

REGISTERED CHARITY NUMBER: 229734

**PORTSMOUTH AND DISTRICT FRIENDLY SOCIETIES
HOMES**

**REPORT OF THE TRUSTEES
AND UNAUDITED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED

31 DECEMBER 2021

**PORTSMOUTH AND DISTRICT FRIENDLY SOCIETIES
HOMES**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Page
General Information	1
Statement of Financial Activities	2
Balance Sheet	4
Notes to the Financial Statements	5
Independent Examiners Report	9
Report of the Trustees	10

**PORTSMOUTH AND DISTRICT FRIENDLY SOCIETIES
HOMES**

**CHARITY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021**

HONORARY SECRETARY:	Cllr C Corkery
HONORARY TREASURER:	Cllr C Corkery
TRUSTEES:	Cllr B Dowling Cllr G Vernon-Jackson Cllr C Corkery Mr S Pitt Mrs D Abrahart (resigned during 2021)
HOMES SITUATED AT:	Glasgow Road Milton Portsmouth Hampshire PO4 8HS
CHARITY NUMBER:	229734
ACCOUNTANTS:	Morris Crocker Chartered Accountants Station House Havant Hampshire PO9 1QU
BANKERS:	Lloyds Bank plc 38 London Road North End Portsmouth PO2 0LN

**PORTSMOUTH AND DISTRICT FRIENDLY SOCIETIES
HOMES**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Unrestricted Funds	Restricted Funds	2021 Total	2020 Total
	£	£	£	£
Income:				
Friendly Society's donations	3,380	-	3,380	3,410
Maintenance contributions	77,636	-	77,636	73,051
Water heater contributions	1,070	-	1,070	988
Sundries	120	-	120	53
	<u>82,206</u>	<u>-</u>	<u>82,206</u>	<u>77,502</u>
Other income:				
Investment income	3,261	-	3,261	3,428
Deposit account interest	38	-	38	131
	<u>3,299</u>	<u>-</u>	<u>3,299</u>	<u>3,559</u>
TOTAL INCOMING RESOURCES	85,505	-	85,505	81,061
Expenditure:				
Telephone	735	-	735	617
Postage and stationery	554	-	554	410
Subscriptions of National Association of Almshouses	295	-	295	281
Almshouses training and seminar	-	-	-	-
Sundry expenses	1,227	-	1,227	1,347
Accountancy	2,028	-	2,028	1,968
Payroll	511	-	511	353
Wages	14,669	-	14,669	14,638
Social security	807	-	807	599
Pensions	421	-	421	417
Rates and water	6,688	-	6,688	1,795
Insurance	2,002	-	2,002	1,928
Electricity and gas	1,570	-	1,570	1,261
Repairs and decorations	35,308	-	35,308	28,079
Stairs lighting	-	-	-	336
Bank charges	-	-	-	21
	<u>66,815</u>	<u>-</u>	<u>66,815</u>	<u>54,050</u>

**PORTSMOUTH AND DISTRICT FRIENDLY SOCIETIES
HOMES**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

	Unrestricted Funds	Restricted Funds	2021 Total	2020 Total
	£	£	£	£
Depreciation:				
Office equipment	188	-	188	235
TOTAL EXPENDITURE	<u>67,003</u>	<u>-</u>	<u>67,003</u>	<u>54,285</u>
NET INCOME	18,502	-	18,502	26,776
Investment gains	60,712	-	60,712	31,706
NET MOVEMENT IN FUNDS	79,214	-	79,214	58,482
 Total funds brought forward	 <u>1,800,782</u>	 <u>62</u>	 <u>1,800,844</u>	 <u>1,742,362</u>
TOTAL FUNDS CARRIED FORWARD	<u>1,879,996</u>	<u>62</u>	<u>1,880,058</u>	<u>1,800,844</u>

**PORTSMOUTH AND DISTRICT FRIENDLY SOCIETIES
HOMES**

**BALANCE SHEET
31 DECEMBER 2021**

		<u>2021</u>		<u>2020</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Freehold property	2	984,737		984,737	
Office equipment	2	754		942	
Investments	3	<u>486,834</u>		<u>426,122</u>	
			1,472,325		1,411,801
CURRENT ASSETS:					
CMF bank account		261,843		271,817	
ERF bank account		85,586		73,578	
Instant bank account		41,608		38,342	
Scales Gift account		62		62	
Current account		22,128		6,910	
Debtors		<u>158</u>		<u>508</u>	
		<u>411,385</u>		<u>391,217</u>	
CREDITORS:					
Accrued expenses		2,028		1,968	
Creditors		<u>1,624</u>		<u>206</u>	
		<u>3,652</u>		<u>2,174</u>	
			<u>407,733</u>		<u>389,043</u>
NET ASSETS			<u>1,880,058</u>		<u>1,800,844</u>
FUNDS:					
Unrestricted funds – reserve funds			1,879,996		1,800,782
Restricted funds			<u>62</u>		<u>62</u>
TOTAL FUNDS			<u>1,880,058</u>		<u>1,800,844</u>

The financial statements were approved by the Board of Trustees on 3 October 2022 and were signed on its behalf by:

Cllr C Corkery – Secretary

Cllr B Dowling – Chair Trustee

**PORTSMOUTH AND DISTRICT FRIENDLY SOCIETIES
HOMES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. ACCOUNTING POLICIES

Basic of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- nil
Office equipment	- 20% on reducing balance

Freehold property is reflected in the accounts at original cost. Having regard to the estimated useful economic life and residual value, the Trustees consider that a provision for depreciation is not required.

