

SIR E D WALKER TRUST
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2021

CHARITY REGISTRATION NUMBER: 230359
REGULATOR OF SOCIAL HOUSING REGISTRATION NUMBER: A0565

SIR E D WALKER TRUST

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SIR E D WALKER TRUST
TRUSTEES' ANNUAL REPORT

31 MARCH 2021

Status: Sir E D Walker Trust is a registered charity, number 230359, formed by the will of the late Sir E D Walker who died in 1919. The Trust is registered with the Regulator of Social Housing registration number A0565.

Principal address: Sir E D Walker Homes
Coniscliffe Road
Darlington
Co Durham
DL3 8DF

Trustee: Sir E D Walker Trustee

Directors & Trustees of Sir E D Walker Trustee

Mr A MacConachie OBE
Mrs A J Little
Mrs J E Hall
Mr S P T Bainbridge
Mrs B Brown
Dr J Gordon
Ms J Middleton
Mr T G Dabbs
Dr A C Price
Mrs C Sunley

On 25 April 2017 the trustees resigned from the board and became directors and trustees of Sir E D Walker Trustee, registered company number 10501084. On the same date Sir E D Walker Trustee became the sole trustee of Sir E D Walker Trust.

The Trust's professional advisors are as follows:

Reporting Accountants:

Clive Owen LLP
Chartered Accountants
140 Coniscliffe Road
Darlington
Co Durham
DL3 7RT

Bankers:

The Cooperative Bank
29 High Street
Durham
DH1 3PL

Solicitors:

Wrigleys
19 Cookridge St.
Leeds
LS2 3AG

Investment Advisors:

Brewin Dolphin Investment Management
Time Central
Gallowgate
Newcastle upon Tyne
NE1 4SR

Charity objectives: The Charity's objectives are to continue to maintain the provision of high standard almshouses for the needy people of Darlington.

SIR E D WALKER TRUST
TRUSTEES' ANNUAL REPORT
31 MARCH 2021

Activities, achievements, and review

During the year there were no bungalow refurbishments due to the COVID-19 restrictions and as a result, expenditure on repairs and renewals was substantially lower in the year at £21,007 compared to £94,612 in 2020. Consequently, the Trust showed an Operating Surplus of £54,592, compared to a surplus of £9,730 in 2020. Further, the market value of the Investments increased in value by £47,245 compared to a fall of £36,640 in 2020. These two factors accounted for the net surplus for the year of £114,579 (2020: deficit of £17,076) as set out in the Statement of Comprehensive Income on page 5. It is anticipated that expenditure on the bungalows will be significant in the next financial year as the restrictions ease and access to the site becomes possible.

The Trustees elected to change the accounting policy for fixed assets and to capitalise and depreciate all capital expenditure. There were no fixed asset additions to buildings in the year due to the COVID-19 restrictions. There was a depreciation charge of £16,400 on buildings (2020: £nil).

Public Benefit

The Trustees have reviewed the Charity Commission's guidance on the requirement to report on public benefit. They are satisfied that the work of the Charity, as described in the Charity objectives, accords with its stated objects and provides tangible public benefit to a wide section of those who reside within the Charity's areas of benefit; the criteria used to assess those who may benefit is not unreasonably restrictive.

Reserves

Income and expenditure reserves are held to enable the maintenance and updating of bungalows and also to enable the Trust to update service installations. The total of these reserves held at the year end was £1,130,598 (2020: £854,619). The reserves are adequate to cover one year's operating expenditure. The Extraordinary Repair Reserve stands at £48,600.

This amount will continue to be reviewed on a biannual basis at meetings of Sir ED Walker Trustee.

Investment policy

The Investment Advisors are instructed to invest at Risk Level 5 which is looking to maintain the real value of the investments whilst achieving returns above inflation and as such, the portfolio will be more evenly balanced between equities and the combined asset classes of cash, fixed interest and alternatives.

Structure, governance and management

The Charity is an unincorporated trust constituted under a trust scheme dated 18 November 1997 and is a registered charity, number 230359, formed by the will of the late Sir E D Walker who died in 1919.

Trustees are recruited when necessary by continuing trustees. New trustees are given appropriate induction and ongoing training to allow them to perform their duties effectively and fulfil their obligations. The Trustees agree the broad strategy and areas of activity of the charity including consideration of investment, reserves and risk management policies and performance.

