

THE HARTLEPOOLS WAR MEMORIAL HOMES AND THE CROSBY HOMES

TRUSTEES' ANNUAL REPORT AND ACCOUNTS

For the year ended

31 March 2022

Registered Charity Number 219384
Housing Corporation Number A1055

If you would like additional information regarding any of the Charity's activities, policies, rules, complaints procedures etc, please contact the Association's Managing Agents:-

Durham Aged Mineworkers' Homes Association
The Grove
PO Box 31
168 Front Street
Chester-le-Street
Co. Durham
DH3 3YH

Telephone: (0191) 3881111
Fax: (0191) 3882838
Email: info@damha.org.uk
Website: www.damha.org.uk

Contents

Trustees and Advisors	2
Report of the Trustees	3
Statement of the Responsibilities of the Trustees in Respect of the Accounts	5
Report of the Auditors	6
Statement of comprehensive income for the year ended 31 st March 2022	8
Statement of changes in reserves for the year ended 31 st March 2022	9
Statement of financial position as at 31st March 2022.....	10
Notes	11 - 18

Trustees and Advisors

Trustees

A Barclay (Chairman)
P Jackson
P Watson
R Hegarty (Resigned 21st September 21)
P Brown
Cllr. B Loynes (Ex Officio council nomination), (Deceased 8th February 22)
B Bage (Co-opted 1st March 22)

Advisors

Managing Agents

Durham Aged Mineworkers' Homes Association
P O Box 31
The Grove
168 Front Street
Chester-le-Street
Co. Durham
DH3 3YH

Telephone: (0191) 3881111
Fax: (0191) 3882838
Email: info@damha.org.uk
Website: www.damha.org.uk

Bankers

Barclays Bank PLC
Hartlepool Branch
The Tees Group (North)
P O Box No. 7
Stockton-on-Tees
TS18 1AH

Auditors

Wm. Fortune & Son
Collingwood House
Church Square
Hartlepool
TS24 7EN

Solicitors

O'Neill Richmonds Law Firm
1-2 Lansdowne Terrace East
Gosforth
Newcastle upon Tyne
NE3 1HL

Report of the Trustees

This report has been prepared in accordance with relevant legislation including the Statement of Recommended Practice 'Accounting by Charities' issued by the Charity Commission and 'Internal Financial Control & Financial Reporting' issued by the former Tenant Services Authority.

The Trustees present their report together with audited financial statements for the period ended 31st March 2022.

Status

The Hartlepool War Memorial & The Crosby Homes was founded in 1923 and is an unincorporated charity administered by a Charity Commission Scheme Sealed on the 21st January 2004. It is an Almshouse Charity (No. 219384) and a Registered Housing Association (No. A1055).

Trustees

The persons who are members of the Trustees are set out on page 2. The policy when recruiting new Trustees is to appoint those with relevant skills to carry out the business of the charity.

Objects

"To provide housing accommodation for persons who at any time prior to their selection shall have been resident in the area of benefit for at least ten years of the adult period of their lives and who are either aged, infirm or incapacitated by reason of war or accident."

Property

Land and buildings known as 1-31 and 2-16 Ryehill Gardens, Hartlepool, Cleveland TS26 0JJ.

Management

Durham Aged Mineworkers' Homes Association act as managing agents.

Review of Activity

The 24 two bedroom single storey terraced homes, were fully occupied through the year except for 2 which were void for a total of 20 weeks at an average weekly maintenance contribution of £72.32.

The homes all meet the Government "Decent Homes Standard", and an asset management strategy is in place to maintain the homes to the highest standards.

A waiting list is maintained and over 10 applicants are on the list.

Value for Money Statement

The Registered Charity is committed to being an effective and efficient social business achieving Value for Money ("VfM") in all of its activities.

As the charity only has 24 units to achieve VfM it benefits from the policies and procedures of DAMHA (the managing agent). Examples of this are where a new central heating boiler is required the costs are those negotiated by DAMHA who have in excess of 1700 units. This principle also applies for replacement windows, kitchens and bathrooms as required.

Quinquennial inspections are carried out to schedule planned maintenance, that said many of the improvements are carried out during void periods due to the age and vulnerability of the residents.

