

THE CHARITY OF MRS MABEL LUKE

England & Wales · Charity number 236518

Details

Other names	MRS MABEL LUKE
Status	Registered
Legal form	Other
Registered	1965-07-19
Register	View on the Charity Commission register

Contact

Address C/o UHY Ross Brooke
2 Old Bath Road
Newbury
Berkshire
RG14 1QL

Phone 07555 779207

Email contact@mabelluke.co.uk

Website mabelluke.co.uk

Activities

Objects: THE PROVISION OF SOCIAL HOUSING IN THE FORM OF ALMSHOUSE ACCOMMODATION FOR THE BENEFIT OF THE RESIDENTS OF, AND PERSONS CONNECTED TO, NEWBURY AND THE PARISH OF GREENHAM.

Activities: The Charity of Mrs Mabel Luke provides affordable housing for people in housing need and with a connection to the town of Newbury or the parish of Greenham. The original endowment was of 4 almshouses but in 2018 the Charity completed the redevelopment of the site and now owns 16 one- and two-bedroom flats at Mabel Luke Place, in central Newbury. The Charity is a Registered Provider.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Accommodation/housing
- **Who:** Other Defined Groups

Geography

- **Area of benefit:** TOWN OF NEWBURY AND PARISH OF GREENHAM
- West Berkshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£152,157	£130,770	-	-
2023-12-31	£144,175	£128,311	-	-
2022-12-31	£141,101	£76,283	-	-
2021-12-31	£136,975	£61,521	-	-
2020-12-31	£134,735	£65,760	-	-

Trustees

Name	Role	Appointed
Mabel Luke Trustee Ltd		2016-06-22

THE CHARITY OF MRS MABEL LUKE

England & Wales - Charity number 236518

Accounts

Charity registration number: 236518

The Charity of Mrs Mabel Luke

Annual Report and Financial Statements

for the Year Ended 31 December 2024

UHY Ross Brooke
31a Charnham Street
Hungerford
Berkshire
RG17 0EJ

The Charity of Mrs Mabel Luke

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The Charity of Mrs Mabel Luke
Reference and Administrative Details

Trustee

Mabel Luke Trustee Ltd

Directors Mabel Luke Trustee Ltd

E J Gatward (Chair)

P McAuliffe

J McDougall (resigned 12 June 2025)

A Hyde

E Layton

M Thomas

K Howlett (resigned 1 May 2025)

I Nichol (appointed 7 August 2025)

A Harmer (appointed 2 May 2024 and resigned 24 October 2024)

Charity Registration Number

236518

Principal Office

C/O UHY Ross Brooke
2 Old Bath Road
Newbury
Berkshire
RG14 1QL

Independent Examiner

UHY Ross Brooke
31a Charnham Street
Hungerford
Berkshire
RG17 0EJ

Solicitors

Gardner Leader
White Hart House
Market Place
Newbury
Berkshire
RG14 5BA

Bankers

Metro Bank
64-65 Northbrook Street
Newbury
Berkshire
RG14 1AE

The Charity of Mrs Mabel Luke

Trustees' Report

The Trustee presents the annual report together with the financial statements of the Charity for the year ended 31 December 2024.

Objectives and activities

Objects and aims

The provision of social housing in the form of Almshouse accommodation for the benefit of the residents of, and persons connected to, Newbury and the parish of Greenham (the 'area of benefit').

History of the Charity

The Charity of Mrs Mabel Luke ('the Charity') was created in 1928 with five building plots at 11-17 Mill Lane, Newbury, RG14 5RE, now known as Mabel Luke Place. Initially, four houses were built on three of the plots, with two plots remaining undeveloped.

Following advice from the Almshouse Association in 2013, the then Trustees undertook a major redevelopment project. Sixteen newly built flats in three blocks were built in three phases at Mabel Luke Place, completed in early 2018 and fully let by the middle of the year.

The property comprises twelve two-bedded and four one-bedded flats, designed for people of working age either resident in or with connection to the area of benefit, with the larger flats available for households with children. The flats are let on licences, with residents paying Weekly Maintenance Contributions comprising a rent-equivalent element, set at below market rent levels, and a service charge. The Charity does not provide personal support services to residents.

