

James Ainsworth Almshouse Charity

Trustee's Annual Report and Accounts

Year Ended

31 March 2021

Charity Number 224838

James Ainsworth Almshouse Charity

Trustee's report and financial statements for the year ended 31 March 2021

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Trustee

Arcon Housing Association Ltd

Almshouses Manager: Arcon Housing Association Ltd

Company secretary and registered office

Katrina Cunliffe, Quay West, Trafford Wharf Road, Manchester, M17 1HH

Charity number

224838

Solicitors

Brabners Chaffe Street, Horton House, Exchange Flags, Liverpool, L2 3YL

Auditor

BDO LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3AT

Bankers

CAF Bank, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

James Ainsworth Almshouse Charity

Report of the Trustee for the year ended 31 March 2021

The Trustee presents the annual report and the audited financial statements for the year ended 31 March 2021. The Trustee has adopted the provisions of the Charities SORP 2nd Edition (FRS 102) in preparing the annual report and financial statements of the charity.

Structure, Governance and Management

Arcon Housing Association were appointed as Trustee on 1st June 2006. The Trustee was previously The Orders of St John Trustee Company.

Structure and activities

The Charity, which is registered with The Charity Commission, is unincorporated and has as its constitution a declaration of trust dated 2 March 1968 (as amended).

In addition, the Charity holds funds and investments with a view to the further development of its charitable aims.

Organisation

The Board of Arcon Housing Association meets six times a year and carries out an Annual Review.

As Corporate Trustee, the trustee meets at least twice a year to discuss performance, budgets and business plans and approve the financial statements.

Objectives and Activities

The Charitable objects of the Charity are:

- to provide housing accommodation and assistance to help house people who are elderly or disabled and associated facilities and amenities for such people or the relief of the aged, disabled: and
- to further such general charitable objects as the Trustee may determine.

Financial review

The total incoming resources were £36,570 for the year to 31st March 2021 (2020: £35,099), producing an operating surplus of £18,788 (2020: £3,062). Gains on investments resulted in a surplus of £32,279 for the 12 month period to 31st March 2021 (2020: deficit of £9,573). Accumulated surpluses held in general funds were £505,532 (2020: £473,253).

There was limited impact from Covid-19 which was classified as a pandemic on 11 March 2020 by the World Health Organisation during the financial year. Whilst all the government guidelines have been adhered to throughout it is also not expected to impact on the following year due to the nature of the business and the business is expected to continue as a going concern.

Going concern

The principal uncertainty faced by the charity in the year arose from the COVID 19 pandemic. The charity's mitigation plan and its tactical response, aligned to the UK Government measures, meant that the association was able to minimise the impact on productivity and continue to deliver services to customers, whilst ensuring their safety.

The pandemic continues to be a source of uncertainty for the charity. When reviewing the budget and forecasts the Trustee considered its impact, both specifically and on the UK economy, together with risks around principle economic assumptions and regulatory changes.

The business plan forecasts show that the charity has sufficient liquid funds and debt facilities in place that provide adequate resources to fund all committed capital expenditure and investment programmes together with day-to-day activities.

The charity's activities are expected to continue unchanged for the foreseeable future and the uncertainties considered, including the pandemic, are not expected to have a material long term impact on the charity's financial viability. On this basis the Trustee has a reasonable expectation that the Group has adequate resources to

James Ainsworth Almshouse Charity

Report of the Trustee for the year ended 31 March 2021 (*continued*)

continue in operational existence for the foreseeable future, being a period of at least 12 months after the date on which the financial statements are signed. Therefore, it continues to adopt the going concern basis in the financial statements.

Reserves policy

The Trustee has considered the need for an appropriate level of reserves in conjunction with the guidance issued by The Charity Commission.

In determining a reserve policy, the Trustee has identified core objectives to be met. These are as follows:

- the establishment of adequate free reserves (excluding fixed assets) to ensure that the Charity has adequate liquidity to meet any short-term fluctuations in occupancy levels or exceptional costs outside the scope of the budget; and
- the development of a strong balance sheet and positive cash flow to support the funding of the improvement of the existing property.

The level of reserves required is determined using comprehensive budgets and cash flow forecasts. Regular updates and monitoring of these documents are carried out to ensure that a surplus is achieved, and cash flow is adequate for the needs of the Charity. The benchmark for the free reserves for the Charity is between £400,000 and £500,000.

At the year end the Charity has total funds of £549,588 (2020: £517,309) of which £549,338 (2020: £517,059) is available at the discretion of the trustee and deemed as free reserves.

Risk management

The Trustee has identified the risks to which the Charity is exposed and, for each of these, an assessment has been made as to their impact, severity, and probability. Internal and external controls have been reviewed for effectiveness in mitigating these risks.

Systems have been established to manage the level of risk including the following:

- The review of major risk related incidents (and steps taken to address these) at each meeting of the Board and the Audit and Risk Management Committee.
- The internal control system is monitored and supported by external audit that is able to provide an independent perspective on the management of risk within the Charity.

The management and control of risk is an ongoing process in the Charity. Responsibility for ensuring that there are appropriate risk management and audit structures in place, and for reviewing those structures, is delegated to the Audit and Risk Management Committee, which is a shared committee with the Bolton at Home Group.

