

# **Powell and Welch Almshouse Charity**

Charity registration number: 218268

## **Financial Statements**

**Year Ended 31 December 2020**

# **Powell and Welch Almshouse Charity**

## **Financial Statements**

**Year Ended 31 December 2020**

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# **Accountants Report to the Trustees on the Unaudited Financial Statements of the Powell and Welch Almshouse Charity**

## **Administrative Information**

The Charity is regulated by the Charity Commission and its registration number is 218268. The full name of the Charity is The Powell and Welch Almshouse Charity and its contact address is Newstead House, The Green, Bitteswell, Lutterworth LE17 4SG.

The Clerk to the Charity is Mrs M M Reid.

## **Trustees of the charity**

The trustees who have served during the year and since the year end were as follows:

Mr P Hurst (Chair)  
Mrs M M Reid  
Rev C A M Styles  
Mr K Patton (Treasurer)  
Mrs J Pinnick  
Ms P Beason

The Charity is affiliated with the National Association of Almshouses.

The Charity had the following professional advisers:

Reporting Accountants	PWH Accountancy Limited The Counting House High Street Lutterworth Leicestershire LE17 4AY
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Bankers	Barclays Bank Plc Leicester Haymarket Towers Branch Leicester LE19 1RJ
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## **Objectives and activities**

As a modern almshouse charity, we provide affordable housing in a rural area for local people who are in need. Our residents are elderly people of limited means who are accepted as almshouse residents due to their circumstances and their inability to fund a home from their own resources.

# **Accountants Report to the Trustees on the Unaudited Financial Statements of the Powell and Welch Almshouse Charity**

## **Achievements and Performance**

The charity has had a quiet year, both due to the extensive works undertaken in earlier years to fully address the backlog of renovation and renewal, and the impact of the Coronavirus pandemic.

The charity's main achievements in 2020 are as follows:

- Following the death of the Resident at No.6 Powell Row in November 2019, the trustees arranged for the bath to be replaced with a shower and for the house to be re-decorated. Following a local advertisement and a selection process, a new Resident was appointed by the trustees. She was unable to move in until the end of May due to the pandemic lockdown.
- The trustees decided not to raise the Weekly Maintenance Contributions (WMCs) in line with the Homes England inflation formula in 2020. WMCs were maintained at their 2019 level to help with the additional costs that Residents faced due to the pandemic
- In April 2019 the trustees decided to de-register as a Registered Social Housing Provider with the Housing Regulator. This was to avoid the Regulator's annual fee of £300 which had risen from £180 and the burden of the administrative and statistical returns required by them. The trustees submitted their application in August 2019. It was finally approved and implemented in August 2020. A complaint about the long delay was upheld by the Social Housing Regulator. The trustees also decided not to renew their membership of DASH, which had been required to obtain grants from Harborough District Council towards capital works.
- A Quinquennial Inspection Report on the fabric of the buildings was commissioned from Andrew Granger in 2016. The next review is due in a year's time in 2021. The trustees invited a number of organisations to tender for the work and have appointed Quinquennial Inspections Limited to carry out the review in April 2021
- The trustees agreed to establish a rolling programme of internal re-decoration of the charity's properties at intervals of between 8 and 10 years. Work is under way to establish a similar rolling programme of renovation and property updating for the future, focusing on kitchens and bathrooms.
- The trustees agreed to sell the commercial heavy duty power washer used by the Residents to clean paving, as the Residents had reported finding it too heavy and difficult to use. A smaller power washer was purchased that is more suitable for use by older people.
- In 2020 the charity received its first donations from the Amazon Smile charitable donations scheme, that had been publicised in the Bitteswell Village Newsletter. The charity also received its first Gift Aid payment from HMRC, via its not-for-profit donations provider, Virgin Money Giving.
- Health and safety and fire risk assessments were completed at all of the properties. The Residents' Handbook required no updates in 2020.
- The Charity has a number of interest-free loans relating to the construction of the Pump Houses. The Charity remains on track to repay all of its outstanding loans by September 2023. Once these are repaid, the charity expects to be self-financing with a very limited need for grant aid.
- Throughout the year, the charity continued to maintain all of the properties, using appropriate tradesmen for a wide variety of tasks, to ensure that the properties remain in good order and continue to offer a high standard of accommodation for the Residents. A great deal of work goes into this. In particular, Marion Reid is due thanks for undertaking the time-consuming activity

## **Christmas Lights**

The trustees were pleased that the task of organising and funding the Christmas lights to decorate the hedges on both sides of the Queen's Gateway has been taken on by others within the village. The Charity is using the money donated by the village in 2019 to fund the electricity to operate the lights but has been relieved of the cost of providing the lights, as well as the cost of putting them up and taking them down.

Mr P Hurst (Chairman)

Date: 16/03/2021

## **Accountants Report to the Trustees on the Unaudited Financial Statements of the Powell and Welch Almshouse Charity**

### **Financial review**

Despite the impact of the Coronavirus pandemic, 2020 was another year of solid improvement in the Charity's finances.