Public benefit

The Charity provides general needs housing at affordable rents, working closely with West Berkshire Council, which has nomination rights to nine of the sixteen flats. The remaining seven flats are let directly to people who meet the Charity's criteria or are offered to the Council for additional nominations from the Housing Register.

At 31 December 2024, the households housed at Mabel Luke Place comprised:

- 5 households consisting of couples with one, two or three children
- 6 households consisting of single people with one or two children
- 1 household consisting of a couple without children
- 4 households consisting of single adults without children

All the adult residents were of working age. In total, 22 adults and 16 children were in residence at 31 December 2024 and all properties were let.

The Trustee declares that it has taken into account the need for compliance of Charity Commission Guidance:

Public Benefit : The Public Benefit Requirement PB1

Public Benefit : Running a Charity PB2

Public Benefit : Reporting PB3

The Trustee confirms that it has complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Grant making policies

The Charity does not make grants.

The Charity of Mrs Mabel Luke

Trustees' Report (continued)

Achievements and performance

Key financial performance indicators

Regulator for Social Housing

Value for Money metrics

Metric 1 - Reinvestment 0.74% (2023 - 0.90%)

Metric 2 - New supply delivered

A: New supply delivered (social housing units) 0% (2023 - 0%)

B: New supply delivered (non-social housing units) 0% (2023 - 0%)

Metric 3 - Gearing 37.12% (2023 - 37.79%)

Metric 4 - Earnings Before Interest, Tax, Depreciation,
Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover 130% (2023 - 118%)

Metric 5 - Headline social housing cost per unit £7,937 (2023 - £8,019)

Metric 6 - Operating Margin

A. Operating Margin (social housing lettings only) 68.76% (2023 - 70.02%)

B. Operating Margin (overall) 67.22% (2023 - 68.87%)

Metric 7 - Return on capital employed (ROCE) 3.90% (2023 - 3.79%)

During the year, the charity had void losses of £3,374 (2023 - £4,161), as a result of 130 days (2023 - 163 days) of lost maintenance contributions due to properties being unoccupied.

The Trustee considers that these KPI's confirm that the Charity's finances remain on a stable and sustainable basis. The Charity has no plans to provide further accommodation.

The Charity considers that it fully complies with the Governance and Financial Standard requirements set out by the regulator.

The Charity of Mrs Mabel Luke

Trustees' Report (continued)

Financial review

Income for the year was £151,295 (2023 - £144,175). Other than bank interest receipts of £3,402 (2023 - £2,367), the Charity's only income is from the Weekly Maintenance Contributions ('WMCs') and service charges paid by residents (or in a few cases, where residents have agreed direct payments, by the Department of Work and Pensions on their behalf). It is therefore essential that WMCs are paid on time and that any vacated flats are relet as quickly as possible.

One flat was vacated in early December 2023 and relet 2 months later. Directors decided to set the new resident's appointment aside in November 2024, following successive infringements of the license conditions. Delays in the court system and in the availability of bailiffs to enforce repossession have delayed repossession until early November 2025. Costs in terms of loss of WMC income (£2,185) and legal fees (£3,528) were incurred in 2024; the losses in 2025 will be significantly greater.

Two other flats were vacated and relet during the year. In both cases, they were relet in under a month, resulting in a minor loss of WMC income.

Total WMC and service charge income for the year was only 0.1% below budget, which included a 2% allowance for vacancies.

Expenditure of £127,000 (2023 - £128,311) was over £8k below budget, largely due to underspend on Repairs & Maintenance of nearly £15k (£10k for responsive repairs, £5k for planned repairs). There was a useful £5K reduction in mortgage interest as a result of reductions in bank base rate during the year.

Following a review of the Clerk's workload, the Board agreed to maintain her hours at 15 per week where a reduction had been built into the budget, resulting in an overspend of £2k. Other costs were broadly as budgeted, apart from the legal costs associated with setting aside the appointment, as explained above.