Whilst the Covid-19 pandemic presented an additional risk the business has responded well and this is not expected to have a detrimental impact on the surplus as customers continue to pay their rent.

Funding Source and Expenditure

The principal funding sources are charges for providing housing accommodation. Expenditure is all related to providing this accommodation.

James Ainsworth Almshouse Charity

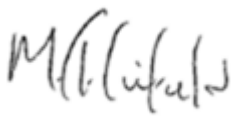
Report of the Trustee for the year ended 31 March 2021 (*continued*)

Future developments

A revised stock condition survey is being carried out which will inform future requirements for improvements to properties.

Auditor

The auditor, BDO LLP, was appointed during the year and will be proposed for reappointment in line with the terms of the Charities Act 2011.



Mike Corfield
Arcon Housing Association Ltd
Trustee

Date: 4 October 2021

James Ainsworth Almshouse Charity

Trustee's responsibilities statement for the year ended 31 March 2021

The Trustee is responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, 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; and
- make judgements and accounting estimates that are reasonable and prudent; and
- state whether applicable UK 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 business.

The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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.

James Ainsworth Almshouse Charity

Independent auditor's report to the trustee of James Ainsworth Almshouse Charity

Opinion on the financial statements

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 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.

We have audited the financial statements of James Ainsworth Almshouse Charity ("the Charity") for the year ended 31 March 2021 which comprise the Statement of financial activities, the Statement of financial position and notes to the financial statements, 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charity in accordance with the ethical requirements 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.

Conclusions related 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 Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report and Accounts, other than the financial statements and our auditor's report thereon. The other information comprises: Report of the Trustees. 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. 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 Act 2011 require us to report to you if, in our opinion;

- the information contained in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- adequate 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.

James Ainsworth Almshouse Charity

Independent auditor's report to the trustee of James Ainsworth Almshouse Charity

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 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 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 144 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.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

- agreement of the financial statement disclosures to underlying supporting documentation;
- challenging assumptions made by management in their significant accounting estimates in particular in relation to the following:
 - whether there are indicators of impairment of tangible assets; and
 - recoverability of receivable balances outstanding at the year end; and
 - future forecasts prepared for the going concern assessment.
- discussions with, and inquiries of, management and those charged with governance, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- enquires to confirm with management that there was no legal correspondence during the period, or post year end, requiring review;
- identifying and testing journal entries identified as potentially unusual; and
- a review of minutes of meetings of those charged with governance both during the period, and post year end.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

James Ainsworth Almshouse Charity

Independent auditor's report to the trustee of James Ainsworth Almshouse Charity

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.

DocuSigned by:

HELEN KNOWLES

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BDO LLP, statutory auditor
Manchester, UK

Date: 08 October 2021

BDO LLP is eligible for appointment 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.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

James Ainsworth Almshouse Charity

Statement of financial activities for the year ended 31 March 2021

	Note	Unrestricted 2021 £	Total 2021 £	Total 2020 £
Income from:				
Charitable activities	4	36,299	36,299	33,614
Investments	5	1,151	1,151	1,485
		<u>37,450</u>	<u>37,450</u>	<u>35,099</u>
Expenditure on:				
Charitable activities	6	18,662	18,662	32,037
		<u>18,662</u>	<u>18,662</u>	<u>32,037</u>
Net income before gains/(losses) and transfers		18,788	18,788	3,062
Gains/ (losses) on investments	10	13,491	13,491	(12,635)
		<u>32,279</u>	<u>32,279</u>	<u>(9,573)</u>
Net movements in funds				
Reconciliation in funds				
Balance brought forward at 1 April 2020		517,309	517,309	526,882
Movement in funds		32,279	32,279	(9,573)
		<u>549,588</u>	<u>549,588</u>	<u>517,309</u>
Balance carried forward at 31 March 2021				

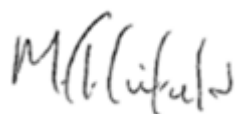
The notes on pages 10 to 17 form part of these financial statements.

James Ainsworth Almshouse Charity

Statement of financial position at 31 March 2021

Charity number 224838	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	9		389,422		399,383
Investments	10		65,516		52,025
			<hr/>		<hr/>
			454,938		451,408
Current assets					
Debtors	11	2,279		1,259	
Cash at bank		107,468		152,065	
		<hr/>		<hr/>	
		109,747		153,324	
Creditors: amounts falling due within one year		(15,097)		(87,423)	
		<hr/>		<hr/>	
Net current assets			94,650		65,901
			<hr/>		<hr/>
Net assets			549,588		517,309
			<hr/>		<hr/>
Funds					
Permanent endowed fund			250		250
<i>Unrestricted</i>					
Designated reserves		43,806		43,806	
General funds		505,532		473,253	
		<hr/>		<hr/>	
			549,338		517,059
			<hr/>		<hr/>
Total funds	13		549,588		517,309
			<hr/>		<hr/>

The financial statements were approved by the Board of Trustee and authorised for issue on 4 October 2021.



Mike Corfield
Arcon Housing Association Ltd
Trustee

The notes on pages 10 to 17 form part of these financial statements

James Ainsworth Almshouse Charity

Notes forming part of the financial statements for the year ended 31 March 2021

1 Accounting policies

Basis of preparation of accounts

The financial statements have been prepared in accordance with the Charities SORP 2nd Edition (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Charities SORP (FRS 102) and the Charities Act 2011.

