

CATHERINE WALKER ALMSHOUSES

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST DECEMBER, 2020

Housing Corporation No: A4430

Registered Charity No: 230124

CATHERINE WALKER ALMSHOUSES

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CATHERINE WALKER ALMSHOUSES

BOARD REPORT FOR THE YEAR ENDED 31ST DECEMBER, 2020

Responsibilities of the Board

Housing Association and Charity legislation require Trustees to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the Charity as at the end of the financial year and of the surplus or deficit for that period. In preparing the Financial Statements, suitable accounting policies have been adopted and consistently applied, to the best of the Trustees' knowledge and belief, by reference to reasonable and prudent judgements and estimates. Applicable accounting standards have been followed. The Trustees are responsible for maintaining adequate accounting records, for safeguarding the assets of the Charity and for preventing and detecting fraud and other irregularities. The Trustees are also required to indicate where the Financial Statements are prepared other than on the basis that the charity is a going concern. The Trustees have had due regard to the guidance published by the Charities Commission in respect of public benefit.

The trustees of the Charity regularly review the Charity's finances to determine the minimum amount of reserves required for the day to day management of the Charity in order to provide for the future. Any amounts over and above this minimum are invested back into the Charity in the furtherance of its objectives set out in its Scheme.

The Charity is required to work within the parameters of its Scheme in respect of how and where it can recruit new Trustees. As part of the Management Agreement between the Almshouse and Accord, one of the services Accord provides is advice and support to ensure the Charity's adherence to its constituting Trust Deed and Scheme. This includes training and administrative support in appointment of new trustees.

Review of operations

The charity is constituted under a scheme dated 22 October 1897, a scheme dated 22 April 1910 and 8 May 1925 as varied by order dated 20 September 1935 and a scheme dated 4 October 2004. The Charity's objects are the provision of housing accommodation for beneficiaries and such charitable purposes for the residents as the trustees decide.

The Charity owns six Almshouses, situated at Buckley House, Cartmel House and, Tibbets House, Aldridge.

The Charity is registered with The Charity Commissioners for England and Wales (Number: 230124), and with the Homes and Communities Agency (Number: A4430). It is governed by the Charity Commissioners for England and Wales scheme dated 4 October 2004.

The day-to-day management and administration of the Almshouses is carried out by Accord Housing Association Limited and overseen by the Board who meet on a quarterly basis. The Board consists of the Trustees of the Charity.

The performance of the Charity is as disclosed in the financial statements on pages 5-12.

The Trustees consider that the charity is in a sound financial position at the year-end.

DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Trustees are aware there is no relevant audit information of which the charity's auditors are unaware, and each trustee has taken all steps that he or she ought to have taken as a Trustee in order to make himself or herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information

The Trustees who have served the Charity during the year are as follows:-

Mrs M Main

Miss C Gosling

Mr A Crosby

Retired 17/12/2020

Miss Charlotte Holmes

Ms S Bagnall

Cllr Vera Waters

For and on behalf of the Board

CHADWICK

Date *30th May 2021*

CATHERINE WALKER ALMSHOUSES

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF CATHERINE WALKER ALMSHOUSES

Opinion

We have audited the financial statements of Catherine Walker Almshouses (the 'association') for the year ended 31 December 2020 which comprise of a statement of comprehensive income, a balance sheet 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).

In our opinion the financial statements:

- give a true and fair view of the state of the association's affairs as at 31st December 2020, and of its incoming resources and application of resources, including its income and expenditure, 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, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the board's 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 association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorized for issue.

Our responsibilities and the responsibilities of the board with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the board report, other than the financial statements and our auditor's report thereon. The board are responsible for the other information contained within the board report. 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.

