replacement cost is based on available data of the cost of constructing or based on either a depreciated replacement cost or a discounted cash flow model. The depreciated replacement cost is based on available data of the cost of constructing or acquiring replacement properties to provide the same level of service potential to the Charity as the existing property. The cash flows are derived from the business plan for the next 30 years and do not include restructuring activities that the Charity is not yet permitted to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes. Following the assessment of impairment no impairment losses were identified in the reporting period.

### (d) Turnover and revenue recognition

Turnover represents maintenance contributions income receivable (less loss of maintenance contributions due to voids) and other charges receivable and other income and is recognised in relation to the period when the goods and services have been supplied.

Maintenance contributions are recognised when the property is available for let, net of voids. 2021-2022 is a 52 rent week year. 2020-2021 was a 52 rent week year.

### (e) Loan interest costs

Loan interest costs are calculated using the effective interest method of the difference between the loan amount at initial recognition and amount of maturity of the related loan.

### (f) Loan finance issue costs

These are amortised evenly over the life of the related loan. Loans are stated in the Statement of Financial Position at the amount of net proceeds after issue, plus any increases to account for any subsequent amounts amortised. Where loans are redeemed in the year, any redemption penalty and any connected loan finance issue costs are recognised in the Statement of Financial Activities in the year in which the redemption took place.

### (g) Provision for bad debts

A provision for maintenance contributions debts becoming irrecoverable is made against 100% of former customer arrears and 50% of current customer arrears for all customers more than six weeks in arrears.

## 1. Principal accounting policies (continued)

### (h) Corporation Taxation

The Association has charitable status and is exempt from UK Corporation Tax under section 531 of the Income Tax Act 2007.

### (i) Value Added Tax

Nottingham Community Almshouse Charity is not registered for value added tax. In these financial statements, where applicable, expenditure is shown inclusive of VAT.

### (j) Housing properties, depreciation and impairment

#### Social housing

The Charity has reviewed the useful economic lives of its housing properties and depreciates the property cost, less freehold land and residual value, for all housing properties other than those held on an investment basis. Housing properties were merged on the basis of historic cost.

**Future estimated lives have been determined as follows:**

|                                                 |                  |
|-------------------------------------------------|------------------|
| <b>New build houses</b>                         | <b>100 years</b> |
| <b>New build flats and rehabilitated houses</b> | <b>75 years</b>  |
| <b>Rehabilitated flats</b>                      | <b>60 years</b>  |

Where a housing property consists of two or more major components with substantially different useful economic lives, each component is accounted for separately and depreciated over its useful economic life. Expenditure relating to the subsequent replacement or renewal of components is capitalised as incurred.

Depreciation is charged in equal annual instalments over the assets expected useful economic lives. The useful economic lives for the identified components are as follows:

|                                                            |                        |
|------------------------------------------------------------|------------------------|
| <b>Freehold land</b>                                       | <b>Not depreciated</b> |
| <b>Structure: new build houses</b>                         | <b>100 years</b>       |
| <b>Structure: new build flats and rehabilitated houses</b> | <b>75 years</b>        |
| <b>Structure: rehabilitated flats</b>                      | <b>60 years</b>        |
| <b>Roof</b>                                                | <b>50 years</b>        |
| <b>Lifts</b>                                               | <b>50 years</b>        |
| <b>Windows and doors</b>                                   | <b>40 years</b>        |
| <b>Alternative energy systems</b>                          | <b>25 years</b>        |
| <b>Bathroom</b>                                            | <b>25 years</b>        |
| <b>Kitchen</b>                                             | <b>20 years</b>        |
| <b>Heating system</b>                                      | <b>20 years</b>        |
| <b>Disabled adaptations</b>                                | <b>20 years</b>        |

## 1. Principal accounting policies (continued)

### (k) Other fixed assets

All other fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on all non-housing property fixed assets, to write off the cost less estimated residual value over their useful economic lives on the following methods:

Other fixed assets

Equal annual instalments 10 years

The useful economic lives of tangible fixed assets are reviewed annually.

### (l) Fixed asset investments

The Charity holds fixed asset investments. These are shown at full market valuation at each balance sheet date. Any gains and losses on re-measurement are disclosed in the Statement of Financial Activities for the period.

### (m) Short-term debtors and creditors

Debtors and creditors without any stated interest terms which are receivable or payable within one year are recorded at the transaction price. Should any losses be incurred as a result of impairment, these would be immediately recognised as other operating expenses in the Statement of Financial Activities.

### (n) Social Housing Grants

In accordance with the Charities SORP (FRS 102), grants received from government have been treated as income and added to reserves. The fund is held separately from unrestricted reserves reflecting the possibility of a repayment demand in certain circumstances from the Regulator of Social Housing.

### (o) Financial instruments

The Charity holds fixed assets investments, short term debtors and creditors, loans and cash as financial instruments. The method of measurement for fixed assets investments and short term debtors and creditors are detailed above. Loans are held at contractual value. Cash is held at current value.

## 2. Interest receivable and other income

|                       | 2022          | 2021<br>Restated |
|-----------------------|---------------|------------------|
|                       | £             | £                |
| Bank deposit interest | 15            | 869              |
| Investment income     | 26,177        | 26,771           |
| Other income          | 118           | -                |
| <b>Total</b>          | <b>26,310</b> | <b>27,640</b>    |

## 3. Interest payable and similar charges

|                       | 2022         | 2021<br>Restated |
|-----------------------|--------------|------------------|
|                       | £            | £                |
| Loan interest payable | 3,375        | 12,385           |
| Loan arrangement fee  | 1,152        | 5,962            |
| <b>Total</b>          | <b>4,527</b> | <b>18,347</b>    |

## 4. Annuitants

|                                                                            | 2022          | 2021<br>Restated |
|----------------------------------------------------------------------------|---------------|------------------|
|                                                                            | No.           | No.              |
| The total number of annuitants at the end of the accounting period         | 23            | 23               |
|                                                                            |               |                  |
|                                                                            | £             | £                |
| <b>The cost of annuitants in force at the end of the accounting period</b> | <b>11,440</b> | <b>11,310</b>    |

## 5. Net income for the year

| Net income for the year is stated after charging                     | 2022    | 2021<br>Restated |
|----------------------------------------------------------------------|---------|------------------|
|                                                                      | £       | £                |
| Depreciation                                                         | 99,824  | 114,560          |
| Auditors' remuneration (excluding VAT) in their capacity as auditors | 4,450   | 3,380            |
| Management fee to Trustee (including VAT)                            | 112,665 | 105,622          |
| Maintenance fee to Trustee (including VAT)                           | 45,560  | 32,979           |

## 6. Taxation

Nottingham Community Almshouse Charity is a registered Charity and is, therefore, exempt from liability to taxation on its income and capital gains.

