

SIR E D WALKER TRUST
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2023

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 2023

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
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
Ms A J Hopkins

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 2023

Activities, achievements, and review

The Trust showed a net deficit for the year of £15,491 (2022: surplus of £62,117) as set out in the Statement of Comprehensive Income on page 5. Turnover was comparable to the previous year, but investments saw a fall in value of £27,273 (2022: increase of £2,987) and overheads saw increases in general and, in particular, £18,085 was spent in drilling a borehole on the site.

The pandemic resulted in a larger than usual number of empty properties. Cost increases and a shortage of skilled labour has resulted in these properties taking longer than usual to renovate. As a result, voids continued to be higher than normal and were £64,349 for the year (2022: £46,000).

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 £1,189,644 (2022: £1,200,995).

The Extraordinary Repair Reserve stands at £48,600 (2022: £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;
- 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.

SIR E D WALKER TRUST

TRUSTEES' ANNUAL REPORT

31 MARCH 2023

Trustees' responsibilities (continued)

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 2015. 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



Mrs C Sunley

27 September 2023

**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 2023 set out on pages 5 to 12.

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 2023 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 2023 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**

September 2023

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Clive Owen LLP

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

27 September 2023

SIR E D WALKER TRUST
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Turnover	4	251,549	257,394
Operating expenditure		(247,591)	(204,878)
Operating surplus		<u>3,958</u>	<u>52,516</u>
Investment Income	5	7,824	6,614
Interest and financing costs		-	-
Movement in fair value of financial instruments		(27,273)	2,987
Total comprehensive (deficit) / surplus for the year		<u>(15,491)</u>	<u>62,117</u>
Brought forward Income and Expenditure Reserve		1,200,995	1,130,598
Transfer from Extraordinary Repair Reserve		-	-
Transfer from Revaluation Reserve		4,140	8,280
Carried forward Income and Expenditure Reserve		<u><u>1,189,644</u></u>	<u><u>1,200,995</u></u>

These accounts were authorised for issue by the Trustees on 27 September 2023 and are signed on their behalf.



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 2023

	Notes	2023 £	2022 £
Fixed assets			
Tangible fixed assets	7	1,237,737	1,232,476
Investments	8	289,469	315,853
		<u>1,527,206</u>	<u>1,548,329</u>
Current assets			
Trade and other debtors	9	7,322	3,849
Cash and cash equivalents		340,688	337,034
Creditors: amounts falling due within one year	10	(12,399)	(10,904)
Net current assets		<u>335,611</u>	<u>329,979</u>
Total assets less current liabilities		<u>1,862,817</u>	<u>1,878,308</u>
Total net assets		<u>1,862,817</u> =====	<u>1,878,308</u> =====
Reserves			
Income and Expenditure Reserve		1,189,644	1,200,995
Extraordinary Repair Reserve		48,600	48,600
Revaluation Reserve		624,573	628,713
		<u>1,862,817</u> =====	<u>1,878,308</u> =====

These accounts were authorised for issue by the trustees on 27 September 2023 and are signed on their behalf.

Mrs C Sunley



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SIR E D WALKER TRUST
STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 31 MARCH 2023

	Income and expenditure reserve £	Extraordinary repair reserve £	Revaluation reserve £	Total reserves £
As at 1 April 2022	1,200,995	48,600	628,713	1,878,308
Deficit from Statement of Comprehensive Income	(15,491)	-	-	(15,491)
Transfer	4,140	-	(4,140)	-
As at 31 March 2023	<u>1,189,644</u> =====	<u>48,600</u> =====	<u>624,573</u> =====	<u>1,862,817</u> =====

SIR E D WALKER TRUST
STATEMENT OF CASH FLOWS
AS AT 31 MARCH 2023

	2023 £	2022 £
Net cash generated from operating activities (see Note 1)	31,620	71,579
Cash flow from investing activities		
Purchase of tangible fixed assets	(27,096)	(15,816)
Purchase of investments	(26,003)	(77,352)
Sale of investments	25,133	54,865
Net change in cash and cash equivalents	<u>3,654</u>	<u>33,276</u>
Cash and cash equivalents at beginning of the year	337,034	303,758
Cash and cash equivalents at end of year	<u>340,688</u> =====	<u>337,034</u> =====
Note 1		
Cash flow from operating activities		
(Deficit) / Surplus for the year	(15,491)	62,117
Unrealised loss in market value of investments	24,291	1,696
Depreciation charges	21,835	17,362
(Loss)/Profit on sale of fixed asset investments	2,963	(4,683)
(Increase) / Decrease in trade and other debtors	(3,473)	429
Increase / (decrease) in trade and other creditors	1,495	(5,342)
Cash generated from operations	<u>31,620</u> =====	<u>71,579</u> =====

SIR E D WALKER TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2023

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 (2018) 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.

Housing Properties

Housing Properties are recorded at the figure at which they were revalued in 2017.

Depreciation

Depreciation is charged at the following rates:

- Land —no depreciation
- Buildings —2% straight line
- Plant & Equipment – 25% and 12.5% 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.