CATHERINE WALKER ALMSHOUSES

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF CATHERINE WALKER ALMSHOUSES

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the board report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Responsibilities of the board

As explained more fully in the board's responsibilities statement [set out on page 1], the board members (who are also the trustees of the association for the purposes of charity law) 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 board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board is responsible for assessing the association'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 board either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

CATHERINE WALKER ALMSHOUSES

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF CATHERINE WALKER ALMSHOUSES

The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the sector, control environment and business performance;
- enquiries of management about their identification and assessment of the risks of irregularities;
- any matters we identified having reviewed the associations procedures for complying with laws and regulations, and whether they were aware of any instances of non-compliance, and any actual, suspected or alleged fraud. The key laws and regulations we considered in this context included the Charities Act 2011, and the Housing and Regeneration Act 2008.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation;
- enquiring of management concerning potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- testing the appropriateness of journal entries and other adjustments, assessing whether accounting estimates were indicative of a potential bias, and evaluating any significant transactions that were unusual or outside the normal course of business.

We also remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. A further description of our responsibilities is available on the Financial Reporting Council's website. This description forms part of our auditor's report.

Use of our report

This report is made solely to the association's board, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the association's board those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association and the association's board as a body, for our audit work, for this report, or for the opinions we have formed.

Nicklin Audit Ltd
Chartered Accountant & Statutory Auditor
Church Court
Stourbridge Road
Halesowen
West Midlands
B63 3TT

Nicklin Audit Ltd

Date

12th May 2021

CATHERINE WALKER ALMSHOUSES**Statement of Comprehensive Income (Including Income and Expenditure Account)
for the year ended 31st December, 2020**

	Note	2020	2019
		£	£
Turnover	4	32,615	31,121
Operating Costs:			
Management		(9,431)	(8,617)
Services		(3,896)	(4,658)
Maintenance		(2,194)	(1,396)
Depreciation including loss on disposal		<u>(4,057)</u>	<u>(6,247)</u>
		<u>(19,578)</u>	<u>(20,918)</u>
Operating Surplus		13,037	10,203
Interest Receivable and Other Income	5	356	707
Interest Payable and Similar Charges	6	(2,945)	(3,137)
Movement on fair value of Investments		<u>(336)</u>	<u>537</u>
Surplus/(Deficit) on ordinary activities before taxation	7	10,112	8,310
Tax on surplus	8	<u>0</u>	<u>0</u>
Surplus for the year		<u>10,112</u>	<u>8,310</u>
Total Comprehensive Income for the year		<u>10,112</u>	<u>8,310</u>

The Financial Statements were approved by the Trustees and signed on behalf of the Board by:

M J Hain

Trustee

Chambers

Trustee

5th May 2021

Date

CATHERINE WALKER ALMSHOUSES

Balance Sheet For the Year Ended 31st December, 2020

	Note	2020		2019	
		£	£	£	£
FIXED ASSETS					
Housing land and buildings (net of depreciation)	9		444,005		448,062
Investments	10		<u>4,166</u> 448,171		<u>4,502</u> 452,564
CURRENT ASSETS					
Debtors	11	1,640		2,213	
Cash at Bank		<u>73,167</u>		<u>62,620</u>	
		74,807		64,833	
CURRENT LIABILITIES					
Creditors: Amounts falling due within one year	12	<u>(12,668)</u>		<u>(11,892)</u>	
NET CURRENT ASSETS			<u>62,139</u>		<u>52,941</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>510,310</u>		<u>505,505</u>
Creditors: Amounts falling due after one year	13		(156,850)		(162,157)
NET ASSETS			<u>353,460</u>		<u>343,348</u>
CAPITAL AND RESERVES					
Revenue Reserve	15		353,460		343,348
			<u>353,460</u>		<u>343,348</u>

The Financial Statements were approved by the Trustees and signed on behalf of the Board by:

M J Hain

Trustee

CAH 2020

Trustee

30th May 2021

Date

CATHERINE WALKER ALMSHOUSES**Statement of Changes on Reserves
For the Year Ended 31st December, 2020**