Through the management agreement The Hartlepoons War Memorial Homes and the Crosby Homes have a cost effective process of managing day to day repairs and the collection of the weekly maintenance charge. Residents can also contact housing officers on a free phone number.

Additional VfM is achieved by using where appropriate local contractors, e.g. landscape maintenance.

Key areas of Performance for the Charity over time in relation to VfM are as follows:

	2022	2021	2020	2019	2018
Operating costs as a percentage of turnover (Excluding Amortisation and Depreciation)	53.00%	64.34%	50.65%	74.28%	58.12%
Maintenance costs per unit	£1,196	£1,642	£1,030	£1,959	£1,666
No of Voids in year	2	3	3	3	4
Routine repairs completed on time	95.97%	89.68%	95.50%	98.09%	95.57%

No material changes in policy have occurred since the last annual report, or are currently under review.

Statement of Trustees' responsibilities in respect of the Trustees' Report and the financial statements

Under charity law, the Trustees are responsible for preparing the Trustees's Annual Report and the financial statements in accordance with applicable law and regulations.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, 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 association will continue in business.

The Trustees are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time and enable the Trustees to ensure that its financial statements comply with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing in England 2015. The Trustees have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Association and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Association's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed on behalf of the Trustees

P. Watson

A Barclay
Chair
6th September 2022

Report of the Auditors

We have audited the financial statements of The Hartlepool War Memorial and The Crosby Homes for the year ended 31st March 2022 on pages 8 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland".

This report is made solely to the association's members, as a body, in accordance with the Housing and Regeneration Act 2008, section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the association's members 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 association and the association's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Board of Trustees and auditor

As more fully explained in the Statement of Trustees' Responsibilities set out on page 4 the Board of Trustees is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Basis of Opinion

We conducted the audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the Charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanation, which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of affairs of the association as at 31 March 2022 and of its incoming resources and application of those resources;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice including FRS 102; and

- have been properly prepared in accordance with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2015.

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 and the Regeneration Act 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the association has not kept sufficient accounting records; 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.

Under the Housing and Regeneration Act 2008, we are required to report to you if, in our opinion:

- proper accounting records of its transactions and its assets and liabilities in relation to its housing activities have not been kept, and
- a satisfactory system of control of those records, its cash holdings and its receipts and remittances in relation to those activities has not been maintained



Wm. Fortune & Son, Registered Auditors
Collingwood House
Church Square
Hartlepool
TS24 7EN

6 September 2022

**Statement of Comprehensive Income
for the year ended 31st March 2022**

	Notes	2022	2021
		£	£
Turnover	2	102,574	101,165
Operating Costs	2	(54,365)	(65,678)
Depreciation		(17,656)	(19,866)
Operating (Deficit)/Surplus	2	30,553	15,621
Loss on disposal of Fixed Assets		(1,322)	(1,322)
Interest receivable	4	1,111	1,090
Total Comprehensive Income for the year		30,342	15,389
Transfer from Designated Reserves			
Income and Expenditure Reserve at 1 April 21		362,213	346,824
Income and Expenditure Reserve at 31 March 22		392,555	362,213

All income and expenditure shown above relates to continuing activities.

Statement of Changes in Reserves
For the year ended 31 March 2022

	Investment Revaluation Reserve	Income & Expenditure Account	Designated Reserve	Other Reserves	Charitable Fund Property Reserve	Total Reserves
	£	£	£	£	£	£
Balance as at 1 st April 2021	197,779	362,213	120,311	918	99,102	780,323
Total comprehensive income/(Deficit) for the year	-	30,342	-	-	-	30,342
Revaluation surplus arising during the year	25,988	-	-	-	-	25,988
Balance as at 31 st March 2022	<u>223,767</u>	<u>392,555</u>	<u>120,311</u>	<u>918</u>	<u>99,102</u>	<u>836,653</u>