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. Unitised 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.

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 VAT which it suffers on its purchases. Expenditure in these financial statements is therefore shown inclusive of VAT.

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 should such an event occur. Some of these costs may ultimately be recovered through insurance. The reserve calculation is based upon such an event.

SIR E D WALKER TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2023

4 Turnover

	2023 £	2022 £
Turnover is derived from:		
Contributions	235,529	241,474
Rental income	16,020	10,920
Donations and legacies	-	5,000
	<u>251,549</u>	<u>257,394</u>
	=====	=====
Voids for the year amounted to	64,349	46,000
	=====	=====

5 Investment income

	2023 £	2022 £
Dividends received	7,516	6,490
Interest received	308	124
	<u>7,824</u>	<u>6,614</u>
	=====	=====

6 Staff costs

Staff costs were as follows:

	2023 £	2022 £
Wages and salaries	58,141	55,217
Pension costs	1,675	1,615
Social Security costs	-	-
	<u>59,816</u>	<u>56,832</u>
	=====	=====

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

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

SIR E D WALKER TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

6 Staff costs (continued)

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

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

The total remuneration in respect of key management personnel was £nil (2022: £nil).

The number of employees earning more than £60,000 was nil (2022: nil).

7 Tangible Fixed Assets

	Plant and Equipment £	Housing Properties £	Total £
Cost / revaluation:			
As at 31 March 2022	33,519	1,250,000	1,283,519
Additions	27,096	-	27,096
Disposals	-	-	-
As at 31 March 2023	<u>60,615</u>	<u>1,250,000</u>	<u>1,310,615</u>
Depreciation:			
As at 31 March 2022	18,243	32,800	51,043
Charge for the year	5,435	16,400	21,835
As at 31 March 2023	<u>23,678</u>	<u>49,200</u>	<u>72,878</u>
Net book value:			
At 31 March 2023	36,937	1,200,800	1,237,737
	=====	=====	=====
At 31 March 2022	15,276	1,217,200	1,232,476
	=====	=====	=====

Housing Properties were valued based on the existing use, occupation, and covenants on 3 August 2017 by the Board, supported by a chartered surveyor. The land and building content of the valuation was £430,000 and £820,000 respectively.

If the Housing Properties had not been revalued, they would have been included in the Balance Sheet at the following historical cost – 2023: £613,007 (2022: £613,007).

SIR E D WALKER TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

8 Investments

	2023 £	2022 £
UK based investments (listed)		
Market value at 1 April 2022	315,853	290,379
Additions	26,003	77,352
Equalisations and adjustments	19	-
Disposals (proceeds £25,133, realised loss £2,982)	(28,115)	(50,182)
Unrealised loss in market value	(24,291)	(1,696)
Market value at 31 March 2023	<u>289,469</u> =====	<u>315,853</u> =====
Historical cost at 31 March 2023	<u>285,562</u> =====	<u>284,578</u> =====

9 Debtors

	2023 £	2022 £
Other debtors	7,322	3,849
	<u>7,322</u> =====	<u>3,849</u> =====

10 Creditors: amounts falling due within one year

	2023 £	2022 £
Creditors and accruals	12,399	10,904
	<u>12,399</u> =====	<u>10,904</u> =====

11 Taxation

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

12 Remuneration to reporting accountants

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

	2023 £	2022 £
Accountants' report	2,094	1,994
	<u>2,094</u> =====	<u>1,994</u> =====

13 Accommodation under management

The Trust has 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 2023

	2023		2022
	£	£	£
Income			
Contributions	235,529		241,474
Rental income	16,020		10,920
Donations and legacies	-		5,000
	<u>251,549</u>		<u>257,394</u>
Less overheads			
Salaries and wages	58,141		55,217
Social security costs	-		-
Pension scheme contributions	1,675		1,615
Mobile warden	15,620		14,761
Telephone	1,451		1,320
Grounds	10,020		5,622
Council tax and water rates	20,680		20,908
Heating and lighting	38,667		37,629
Repairs and renewals	29,904		26,101
Borehole Investigation	16,362		-
Insurance	5,986		5,576
Sundries	14,571		6,858
Warden call system	2,478		1,756
Legal and professional fees	6,184		6,267
Bookkeeping etc.	1,923		1,892
Reporting accountants' remuneration	2,094		1,994
Depreciation	21,835		17,362
	<u>247,591</u>		<u>204,878</u>
Net operating surplus for the year	<u>3,958</u>		<u>52,516</u>
Other income			
Bank deposit interest	308		124
Dividends	7,516		6,490
Profit on sale of fixed asset investments	-		4,683
	<u>7,824</u>		<u>11,297</u>
Other Expenses			
Loss on sale of fixed asset investments	(2,982)		-
Net surplus for the year	<u>8,800</u>		<u>63,813</u>
Change in market value of investments	(24,291)		(1,696)
Overall (deficit)/ surplus for the year	<u>(15,491)</u> =====		<u>62,117</u> =====

This page does not form part of the Statutory Accounts.