## 7. Tangible fixed assets

2022

|                            | Completed<br>- housing<br>properties<br>(freehold) | Other<br>fixed<br>assets | Total     |
|----------------------------|----------------------------------------------------|--------------------------|-----------|
|                            | £                                                  | £                        | £         |
| <b>Cost</b>                |                                                    |                          |           |
| 1 April 2021 (Restated)    | 3,692,144                                          | -                        | 3,692,144 |
| Additions                  | 142,418                                            | -                        | 142,418   |
| Disposal of components     | (18,578)                                           | -                        | (18,578)  |
| 31 March 2022              | 3,815,984                                          | -                        | 3,815,984 |
| <b>Depreciation</b>        |                                                    |                          |           |
| 1 April 2021 (Restated)    | 748,303                                            | -                        | 748,303   |
| Charge for the year        | 99,824                                             | -                        | 99,824    |
| Less disposals during year | (18,578)                                           | -                        | (18,578)  |
| 31 March 2022              | 829,549                                            | -                        | 829,549   |
| <b>Net book value</b>      |                                                    |                          |           |
| 31 March 2022              | 2,986,435                                          | -                        | 2,986,435 |
| 31 March 2021 (Restated)   | 2,943,841                                          | -                        | 2,943,841 |

The net book value of charged assets at 31 March 2022 was £1,308,705 (31 March 2021 - £1,298,263).

## 8. Investments

|                                                             | 2022           | 2021<br>Restated |
|-------------------------------------------------------------|----------------|------------------|
|                                                             | £              | £                |
| <b>Market value at start of year</b>                        | <b>733,083</b> | <b>598,884</b>   |
| Accumulated dividends during year                           | 2,745          | 2,916            |
| Revaluation                                                 | 55,731         | 131,283          |
| <b>Market value at end of year</b>                          | <b>791,559</b> | <b>733,083</b>   |
| <b>The investment at market value comprises</b>             |                |                  |
| <b>Unlisted</b>                                             |                |                  |
| 436,383 (2021 - 436,383) M&G Multi Asset Fund Income shares | 400,949        | 374,853          |
| 846 (2021- 846) M&G Multi Asset Fund Accumulation shares    | 90,119         | 81,214           |
| 3,029 (2021- 3,029) M&G Charifund Income shares             | 47,853         | 44,603           |
| 12,655 (2021 - 12,655) COIF Income units                    | 246,446        | 226,866          |
| 26.78 (2021 – 26.78) COIF Accumulation units                | 6,192          | 5,547            |
| <b>Market value at 31 March 2022 and 31 March 2021</b>      | <b>791,559</b> | <b>733,083</b>   |
|                                                             |                |                  |
| <b>Cost at start of year 1 April 2021</b>                   | <b>271,291</b> | <b>268,375</b>   |
| <b>Accumulated dividends during year</b>                    | <b>2,745</b>   | <b>2,916</b>     |
| <b>Cost at end of year 31 March 2022</b>                    | <b>274,036</b> | <b>271,291</b>   |

Investments are revalued annually on 31 March taking the values published on the respective websites.

## 9. Debtors

|                                     | 2022          | 2021<br>Restated |
|-------------------------------------|---------------|------------------|
|                                     | £             | £                |
| Maintenance contribution receivable | 27,934        | 20,313           |
| Less provision for bad debts        | (9,367)       | (9,373)          |
| Other debtors and prepayments       | 12,537        | 2,275            |
| <b>Total</b>                        | <b>31,104</b> | <b>13,215</b>    |

## 10. Creditors: amounts falling due within one year

|                                               | 2022          | 2021<br>Restated |
|-----------------------------------------------|---------------|------------------|
|                                               | £             | £                |
| Maintenance contributions received in advance | 9,926         | 9,861            |
| Amount due to the Trustee                     | 15,413        | 14,307           |
| Loans due within one year                     | -             | 3,151            |
| Loan issue cost within one year               | (1,536)       | -                |
| Other creditors and accruals                  | 47,485        | 119,238          |
| <b>Total</b>                                  | <b>71,288</b> | <b>146,557</b>   |

## 11. Creditors: amounts falling due after more than one year

|                                                                                 | 2022           | 2021<br>Restated |
|---------------------------------------------------------------------------------|----------------|------------------|
|                                                                                 | £              | £                |
| Housing loans including loan finance issue costs                                | 150,000        | -                |
| Loan finance issue cost                                                         | (4,989)        | -                |
| <b>Total</b>                                                                    | <b>145,011</b> | <b>-</b>         |
| <b>Housing loans are repayable in instalments falling due as detailed below</b> |                |                  |
| In less than one year                                                           | (1,536)        | 3,151            |
| Between one and two years                                                       | (1,536)        | -                |
| Between two and five years                                                      | 146,547        | -                |
| In five years or more                                                           | -              | -                |
| <b>Total housing loans</b>                                                      | <b>143,475</b> | <b>3,151</b>     |

There were two housing loans secured by specific charges on the Charity's housing properties. One was repaid in June 2021. A new loan was taken out in June 2021 for £150,000 from Svenska Handelsbanken.

The average interest rate was 8.37%.

## 12. Social Housing Grant Reserve

|                            | 2022           | 2021<br>Restated |
|----------------------------|----------------|------------------|
|                            | £              | £                |
| Social Housing Grant       | 496,392        | 496,392          |
| <b>Total Housing Grant</b> | <b>496,392</b> | <b>496,392</b>   |

## 13. Permanent endowment

|                                          | 2022           | 2021<br>Restated |
|------------------------------------------|----------------|------------------|
|                                          | £              | £                |
| Transfer from Nottingham Annuity Charity | 464,819        | 464,819          |
| Revaluation of investments               | 35,230         | -                |
| <b>Total</b>                             | <b>500,049</b> | <b>464,819</b>   |

The permanent endowment is held for the purpose of generating income to cover the payments of annuities in perpetuity.

## 14. Capital commitments

At 31 March 2022 and 2021, there were no capital commitments.

## 15. Contingent liabilities

At 31 March 2022 and 2021, there were no known contingent liabilities.

## 16. Housing properties and maintenance contribution

The number of properties managed as at 31 March 2022 was 148. (2021 restated - 148).

## 17. Ultimate controlling party, staff costs, directors' emoluments and related parties

Nottingham Community Housing Association Limited is the Sole Corporate Trustee of Nottingham Community Almshouse Charity. Its registered address, where consolidated accounts can be obtained, is 12-14 Pelham Road, Nottingham, NG5 1AP.