Trustees' responsibilities

Under registered social housing legislation, the Trustees are required to prepare a statement of account for each financial year which gives a true and fair view of the state of affairs of the Trust at the end of the year and of its surplus or deficit in the year. In preparing the statement, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;

SIR E D WALKER TRUST
TRUSTEES' ANNUAL REPORT
31 MARCH 2021

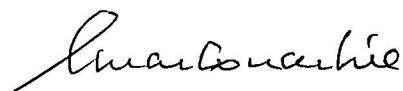
Trustees' responsibilities (continued)

- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the statement of accounts;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue its operations.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust at that time and to enable the Trustees to ensure that any statement of account prepared by them complies with the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019. 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.

The Trustees also are expected to maintain sound systems of internal control and to review them annually.

Signed on behalf of the trustees



Mr A MacConachie OBE

11 October 2021

**ACCOUNTANTS' REPORT TO THE TRUSTEES ON THE
UNAUDITED ACCOUNTS OF SIR E D WALKER TRUST**

We report on the accounts for the year ended 31 March 2021 set out on pages 5 to 13.

Respective responsibilities of trustees and reporting accountants

The trustees of Sir E D Walker Trust are responsible for the preparation of the accounts, and they consider that Sir E D Walker Trust is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our procedures consisted of comparing the accounts with the accounting records kept by the Registered Social Housing Provider and making such enquiries of the officers of the Sir E D Walker Trust as we considered necessary for the purposes of this report. These procedures provide the only assurance expressed in our opinion.

Opinion

In our opinion:

- the accounts for the year ended 31 March 2021 are in accordance with the accounting records kept by Sir E D Walker Trust under paragraph 135(2)(a) of the Housing and Regeneration Act 2008;
- having regard only to, and on the basis of the information contained in the accounting records:
 - the accounts comply with the requirements of the Charities Act 2011;
 - the Registered Social Housing Provider has satisfied the conditions for exemption from an audit of the accounts for the year ended 31 March 2021 specified in section 136(3) of the Housing and Regeneration Act 2008; and
- the accounts comply with the requirements of the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

Clive Owen LLP
Reporting Accountants
Chartered Accountants
140 Coniscliffe Road
Darlington
Co Durham
DL3 7RT

11 October 2021

SIR E D WALKER TRUST
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021	2020
		£	£
Turnover	4	260,181	270,143
Operating expenditure		(205,589)	(260,413)
		<hr/>	<hr/>
Operating surplus		54,592	9,730
Investment Income	5	7,949	10,521
Interest and financing costs		-	-
Movement in fair value of financial instruments		52,038	(37,327)
		<hr/>	<hr/>
Total comprehensive surplus / (deficit) for the year		114,579	(17,076)
Brought forward Income and Expenditure Reserve		854,619	871,695
Transfer from Extraordinary Repair Reserve		161,400	-
		<hr/>	<hr/>
Carried forward Income and Expenditure Reserve		<u>1,130,598</u>	<u>854,619</u>

These accounts were authorised for issue by the Trustees on 11 October 2021 and are signed on their behalf.



Mr A MacConachie OBE



Mrs C Sunley

The notes on pages 9 to 13 form part of these accounts.

SIR E D WALKER TRUST
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible fixed assets	7	1,234,022	1,252,671
Investments	8	290,379	272,750
		<hr/>	<hr/>
		1,524,401	1,525,421
Current assets			
Trade and other debtors	9	4,278	2,700
Cash and cash equivalents		303,758	192,882
Creditors: amounts falling due within one year	10	(16,246)	(19,391)
		<hr/>	<hr/>
Net current assets		291,790	176,191
		<hr/>	<hr/>
Total assets less current liabilities		1,816,191	1,701,612
		<hr/>	<hr/>
Total net assets		1,816,191 =====	1,701,612 =====
Reserves			
Income and Expenditure Reserve		1,130,598	854,619
Extraordinary Repair Reserve		48,600	210,000
Revaluation Reserve		636,993	636,993
		<hr/>	<hr/>
		1,816,191 =====	1,701,612 =====

These accounts were authorised for issue by the trustees on 11 October 2021 and are signed on their behalf.



Mr A MacConachie OBE



Mrs C Sunley

The notes on pages 9 to 13 form part of these accounts.

SIR E D WALKER TRUST
STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 31 MARCH 2021

	Income and Expenditure Reserve	Extraordinary Repair Reserve	Revaluation Reserve	Total Reserves
	£	£	£	£
As at 1 April 2020	854,619	210,000	636,993	1,701,612
Surplus from Statement of Comprehensive Income	114,579	-	-	114,579
Transfer	161,400	(161,400)	-	-
As at 31 March 2021	1,130,598 =====	48,600 =====	636,993 =====	1,816,191 =====

It was agreed at a meeting of Sir ED Walker Trustee, that the balance on the Extraordinary repair reserve should be revised to £48,600 and that the additional reserves be transferred to the Income and Expenditure Reserve.