**Statement of Financial Position
as at 31st March 2022**

	Notes	2022	2022	2021	2021
		£	£	£	£
Fixed Assets					
Tangible Assets	6a		482,314		479,562
Investments	7		260,277		234,090
			<u>742,391</u>		<u>713,652</u>
Current Assets					
Debtors	8	4,962		10,414	
Cash at bank and in hand		<u>360,466</u>		<u>335,782</u>	
		365,428		346,196	
Creditors: Amounts falling due within one year	9	<u>(7,809)</u>		<u>(12,792)</u>	
Net Current Assets			<u>357,619</u>		<u>333,404</u>
Total Assets			1,100,010		1,047,056
Creditors: Amounts falling due after more than one year	6b		<u>(263,357)</u>		<u>(266,733)</u>
Total Net Assets			<u>836,653</u>		<u>780,323</u>
Reserves					
Investment Revaluation Reserve			223,767		197,779
Income & Expenditure Account			392,555		362,213
Designated Reserve			120,311		120,311
Other Reserves			918		918
Charitable Fund Property Reserve			<u>99,102</u>		<u>99,102</u>
			<u>836,653</u>		<u>780,323</u>

The financial statements shown on pages 8 to 18 were approved by the Trustees on 6th September 2022 and were signed on its behalf by:

P. Watson

Chair

B. B. G. L.

Trustee

Notes

1. Accounting Policies

Basis of accounting

The financial statements of the Association are prepared under the historical cost convention, except for investments which are held at market value. This is in accordance with applicable accounting standards, namely, UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2014: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2015.

While the Association is an Unincorporated Charity and a member of the National Association of Almshouses, the Association is also a Registered Social Housing Provider. Therefore the financial statements have been prepared in compliance with the Housing SORP 2014 to enable consistency, ease and transparency in our reporting to the housing regulator.

Cash Flows

As a small Registered Social Housing Provider The Hartlepoons War Memorial homes and the Crosby Homes have elected to use their exemption to prepare a statement of cash flows.

Fixed Asset Investments

Investments classified under fixed assets are stated at market value at the balance sheet date, where this is readily identifiable. All other investments are stated at cost.

Going Concern

The Association's forecasts and projections show that the Association should be able to continue to operate within the level of its current facilities and no matters have been drawn to its attention to suggest that future funding may not be forthcoming on acceptable terms.

After making enquiries, the Trustees have a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

Housing Properties

Housing properties are stated at cost, less accumulated depreciation.

Major components of housing properties, such as windows and heating components, have been accounted for and depreciated separately from the main fabric, over their expected economic lives.

Depreciation is charged at the rates applied below to write off the cost of the asset over their expected useful economic lives.

Land	- Not Depreciated
Main Fabric	- 100 years straight line
Roof	- 40 years straight line
Electricals	- 30 years straight line
Windows	- 25 years straight line
External Doors	- 25 years straight line
Bathroom	- 20 years straight line
Kitchen	- 15 years straight line

Boilers	- 15 years straight line
Heating Installations	- 30 years straight line

The Social Housing grant has been applied against the land in the first instance and then to the Main Fabric of the building. The grant is amortised over 100 years and released back into the Statement of Comprehensive Income.

Fixtures and fittings are depreciated over 10 years on a straight line basis.

Social Housing Grant

Social Housing Grant (SHG) received as a capital contribution, in line with SORP2014 and the 'accruals method', is held separately as a creditor due after more than one year, unless part of the SHG relates to a disposal of property and becomes recycled or repayable, in which case it is apportioned to creditors due less than one year accordingly. The 'accruals method' is applied as the RSHP holds all social housing properties at their historic cost.

The SHG is then amortised in line with depreciation of the 'structure' component of the housing properties and released over 100 years (1%). The amortisation released in respect of the SHG is recognised in the Statement of Comprehensive Income as 'income'.

Turnover

Turnover represents all rental, service charge income receivable and amortised Social Housing Grant.

Value added tax

The Homes are not registered for VAT and where applicable expenditure includes VAT.

Impairment

Annually housing properties are assessed for impairment indicators. This is generally performed at scheme or cash-generating unit level. Where indicators are identified an assessment for impairment is undertaken comparing the scheme's carrying amount to its recoverable amount. Where the carrying amount of a scheme is deemed to exceed its recoverable amount, the scheme is written down to its recoverable amount. The resulting impairment loss is recognised as operating expenditure. Where a scheme is currently deemed not to be providing service potential to the Association, its recoverable amount is its fair value less costs to sell.

Debtors

Debtors are measured at transaction price, less any impairment.

Creditors

Creditors are measured at transaction price.