Nottingham Community Housing Association Limited (NCHA) is registered as a charitable social landlord under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing. It was first registered on the 22 March 1973 for the benefit of the community. NCHA operates mainly within the East Midlands and has three regional offices and a number of satellite offices across the East Midlands. Its head office is in Nottingham.

NCHA's principal activities are the management, maintenance, improvement and development of social housing together with the provision of care and support services for those people within communities across the East Midlands with additional needs.

## 17. Ultimate controlling party, staff costs, directors' emoluments and related parties (continued)

Services are secured from the ultimate parent. The key employees of the ultimate parent are its Executive team:



**Paul Moat** DMS, MBA, MRICS, BSc (Hons)  
**Chief Executive**

- The NCHA Group Leadership
- Corporate Governance
- Risk
- Health and Safety



**Allan Fisher** BSc (Hons), PG (DIP), MSc  
**Director of Development and Assets**

- Development
- Sales
- Property Services
- Environmental Sustainability



**Holly Dagnall** BA (Hons), PG (DIP), MSc  
**Director of Homes and Wellbeing**

- Affordable Social Housing
- Sub Market Rent
- Shared Ownership
- Care and Support
- Almshouse Charities
- Equality, Diversity and Inclusion
- Social Impact



**Naomi Dobraszczyk** BA (Hons) ACA  
**Director of Finance and Resources**

- Finance
- People
- Technology
- Transformation
- Marketing Communications
- Procurement
- Information and Intelligence
- Value for Money

The directors of the Sole Corporate Trustee are the key management personnel of the Charity. They receive no payment for their role in the Charity.

The Charity receives management and financial services from NCHA. These services include the handling and settling of the majority of Nottingham Community Almshouse Charity's invoices on behalf of the Charity and NCHA recharges the Charity for the invoiced amount. The Charity paid £112,665 for the management by the Trustee (2021 restated - £105,622) and £45,560 for the maintenance by the Trustee (2021 restated - £32,979). At the end of the accounting year there is a creditor balance of £15,413 payable to NCHA (2021 restated - £14,307).

## 18. Post balance sheet events

We consider that there have been no events since the financial year end which have a material effect on the financial position of the Charity.

## 19. Financial instruments

|                                                         | 2022             | 2021<br>Restated |
|---------------------------------------------------------|------------------|------------------|
|                                                         | £                | £                |
| <b>Assets measured at fair value</b>                    |                  |                  |
| Investment                                              | 791,559          | 733,083          |
| <b>Assets measured at amortised cost</b>                |                  |                  |
| Maintenance contributions net of provision for bad debt | 18,567           | 10,940           |
| Other debtors and prepayments                           | 12,537           | 2,275            |
| Cash at bank and in hand                                | 291,958          | 296,677          |
| <b>Total</b>                                            | <b>1,114,621</b> | <b>1,042,975</b> |
|                                                         |                  |                  |
| <b>Liabilities measured at amortised cost</b>           |                  |                  |
| Loan finance falling due after more than one year       | 145,011          | -                |
| Loan finance falling due within one year                | (1,536)          | 3,151            |
| Amount due to the Trustee                               | 15,413           | 14,307           |
| Other creditors and accruals due within one year        | 47,485           | 119,238          |
| <b>Total</b>                                            | <b>206,373</b>   | <b>136,696</b>   |

## 20. Analysis of principal SoFA components for 2020/21

|                                    | Nottingham<br>Community<br>Almshouse<br>Charity<br>Pre-merger | William Crane<br>Trust<br>Pre-merger | Nottingham<br>Annuity Charity<br>Pre-merger | Combined<br>total |
|------------------------------------|---------------------------------------------------------------|--------------------------------------|---------------------------------------------|-------------------|
|                                    | £                                                             | £                                    | £                                           | £                 |
| <b>Total income</b>                | <b>630,683</b>                                                | <b>19,038</b>                        | <b>16,982</b>                               | <b>666,703</b>    |
| Total expenditure                  | (542,023)                                                     | (19,193)                             | (14,767)                                    | (575,983)         |
| Net income/(expenditure)           | 88,660                                                        | (155)                                | 2,215                                       | 90,720            |
| Other gains/(losses)               | 39,311                                                        | 9,474                                | 82,498                                      | 131,283           |
| <b>Net movement in funds</b>       | <b>127,971</b>                                                | <b>9,319</b>                         | <b>84,713</b>                               | <b>222,003</b>    |
|                                    |                                                               |                                      |                                             |                   |
| <b>Total funds brought forward</b> | <b>3,175,364</b>                                              | <b>42,761</b>                        | <b>400,131</b>                              | <b>3,618,256</b>  |
| <b>Total funds carried forward</b> | <b>3,303,335</b>                                              | <b>52,080</b>                        | <b>484,844</b>                              | <b>3,840,259</b>  |

## 21. Analysis of principal SoFA components for 2021/22

|                                 | Nottingham<br>Community<br>Almshouse<br>Charity<br><br>Pre-merger<br>(01/04/21-<br>19/08/21) | Nottingham<br>Annuity Charity<br><br>Pre-merger<br>(01/04/21-<br>19/08/21) | Nottingham<br>Community<br>Almshouse<br>Charity<br><br>Post-merger<br>(20/08/21-<br>31/03/22) | Combined<br>total<br><br>(20/08/21-<br>31/03/22) |
|---------------------------------|----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|--------------------------------------------------|
|                                 | £                                                                                            | £                                                                          | £                                                                                             | £                                                |
| <b>Total income</b>             | <b>249,425</b>                                                                               | <b>3,992</b>                                                               | <b>417,565</b>                                                                                | <b>670,982</b>                                   |
| Total expenditure               | (175,636)                                                                                    | (3,501)                                                                    | (503,079)                                                                                     | (682,216)                                        |
| <b>Net income/(expenditure)</b> | <b>73,789</b>                                                                                | <b>491</b>                                                                 | <b>(85,514)</b>                                                                               | <b>(11,234)</b>                                  |
| Other gains/(losses)            | 17,555                                                                                       | 30,450                                                                     | (27,503)                                                                                      | 20,502                                           |
| <b>Net movement in funds</b>    | <b>91,344</b>                                                                                | <b>30,941</b>                                                              | <b>(113,017)</b>                                                                              | <b>9,268</b>                                     |

## 22. Analysis of net assets at the date of merger

|                         | Nottingham<br>Community<br>Almshouse<br>Charity | William Crane<br>Trust | Nottingham<br>Annuity Charity | Combined<br>total |
|-------------------------|-------------------------------------------------|------------------------|-------------------------------|-------------------|
|                         | £                                               | £                      | £                             | £                 |
| <b>Net assets</b>       | <b>3,303,335</b>                                | <b>52,080</b>          | <b>484,844</b>                | <b>3,840,259</b>  |
| <b>Represented by</b>   |                                                 |                        |                               |                   |
| Unrestricted funds      | 2,806,943                                       | 52,080                 | 20,025                        | 2,879,048         |
| Restricted income funds | 496,392                                         | -                      | -                             | 496,392           |
| Endowment funds         | -                                               | -                      | 464,819                       | 464,819           |
| <b>Total funds</b>      | <b>3,303,335</b>                                | <b>52,080</b>          | <b>484,844</b>                | <b>3,840,259</b>  |

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Nottingham  
NG5 1AP

 @NottsCommHA  
 /NottinghamCommunityHousingAssociation

An electronic version of this report can be found on our website, [www.ncha.org.uk](http://www.ncha.org.uk)

Nottingham Community Housing Association Limited is a charitable community benefit society, registered with the Financial Conduct Authority under number 7104.