SIR E D WALKER TRUST
STATEMENT OF CASH FLOWS
AS AT 31 MARCH 2021

	2021 £	2020 £
Net cash utilised from operating activities (See Note 1)	77,099	(13,376)
Cash flow from investing activities		
Purchase of tangible fixed assets	(632)	-
Purchase of investments	(65,527)	(47,008)
Sale of investments	99,936	46,556
	<hr/>	<hr/>
Net change in cash and cash equivalents	110,876	(13,828)
Cash and cash equivalents at beginning of the year	192,882	206,710
	<hr/>	<hr/>
Cash and cash equivalents at end of year	303,758 =====	192,882 =====
Note 1		
Cash flow from operating activities		
Surplus / (deficit) for the year	114,579	(17,076)
Unrealised (gain) / loss in market value of investments	(47,245)	36,640
Depreciation charges	19,281	3,456
(Profit) / loss on sale of fixed asset investments	(4,793)	687
(Increase) / decrease in trade and other debtors	(1,578)	309
Decrease in trade and other creditors	(3,145)	(37,392)
	<hr/>	<hr/>
Cash utilised from operations	77,099 =====	(13,376) =====

SIR E D WALKER TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Legislative Framework

The Trust is registered as a charity under the provisions of the Charities Act 2011 and is a Registered Social Housing Provider.

2 Basis of accounting

The financial statements have been prepared in accordance with The Financial Reporting Standard 102 - the applicable reporting standard in the United Kingdom and Republic of Ireland (FRS102), the Statement of Recommended Practice: Accounting by Registered Social Housing Providers (2014) and with the Accounting Direction for private registered providers of social housing in England 2019. The accounts are prepared in accordance with the historical cost basis of accounting except as modified by the revaluation of investments and certain fixed assets. The Trust is a public benefit entity under FRS102.

3 Accounting policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Charity's financial statements.

Depreciation

At the start of the year, the Trustees elected to change the accounting policy for fixed assets and to capitalise and depreciate all capital expenditure. Accordingly, the following depreciation rates were used:

- Land – no depreciation
- Buildings – 2% straight line
- Plant & Equipment - 25% straight line
- Fixtures & Fittings – 25% straight line
- Computer equipment - 33.33% straight line

Turnover

Turnover is represented by contributions receivable from the licensees of the almshouses, rental income and donations and legacies.

Income recognition

Income is recognised in line with the rental agreement.

Investment income

Investment income is recognised in the accounts when it is received.

Investments

Quoted investments are valued at the mid-market price at the close of business at the year end. Unlisted investments are valued at the average of the bid and offer prices or, if the bid price is not available, by adjustment to the offer price.

Pension costs

A defined contribution pension scheme is in operation and the pension charge represents the amounts payable to the fund in respect of the year. In addition, contributions are now paid for two employees under auto enrolment.

Value added tax

As the majority of Sir E D Walker Trust's activities are classified as exempt or non-business activities for the purposes of value added tax, Sir E D Walker Trust is not VAT registered and so is unable to reclaim the value added tax which it suffers on its purchases. Expenditure in these financial statements is therefore shown inclusive of value added tax.

SIR E D WALKER TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

3 Accounting policies (continued)

Extraordinary Repair Reserve

This is a designated fund set up to allow the Charity to continue in the event of something occurring which is out of the ordinary course of business. In essence, the reserve is there to cover the short-term costs and allow the Charity to continue to operate. Some of these costs may ultimately be recovered through insurance. The reserve calculation is based upon such an event.

Financial Instruments

Basic financial instruments are recognised at amortised cost with charges recognised in the statement of comprehensive income.

4 Turnover

	2021	2020
	£	£
Turnover is derived from:		
Contributions	245,666	255,383
Rental income	14,015	14,760
Donations and legacies	500	-
	<hr/>	<hr/>
	260,181	270,143
	=====	=====
 Voids for the year amounted to	 36,419	 20,719
	=====	=====

5 Investment income

	2021	2020
	£	£
Dividends received	7,523	9,876
Interest received	426	645
	<hr/>	<hr/>
	7,949	10,521
	=====	=====

6 Staff costs

Staff costs were as follows:

	2021	2020
	£	£
Wages and salaries	57,482	53,246
Pension costs	1,668	1,567
Social Security costs	-	334
	<hr/>	<hr/>
	59,150	55,147
	=====	=====

SIR E D WALKER TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

6 Staff costs (continued)

The average number of full-time equivalent staff employed by the charity was as follows:

Administration	-	-
Warden support	1	1
Estate	1	1
	<hr/>	<hr/>
	2	2
	===	===

The average number of staff by headcount employed by the charity was as follows:

Administration	2	2
Warden support	1	1
Estate	1	1
	<hr/>	<hr/>
	4	4
	===	===

The total remuneration in respect of key management personnel was £nil (2020: £nil).

