

CHARITY REGISTRATION NUMBER: 224669

JOSEPH CROSSLEY'S ALMSHOUSES

FINANCIAL STATEMENTS

30 JUNE 2021



Spenser Wilson
Chartered Accountants & Business Advisers

JOSEPH CROSSLEY'S ALMSHOUSES

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2021

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JOSEPH CROSSLEY'S ALMSHOUSES

OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS

K Appleyard Chair
L Mullen Vice chair
A Kendall
M Archer
R A Price
J Kendall
J Walker
C Walker
J Hudson
P Bowerman

TREASURER

L Golden

REGISTERED OFFICE

Arden Road
Halifax
West Yorkshire
HX1 3AA

AUDITOR

Spenser Wilson Ltd
Chartered Accountants & statutory auditor
Equitable House
55 Pellon Lane
Halifax
West Yorkshire
HX1 5SP

BANKERS

Barclays Bank Plc
P O Box 14
Halifax
West Yorkshire
HX1 1BG

SOLICITORS

Wilkinson Woodward
11 Fountain Street
Halifax
West Yorkshire
HX1 1LU

JOSEPH CROSSLEY'S ALMSHOUSES

TRUSTEES' REPORT *(continued)*

YEAR ENDED 30 JUNE 2021

The Trustees present their report and the financial statements of the company for the year ended 30 June 2021.

PRINCIPAL ACTIVITIES

Joseph Crossley's Almshouses is a Charitable Trust (Association) with an independent Board of Trustees providing accommodation for persons, of not less than sixty years of age, on low incomes, who at the time of appointment are regular attendees at a Protestant Church. The Charity aims to provide a comfortable, caring Christian environment for its' residents.

TRUSTEES

The Trustees who served the company during the year were as follows:

K Appleyard	Chair
L Mullen	Vice chair
A Kendall	
M Archer	
R A Price	
J Kendall	
J Walker	
C Walker	
J Hudson	
P Bowerman	
P Sands	(Resigned 6 June 2021)

REVIEW OF RESULTS FOR THE YEAR

For the year under review the Charity had a surplus of £17,398 (2020: deficit of £15,367). This was after undertaking major repairs amounting to £54,739 (2020: £85,717). This is made up of cyclical repairs £6,374 (2020: £12,654) and extraordinary repairs £48,365 (2020: £73,063).

PUBLIC BENEFIT

The Trustees have considered the Charity Commission guidance on public benefit and consider that they have met their obligation by providing housing to individuals over sixty years of age on low incomes.

STATEMENT OF COMPLIANCE

The Trustees confirm that the Association has complied with the Homes and Communities Agency's Governance and Financial Viability Standard Code of Practice.

JOSEPH CROSSLEY'S ALMSHOUSES

TRUSTEES' REPORT *(continued)*

YEAR ENDED 30 JUNE 2021

CHAIR'S REPORT

At last year's June Meeting it was our first online meeting at which I was appointed Chair and I find it hard to believe that we still have not met in person as a group of Trustees since that date. The Coronavirus has continued to have an impact on all our lives but I am happy to be able to report that none of the residents have caught the virus and that they have all now been vaccinated. I assume the same to be the case for all our Trustees.

As I write this report we have five empty flats but we have received a number of applications. One has accepted flat 15 and other interviews are due to take place soon. This is especially good news in the current situation and we hope to hold an open day during July if rules allow.

We have never had the opportunity to have an official opening of the refurbished chapel, which now has chairs after the removal of the pews, but the first use of the chapel is now scheduled for the Founders Day Service on the 26th June again rules permitting. It was hoped to double up this service with a party to celebrate the end of lockdown but with continuing uncertainty it was felt it would be better to wait until the lockdown had officially ended which will also give us a better chance of good weather.

A number of empty flats have been refurbished during the year, along with the high costs associated, but this means that they are brought up to current safety regulations and should provide good accommodation for years to come. We had hoped to replenish some of our reserves this year but it was decided that ensuring flats are refurbished and occupied should be our main goal, which is after all the purpose of our charity. This situation is also likely to be the case in the coming year.