Published November 2022  
#701

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# Accounts

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# Nottingham Community Almshouse Charity

Financial statements for the year ended 31 March 2021



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# Trustee, Advisors and Bankers

## Trustee:

The Nottingham Community Housing Association is the Sole Corporate Trustee

Naomi Dobraszczyc

Clerk to the Trustee

## The directors of the Sole Corporate Trustee are:

Ms Claire Winfield BA (Hons) (NCHA Chair)

Ms Carri Swann BA (retired 2 June 2021)

Mr Paul Casey BA MCIH (retired 28 July 2021)

Ms Audra Wynter MBA FCMI MIC ATT Fellow FMATT (Audit and Risk Committee) (retired 28 July 2021)

Mr David Harrison BA MCIH

Mr Christopher Blackburn

Ms Donna Edwards BA, CPFA

Mr Callum Gillespie BSc (Hons) (Audit and Risk Committee Chair)

Ms Lorelei Jarvis BSc (Hons)

Mr Mike Finister-Smith (Audit and Risk Committee)

Mr Pradeep Khuti

Mr Paul Parkinson BA (Hons) Dip.RSA FCIH (Appointed 16 September 2020)

## Registered Office:

12/14 Pelham Road  
Sherwood Rise  
Nottingham  
NG5 1AP

**Telephone**  
0800 013 8555

**Facsimile**  
0115 910 4445

**Email**  
info@ncha.org.uk

## External Auditors:

Beever and Struthers  
Statutory Auditor  
St. George's House  
215 – 219 Chester Road  
Manchester  
M15 4JE

## Solicitors:

Freeths LLP  
Cumberland Court  
80 Mount Street  
Nottingham  
NG1 6HH

## Bankers:

Lloyds Bank plc  
PO Box 72  
Bailey Drive  
Gillingham  
Kent  
ME8 0LS

# Report of the Trustee



## Objectives and activities

The objective of the Charity is to provide rented accommodation to necessitous persons. All activity is carried out in support of this objective.

## Public benefit disclosure

The Charities Act 2011 identifies two key principles of public benefit namely there must be an identifiable benefit or benefits and the benefit must be to the public or to a section of the public.

The trustee, in the aims and objectives of the Charity and in the oversight of the Charity's operations, has had regard to and believes that it meets with the Charity Commission's guidance on public benefit. The trustee defines the public benefit of the Charity as being the provision of social rented accommodation to necessitous persons in Nottinghamshire.

## Achievements and performance

Nottingham Community Almshouse Charity was formed on 1 April 2008 by combining seven individual charities into one Charity. Nottingham Almshouse Charity, Ada Mary Best Homes, Lambley Almshouses, Henry Brown Homes and Julien Cahn Homes were subsequently added into the Charity. During 2019/20 two further Charities were added, Warner's Almshouses on 1 June 2019 and Harworth Miners Bungalows on 20 December 2019.

The charity owned 144 properties at year end (2020 = 144). No gross maintenance contributions receivable were generated from one property at William Woodsend Memorial Homes where the tenants are allowed to reside without making maintenance contributions. The remaining 143 properties provided gross maintenance contributions of £627,003 (2020 - £610,772) at a weekly contribution of between £40.00 and £103.11 per property. Void losses of £5,015 (2020 - £8,394) were incurred during the year.

## Financial review

There was a surplus for the year of £127,971 (2020 - £80,715).

The Statement of Financial Position of the Charity is strong, with unrestricted general fund reserves of £2,806,943 (2020 - £2,678,972).

## Statement of compliance

The trustee confirms this Report of the Trustee has been prepared in accordance with the principles set out in the 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 (FRS102).

## Plans for future periods

In future periods the Charity intends to continue to provide current activities in support of the Charity's objectives.

## Post balance sheet events

On the 1 April 2021, the Charity Commission for England and Wales ordered that the William Crane Trust will be administered as part of the Nottingham Community Almshouse Charity.

## Structure, governance and management

The Charity is governed by a Charity Commission scheme.

Nottingham Community Housing Association is the sole corporate trustee of the Charity. Naomi Dobraszczyk is the Clerk to The Trustee. The day to day management and activities of the Charity are carried out by employees of Nottingham Community Housing Association.

## Reserves policy

It is the policy of the Charity not to designate any of its reserves for any specific purpose, other than the required Social Housing Grant Reserve. Targets are set by the trustee as part of the budgeting process. In the event of a shortfall the trustee considers plans to make good where appropriate. Similarly, where an excess is achieved the trustee considers plans on how best to utilise this.

The Charity Commission defines free reserves as total unrestricted funds less tangible fixed assets for charity use less amounts designated for essential future spending. On this basis the Charity has free reserves of £359,494 (2020 - £230,508).

## Investments

Control of investments is placed with NCHA's Director of Finance and Resources and Chief Executive. The value of investments will be dictated by the business cash flow requirements and proposed development plans. The exact amount of investments will vary from time to time and will be kept available to meet all liquidity requirements.

The Charity will maintain a list of institutions with whom it will invest.

The Director of Finance and Resources will liaise with external consultants to receive regular updates on the credit standing of the preferred list and will be authorised to add or remove firms as seen fit.

When significant funds are available to invest (typically greater than £5m) the Director of Finance and Resources will approach at least two of the preferred institutions to establish the best possible terms available. The funds will then be invested in accordance with the terms of this Policy at the best rates available.

In exceptional circumstances, where the Charity is holding large cash balances, the Director of Finance and Resources will seek to increase the diversity of investment counterparties through the use of Public Debt Constant Net Asset Value and Low Volatility Net Asset Value Money Market Funds and Deposit Funds.

Investments held by the Trust are managed by M & G Securities Limited at PO Box 9038, Chelmsford, England CM99 2XF and CCLA Investment Management at Senator House, 85 Queen Victoria Street, London, EC4V 4ET.