Total net funds available at 31 December 2020 increased to £361,084, from last year's figure of £338,099.

Investments in M&G's Multi-Charity Investment Funds stood at £77,418 at the year end, just 3.9% below last year's £80,558, despite the negative economic trading environment. Cash at bank ended the year at £58,478 (£36,667 last year).

Interest-free loans outstanding amounted to £24,156 (£34,706 last year), and these will be cleared by 2023.

### **Plans for future periods**

There are no current plans for major investments in 2021 and we anticipate further consolidation of our financial base over the year.

Mr K Patton (Treasurer)

Date: 16/03/2021

## **Accountants Report to the Trustees on the Unaudited Financial Statements of the Powell and Welch Almshouse Charity**

The trustees are responsible for preparing the Trustees' 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 & Wales/Northern Ireland requires the trustees 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 trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (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.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

We report on the financial statements for the year ended 31 December 2020 set out on the pages below.

**Respective responsibilities of the Trustees and Reporting Accountant**

## **Accountants Report to the Trustees on the Unaudited Financial Statements of the Powell and Welch Almshouse Charity**

The Trustees are responsible for the preparation of the financial statements, and they consider that The Powell and Welch Almshouse Charity is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

### **Basis of opinion**

Our procedures consisted of comparing the financial statements with the accounting records kept by The Powell and Welch Almshouse Charity and making such enquiries of the officers of The Powell and Welch Almshouse Charity as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

### **Opinion**

In our opinion:

- the financial statements for the year ended 31 December 2020 are in accordance with the accounting records kept by The Powell and Welch Almshouse Charity under paragraph 135(2) of the Housing and Regeneration Act 2008;
- having regard only to, and on the basis of the information contained in the accounting records:
  - the statement of financial activities and balance sheet comply with the requirements of the Charities Act 2011;
  - the Powell and Welch Almshouse Charity has satisfied the conditions for exemption from an audit of the financial statements for the year ended 31 December 2020 specified in section 163(3) of the Housing and Regeneration Act 2008; and
- the financial statements comply with the requirements of the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers for Social Housing 2012.

### **PWH Accountancy Limited**

Reporting Accountants  
The Counting House  
High Street  
Lutterworth  
Leicestershire  
LE17 4AY

Date: 16/03/2021

**Powell and Welch Almshouse Charity**

**Statement of Financial Activities for the Year Ended 31 December 2020**

**(incorporating a Revenue Account)**

		2020				2019
		Unrestricted funds General £	Unrestricted funds Designated £	Restricted funds Fixed assets £	Total £	Total £
Note						
<b>Incoming resources</b>						
<b>Incoming resources from charitable activities</b>						
		42,702	-	-	42,702	44,211
		-	-	-	-	2,300
<b>Incoming resources from generated funds</b>						
	2	522	3,132	-	3,654	2,037
		118	-	-	118	575
<b>Total incoming resources</b>		43,342	3,132	-	46,474	49,123
<b>Resources expended</b>						
<b>Charitable activities:</b>						
		10,067	-	6,240	17,215	21,618
<b>Governance costs</b>						
		908	-	-	908	1,007
<b>Total resources expended</b>	3	10,975	-	6,240	17,215	22,625
<b>Net income/(expenditure)</b>		32,367	3,132	(6,240)	29,259	26,498
<b>Transfers between funds</b>						
		-	-	-	-	-
<b>Other recognised gains:</b>						
		-	(6,274)	-	(6,274)	7,978
<b>Net movement in funds</b>		32,367	(3,142)	(6,240)	22,985	34,476
<b>Reconciliation of funds:</b>						
		123,076	18,757	196,266	338,099	303,623
<b>Total funds carried forward</b>		155,443	15,615	190,026	361,084	338,099

All income and expenditure derive from continuing activities. The statement of financial activities includes all gains and losses recognised during the year.



# The Powell and Welch Almshouse Charity

## Balance Sheet

Year Ended 31 December 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Housing properties	4	249,646	255,886
Investments	5	77,418	80,558
		<hr/> 327,064	<hr/> 336,444
<b>Current assets</b>			
Debtors	6	296	294
Cash at bank and in hand		58,478	36,667
		<hr/> 58,774	<hr/> 36,961
<b>Creditors: amounts falling due within one year</b>	7	(11,152)	(11,152)
<b>Net current assets (liabilities)</b>		<hr/> 47,622	<hr/> 25,807
<b>Total assets less current liabilities</b>		<hr/> 374,686	<hr/> 362,253
<b>Creditors: amounts falling due after more than one year</b>			
Almshouse Association loan		(7,352)	(15,404)
Quaker Housing loan		(6,250)	(8,750)
<b>Net assets</b>		<hr/> 361,084	<hr/> 338,099
<b>Charity Funds</b>			
General Fund			
Designated Fund	8	155,443	123,076
Restricted fixed asset fund	8	15,615	18,757
	8	190,026	196,266
<b>Total charity funds</b>		<hr/> 361,084	<hr/> 338,099

Approved on behalf of the board of trustees

Mr P Hurst, Chairman

Date: 16/03/2021

Mr K Patton (Treasurer)

Date: 16/03/2021

The notes on pages 8 to 13 form part of these financial statements.