We had good news regarding our long term aim to replace windows during the year. We had already obtained planning consent for all the windows along with a detailed plan of all windows and a priority list based on condition and had started replacing a small number. We then received a legacy from Athel Price, our Crossley Family Trustee, of £15,000 which the trustees agreed should go towards the window project and we were successful in obtaining a grant of £25,000 from the Almshouses Association towards the project. This money will allow us to replace the most in need windows in ten flats. I would like to thank Athel for his generous donation, Alan for obtaining the grant and Colin who will be managing the window replacement on behalf of the Trustees.

We have recently moved our plumbing and electrical services to new contractors after a number of issues and their work will be monitored as is the case for all our contractors. To date things look good.

There have been no Trustee changes during the year and I would like to thank them all as well as our treasurer, clerk and warden for all their continued work through what has been a very unusual year where almost all meetings have had to be held virtually. Fiona our warden has obviously felt this the hardest as it has affected her on a daily basis when not being allowed to visit residents in person. I would like to thank her on behalf of the Trustees and the residents for helping to keep up the spirit and wellbeing of all our residents, especially those most vulnerable, during a very difficult year.

We can only hope and pray that the Covid situation continues to improve and that the next year returns to nearer normality. I look forward to us all meeting in person in the very near future.

Keith Appleyard
Chair of Trustees

JOSEPH CROSSLEY'S ALMSHOUSES

TRUSTEES' REPORT *(continued)*

YEAR ENDED 30 JUNE 2021

CLERK'S REPORT

This has been a year like none other. At this point last year we had just become accustomed to living with Covid 19, and some of the initial restrictions were being eased, giving rise to a fairly relaxed summer, prior to increasing shadows in the autumn, leading to a very dark winter.

As 2021 has progressed, so has the UK's vaccination programme and all of our residents have now been fully vaccinated. As matters now stand, restrictions are again being gradually eased in the hope that we have begun to find ways of living with the virus, if we cannot exactly conquer it. The residents have had to rely more on themselves and each other for support, whilst the Warden has continued to do a remarkable job in extremely trying circumstances.

The year has seen its share of comings and goings, and we have been sorry to lose a number of residents by death, as well as a number to more specialised accommodation. We have also been glad to welcome a number of new residents, and hope they have settled into life at the Almshouses.

We have been unable to hold services in the chapel during the last year, but there is now hope that these will be able to resume in the very near future. The opportunity was taken to carry out some modernisations and refurbishments in the chapel, including new seating arrangements, which, it is hoped, will be to the satisfaction of all.

Other property repairs and improvements have continued in flats, both planned and unplanned. We have had a generous windfall from a disbanding charity, which will help towards the cost of replacing and installing windows across the site. The Trustees are grateful to R. Athel Price for using his good offices to facilitate this gift.

The Trustees have met electronically on a few occasions, and have become accustomed, as so many of us have, to this way of meeting and discussing matters of business.

The Trustees continue to be in good heart and look forward to happier times for all.

Andrew Stopford
Clerk to the Trustees

INTERNAL FINANCIAL CONTROLS

The Board is responsible for ensuring that the Charity maintains a system of internal financial control, including suitable monitoring procedures. The system is designed to ensure the maintenance of proper accounting records and the reliability of the financial information used by the Board or for publication, but any such system can only provide reasonable, and not absolute, assurance against misstatement or loss.

In fulfilling these responsibilities the Board has reviewed the effectiveness of the system of internal controls on the basis of the criteria set out in the Housing Corporation circular 'Internal financial control and financial reporting'.

JOSEPH CROSSLEY'S ALMSHOUSES

TRUSTEES' REPORT *(continued)*

YEAR ENDED 30 JUNE 2021

The Charity's main internal controls during the financial year included:

- (a) clear responsibilities on the part of financial management for the maintenance of good financial controls and the production of accurate and timely financial management information
- (b) subjecting all planned major property maintenance to a detailed risk assessment process
- (c) detailed monthly budgeting and reporting of operating surpluses and cash flows with regular review by management of variances from budgets
- (d) the control of key financial risks through clearly laid down authorisation levels and segregation of accounting duties
- (e) review by the Board of the effectiveness of the system of internal financial controls.

The Board confirms that it has reviewed the effectiveness of the system of internal financial control and the system as a whole was found at the time of approving the financial statements to be generally appropriate to the scale of the Charity's activities.

The Trustees continued to exercise diligent management and control of the Charity's finances.