## Statement of trustee's responsibilities in respect of the accounts

The trustee is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the 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 (FRS102);
- make judgements and 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 operation.

## Statement of trustee's responsibilities in respect of the accounts (continued)

The trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. The trustee 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.

The trustee is responsible for the maintenance and integrity of the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

So far as the trustee is aware there is no relevant auditor information of which the auditors are unaware. The Trustee has taken all steps it ought to have taken as Trustee in order to make itself aware of any relevant audit information and to establish that the auditors are aware of that information.

## Related Parties

Nottingham Community Housing Association Limited is the sole Corporate Trustee of Nottingham Community Almshouse Charity. Its registered address, where consolidated accounts can be obtained, is 12-14 Pelham Road, Nottingham NG5 1AP.

Nottingham Community Housing Association Limited (NCHA) is registered as a charitable social landlord under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing. It was first registered on the 22 March 1973 for the benefit of the community. NCHA operates mainly within the East Midlands and has three regional offices and a number of satellite offices across the East Midlands. Its head office is in Nottingham.

NCHA's principal activities are the management, maintenance, improvement and development of social housing together with the provision of Care and Support services for those people within communities across the East Midlands with additional needs.

## Going concern

After making enquiries, the trustee has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

The report of the trustee was approved on 28 July 2021 and signed on its behalf by:



**Naomi Dobraszczyc**

Clerk to the Trustee

# Report of the Independent Auditor to the Trustee



## Opinion

We have audited the financial statements of Nottingham Community Almshouse Charity “the charity” for the 31 March 2021 which comprise the Statement of Financial Activities and the Statement of Financial Position. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 “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 31 March 2021 and of its incoming resources and application of resources (profit/loss), 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 requirements of the Charities Act 2011.

## 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 Auditor's 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 8-9, 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 is 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145\* 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 an auditor's report 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

**The extent to which the audit was considered capable of detecting irregularities including fraud**

### **Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:**

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- We identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our commercial knowledge and experience of the charitable housing sector.
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011, taxation legislation, data protection and health and safety legislation.
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

## Auditor's responsibilities for the audit of the financial statements (continued)

### **We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:**

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

### **To address the risk of fraud through management bias and override of controls, we:**

- Performed analytical procedures on depreciation to identify any unusual or unexpected relationships.
- Tested journal entries to identify unusual transactions.
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias.
- Investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## 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 an auditor's report 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Beever and Struthers*

### **Beever and Struthers, Statutory Auditor**

Beever and Struthers is eligible to act as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Beever and Struthers  
Chartered Accountants and Statutory Auditor  
St George's House  
215-219 Chester Road  
Manchester  
M15 4JE

Date: 27th August 2021

# Statement of Financial Activities



## Statement of Financial Activities (Including Income and Expenditure Account)

| For the year ended<br>31 March 2021                           |      | Unrestricted<br>General Fund<br>2021 | Unrestricted<br>General Fund<br>2020 |
|---------------------------------------------------------------|------|--------------------------------------|--------------------------------------|
|                                                               | Note | £                                    | £                                    |
| <b>Income from:</b>                                           |      |                                      |                                      |
| Maintenance contributions net of identifiable service charges |      | 627,003                              | 610,772                              |
| Less voids                                                    |      | (5,015)                              | (8,394)                              |
| Other income                                                  |      | -                                    | 64                                   |
| Surplus on sale of investments                                |      | -                                    | 81                                   |
| Interest receivable                                           | 2    | 8,695                                | 12,034                               |
| Unrealised surplus/(deficit) on revaluation of Investments    | 7    | 39,311                               | (29,344)                             |
| <b>Total income</b>                                           |      | <b>669,994</b>                       | <b>585,213</b>                       |
| <b>Expenditure on:</b>                                        |      |                                      |                                      |
| Management                                                    |      | (117,301)                            | (114,576)                            |
| Service charge costs                                          |      | (57,884)                             | (68,566)                             |
| Repairs and maintenance                                       |      | (228,697)                            | (211,237)                            |
| Rent losses from bad debts                                    |      | (5,234)                              | (2,183)                              |
| Depreciation of housing properties                            | 4    | (114,560)                            | (86,167)                             |
| Interest payable and similar charges                          | 3    | (18,347)                             | (22,309)                             |
| <b>Total expenditure</b>                                      |      | <b>(542,023)</b>                     | <b>(505,038)</b>                     |
| <b>Net income</b>                                             |      | <b>127,971</b>                       | <b>80,175</b>                        |
| <b>Net movement in funds</b>                                  |      | <b>127,971</b>                       | <b>80,175</b>                        |
| <b>Reconciliation of funds:</b>                               |      |                                      |                                      |
| Total funds brought forward                                   |      | 3,175,364                            | 3,095,189                            |
| <b>Total funds carried forward</b>                            |      | <b>3,303,335</b>                     | <b>3,175,364</b>                     |

The results relate wholly to continuing activities and the notes on pages 25 to 36 form an integral part of these accounts. The financial statements of pages 17 to 36 were approved and authorised for issue by the Trustee on 28 July 2021 and were signed on its behalf by:



**Naomi Dobraszczyc**  
Clerk to the Trustee

Signed on behalf of Nottingham Community Housing  
Association Limited (Sole Corporate Trustee)

## Statement of Financial Position



Statement of Financial Position

| As at 31 March 2021                          |      | 2021      | 2020      |
|----------------------------------------------|------|-----------|-----------|
|                                              | Note | £         | £         |
| Fixed assets                                 |      |           |           |
| Tangible fixed assets (Housing Properties)   | 6    | 2,943,841 | 2,944,856 |
| Investments                                  | 7    | 218,114   | 175,887   |
| Total fixed assets                           |      | 3,161,955 | 3,120,743 |
| Current assets                               |      |           |           |
| Debtors and prepayments                      | 8    | 12,884    | 24,969    |
| Short term deposit                           |      | 29,478    | 29,443    |
| Cash at bank and in hand                     |      | 238,691   | 543,046   |
| Total current assets                         |      | 281,053   | 597,458   |
| Creditors                                    |      |           |           |
| Amounts falling due within one year          | 9    | (139,673) | (539,686) |
| Net current assets                           |      | 141,380   | 57,772    |
| Creditors                                    |      |           |           |
| Amounts falling due after more than one year | 10   | -         | 3,151     |
| Net assets                                   |      | 3,303,335 | 3,175,364 |
| Funds of the Charity                         |      |           |           |
| Unrestricted General Fund                    |      | 2,806,943 | 2,678,972 |
| Social Housing Grant Reserve                 | 11   | 496,392   | 496,392   |
| Total funds of the Charity                   |      | 3,303,335 | 3,175,364 |