All amounts are presented in pounds sterling and are rounded to the nearest £1.

The Trustee considers that the Charity meets the definition of a Public Benefit Entity under FRS102.

The following principle accounting policies have been applied:

Going concern

The principal uncertainty faced by the charity in the year arose from the COVID 19 pandemic. The charity's mitigation plan and its tactical response, aligned to the UK Government measures, meant that the association was able to minimise the impact on productivity and continue to deliver services to customers, whilst ensuring their safety.

The pandemic continues to be a source of uncertainty for the charity. When reviewing the budget and forecasts the Trustee considered its impact, both specifically and on the UK economy, together with risks around principle economic assumptions and regulatory changes.

The business plan forecasts show that the charity has sufficient liquid funds and debt facilities in place that provide adequate resources to fund all committed capital expenditure and investment programmes together with day-to-day activities.

The charity's activities are expected to continue unchanged for the foreseeable future and the uncertainties considered, including the pandemic, are not expected to have a material long term impact on the charity's financial viability. On this basis the Trustee has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months after the date on which the financial statements are signed. Therefore, it continues to adopt the going concern basis in the financial statements.

Income

Income represents rental income receivable and other income. Income is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Rental income is recognised when the property is available for let, net of voids on a receivable basis.

Investment income is recognised on a receivable basis. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Expenditure

Expenditure on charitable activities relates to all costs of providing housing accommodation. Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs. Support costs of the Charity represent the audit fees, administration costs and finance costs.

James Ainsworth Almshouse Charity

Notes forming part of the financial statements for the year ended 31 March 2021 (*continued*)

2 Accounting policies (*continued*)

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Housing Properties and Depreciation

Housing properties for rent are stated at cost less accumulated depreciation. Freehold land is not depreciated.

All properties are reviewed for impairment annually.

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

Component	UEL
New build housing structure	- 125 years
External works	- 40 years
Roofs	- 60 years
Windows	- 40 years
Electrical	- 30 year
Bathrooms	- 30 years
Boilers	- 15 years
Heating systems (excluding boilers)	- 30 years
Kitchens	- 20 years

Impairment

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 Comprehensive Income. 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. A cash generating unit is normally a group of properties at scheme level whose cash income can be separately identified.

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. 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 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.

James Ainsworth Almshouse Charity

Notes forming part of the financial statements for the year ended 31 March 2021 (*continued*)

2 Accounting policies (*continued*)

Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

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.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

The Charity designates funds in relation to anticipated major and cyclical repairs. Transfers to Designated Funds are based on Management estimates of future costs. Actual expenditure is expensed to the Income and Expenditure Account as incurred and a corresponding release of funds is then made from the Designated Funds. The balance is reviewed periodically to ensure its adequacy.

3 Judgements and key sources of estimation and 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 Statement of Financial Position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Going concern assessment

The principal uncertainty currently facing the charity around the impact of the ongoing global COVID-19 outbreak. The trustee continues to monitor the outbreak, including the latest UK Government advice, and acknowledge that the charity faces a prolonged period of uncertainty. While the evolving nature of the situation means it is not possible to accurately quantify the financial impact, the charity is actively managing this risk. Future forecasts are therefore a key source of estimation. Despite this, the trustee is comfortable that the uncertainty does not prevent the trustee concluding that the going concern basis of preparation for the accounts is appropriate as set out further within the going concern section of the Trustee' report and going concern accounting policy.

James Ainsworth Almshouse Charity

Notes forming part of the financial statements
for the year ended 31 March 2021 (*continued*)

4 Income from charitable activities

	Unrestricted 2021 £	Unrestricted 2020 £
Housing accommodation and assistance	36,299	33,614

5 Investment income

	Unrestricted 2021 £	Unrestricted 2020 £
Interest and dividends on investment deposit accounts	1,151	1,485

6 Expenditure on charitable activities

	2021 Direct £	2021 Support £	2021 Total £
Housing accommodation and assistance	16,508	2,154	18,662
2020			
Housing accommodation and assistance	28,226	3,811	32,037

All expenditure on charitable activities was unrestricted in the current and prior year.

Direct costs on charitable activities:

	2021 £	2020 £
Repairs and maintenance	641	10,966
Property costs	1,921	3,340
Heat and light	1,670	2,374
Depreciation	9,961	9,711
Insurance	433	664
Other direct	1,882	1,171
	16,508	28,226

Total support costs:

Governance costs

Audit fees	240	150
Admin and finance costs	1,914	60
Other support	-	3,601
	2,154	3,811

James Ainsworth Almshouse Charity

Notes forming part of the financial statements for the year ended 31 March 2021 (*continued*)

7 Auditors' remuneration

	2021 £	2020 £
In relation to audit of financial statements	240	150
Accountancy services	1,830	-
	<u> </u>	<u> </u>

During the year the audit fee of £3,000 (2020 - £3,000) was borne by Arcon Housing Association and £240 (2020 - £150) will be recharged to the Charity. In the prior year, the fee in relation to the preparation of the accounts of £1,800 was borne by Arcon Housing Association and not recharged to the Charity.