RESERVE POLICY

The Revenue Reserve is maintained at a level which, in the opinion of the Trustees, is appropriate to provide for the commitments of the Charity for the foreseeable future.

The Trustees set aside a sum each year for Cyclical and Extraordinary Maintenance. These sums are based on the recommended amount per unit as advised by the Almshouse Association. The Trustees have evaluated these figures and, from previous experience, believe they are adequate for the type of property held by the Charity.

VALUE FOR MONEY ASSESSMENT

The Charity has managed to keep contributions from residents at the same level as in the previous year, while continuing to maintain and invest in the properties, whilst also reducing the deficit from the previous year. The Trustees therefore believe that they have demonstrated their commitment to achieving value for money.

TRUSTEES

Trustees are appointed from local churches. They hold office for five years and are then put forward for re-appointment. On becoming a Trustee they are given a copy of the Residents' Handbook, and also the Charity Commission Handbook. They are provided with an induction, and, during their length of service, with a copy of the Almshouse Federation quarterly magazine. Newly appointed Trustees accompany existing Trustees on several visits to residents and prospective residents, in order to gain experience. After these initial inductions, they then visit residents on their own.

JOSEPH CROSSLEY'S ALMSHOUSES

TRUSTEES' REPORT *(continued)*

YEAR ENDED 30 JUNE 2021

STATEMENT OF RESPONSIBILITIES OF THE BOARD

Housing Association legislation requires the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity as at the end of the financial year and of the income and expenditure for the year ended on that date. In preparing those financial statements the Board is required to:

- a) select suitable accounting policies and then to apply them consistently
- b) make judgements and estimates that are reasonable and prudent
- c) state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements
- d) prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Association will continue in operational existence.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable it to ensure the financial statements comply with the Industrial and Provident Societies Act 1965 to 1978, the Housing Act 1996 and the Accounting Direction for Private Registered Providers of Social Housing In England 2019. The Board is also responsible for establishing and maintaining a satisfactory system of control of the books of account, the cash holdings and all the receipts and remittances of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on 10 February 2022 and signed on behalf of the board by:



K Appleyard Chair
Trustee

Registered office:
Arden Road
Halifax
West Yorkshire
HX1 3AA

JOSEPH CROSSLEY'S ALMSHOUSES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOSEPH CROSSLEY'S ALMSHOUSES

YEAR ENDED 30 JUNE 2021

OPINION

We have audited the financial statements of Joseph Crossley's Almshouses (the 'charity') for the year ended 30 June 2021 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows and the related notes, including a summary of 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 30 June 2021 and of its profit 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 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 company 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.

JOSEPH CROSSLEY'S ALMSHOUSES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOSEPH CROSSLEY'S ALMSHOUSES *(continued)*

YEAR ENDED 30 JUNE 2021

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, except to the extent otherwise explicitly stated in our report, 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:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- certain disclosures of trustees' remuneration specified by law are not made; 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, 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 company'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 company or to cease operations, or have no realistic alternative but to do so.

JOSEPH CROSSLEY'S ALMSHOUSES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOSEPH CROSSLEY'S ALMSHOUSES *(continued)*

YEAR ENDED 30 JUNE 2021

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.

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 extent to which our procedures 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 trustees and other management;
- 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;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity'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; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

JOSEPH CROSSLEY'S ALMSHOUSES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOSEPH CROSSLEY'S ALMSHOUSES *(continued)*

YEAR ENDED 30 JUNE 2021

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- inquiring of management as to actual and potential litigation and claims.

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

JOSEPH CROSSLEY'S ALMSHOUSES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOSEPH CROSSLEY'S ALMSHOUSES *(continued)*

YEAR ENDED 30 JUNE 2021

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.



Spenser Wilson Ltd
Chartered Accountants & statutory auditor
Equitable House
55 Pellon Lane
Halifax
West Yorkshire
HX1 5SP

10 February 2022

JOSEPH CROSSLEY'S ALMSHOUSES
STATEMENT OF COMPREHNSIVE INCOME
YEAR ENDED 30 JUNE 2021

		2021	2020
	Note	£	£
TURNOVER	4	101,394	109,776
GROSS PROFIT		101,394	109,776
Operating expenditure		113,730	137,550
Other operating income	5	14,658	13,614
OPERATING PROFIT/(LOSS)	6	2,322	(14,160)
Gain/(loss) on financial assets at fair value through profit or loss		15,076	(1,207)
DEFICIT FOR THE FINANCIAL YEAR		17,398	(15,367)
Tax on profit/(loss)		—	—
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE INCOME		17,398	(15,367)
RETAINED EARNINGS AT THE START OF THE YEAR		247,376	262,743
RETAINED EARNINGS AT THE END OF THE YEAR		264,774	247,376

All the activities of the company are from continuing operations.