The notes on pages 25 to 36 form an integral part of these accounts. The financial statements on pages 17 to 36 were approved and authorised for issue by the Trustee on 28 July 2021 and were signed on its behalf by:

  
**Naomi Dobraszczyc**  
Clerk to the Trustee

Signed on behalf of Nottingham Community Housing Association Limited (Sole Corporate Trustee)

Statement of  
Changes in Reserves



Statement of Changes in Reserves

| For the year ended<br>31 March 2021            | Income and<br>expenditure | Social<br>Housing<br>Grant | Total     |
|------------------------------------------------|---------------------------|----------------------------|-----------|
|                                                | £                         | £                          | £         |
| Original balance at 31 March 2019              | 2,598,797                 | 496,392                    | 3,095,189 |
| Surplus from Statement of Financial Activities | 80,175                    | -                          | 80,175    |
| Original balance at 31 March 2020              | 2,678,972                 | 496,392                    | 3,175,364 |
| Surplus from Statement of Financial Activities | 127,971                   | -                          | 127,971   |
| Balance at 31 March 2021                       | 2,806,943                 | 496,392                    | 3,303,335 |

The notes on pages 25 to 36 form an integral part of these accounts.

Statement of  
Cash Flows



Statement of Cash Flows

| As at 31 March 2021                                        | 2021      | 2020      |
|------------------------------------------------------------|-----------|-----------|
|                                                            | £         | £         |
| Cash flows from operating activities                       |           |           |
| Net movement in funds                                      | 127,971   | 80,175    |
| Adjustments for:                                           |           |           |
| Interest receivable                                        | (8,695)   | (12,034)  |
| Interest payable and similar charges                       | 18,347    | 22,309    |
| Unrealised (surplus)/deficit on revaluation of investments | (39,311)  | 29,344    |
| Realised (surplus) on revaluation of investments           | -         | (81)      |
| Depreciation of housing properties                         | 114,560   | 86,291    |
| Increase/(decrease) in debtors                             | 16,515    | (5,908)   |
| Increase in creditors                                      | 52,650    | 16,870    |
| (Increase) in provisions                                   | (4,430)   | (628)     |
| Net cash generated from operating activities               | 277,607   | 216,338   |
| Cash flow from investing activities                        |           |           |
| Purchase of tangible fixed assets                          | (113,545) | (161,109) |
| Proceeds from sale of intangible fixed asset (investment)  | -         | 2,625     |
| Interest received                                          | 5,779     | 8,951     |
| Sub total                                                  | (107,766) | (149,533) |
| Cashflow from financing activities                         |           |           |
| Interest paid                                              | (12,385)  | (16,346)  |
| Loan issue fees                                            | (5,962)   | (5,962)   |
| Repayment of borrowing                                     | (455,814) | (4,593)   |
| Sub total                                                  | (474,161) | (26,901)  |
| Net change in cash and cash equivalents                    | (304,320) | 39,904    |
| Cash and cash equivalents at the beginning of the year     | 572,489   | 532,584   |
| Cash and cash equivalents at the end of the year           | 268,169   | 572,489   |

Notes to the Financial Statements

Legal status

The Charity is an unincorporated charity registered in England and Wales with the National Almshouse Association and the Charity Commission. The registered office is 12-14 Pelham Road, Nottingham, NG5 1AP.



## Notes

### 1. Principal accounting policies

#### (a) Basis of accounting

The Charity's financial statements have been prepared in accordance with applicable United Kingdom Accounting Generally Accepted Accounting Practice (UK GAAP) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 October 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011.

The accounts are prepared on the historical cost basis of accounting except as modified by the revaluation of investments and are presented in rounded pounds sterling.

In applying FRS102 the Charity meets the definition of a public benefit entity.

#### (b) Going concern

The Charity's financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future based on the levels of anticipated income, expenditure and the funds of the Charity.

#### (c) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the date of the Statement of Financial Position and the amounts reported for revenue and expenses during the financial year. However, the nature of estimation means that the actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on the amounts recognised in the financial statements:

- i. Categorisation of housing properties. The Charity has undertaken a detailed review of the intended use of all housing properties. In determining the intended use, the Charity has considered if the asset is held for social benefit or to earn commercial rentals.
- ii. The Charity has reviewed the useful economic lives of its housing properties and depreciates the property cost, less freehold land and residual value, for all housing properties.

Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the Statement of Financial Activities. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. The Charity has identified a cash generating unit for impairment assessment purposes at a property programme level. Following a trigger for impairment, the Charity performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from sales transactions in an arm's length transaction on similar cash generating units (properties) or observable market prices less incremental costs for disposing of the properties.

## Notes

### 1. Principal accounting policies (continued)

#### (c) Judgements and key sources of estimation uncertainty (continued)

The value in use calculation is based on either a depreciated replacement cost or a discounted cash flow model. The depreciated replacement cost is based on available data of the cost of constructing or based on either a depreciated replacement cost or a discounted cash flow model. The depreciated replacement cost is based on available data of the cost of constructing or acquiring replacement properties to provide the same level of service potential to the Charity as the existing property. The cash flows are derived from the business plan for the next 30 years and do not include restructuring activities that the Charity is not yet permitted to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes. Following the assessment of impairment no impairment losses were identified in the reporting period.

#### (d) Turnover and revenue recognition

Turnover represents maintenance contributions income receivable (less loss of maintenance contributions due to voids) and other charges receivable and other income and is recognised in relation to the period when the goods and services have been supplied.

Maintenance contributions are recognised when the property is available for let, net of voids. 2020-2021 is a 52 rent week year. 2019-2020 was a 53 rent week year.

#### (e) Loan interest costs

Loan interest costs are calculated using the effective interest method of the difference between the loan amount at initial recognition and amount of maturity of the related loan.

#### (f) Loan finance issue costs

These are amortised evenly over the life of the related loan. Loans are stated in the Statement of Financial Position at the amount of net proceeds after issue, plus any increases to account for any subsequent amounts amortised. Where loans are redeemed in the year, any redemption penalty and any connected loan finance issue costs are recognised in the Statement of Financial Activities in the year in which the redemption took place.

#### (g) Provision for bad debts

A provision for maintenance contributions debts becoming irrecoverable is made against 100% of former tenant arrears and 50% of current tenant arrears for all customers more than six weeks in arrears.

Notes

1. Principal accounting policies (continued)

(h) Corporation Taxation

The Association has charitable status and is exempt from UK Corporation Tax under section 531 of the Income Tax Act 2007.

(i) Value Added Tax

Nottingham Community Almshouse Charity is not registered for value added tax. In these financial statements, where applicable, expenditure is shown inclusive of VAT.