8 Trustee remuneration and expenses

No remuneration or expenses were paid to the Trustee during the current or prior year.

9 Tangible fixed assets

	Property £
<i>Cost</i>	
At 1 April 2020	506,784
Additions	-
Disposals	-
	<u> </u>
At 31 March 2021	506,784
	<u> </u>
<i>Depreciation</i>	
At 1 April 2020	107,401
Charge for the year	9,961
Disposals	-
	<u> </u>
At 31 March 2021	117,362
	<u> </u>
<i>Net book value</i>	
At 31 March 2021	389,422
	<u> </u>
At 31 March 2020	<u>399,383</u>

James Ainsworth Almshouse Charity

Notes forming part of the financial statements for the year ended 31 March 2021 (*continued*)

10 Investments

	2021 £	2020 £
Market value at 1 April 2020	52,025	64,352
Additions	-	308
Gains/(loss) on revaluation	13,491	(12,635)
	<hr/>	<hr/>
Market value at 31 March 2021	65,516	52,025
	<hr/>	<hr/>
Historic cost	28,433	28,433
	<hr/>	<hr/>
Investments are represented by:		
Bonds	11,883	12,572
Equities	53,633	39,453
	<hr/>	<hr/>
	65,516	52,025
	<hr/>	<hr/>

11 Debtors

	2021 £	2020 £
Amounts due from related parties	-	-
Rent arrears	2,057	379
Prepayments	-	880
Other debtors	222	-
	<hr/>	<hr/>
	2,279	1,259
	<hr/>	<hr/>

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Amounts due to related parties	10,092	80,459
Trade creditors	51	-
Tenants in credit	2,196	1,593
Accruals	2,758	5,371
	<hr/>	<hr/>
	15,097	87,423
	<hr/>	<hr/>

James Ainsworth Almshouse Charity

Notes forming part of the financial statements for the year ended 31 March 2021 (*continued*)

13 Analysis of funds

	At 1 April 2020 £	Income £	Expenditure £	Gains and transfers £	At 31 March 2021 £
Unrestricted funds					
General	473,253	36,570	(17,782)	13,491	505,532
Designated	43,806	-	-	-	43,806
	517,059	36,570	(17,782)	13,491	549,338
Endowed funds					
Permanent endowed funds	250	-	-	-	250
Total funds	517,309	36,570	(17,782)	13,491	549,588
	At 1 April 2019 £	Income £	Expenditure £	Losses and transfers £	At 31 March 2020 £
Unrestricted funds					
General	482,826	35,099	(32,037)	(12,635)	473,253
Designated	43,806	-	-	-	43,806
	526,632	35,099	(32,037)	(12,635)	517,059
Endowed funds					
Permanent endowed funds	250	-	-	-	250
Total funds	526,882	35,099	(32,037)	(12,635)	517,309

General funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

The Charity designates funds in relation to anticipated major and cyclical repairs. Transfers to Designated Funds are based on Management estimates of future costs. Actual expenditure is expensed to the Income and Expenditure Account as incurred and a corresponding release of funds is then made from the Designated Funds. The balance is reviewed periodically to ensure its adequacy.

Endowed funds represent the historical cost of the amounts held in investments.

James Ainsworth Almshouse Charity

Notes forming part of the financial statements for the year ended 31 March 2021 (*continued*)

14 Net assets

2021

	General £	Designated £	Endowed £	Total £
Tangible fixed assets	389,422		-	389,422
Investments	21,460	43,806	250	65,516
Debtors	2,279	-	-	2,279
Cash at bank	107,468	-	-	107,468
Creditors: amounts falling due in one year	(15,097)	-	-	(15,097)
	505,532	43,806	250	549,588

2020

Tangible fixed assets	399,383	-	-	399,383
Investments	7,969	43,806	250	52,025
Debtors	1,259	-	-	1,259
Cash at bank	152,065	-	-	152,065
Creditors: amounts falling due in one year	(87,423)	-	-	(87,423)
	473,253	43,806	250	517,309

15 Financial instruments

	2021 £	2020 £
Financial assets measured at fair value through profit and loss	65,516	52,025

Financial assets measured at fair value through profit and loss comprise current asset equity investments stated at market value.

16 Related party transactions

	Amounts due at start of year £	Receipts £	Payments £	Amounts due at end of year £
2021				
Arcon Housing	80,459	10,238	(80,605)	10,092
2020				
Arcon Housing	69,031	11,428	-	80,459

Arcon Housing Association is the sole trustee of the Charity. During the year Arcon Housing Association also donated professional services in relation to the audit and accounts fees of £3,000 (2020 - £4,800).

James Ainsworth Almshouse Charity

Trustee's Annual Report and Accounts

Year Ended

31 March 2021

Charity Number 224838

James Ainsworth Almshouse Charity

Trustee's report and financial statements for the year ended 31 March 2021

Contents

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1	Report of the Trustee
4	Trustee's responsibilities statement
5	Independent auditor's report
8	Statement of financial activities
9	Statement of financial position
10	Notes forming part of the financial statements

Trustee

Arcon Housing Association Ltd

Almshouses Manager: Arcon Housing Association Ltd

Company secretary and registered office

Katrina Cunliffe, Quay West, Trafford Wharf Road, Manchester, M17 1HH

Charity number

224838

Solicitors

Brabners Chaffe Street, Horton House, Exchange Flags, Liverpool, L2 3YL

Auditor

BDO LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3AT

Bankers

CAF Bank, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

James Ainsworth Almshouse Charity

Report of the Trustee for the year ended 31 March 2021

The Trustee presents the annual report and the audited financial statements for the year ended 31 March 2021. The Trustee has adopted the provisions of the Charities SORP 2nd Edition (FRS 102) in preparing the annual report and financial statements of the charity.