Investments

Investments are included at market value and the unrealised gain or loss is accounted for in the Statement of Financial Activities.

Taxation

The charity is exempt from tax on its charitable activities.

Funds accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

**PORTSMOUTH AND DISTRICT FRIENDLY SOCIETIES
HOMES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Management and administration of the charity

No honorarium has been paid in the year.

Staff costs

The average monthly number of employees during the year was as follows:

	2021	2020
Homes administrator	1	1

No employees received emoluments in excess of £60,000.

Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

During the year, Mrs D Abrahart was reimbursed £608 (2020: £990) for repairs and decorations, £Nil (2020: £98) for postage and sundries, £Nil (2020: £750) for laptop, and £Nil (2020: £240) for residents Christmas vouchers.

**PORTSMOUTH AND DISTRICT FRIENDLY SOCIETIES
HOMES**

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2021**

2. TANGIBLE FIXED ASSETS

	<u>Freehold property</u>	<u>Office equipment</u>	<u>Totals</u>
	£	£	£
COST OR VALUATION:			
At 1 January 2021	984,737	1,793	986,530
Additions	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2021	<u>984,737</u>	<u>1,793</u>	<u>986,530</u>
DEPRECIATION:			
At 1 January 2021	-	851	851
Charge for year	<u>-</u>	<u>188</u>	<u>188</u>
At 31 December 2021	<u>-</u>	<u>1,039</u>	<u>1,039</u>
NET BOOK VALUE:			
At 31 December 2021	<u>984,737</u>	<u>754</u>	<u>985,491</u>
At 31 December 2020	<u>984,737</u>	<u>942</u>	<u>985,679</u>

3. FIXED ASSET INVESTMENTS

	<u>Historical Cost</u>	<u>Market Value 2021</u>	<u>Unrealised Gain/(Loss)</u>	<u>Market Value 2020</u>
	£	£	£	£
COIF Capital (4,183.92 units)	35,567	86,048	10,690	75,358
COIF ERF Scheme (1,442.96 units)	93,236	349,950	51,830	298,120
M&G Charibond (41,953.75 units)	<u>49,610</u>	<u>50,836</u>	<u>(1,808)</u>	<u>52,644</u>
	<u>178,413</u>	<u>486,834</u>	<u>60,712</u>	<u>426,122</u>

All investment assets are held in the UK.

**PORTSMOUTH AND DISTRICT FRIENDLY SOCIETIES
HOMES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

4. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Tangible fixed assets	985,491	-	-	985,491
Investments	486,834	-	-	486,834
Current assets	3,652	407,671	62	411,385
Current liabilities	<u>(3,652)</u>	<u>-</u>	<u>-</u>	<u>(3,652)</u>
	<u>1,472,325</u>	<u>407,671</u>	<u>62</u>	<u>1,880,058</u>

5. MOVEMENT IN FUNDS

	At 1 January 2021	Incoming resources	Outgoing resources	Movement in investments	At 31 December 2021
	£	£	£	£	£
Unrestricted funds:					
Designated funds	388,981	18,690	-	-	407,671
General funds	<u>1,411,801</u>	<u>-</u>	<u>(188)</u>	<u>60,712</u>	<u>1,472,325</u>
	<u>1,800,782</u>	<u>18,690</u>	<u>(188)</u>	<u>60,712</u>	<u>1,879,996</u>
 Restricted funds:					
Renovation grant	<u>62</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>62</u>
TOTAL FUNDS	<u>1,800,844</u>	<u>18,690</u>	<u>(188)</u>	<u>60,712</u>	<u>1,880,058</u>

6. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021.

**INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES OF
PORTSMOUTH AND DISTRICT FRIENDLY SOCIETIES
HOMES**

FOR THE YEAR ENDED 31 DECEMBER 2021

I report on the accounts of the Society for the year ended 31 December 2021, which are set out on pages 2 to 8.