(j) Housing properties, depreciation and impairment

Social Housing:

The combined Charity has reviewed the useful economic lives of its housing properties and depreciates the property cost, less freehold land and residual value, for all housing properties other than those held on an investment basis. Housing properties were merged on the basis of historic cost.

Future estimated lives have been determined as follows:

|                                          |           |
|------------------------------------------|-----------|
| New build houses                         | 100 years |
| New build flats and rehabilitated houses | 75 years  |
| Rehabilitated flats                      | 60 years  |

Where a housing property consists of two or more major components with substantially different useful economic lives, each component is accounted for separately and depreciated over its useful economic life. Expenditure relating to the subsequent replacement or renewal of components is capitalised as incurred.

Depreciation is charged in equal annual instalments over the assets expected useful economic lives. The useful economic lives for the identified components are as follows:

|                                                     |                 |
|-----------------------------------------------------|-----------------|
| Freehold land                                       | Not depreciated |
| Structure: new build houses                         | 100 years       |
| Structure: new build flats and rehabilitated houses | 75 years        |
| Structure: rehabilitated flats                      | 60 years        |
| Roof                                                | 50 years        |
| Lifts                                               | 50 years        |
| Windows and doors                                   | 40 years        |
| Alternative energy systems                          | 25 years        |
| Bathroom                                            | 25 years        |
| Kitchen                                             | 20 years        |
| Heating system                                      | 20 years        |
| Disabled adaptions                                  | 20 years        |

Notes

1. Principal accounting policies (continued)

(k) Other fixed assets

All other fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on all non-housing property fixed assets, to write off the cost less estimated residual value over their useful economic lives on the following methods:

|                    |                                   |
|--------------------|-----------------------------------|
| Other fixed assets | Equal annual instalments 10 years |
|--------------------|-----------------------------------|

The useful economic lives of tangible fixed assets are reviewed annually.

(l) Fixed asset investments

The Charity holds fixed asset investments. These are shown at full market valuation at each balance sheet date. Any gains and losses on re-measurement are disclosed in the Statement of Financial Activities for the period.

(m) Short-term debtors and creditors

Debtors and creditors without any stated interest terms which are receivable or payable within one year are recorded at the transaction price. Should any losses be incurred as a result of impairment, these would be immediately recognised as other operating expenses in the Statement of Financial Activities

(n) Social Housing Grants

In accordance with the Charities SORP (FRS102), grants received from government have been treated as income and added to reserves. The fund is held separately from unrestricted reserves reflecting the possibility of a repayment demand in certain circumstances from the Regulator of Social Housing.

(o) Financial Instruments

The Charity holds fixed assets investments, short term debtors and creditors, loans and cash as financial instruments. The method of measurement for fixed assets investments and short term debtors and creditors are detailed above. Loans are held at contractual value. Cash is held at current value.

## Notes

**2. Interest receivable and other income**

|                       | 2021         | 2020          |
|-----------------------|--------------|---------------|
|                       | £            | £             |
| Bank deposit interest | 833          | 4,003         |
| Investment income     | 7,862        | 8,031         |
| <b>Total</b>          | <b>8,695</b> | <b>12,034</b> |

**3. Interest payable and similar charges**

|                       | 2021          | 2020          |
|-----------------------|---------------|---------------|
|                       | £             | £             |
| Loan interest payable | 12,385        | 16,347        |
| Loan arrangement fee  | 5,962         | 5,962         |
| <b>Total</b>          | <b>18,347</b> | <b>22,309</b> |

**4. Net income for the year**

| <b>Net income is stated after charging:</b>                          | 2021    | 2020   |
|----------------------------------------------------------------------|---------|--------|
|                                                                      | £       | £      |
| Depreciation                                                         | 114,560 | 86,167 |
| Auditors' remuneration (excluding VAT) in their capacity as auditors | 3,380   | 3,105  |
| Management fee to trustee (including VAT)                            | 99,683  | 95,892 |
| Maintenance fee to trustee (including VAT)                           | 31,678  | 33,907 |

## Notes

**5. Taxation**

Nottingham Community Almshouse Charity is a registered Charity and is, therefore, exempt from any liability to taxation on its income and capital gains under section 531 of the Income Tax Act 2007.

**6. Tangible fixed assets**

|                            | 2021                                               |                          |           |
|----------------------------|----------------------------------------------------|--------------------------|-----------|
|                            | Completed<br>- housing<br>properties<br>(freehold) | Other<br>fixed<br>assets | Total     |
|                            | £                                                  | £                        | £         |
| <b>Cost</b>                |                                                    |                          |           |
| 1 April 2020               | 3,615,600                                          | -                        | 3,615,600 |
| Additions                  | 113,545                                            | -                        | 113,545   |
| Disposal of components     | (37,001)                                           | -                        | (37,001)  |
| 31 March 2021              | 3,692,144                                          | -                        | 3,692,144 |
| <b>Depreciation</b>        |                                                    |                          |           |
| 1 April 2020               | 670,744                                            | -                        | 670,744   |
| Charge for the year        | 114,560                                            | -                        | 114,560   |
| Less disposals during year | (37,001)                                           | -                        | (37,001)  |
| 31 March 2021              | 748,303                                            | -                        | 748,303   |
| <b>Net book value</b>      |                                                    |                          |           |
| 31 March 2021              | 2,943,841                                          | -                        | 2,943,841 |
| 31 March 2020              | 2,944,856                                          | -                        | 2,944,856 |

The net book value of charged assets at 31 March 2021 was £1,298,263 (31 March 2020 - £1,326,181).

## Notes

## 7. Investments

|                                                            | 2021           | 2020           |
|------------------------------------------------------------|----------------|----------------|
|                                                            | £              | £              |
| <b>Market value at start of year</b>                       | <b>175,887</b> | <b>204,691</b> |
| Accumulated dividends during year                          | 2,916          | 3,083          |
| Investments sold during year                               | -              | (2,544)        |
| Revaluation                                                | 39,311         | (29,343)       |
| <b>Market value at end of year</b>                         | <b>218,114</b> | <b>175,887</b> |
| <b>The investment at market value comprises: Unlisted:</b> |                |                |
| 95,530 (2020 - 95,530) NAACIF Income shares                | 82,060         | 66,861         |
| 846 (2020 - 846) NAACIF Accumulation shares                | 81,214         | 63,197         |
| 3,059 (2020 - 3,059) COIF Income units                     | 54,840         | 45,829         |
| <b>Market value at 31 March 2021 and 31 March 2020</b>     | <b>218,114</b> | <b>175,887</b> |
|                                                            |                |                |
| <b>Cost at start of year 1 April 2020</b>                  | <b>90,855</b>  | <b>90,316</b>  |
| <b>Accumulated dividends during year</b>                   | <b>2,916</b>   | <b>3,083</b>   |
| <b>Sold during year</b>                                    | <b>-</b>       | <b>(2,544)</b> |
| <b>Cost at end of year 31 March 2021</b>                   | <b>93,771</b>  | <b>90,855</b>  |

Investments are revalued annually on 31 March taking the values published on the respective websites.