Structure, Governance and Management

Arcon Housing Association were appointed as Trustee on 1st June 2006. The Trustee was previously The Orders of St John Trustee Company.

Structure and activities

The Charity, which is registered with The Charity Commission, is unincorporated and has as its constitution a declaration of trust dated 2 March 1968 (as amended).

In addition, the Charity holds funds and investments with a view to the further development of its charitable aims.

Organisation

The Board of Arcon Housing Association meets six times a year and carries out an Annual Review.

As Corporate Trustee, the trustee meets at least twice a year to discuss performance, budgets and business plans and approve the financial statements.

Objectives and Activities

The Charitable objects of the Charity are:

- to provide housing accommodation and assistance to help house people who are elderly or disabled and associated facilities and amenities for such people or the relief of the aged, disabled: and
- to further such general charitable objects as the Trustee may determine.

Financial review

The total incoming resources were £36,570 for the year to 31st March 2021 (2020: £35,099), producing an operating surplus of £18,788 (2020: £3,062). Gains on investments resulted in a surplus of £32,279 for the 12 month period to 31st March 2021 (2020: deficit of £9,573). Accumulated surpluses held in general funds were £505,532 (2020: £473,253).

There was limited impact from Covid-19 which was classified as a pandemic on 11 March 2020 by the World Health Organisation during the financial year. Whilst all the government guidelines have been adhered to throughout it is also not expected to impact on the following year due to the nature of the business and the business is expected to continue as a going concern.

Going concern

The principal uncertainty faced by the charity in the year arose from the COVID 19 pandemic. The charity's mitigation plan and its tactical response, aligned to the UK Government measures, meant that the association was able to minimise the impact on productivity and continue to deliver services to customers, whilst ensuring their safety.

The pandemic continues to be a source of uncertainty for the charity. When reviewing the budget and forecasts the Trustee considered its impact, both specifically and on the UK economy, together with risks around principle economic assumptions and regulatory changes.

The business plan forecasts show that the charity has sufficient liquid funds and debt facilities in place that provide adequate resources to fund all committed capital expenditure and investment programmes together with day-to-day activities.

The charity's activities are expected to continue unchanged for the foreseeable future and the uncertainties considered, including the pandemic, are not expected to have a material long term impact on the charity's financial viability. On this basis the Trustee has a reasonable expectation that the Group has adequate resources to

James Ainsworth Almshouse Charity

Report of the Trustee for the year ended 31 March 2021 (*continued*)

continue in operational existence for the foreseeable future, being a period of at least 12 months after the date on which the financial statements are signed. Therefore, it continues to adopt the going concern basis in the financial statements.

Reserves policy

The Trustee has considered the need for an appropriate level of reserves in conjunction with the guidance issued by The Charity Commission.

In determining a reserve policy, the Trustee has identified core objectives to be met. These are as follows:

- the establishment of adequate free reserves (excluding fixed assets) to ensure that the Charity has adequate liquidity to meet any short-term fluctuations in occupancy levels or exceptional costs outside the scope of the budget; and
- the development of a strong balance sheet and positive cash flow to support the funding of the improvement of the existing property.

The level of reserves required is determined using comprehensive budgets and cash flow forecasts. Regular updates and monitoring of these documents are carried out to ensure that a surplus is achieved, and cash flow is adequate for the needs of the Charity. The benchmark for the free reserves for the Charity is between £400,000 and £500,000.

At the year end the Charity has total funds of £549,588 (2020: £517,309) of which £549,338 (2020: £517,059) is available at the discretion of the trustee and deemed as free reserves.

Risk management

The Trustee has identified the risks to which the Charity is exposed and, for each of these, an assessment has been made as to their impact, severity, and probability. Internal and external controls have been reviewed for effectiveness in mitigating these risks.

Systems have been established to manage the level of risk including the following:

- The review of major risk related incidents (and steps taken to address these) at each meeting of the Board and the Audit and Risk Management Committee.
- The internal control system is monitored and supported by external audit that is able to provide an independent perspective on the management of risk within the Charity.

The management and control of risk is an ongoing process in the Charity. Responsibility for ensuring that there are appropriate risk management and audit structures in place, and for reviewing those structures, is delegated to the Audit and Risk Management Committee, which is a shared committee with the Bolton at Home Group.

Whilst the Covid-19 pandemic presented an additional risk the business has responded well and this is not expected to have a detrimental impact on the surplus as customers continue to pay their rent.

Funding Source and Expenditure

The principal funding sources are charges for providing housing accommodation. Expenditure is all related to providing this accommodation.

James Ainsworth Almshouse Charity

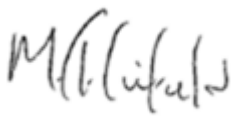
Report of the Trustee for the year ended 31 March 2021 (*continued*)

Future developments

A revised stock condition survey is being carried out which will inform future requirements for improvements to properties.