Respective Responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commissioners (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that, in any material respect, the requirements

- to keep accounting records in accordance with Section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act

have not been met: or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



**M Southern FCA
Morris Crocker
Chartered Accountants
Station House
North Street
Havant
Hampshire
PO9 1QU**

Date: 25 October 2022

**PORTSMOUTH AND DISTRICT FRIENDLY SOCIETIES
HOMES**

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provision of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Objectives and activities

The aim of the Friendly Societies Homes is to provide accommodation for necessitous people over the age of 60 with a preference for those who are members of Friendly Societies and their widows, living in the area of benefit for five years and able to live independently. The area of benefit is within a 15 mile radius from the Guildhall in the city of Portsmouth.

The main objective of the trustees in recent years has been to bring the housing stock of flats up to a suitable and acceptable standard in today's market. There are five blocks of flats on the ground floor and first floor only. There are no lifts at the Homes. Following the modernisation and refurbishment, there are a total of 25 flats at the Homes now having been reduced from the original 32 bedsit flats, with flat 88 becoming an office with planning permission in 2016.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The trustees refer to public benefit throughout this report.

Activities, achievement and performance

In 2021 the trustees continued to make upgrades and renovation to the flats whilst trying to keep residents safe and well. The pace of work was slow at the start of 2021 due to the coronavirus outbreak and contractors were having a large backlog of works caused by the pandemic.

The Homes made several repairs to intercom systems, showers, external lighting and provided new gas boiler thermostats for those residents who required them in 2021. A gas leak in an empty flat that required immediate repair was dealt with very quickly and professionally by our gas contractor EC Cole, and a new gas boiler was installed at number 84.

Nearly thirty new consumer units were replaced by our electrical contactor Mayo Electrical in 2021 and smaller remedial electrical works including new bathroom fans for two flats and new plug sockets in one flat were completed at the same time.

The annual testing of the gas boilers and PAT testing went ahead as planned as did the fire, smoke, heat and CO2 inspections. The Homes saw major renovations of numbers 84, 108 and 98 in 2021 before new residents could take up residence.

Pellings LLP completed a quinquennial inspection in 2021 which provided the trustees with an action plan of works for the next five years including repairs to roofs, new back doors on flats to improve energy efficiency and various renovations of some flats that require further updating.

The trustees are grateful and would like to thank Michelle Lincoln for her continued service in supporting the Trustees and residents. The Trustees also send their thanks to Colin Thorn for his services to the Homes with maintenance and repairs in 2021.

**PORTSMOUTH AND DISTRICT FRIENDLY SOCIETIES
HOMES**

FOR THE YEAR ENDED 31 DECEMBER 2021

ANNUAL REPORT FOR 2021 (continued)

The Homes sadly lost two longstanding residents who passed away during 2021 and are sorely missed, Terry Burton and Barrie Jenkinson. The trustees will hold a minute's silence to remember our residents at our next AGM.

The trustees also acknowledge this was a very difficult time for our residents and the residents were constantly in the trustees' thoughts.

Financial review

Please see the attached accounts prepared by the Homes' Accountants. The trustees did not increase the maintenance charge during 2021.

A donation was received from the Ancient Order of Foresters (Southampton) in the sum of £3,380. The trustees are extremely grateful for the help and support they provide and are very thankful for their kind donations. This money will be used to further update the Homes for the benefit of the residents. The trustees would also like to remind residents of the benefits of belonging to the Foresters or Manchester Odd Fellows as they do provide social events for members and can help with welfare grants when members are in need.

Reserves policy

The Homes need a reserve in case it needs to meet unexpected costs.

Structure, governance and management

The name of the Charity is Portsmouth and District Friendly Societies Homes and this is the name used by the trustees. The Registration number of the Charity is 229734. The Trustees' official address is the office based at Flat 88 Glasgow Road, Southsea, Portsmouth, Hampshire, PO4 8HS.

The Homes are conducted by a Scheme dated 15 October 1985, drawn up by the Charity Commission. The charity is controlled by its governing document and constitutes an unincorporated charity. Any decisions made by the trustees are made at meetings of the trustees which are held regularly. The quorum for all trustee meetings is four.

There are four trustees as per the list attached to this report, two are nominative trustees appointed by Portsmouth City Council (one vacancy) and two are co-opted trustees (4 vacancies). In 2021 we sadly saw the departure of Mrs D Abrahart as a trustee after many years of service to the residents and trustees. The appointment of Mr S Pitt as a new trustee was welcomed in 2021 bringing with him a wealth of experience and knowledge.

The trustees were unable to hold an Annual General Meeting in 2021, or their traditional Christmas gathering for residents at flat 88 due to local Covid restrictions. All residents were given a £10 food voucher at Christmas to spend at the local butchers. The aim is to hold the next AGM in 2022 providing there is no Covid lockdown or restrictions in place. The safety of our residents and staff is of the utmost priority for the trustees.

All in all, an unusual year for the trustees.

Approved by order of the board of trustees on 3 October 2022 and signed on its behalf by:

Cllr C Corkery
Secretary and Trustee

Cllr B Dowling
Chair Trustee