## 8. Debtors

|                                     | 2021          | 2020          |
|-------------------------------------|---------------|---------------|
|                                     | £             | £             |
| Maintenance contribution receivable | 19,982        | 16,748        |
| Less provision for bad debts        | (9,373)       | (4,943)       |
| Other debtors                       | 2,275         | 13,164        |
| <b>Total</b>                        | <b>12,884</b> | <b>24,969</b> |

## Notes

## 9. Creditors: Amounts falling due within one year

|                                               | 2021           | 2020           |
|-----------------------------------------------|----------------|----------------|
|                                               | £              | £              |
| Maintenance contributions received in advance | 9,696          | 7,779          |
| Amount due to the trustee                     | 13,422         | 49,961         |
| Loans due within one year                     | 3,151          | 461,776        |
| Loan issue costs within one year              | -              | (5,962)        |
| Other creditors and accruals                  | 113,404        | 26,132         |
| <b>Total</b>                                  | <b>139,673</b> | <b>539,686</b> |

## 10. Creditors: Amounts falling due after more than one year

|                                                                           | 2021         | 2020           |
|---------------------------------------------------------------------------|--------------|----------------|
|                                                                           | £            | £              |
| Housing loans including loan finance issue costs                          | -            | 3,151          |
|                                                                           | -            | <b>3,151</b>   |
| <b>Housing loans are repayable in instalments falling due as follows:</b> |              |                |
| In less than one year                                                     | 3,151        | 455,814        |
| Between one and two years                                                 | -            | 3,151          |
| Between two and five years                                                | -            | -              |
| In five years or more                                                     | -            | -              |
| <b>Total housing loans</b>                                                | <b>3,151</b> | <b>458,965</b> |

There are two housing loans secured by specific charges on the Charity's housing properties. One is repayable in half yearly instalments, by 2022 and the other was a £450,000 loan from Svenska Handelsbanken AB repaid 31 March 2021.

The average interest rate was 2.97%.

Notes

11. Social Housing Grant Reserve

|                      | 2021    | 2020    |
|----------------------|---------|---------|
|                      | £       | £       |
| Social Housing Grant | 496,392 | 496,392 |
| Total Housing Grant  | 496,392 | 496,392 |

12. Capital commitments

At 31 March 2021 and 2020, there were no capital commitments.

13. Contingent liabilities

At 31 March 2021 and 2020, there were no known contingent liabilities.

14. Housing properties and maintenance contribution

The number of properties managed as at 31 March 2021 was 144. (2020 - 144)

15. Ultimate controlling party, staff costs, directors' emoluments and related parties

Nottingham Community Housing Association Limited is the sole Corporate Trustee of Nottingham Community Almshouse Charity. Its registered address, where consolidated accounts can be obtained, is 12-14 Pelham Road, Nottingham, NG5 1AP.

Nottingham Community Housing Association Limited (NCHA) is registered as a charitable social landlord under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing. It was first registered on the 22 March 1973 for the benefit of the community. NCHA operates mainly within the East Midlands and has three regional offices and a number of satellite offices across the East Midlands. Its head office is in Nottingham.

NCHA's principal activities are the management, maintenance, improvement and development of social housing together with the provision of Care and Support services for those people within communities across the East Midlands with additional needs.

Notes

15. Ultimate controlling party, staff costs, directors' emoluments and related parties (continued)

The Charity employs no staff. Instead services are secured from the ultimate parent. The key employees of the ultimate parent are its Executive Team:



**Paul Moat** DMS, MBA, MRICS, BSc (Hons)  
**Chief Executive**

- The NCHA Group Leadership
- Corporate Governance
- Risk
- Health and Safety



**Allan Fisher** BSc (Hons), PG (DIP), MSc  
**Director of Development and Assets**

- Development
- Sales
- Asset Management
- Maintenance



**Holly Dagnall** BA (Hons), PG (DIP), MSc  
**Director of Homes and Wellbeing**

- Affordable Social Housing
- Sub Market Rent
- Shared Ownership
- Care and Support
- Almshouse Charities



**Naomi Dobraszczyk** BA (Hons) ACA  
**Director of Finance and Resources**

- Finance
- Human Resources
- Technology and Transformation
- Marketing Communications

The directors of the Sole Corporate Trustee are the key management personnel of the Charity. They receive no payment for their role in the Charity.

The Charity receives management and financial services from NCHA. These services include the handling and settling of the majority of Nottingham Community Almshouse Charity's invoices on behalf of the Charity and Nottingham Community Housing Association recharges the Charity for the invoiced amount. The Charity paid £99,683 for the management by the trustee (2020 - £95,892) and £31,678 for the maintenance by the trustee (2020 - £33,907). At the end of the accounting year there is a creditor balance of £13,422 payable to Nottingham Community Housing Association Limited (2020 - £49,961).

Notes

16. Post balance sheet events

We consider that there have been no events since the financial year end which have a material effect on the financial position of the Charity. However, on the 1 April 2021 The Charity Commission for England and Wales ordered that The William Crane Trust will be administered as part of Nottingham Community Almshouse Charity.

17. Financial Instruments

|                                                         | 2021    | 2020    |
|---------------------------------------------------------|---------|---------|
|                                                         | £       | £       |
| Assets measured at fair value:                          |         |         |
| Investment                                              | 218,114 | 175,887 |
| Assets measured at amortised cost:                      |         |         |
| Maintenance contributions net of provision for bad debt | 10,609  | 11,805  |
| Other debtors                                           | 2,275   | 13,164  |
| Cash at bank and in hand                                | 268,169 | 572,489 |
| Total                                                   | 499,167 | 773,345 |
| Liabilities measured at amortised cost:                 |         |         |
| Loan finance falling due after more than 1 year         | -       | 3,151   |
| Loan finance falling due within 1 year                  | -       | 455,814 |
| Amount due to the trustee                               | 13,422  | 49,961  |
| Other creditors and accruals due within 1 year          | 113,404 | 26,132  |
| Total                                                   | 126,826 | 535,058 |

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An electronic version of this report can be found on our website, [www.ncha.org.uk](http://www.ncha.org.uk)  
Nottingham Community Housing Association Limited is a charitable community benefit society, registered with the Financial Conduct Authority under number 7104.

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