Auditor

The auditor, BDO LLP, was appointed during the year and will be proposed for reappointment in line with the terms of the Charities Act 2011.



Mike Corfield
Arcon Housing Association Ltd
Trustee

Date: 4 October 2021

James Ainsworth Almshouse Charity

Trustee's responsibilities statement for the year ended 31 March 2021

The Trustee is responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, 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; and
- make judgements and accounting estimates that are reasonable and prudent; and
- state whether applicable UK 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 business.

The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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.

James Ainsworth Almshouse Charity

Independent auditor's report to the trustee of James Ainsworth Almshouse Charity

Opinion on the financial statements

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 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.

We have audited the financial statements of James Ainsworth Almshouse Charity ("the Charity") for the year ended 31 March 2021 which comprise the Statement of financial activities, the Statement of financial position and notes to the financial statements, 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charity in accordance with the ethical requirements 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.

Conclusions related 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 Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report and Accounts, other than the financial statements and our auditor's report thereon. The other information comprises: Report of the Trustees. 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. 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 Act 2011 require us to report to you if, in our opinion;

- the information contained in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- adequate 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.

James Ainsworth Almshouse Charity

Independent auditor's report to the trustee of James Ainsworth Almshouse Charity

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 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 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 144 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.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

- agreement of the financial statement disclosures to underlying supporting documentation;
- challenging assumptions made by management in their significant accounting estimates in particular in relation to the following:
 - whether there are indicators of impairment of tangible assets; and
 - recoverability of receivable balances outstanding at the year end; and
 - future forecasts prepared for the going concern assessment.
- discussions with, and inquiries of, management and those charged with governance, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- enquires to confirm with management that there was no legal correspondence during the period, or post year end, requiring review;
- identifying and testing journal entries identified as potentially unusual; and
- a review of minutes of meetings of those charged with governance both during the period, and post year end.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

James Ainsworth Almshouse Charity

Independent auditor's report to the trustee of James Ainsworth Almshouse Charity

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.

DocuSigned by:

HELEN KNOWLES

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BDO LLP, statutory auditor
Manchester, UK

Date: 08 October 2021

BDO LLP is eligible for appointment 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.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

James Ainsworth Almshouse Charity

Statement of financial activities for the year ended 31 March 2021

	Note	Unrestricted 2021 £	Total 2021 £	Total 2020 £
Income from:				
Charitable activities	4	36,299	36,299	33,614
Investments	5	1,151	1,151	1,485
		<u>37,450</u>	<u>37,450</u>	<u>35,099</u>
Expenditure on:				
Charitable activities	6	18,662	18,662	32,037
		<u>18,662</u>	<u>18,662</u>	<u>32,037</u>
Net income before gains/(losses) and transfers		18,788	18,788	3,062
Gains/ (losses) on investments	10	13,491	13,491	(12,635)
		<u>32,279</u>	<u>32,279</u>	<u>(9,573)</u>
Reconciliation in funds				
Balance brought forward at 1 April 2020		517,309	517,309	526,882
Movement in funds		32,279	32,279	(9,573)
		<u>549,588</u>	<u>549,588</u>	<u>517,309</u>
Balance carried forward at 31 March 2021		549,588	549,588	517,309

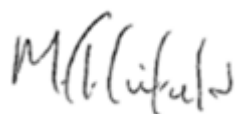
The notes on pages 10 to 17 form part of these financial statements.

James Ainsworth Almshouse Charity

Statement of financial position at 31 March 2021

Charity number 224838	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	9		389,422		399,383
Investments	10		65,516		52,025
			<hr/>		<hr/>
			454,938		451,408
Current assets					
Debtors	11	2,279		1,259	
Cash at bank		107,468		152,065	
		<hr/>		<hr/>	
		109,747		153,324	
Creditors: amounts falling due within one year		(15,097)		(87,423)	
		<hr/>		<hr/>	
Net current assets			94,650		65,901
			<hr/>		<hr/>
Net assets			549,588		517,309
			<hr/>		<hr/>
Funds					
Permanent endowed fund			250		250
<i>Unrestricted</i>					
Designated reserves		43,806		43,806	
General funds		505,532		473,253	
		<hr/>		<hr/>	
			549,338		517,059
			<hr/>		<hr/>
Total funds	13		549,588		517,309
			<hr/>		<hr/>

The financial statements were approved by the Board of Trustee and authorised for issue on 4 October 2021.



Mike Corfield
Arcon Housing Association Ltd
Trustee

The notes on pages 10 to 17 form part of these financial statements

James Ainsworth Almshouse Charity

Notes forming part of the financial statements for the year ended 31 March 2021

1 Accounting policies

Basis of preparation of accounts

The financial statements have been prepared in accordance with the Charities SORP 2nd Edition (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Charities SORP (FRS 102) and the Charities Act 2011.

All amounts are presented in pounds sterling and are rounded to the nearest £1.

The Trustee considers that the Charity meets the definition of a Public Benefit Entity under FRS102.