The number of employees earning more than £60,000 was nil (2020: nil).

7 Tangible fixed assets

	Plant and Equipment £	Land and Buildings £	Total £
Cost / revaluation:			
As at 31 March 2020	17,071	1,250,000	1,267,071
Additions	632	-	632
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
As at 31 March 2021	17,703	1,250,000	1,267,703
	<hr/>	<hr/>	<hr/>
Depreciation:			
As at 31 March 2020	14,400	-	14,400
Charge for the year	2,881	16,400	19,281
	<hr/>	<hr/>	<hr/>
As at 31 March 2021	17,281	16,400	33,681
	<hr/>	<hr/>	<hr/>
Net book value:			
At 31 March 2021	422	1,233,600	1,234,022
	=====	=====	=====
At 31 March 2020	2,671	1,250,000	1,252,671
	=====	=====	=====

SIR E D WALKER TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

7 Tangible fixed assets (continued)

Land and buildings were valued based on the existing use, occupations, and covenants on 3 August 2017 by the Board, supported by a chartered surveyor.

If the land and buildings had not been revalued, they would have been included in the Balance Sheet at the following historical cost – 2021: £613,007 (2020: £613,007)

8 Investments

	2021 £	2020 £
UK based investments (listed)		
Market value at 1 April 2020	272,750	309,625
Additions	65,527	47,008
Disposals at cost (proceeds £99,936, realised gain £4,793)	(95,143)	(47,243)
Unrealised gain / (loss) in market value	47,245	(36,640)
	<hr/>	<hr/>
Market value at 31 March 2021	290,379	272,750
	=====	=====
Historical cost at 31 March 2021	246,671	276,287
	=====	=====

9 Debtors

	2021 £	2020 £
Other debtors	4,278	2,700
	<hr/>	<hr/>
	4,278	2,700
	=====	=====

10 Creditors: amounts falling due within one year

	2021 £	2020 £
Creditors and accruals	13,746	14,291
Provisions	2,500	5,100
	<hr/>	<hr/>
	16,246	19,391
	=====	=====

11 Taxation

All of the Charity's income is applied for charitable purposes and therefore the Charity is exempt from taxation.

SIR E D WALKER TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

12 Remuneration to reporting accountants

The total paid to the reporting accountants by the Charity related to the following services:

	2021	2020
	£	£
Accountants' report	1,914	1,912
	=====	=====

13 Accommodation under management

The Trust has, throughout the year, provided 55 units for general needs housing. A further unit is provided for accommodation for the Manager. The Trust also owns two units of non-social housing stock which are rented on the open market as private dwellings.

SIR E D WALKER TRUST
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021

	2021	2020
	£	£
Income		
Contributions	245,666	255,383
Rental income	14,015	14,760
Donations and legacies	500	-
	<hr/>	<hr/>
	260,181	270,143
Less overheads		
Salaries and wages	57,482	53,246
Social security costs	-	334
Pension scheme contributions	1,668	1,567
Mobile warden	13,655	13,655
Telephone	1,296	1,168
Grounds	4,559	5,250
Council tax and water rates	17,979	22,071
Heating and lighting	43,135	43,749
Repairs and renewals	21,007	94,612
Insurance	5,232	5,500
Sundries	7,894	8,040
Warden call system	1,233	1,206
Legal and professional fees	7,501	2,921
Bookkeeping etc.	1,753	1,726
Reporting accountants' remuneration	1,914	1,912
Depreciation	19,281	3,456
	<hr/>	<hr/>
	205,589	260,413
Net operating surplus for the year	54,592	9,730
Other income		
Bank deposit interest	426	645
Dividends	7,523	9,876
Profit on sale of fixed asset investments	4,793	-
	<hr/>	<hr/>
	12,742	10,521
Other Expenses		
Loss on sale of fixed asset investments	-	(687)
	<hr/>	<hr/>
Net surplus for the year	67,334	19,564
Change in market value of investments	47,245	(36,640)
	<hr/>	<hr/>
Overall surplus / (deficit) for the year	114,579	(17,076)
	=====	=====

This page does not form part of the Statutory Accounts.