The notes on pages 15 to 19 form part of these financial statements.

JOSEPH CROSSLEY'S ALMSHOUSES

STATEMENT OF FINANCIAL POSITION


30 JUNE 2021

		2021	2020
	Note	£	£
FIXED ASSETS			
Tangible assets	10	518,844	525,865
CURRENT ASSETS			
Debtors	11	632	4,211
Investments	12	218,927	201,392
Cash at bank and in hand		105,012	63,679
		<u>324,571</u>	<u>269,282</u>
CREDITORS: amounts falling due within one year	13	<u>68,190</u>	<u>31,074</u>
NET CURRENT ASSETS		<u>256,381</u>	<u>238,208</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>775,225</u>	<u>764,073</u>
CREDITORS: amounts falling due after more than one year			
Accruals and deferred income		449,571	455,817
NET ASSETS		<u>325,654</u>	<u>308,256</u>
CAPITAL AND RESERVES			
Capital reserve		60,880	60,880
Revenue reserves		264,774	247,376
SHAREHOLDERS FUNDS		<u>325,654</u>	<u>308,256</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of directors and authorised for issue on 10 February 2022, and are signed on behalf of the board by:


K Appleyard
Trustee


L Mullen
Trustee

The notes on pages 15 to 19 form part of these financial statements.

JOSEPH CROSSLEY'S ALMSHOUSES

STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2021

	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) for the financial year	17,398	(15,367)
<i>Adjustments for:</i>		
Depreciation of tangible assets	7,021	7,021
Government grant income	(6,246)	(6,246)
(Gain)/loss on financial assets at fair value through profit or loss	(15,076)	1,207
Accrued expenses	50,239	793
<i>Changes in:</i>		
Trade and other debtors	3,579	(3,570)
Trade and other creditors	(13,123)	10,966
Cash generated from operations	<u>43,792</u>	<u>(5,196)</u>
Net cash from/(used in) operating activities	<u>43,792</u>	<u>(5,196)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of other investments	<u>(2,459)</u>	<u>(2,196)</u>
Net cash used in investing activities	<u>(2,459)</u>	<u>(2,196)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	41,333	(7,392)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>63,679</u>	<u>71,071</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>105,012</u>	<u>63,679</u>

The notes on pages 15 to 19 form part of these financial statements.

JOSEPH CROSSLEY'S ALMSHOUSES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2021

1. GENERAL INFORMATION

The Association is a registered social landlord with the Regulator of Social Housing (Registration No. A1274) and a registered charity. The Charities address is Arden Road, Halifax, HX1 3AA.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2019.

3. ACCOUNTING POLICIES

Basis of preparation

The Trustees believe that it is appropriate to prepare the financial statements on a going concern basis as there are no material uncertainties relating to events or conditions that may cast significant doubt on the ability of the Charity to continue trading for the foreseeable future.

The financial statements are prepared in sterling, which is the functional currency of the entity.

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. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are not considered to be any judgements or accounting estimates or assumptions that have a significant impact on the financial statements

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for maintenance contributions, stated net of voids.

Tangible assets

Tangible assets are initially recorded at cost, including capitalised structural development work, and subsequently stated at cost less any accumulated depreciation.

The Charity has adopted the Statement of Recommended Practice (SORP) Accounting for Registered Social Housing Providers Updated 2018. This requires the Charity to identify the major components which make up its Housing Properties and depreciate these over their individual economic lives.

The Trustees are of the opinion that the cost of the freehold housing, land and buildings include structure only. Bathrooms, kitchens, etc have not been capitalised. They have been debited to the various repair funds.