The following principle accounting policies have been applied:

Going concern

The principal uncertainty faced by the charity in the year arose from the COVID 19 pandemic. The charity's mitigation plan and its tactical response, aligned to the UK Government measures, meant that the association was able to minimise the impact on productivity and continue to deliver services to customers, whilst ensuring their safety.

The pandemic continues to be a source of uncertainty for the charity. When reviewing the budget and forecasts the Trustee considered its impact, both specifically and on the UK economy, together with risks around principle economic assumptions and regulatory changes.

The business plan forecasts show that the charity has sufficient liquid funds and debt facilities in place that provide adequate resources to fund all committed capital expenditure and investment programmes together with day-to-day activities.

The charity's activities are expected to continue unchanged for the foreseeable future and the uncertainties considered, including the pandemic, are not expected to have a material long term impact on the charity's financial viability. On this basis the Trustee has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months after the date on which the financial statements are signed. Therefore, it continues to adopt the going concern basis in the financial statements.

Income

Income represents rental income receivable and other income. Income is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Rental income is recognised when the property is available for let, net of voids on a receivable basis.

Investment income is recognised on a receivable basis. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Expenditure

Expenditure on charitable activities relates to all costs of providing housing accommodation. Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs. Support costs of the Charity represent the audit fees, administration costs and finance costs.

James Ainsworth Almshouse Charity

Notes forming part of the financial statements for the year ended 31 March 2021 (*continued*)

2 Accounting policies (*continued*)

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Housing Properties and Depreciation

Housing properties for rent are stated at cost less accumulated depreciation. Freehold land is not depreciated.

All properties are reviewed for impairment annually.

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

Component	UEL
New build housing structure	- 125 years
External works	- 40 years
Roofs	- 60 years
Windows	- 40 years
Electrical	- 30 year
Bathrooms	- 30 years
Boilers	- 15 years
Heating systems (excluding boilers)	- 30 years
Kitchens	- 20 years

Impairment

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 Comprehensive Income. 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. A cash generating unit is normally a group of properties at scheme level whose cash income can be separately identified.

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. 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 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.

James Ainsworth Almshouse Charity

Notes forming part of the financial statements for the year ended 31 March 2021 (*continued*)

2 Accounting policies (*continued*)

Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

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.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

The Charity designates funds in relation to anticipated major and cyclical repairs. Transfers to Designated Funds are based on Management estimates of future costs. Actual expenditure is expensed to the Income and Expenditure Account as incurred and a corresponding release of funds is then made from the Designated Funds. The balance is reviewed periodically to ensure its adequacy.

3 Judgements and key sources of estimation and 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 Statement of Financial Position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Going concern assessment

The principal uncertainty currently facing the charity around the impact of the ongoing global COVID-19 outbreak. The trustee continues to monitor the outbreak, including the latest UK Government advice, and acknowledge that the charity faces a prolonged period of uncertainty. While the evolving nature of the situation means it is not possible to accurately quantify the financial impact, the charity is actively managing this risk. Future forecasts are therefore a key source of estimation. Despite this, the trustee is comfortable that the uncertainty does not prevent the trustee concluding that the going concern basis of preparation for the accounts is appropriate as set out further within the going concern section of the Trustee' report and going concern accounting policy.

James Ainsworth Almshouse Charity

Notes forming part of the financial statements
for the year ended 31 March 2021 (*continued*)

4 Income from charitable activities

	Unrestricted 2021 £	Unrestricted 2020 £
Housing accommodation and assistance	36,299	33,614

5 Investment income

	Unrestricted 2021 £	Unrestricted 2020 £
Interest and dividends on investment deposit accounts	1,151	1,485

6 Expenditure on charitable activities

	2021 Direct £	2021 Support £	2021 Total £
Housing accommodation and assistance	16,508	2,154	18,662
2020			
Housing accommodation and assistance	28,226	3,811	32,037

All expenditure on charitable activities was unrestricted in the current and prior year.

Direct costs on charitable activities:

	2021 £	2020 £
Repairs and maintenance	641	10,966
Property costs	1,921	3,340
Heat and light	1,670	2,374
Depreciation	9,961	9,711
Insurance	433	664
Other direct	1,882	1,171
	16,508	28,226

Total support costs:

Governance costs

Audit fees	240	150
Admin and finance costs	1,914	60
Other support	-	3,601
	2,154	3,811

James Ainsworth Almshouse Charity

Notes forming part of the financial statements for the year ended 31 March 2021 (*continued*)

7 Auditors' remuneration

	2021 £	2020 £
In relation to audit of financial statements	240	150
Accountancy services	1,830	-
	<u> </u>	<u> </u>

During the year the audit fee of £3,000 (2020 - £3,000) was borne by Arcon Housing Association and £240 (2020 - £150) will be recharged to the Charity. In the prior year, the fee in relation to the preparation of the accounts of £1,800 was borne by Arcon Housing Association and not recharged to the Charity.

8 Trustee remuneration and expenses

No remuneration or expenses were paid to the Trustee during the current or prior year.