	Note	Revenue Reserve	Revaluation Reserve	Total
		£	£	£
At 1 January 2019		335,038	-	335,038
Total Comprehensive Income for 2019		<u>8,310</u>	-	<u>8,310</u>
At 31 December 2019		<u>343,348</u>	-	<u>343,348</u>
Total Comprehensive Income for 2020		<u>10,112</u>	-	<u>10,112</u>
At 31 December 2020		<u>353,460</u>	-	<u>353,460</u>

CATHERINE WALKER ALMSHOUSES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

1. PRINCIPAL ACCOUNTING POLICIES

Catherine Walker Almshouses is established as an unincorporated charity under Charities Act 2011 and is a private registered provider of social housing in the United Kingdom. The addresses of the places of business are given in the review of operations on Page 1 of these financial statements. The nature of the charities operations and principal activities are to provide relief for the persons in hardship by the provision of Almshouse accommodation.

The Charity constitutes a public benefit entity as defined by FRS 102.

The Financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standards 102 'The Financial Reporting Standards applicable in the UK and Republic of Ireland' (FRS 102), the Statement Of Recommended Practice for Social Housing Providers 2014 (SORP 2014) and with the Accounting direction for private registered providers of social housing in England 2015. The Financial Statements are also prepared under the requirements of the Housing and Regeneration Act 2008. The Financial Statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The Financial Statements are prepared in sterling, which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(a) Basis of Accounting

The Financial Statements are prepared on the historical cost basis of accounting as modified by the revaluation of certain fixed assets.

(b) Turnover

Turnover represents rents, and service charges receivable and amortisation of grants received.

(c) Housing Properties

During the year ended 31 December 2018 Catherine Walker Almshouse adopted full component accounting in relation to the capitalisation and depreciation of its housing property stock. Previously the Almshouse depreciated housing properties at a rate of 1% straight line on freehold buildings before deducting Social Housing Grant. From 1 January 2010 all housing properties have been split between their land, structure costs and their major components which require periodic replacement. Refurbishment or replacement of such major components is capitalised and depreciated over the estimated useful life of the component as shown in the table below. Land is not depreciated.

Component	Estimated useful life in years
Building	125
Kitchen	20
Bathroom	30
Boiler & Central Heating	20
Windows & Doors	35

(d) Government Grants

Government grants, including Social Housing Grants (SHG) which was received from the Housing Corporation in respect of housing properties, are recognised at the fair value of the asset received or receivable and accounted for using the accrual model. They are recognised as a liability and amortised over the useful economic life of the asset. The amortisation is recognised within Turnover.

CATHERINE WALKER ALMSHOUSES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2020

(e) Investments

Investments are stated at fair value, being market value at the balance sheet date.

(f) Property Improvements

The Trustees have established a regular programme of cyclical repairs and maintenance. If improvements to properties are works, which result in an increase in the net rental income, such as a reduction in future maintenance costs, or result in a significant extension of the useful economic life of the property in the business. All other major repairs expenditure is charged to the income and expenditure account for the year.

(g) Value Added Tax

Catherine Walker Almshouses is not registered for Value Added Tax. In these Financial Statements, where applicable, expenditure is shown inclusive of VAT.

(h) Cash Flow Statement

Under FRS 102, the Charity is not required to produce a Cash Flow Statement.

2. TRUSTEES EMOLUMENTS

The Directors are defined as the Trustees. None of the Trustees received any emoluments in the current or preceding years.

3. EMPLOYEE INFORMATION

The Charity employs no staff.