JOSEPH CROSSLEY'S ALMSHOUSES

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 JUNE 2021

3. ACCOUNTING POLICIES *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property - 1% straight line

Government grants

Housing Association Grants (HAG) are made by the Department of the Environment and are utilised to reduce the amount of mortgage loan in respect of an approved scheme to the amount which it is estimated can be serviced by the net annual income of the scheme. The amount of HAG is calculated on the qualifying costs of the scheme in accordance with instructions issued from time to time by the Department of the Environment.

The grant is recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received.

HAG grants are recognised using the accrual model. Under the accrual model, grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. PARTICULARS OF MAINTENANCE CONTRIBUTION

	2021	2020
	£	£
Maintenance contribution	116,480	114,816
Less: Losses from debts and voids	(15,086)	(5,040)
	<u>101,394</u>	<u>109,776</u>

There are 33 housing accommodation units in management in the current and previous year. The wardens flat is not included in the calculation of maintenance contributions.

JOSEPH CROSSLEY'S ALMSHOUSES

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 JUNE 2021

5. OTHER OPERATING INCOME

	2021	2020
	£	£
Government grant income	6,246	6,246
Investment income	7,176	6,867
Bank interest receivable	410	474
Other income	826	30
	<u>14,658</u>	<u>13,614</u>

6. OPERATING PROFIT

Operating profit or loss is stated after charging:

	2021	2020
	£	£
Depreciation of tangible assets	<u>7,021</u>	<u>7,021</u>

7. AUDITOR'S REMUNERATION

	2021	2020
	£	£
Fees payable for the audit of the financial statements	<u>2,500</u>	<u>2,150</u>

8. STAFF COSTS

The average number of persons employed by the charity during the year, including the trustees, amounted to:

	2021	2020
	No.	No.
Administrative staff	<u>1</u>	<u>1</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2021	2020
	£	£
Wages and salaries	10,661	10,478
Other pension costs	131	129
	<u>10,792</u>	<u>10,607</u>

No employee received employment benefits of more than £60,000 during the current or previous period.

No Trustees have received any remuneration or other benefits in the current or previous period.

9. TAXATION

The Association is a charity and therefore not liable to corporation tax.

JOSEPH CROSSLEY'S ALMSHOUSES

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 30 JUNE 2021

10. TANGIBLE ASSETS

	Freehold property £
Cost	
At 1 July 2020 and 30 June 2021	<u>702,080</u>
Depreciation	
At 1 July 2020	176,215
Charge for the year	<u>7,021</u>
At 30 June 2021	<u>183,236</u>
Carrying amount	
At 30 June 2021	<u>518,844</u>
At 30 June 2020	<u>525,865</u>

11. DEBTORS

	2021 £	2020 £
Trade debtors	—	560
Prepayments and accrued income	632	3,620
Other debtors	—	31
	<u>632</u>	<u>4,211</u>

12. INVESTMENTS

	2021 £	2020 £
NAACIF investment	56,403	49,436
COIF investment	91,664	79,817
Charinco investment	70,860	72,139
	<u>218,927</u>	<u>201,392</u>

13. CREDITORS: amounts falling due within one year

	2021 £	2020 £
Trade creditors	5,108	19,117
Accruals and deferred income	62,032	11,793
Social security and other taxes	55	164
Other creditors	995	—
	<u>68,190</u>	<u>31,074</u>

JOSEPH CROSSLEY'S ALMSHOUSES

NOTE FOR TRUSTEES RE RESERVES

YEAR ENDED 30 JUNE 2021

14. EMPLOYEE BENEFITS

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £131 (2020: £129).

15. GOVERNMENT GRANTS

The amounts recognised in the financial statements for government grants are as follows:

	2021 £	2020 £
Recognised in creditors:		
Deferred government grants due within one year	6,246	6,246
Deferred government grants due after more than one year	449,571	455,817
	<u>455,817</u>	<u>462,063</u>
Recognised in other operating income:		
Government grants released to profit or loss	<u>6,246</u>	<u>6,246</u>

16. ANALYSIS OF CHANGES IN NET DEBT

	1 Jul 2020 £	Cash flows £	30 Jun 2021 £
Cash at bank and in hand	63,679	41,333	105,012
Current asset investments	201,392	17,535	218,927
	<u>265,071</u>	<u>58,868</u>	<u>323,939</u>

17. RELATED PARTY TRANSACTIONS

There were no related party transactions.