9 Tangible fixed assets

	Property £
<i>Cost</i>	
At 1 April 2020	506,784
Additions	-
Disposals	-
	<u> </u>
At 31 March 2021	506,784
	<u> </u>
<i>Depreciation</i>	
At 1 April 2020	107,401
Charge for the year	9,961
Disposals	-
	<u> </u>
At 31 March 2021	117,362
	<u> </u>
<i>Net book value</i>	
At 31 March 2021	389,422
	<u> </u>
At 31 March 2020	<u>399,383</u>

James Ainsworth Almshouse Charity

Notes forming part of the financial statements for the year ended 31 March 2021 (*continued*)

10 Investments

	2021 £	2020 £
Market value at 1 April 2020	52,025	64,352
Additions	-	308
Gains/(loss) on revaluation	13,491	(12,635)
	<hr/>	<hr/>
Market value at 31 March 2021	65,516	52,025
	<hr/>	<hr/>
Historic cost	28,433	28,433
	<hr/>	<hr/>
Investments are represented by:		
Bonds	11,883	12,572
Equities	53,633	39,453
	<hr/>	<hr/>
	65,516	52,025
	<hr/>	<hr/>

11 Debtors

	2021 £	2020 £
Amounts due from related parties	-	-
Rent arrears	2,057	379
Prepayments	-	880
Other debtors	222	-
	<hr/>	<hr/>
	2,279	1,259
	<hr/>	<hr/>

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Amounts due to related parties	10,092	80,459
Trade creditors	51	-
Tenants in credit	2,196	1,593
Accruals	2,758	5,371
	<hr/>	<hr/>
	15,097	87,423
	<hr/>	<hr/>

James Ainsworth Almshouse Charity

Notes forming part of the financial statements for the year ended 31 March 2021 (*continued*)

13 Analysis of funds

	At 1 April 2020 £	Income £	Expenditure £	Gains and transfers £	At 31 March 2021 £
Unrestricted funds					
General	473,253	36,570	(17,782)	13,491	505,532
Designated	43,806	-	-	-	43,806
	517,059	36,570	(17,782)	13,491	549,338
Endowed funds					
Permanent endowed funds	250	-	-	-	250
Total funds	517,309	36,570	(17,782)	13,491	549,588
	At 1 April 2019 £	Income £	Expenditure £	Losses and transfers £	At 31 March 2020 £
Unrestricted funds					
General	482,826	35,099	(32,037)	(12,635)	473,253
Designated	43,806	-	-	-	43,806
	526,632	35,099	(32,037)	(12,635)	517,059
Endowed funds					
Permanent endowed funds	250	-	-	-	250
Total funds	526,882	35,099	(32,037)	(12,635)	517,309

General funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

The Charity designates funds in relation to anticipated major and cyclical repairs. Transfers to Designated Funds are based on Management estimates of future costs. Actual expenditure is expensed to the Income and Expenditure Account as incurred and a corresponding release of funds is then made from the Designated Funds. The balance is reviewed periodically to ensure its adequacy.

Endowed funds represent the historical cost of the amounts held in investments.

James Ainsworth Almshouse Charity

Notes forming part of the financial statements for the year ended 31 March 2021 (continued)

14 Net assets

2021

	General £	Designated £	Endowed £	Total £
Tangible fixed assets	389,422		-	389,422
Investments	21,460	43,806	250	65,516
Debtors	2,279	-	-	2,279
Cash at bank	107,468	-	-	107,468
Creditors: amounts falling due in one year	(15,097)	-	-	(15,097)
	505,532	43,806	250	549,588

2020

Tangible fixed assets	399,383	-	-	399,383
Investments	7,969	43,806	250	52,025
Debtors	1,259	-	-	1,259
Cash at bank	152,065	-	-	152,065
Creditors: amounts falling due in one year	(87,423)	-	-	(87,423)
	473,253	43,806	250	517,309

15 Financial instruments

	2021 £	2020 £
Financial assets measured at fair value through profit and loss	65,516	52,025

Financial assets measured at fair value through profit and loss comprise current asset equity investments stated at market value.

16 Related party transactions

	Amounts due at start of year £	Receipts £	Payments £	Amounts due at end of year £
2021				
Arcon Housing	80,459	10,238	(80,605)	10,092
2020				
Arcon Housing	69,031	11,428	-	80,459

Arcon Housing Association is the sole trustee of the Charity. During the year Arcon Housing Association also donated professional services in relation to the audit and accounts fees of £3,000 (2020 - £4,800).

Private and Confidential

The Trustees
James Ainsworth Almshouse Charity
Quay West
Trafford Wharf Road
Manchester
M17 1HH

8 October 2021

Our Ref: 00323903/HK/SH

Dear Madams/Sirs

Financial statements for year ended 31 March 2021

1. Following our recent audit of your financial statements, we are writing to advise you formally that, in our opinion, there were no significant matters arising from our audit that require us to put them in writing. Other findings that are not, in our opinion, so significant as to require inclusion in this letter were discussed with you during the conversations up to sign off.
2. As the purpose of the audit is to form an opinion on the company's financial statements, you will appreciate that our audit cannot necessarily be expected to disclose all matters that may be of interest to you and, as a result, the matters reported may not be the only ones which exist.
3. We have prepared this report for your use only. It should not be disclosed to any other person without our express permission in writing. We do not accept responsibility for this report to any other person and we hereby disclaim any and all such liability.
4. We would like to take this opportunity to thank you and your staff for your help and co-operation during the course of our audit.

Yours faithfully

BDO LLP

For and on behalf of BDO LLP