4. TURNOVER

	2020 £	2019 £
Rent	26,785	25,556
Service Charge	4,804	4,539
Amortisation of Government Grants	<u>1,026</u>	<u>1,026</u>
	<u>32,615</u>	<u>31,121</u>

5. INTEREST RECEIVABLE AND OTHER INCOME

	2020 £	2019 £
Bank Interest	222	533
Investment Income	<u>134</u>	<u>174</u>
	<u>356</u>	<u>707</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2020 £	2019 £
Housing Loan Interest	<u>2,945</u>	<u>3,137</u>

7. SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

	2020 £	2019 £
This is stated after charging: Auditors Remuneration (including VAT) in their capacity as Auditors	<u>1,000</u>	<u>722</u>

CATHERINE WALKER ALMSHOUSES**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2020****8. TAXATION**

Catherine Walker Almshouses is a registered Charity and is, therefore, exempt from liability to taxation on its Income and Capital gains.

9. FIXED ASSETS

	2020	2019
	£	£
HOUSING LAND AND BUILDINGS – Freehold Cost		
As at 31 st December 2019	531,921	529,088
Additions in year	-	6,880
Disposals in year	-	(4,047)
As at 31 st December 2020	<u>531,921</u>	<u>531,921</u>
Depreciation		
As at 31 st December 2019	83,860	81,660
Charged in year	4,056	6,247
Disposed in year	-	(4,047)
As at 31 st December 2020	<u>87,916</u>	<u>83,860</u>
Net Book Value		
At beginning of year	<u>448,061</u>	<u>447,428</u>
At end of year	<u>444,005</u>	<u>448,061</u>

Land with an estimated cost of £121,560 is not depreciated.

10. INVESTMENTS

	2020	2019
	£	£
Other Investments		
At Valuation:		
NAA Common Investment Fund		
As at 31 st December 2019	4,502	3,966
Revaluation	<u>(336)</u>	<u>536</u>
As at 31 st December 2020	<u>4,166</u>	<u>4,502</u>
At Cost	<u>2,377</u>	<u>2,377</u>
Total		
At beginning of year	4,502	3,966
At end of year	<u>4,166</u>	<u>4,502</u>
At Cost	<u>2,377</u>	<u>2,377</u>

CATHERINE WALKER ALMSHOUSES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2020

11. Debtors	2020	2019
	£	£
Rent Arrears	1,346	300
Prepayments and Accrued Income	<u>294</u>	<u>1,913</u>
	<u>1,640</u>	<u>2,213</u>

12. CREDITORS: Amounts falling due within one year	2020	2019
	£	£
Trade Creditors	4,486	4,527
Rent Prepayments	1,272	632
Housing Loans	4,282	4,079
Accruals	1,602	1,628
Government Grants	<u>1,026</u>	<u>1,026</u>
	<u>12,668</u>	<u>11,892</u>

13. CREDITORS: Amounts falling due after more than one year	2020	2019
	£	£
Government Grants	105,720	106,746
Housing Loans	<u>51,130</u>	<u>55,411</u>
	<u>156,850</u>	<u>162,157</u>

14. SECURED LIABILITIES

	2020	2019
	£	£
Housing Loans	<u>55,411</u>	<u>59,490</u>

The housing loan is secured by a legal charge on the freehold property. It is Repayable by 31st March 2031, by instalments at a rate of 0.45% above base rate.

The housing loan falling due after more than one year falls due as follows:-

	2020	2019
	£	£
Between one and two years	4,493	4,282
Between two and five years	14,859	14,158
After more than five years	<u>31,777</u>	<u>36,971</u>
	<u>51,129</u>	<u>55,411</u>

CATHERINE WALKER ALMSHOUSES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2020**

15. REVENUE RESERVES	2020 £	2019 £
Brought forward	343,348	335,038
Surplus for the year	<u>10,112</u>	<u>8,310</u>
At 31 st December 2020	<u>353,460</u>	<u>343,348</u>

Included within the Revenue Reserves are amounts originally from the revaluation of Investments in current and earlier years as follows:

	Total £
At 1 st January 2020	4,502
Investment Revaluation	(336)
At 31 st December 2020	<u>4,166</u>

16. ACCOMMODATION

The charity managed 6 units of housing for older people, throughout the period.