# **The Powell and Welch Almshouse Charity**

## **Notes to the Financial Statements**

**Year Ended 31 December 2020**

### **1 Accounting Policies**

#### **Introduction and Accounting Basis**

The financial statements have been prepared in accordance with applicable financial reporting standards, the Statement of Recommended Practice, 'Accounting By Registered Landlords' issued in May 2005, and General Determination 2006.

#### **Fixed Assets**

Major expenditure on tangible fixed assets is capitalised. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life on the following bases:

- land is not depreciated
- housing properties – 2% per annum straight line

# The Powell and Welch Almshouse Charity

## Notes to the Financial Statements

Year Ended 31 December 2020

### 2 Investment income

	2020 £	2019 £
Dividend income	3,131	2,031
	<u>3,131</u>	<u>2,031</u>

### 3 Resources expended

	Unrestricted General £	Unrestricted Designated £	Restricted Fixed assets £	Total Funds 2020 £	Total Funds 2019 £
<b>Charitable activities</b>					
<b>Services</b>					
Water rates	1,186	-	-	1,186	1,144
Repairs and maintenance	7,475	-	-	7,475	12,873
Insurance	1,406	-	-	1,406	1,360
	<u>10,067</u>	<u>-</u>	<u>-</u>	<u>10,067</u>	<u>15,377</u>
 <b>Add: Other expenditure</b>					
Miscellaneous	112	-	-	112	96
Professional fees	796	-	-	796	912
Depreciation	-	-	6,240	6,240	6,240
Total	<u>10,975</u>	<u>-</u>	<u>6,240</u>	<u>17,215</u>	<u>22,625</u>
 <b>Governance</b>					
Accountancy fees	600	-	-	600	600
Trustee expenses	179	-	-	179	96
Ombudsman's fees	17	-	-	17	10
	<u>796</u>	<u>-</u>	<u>-</u>	<u>796</u>	<u>706</u>

# The Powell and Welch Almshouse Charity

## Notes to the Financial Statements

### Year Ended 31 December 2020

#### 4 Housing properties

	2020 £	2019 £
Cost or valuation:		
At 1 January 2020	311,978	311,978
Additions	-	-
At 31 December 2020	311,978	311,978
Depreciation:		
At 1 January 2020	56,092	49,852
Charge for the year	6,240	6,240
At 31 December 2020	62,332	56,092
Net book value:		
At 31 December 2020	249,646	255,886
At 31 December 2019	255,886	262,126

The charitable trust was established in 1847 and the original costs for the freehold land and buildings owned by the Charity are not known.

The value of land included above is £63,000

# The Powell and Welch Almshouse Charity

## Notes to the Financial Statements

Year Ended 31 December 2020

### 5 Fixed asset investments

	NAACIF Accumul'n Shares £	NAACIF Income Shares £	Total £
<b>Cost or valuation</b>			
At 1 January 2020	67,068	13,490	80,558
Additions	2,609	522	3,131
Transfer	-	-	-
Unrealised gains/(losses)	(4,742)	(1,529)	(6,271)
At 31 December 2020	64,935	12,483	77,418

### 6 Debtors

	2020 £	2019 £
Prepayments	296	294
	<u>296</u>	<u>294</u>

**The Powell and Welch Almshouse Charity**

**Notes to the Financial Statements**

**Year Ended 31 December 2020**

**7 Creditors: amounts falling due within one year**

	2020 £	2019 £
Almshouse Association loan	8,052	8,052
Quaker Housing loan	2,500	2,500
Accruals	600	600
	<hr/> 11,152	<hr/> 11,152
	<hr/>	<hr/>

# The Powell and Welch Almshouse Charity

## Notes to the Financial Statements

Year Ended 31 December 2020

### 8 Fund reconciliations

#### Unrestricted funds

	Balance at 1 <sup>st</sup> January 2020	Income	Expenditure	Transfers	Gains / (losses)	Balance at 31 <sup>st</sup> December 2020
	£	£	£	£	£	£
General	123,076	47,608	(16,385)	-	-	123,076
Designated	18,757	1,515	-	-	7,978	18,757
Restricted	196,266	-	(6,240)	-	-	196,266
	338,099	49,123	(22,625)	-	7,978	338,099

### 9 Analysis of net assets between funds

	General funds	Designated funds	Restricted funds Fixed assets	Total
	£	£	£	£
Fixed assets	-	-	249,646	249,646
Investments	64,935	12,483	-	77,418
Current assets	58,774	-	-	58,774
Current liabilities	(600)	-	(10,552)	(11,152)
Long term liabilities	-	-	(13,002)	(13,002)
Total	123,109	12,483	226,092	361,684