Designated Reserves

A designated reserve has been created in order to meet future expenditure upon planned maintenance and minor improvements. A stock condition survey in respect of all the properties carried out in 2001 has been used to draw up a formal Planned Maintenance & Minor Improvements programme. The reserve has been created from the Trusts previous cyclical maintenance and extraordinary repairs designated reserves and established to the extent that it is considered that this expenditure can be met from the charities own reserves.

Charitable Fund Property Reserve

This reserve represents that proportion of the cost of the properties, which was financed by charitable donations as well as the charities own resources.

Administration

The management of the Association continues to be dealt with by Durham Aged Mineworkers' Homes Association (DAMHA) a separately registered housing association (A3213). Rental income and administrative costs are received and paid by the agent association who make a management charge for acting as agent.

2. Turnover and Operating Surplus for the Year by Class of Business

	2022	2021
	£	£
Turnover from lettings		
Rents and service charges receivable	100,802	100,264
Amortised government grants	3,376	3,376
	<u>104,178</u>	<u>103,640</u>
Operating Expenditure		
Bad debts written off	-	-
Management	15,574	15,007
Day to day repairs & maintenance	28,700	39,396
Services (including Water Rates)	10,093	11,275
Depreciation	17,656	19,866
Total Expenditure on Social Housing Lettings	<u>72,023</u>	<u>85,544</u>
Void Losses	<u>(1,604)</u>	<u>(2,475)</u>

3. Senior Executives

The Senior Executives are defined as the Trustees, who received no emoluments during the year (2022: £nil)

4. Interest receivable and similar income

	2022	2021
	£	£
Investment income	<u>1,111</u>	<u>1,090</u>

5. Surplus on Ordinary Activities

	2022	2021
	£	£
The Surplus on ordinary activities is stated after charging:		
Auditor's remuneration	<u>933</u>	<u>939</u>

6a. Tangible Assets

	Housing Properties	Fixtures and Fittings	Total Fixed Assets
	£	£	£
Cost:			
At 1st April 2021	772,602	10,161	782,763
Additions	21,727	-	21,727
Disposals	(15,320)	-	(15,320)
At 31st March 2022	<u>779,009</u>	<u>10,161</u>	<u>789,170</u>
Less: Depreciation			
At 1st April 2021	293,038	10,161	303,199
Charge for the year	17,655	-	17,655
Disposals	(13,998)	-	(13,998)
At 31st March 2022	<u>296,695</u>	<u>10,161</u>	<u>306,856</u>
Net Book Value:			
31st March 2022	£ 482,314	£ -	£ 482,314
1st April 2021	£ 479,562	£ -	£ 479,562

6b. Social Housing Assistance – Creditors falling due after more than one year

	2022	2021
	£	£
Total accumulated social housing grant received at 31 March 22	337,637	337,637
Recognised in the statement of comprehensive income	(74,280)	(70,904)
Held as deferred income	<u>263,357</u>	<u>266,733</u>

Notes (continued)

7. Fixed Asset Investments

	2022	2021
	£	£
Valuation at 1 st April 2021	234,090	189,502
Disposals	-	-
Surplus arising on revaluation	25,987	44,588
At 31 March 2022	<u>260,077</u>	<u>234,090</u>

The investments comprise the following:-

	2022	2021
	£	£
2080.17 (2013: 2080.17) COIF Income Shares	40,443	37,217
943.44 (2013: 943.44) COIF Accumulation Shares	217,804	195,044
3½% War Stock (nominal £2,319.80)	1,829	1,829
	<u>260,076</u>	<u>234,090</u>

The historical cost of investments is analysed as follows:-

	2022	2021
	£	£
COIF Income Shares	19,089	19,089
COIF Accumulation Shares	14,666	14,666
3½% War Stock	1,750	1,750
	<u>35,505</u>	<u>35,505</u>

8. Debtors

	2022	2021
	£	£
Rental debtors	3,691	3,689
Prepayments and accrued income	1,271	6,725
	<u>4,962</u>	<u>10,414</u>

9. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Prepaid rents	374	358
Trade creditors and accruals	7,435	12,434
	<u>7,809</u>	<u>12,792</u>

Notes (continued)

10. Capital Commitments and Contingent Liabilities

As at 31st March 2022 there were no capital commitments.