The net result for the year before transfers was £24,295 (2023 - £15,864), double that budgeted for. However, the underspend on planned Repairs & Maintenance and probably much of that on responsive repairs is likely to represent expenditure deferred, not saved.

The Charity of Mrs Mabel Luke

Trustees' Report (continued)

Policy on reserves

Funds held at the year-end were £1,576,606 (2023 - £1,552,311). Restricted funds totalled £1,476,871 (2023 - £1,440,569) and consisted of Mabel Luke Place (£1,433,961), an Extraordinary Repair Fund (£21,910) and a Cyclical Maintenance Fund (£21,000). Unrestricted funds of £99,735 (2023 - £111,742) derive from WMCs less expenses. Together with restricted funds these are considered sufficient to meet the Charity's needs.

The Charity had cash reserve funds of £107,461 on deposit at the end of 2024 (2023 - £104,059).

The Charity's policy is to maintain a small surplus of WMC income over expenditure and so to steadily build those reserves. Funds are set aside to cover cyclical and other planned maintenance. The Charity has developed a planned maintenance programme, taking into account internal and external decoration and also the replacement cycle for the main appliances provided in the kitchen. Rather than establish a rigid cyclical internal redecoration/replacement programme, Directors decided that the bulk of such work could most efficiently be done during the process of re-letting flats, following inspection and assessment of condition. This would avoid both the intrusion into residents' quiet enjoyment of their homes that such programmes might otherwise entail and the unnecessary replacement of appliances and redecoration unwarranted by condition.

The Charity of Mrs Mabel Luke

Trustees' Report (continued)

Principal funding sources

The finance for the building of the sixteen flats in 2017-18 comprised loans from the Charity Bank; West Berkshire Council (WBC) Section 106 Grant; Homes England (at the time HCA) Grant; fundraising, including a grant from a local trust match-funding other local fundraising; and the Charity reserves.

To be eligible for HCA grant the Charity applied to be a Registered Social Housing Provider and was accepted on 17 January 2017. The Charity joined the Almshouse Consortium Ltd to bid for HCA grant in the 2013-2018 and 2016-2021 applications rounds.

The Charity Bank provided three loans, all of which were fully drawn:

- Loan 1: a repayment loan of £918,673, repayable over 25 years, was interest-only payable for the first year following first drawdown. Capital repayments started on 12 November 2018. Since July 2024, the rate of interest payable has reduced to 2.25% per annum above base rate. The rate applicable at the start of the accounting period was 8% and at the end of the accounting period the rate was 7%.
- Loan 2: a bridging loan of £140,000 was repaid in full on 12 July 2018
- Loan 3: a repayment loan of £358,972, repayable over 25 years, was interest-only payable for the first year following first drawdown. Capital repayments started on 12 August 2018. As with Loan 1, the rate of interest payable has reduced to 2.25% per annum above base rate. The rate applicable at the start of the accounting period was 8% and at the end of the accounting period the rate was 7%.
- At the completion of the building project in 2018, the Charity's outstanding loans from the Charity Bank totalled £1,277,645 and were repayable over 25 years. Regular mortgage payments were made in 2024 and the outstanding loan at 31 December 2024 was £1,065,643 (2023 - £1,091,945).

A security deposit of £25,000 from the Charity is held by the Charity Bank in an interest-bearing deposit account for the Charity. The balance on this account at 31 December 2024 was £27,232 (2023 - £26,363).

The WBC grant for 12 properties was £238,176. 50% payable on commencement was received in May 2017 and the balance on 24 July 2018. This grant is subject to a Funding & Nomination Agreement giving WBC nomination rights to 12 flats in the first round of letting and thereafter 9 flats to 2142 (125 years). A Local Lettings Plan agreed with WBC in 2022 specifies the 9 flats now subject to the Agreement.

The HCA grant for Phases 1 & 2 was £420,000. 50% payable on commencement was received in March 2017 and the balance on 4 July 2018.

The Greenham Trust grant of £125,000 was match-funded to funds raised from other sources paid through The Good Exchange, and also to the WBC grant. It was paid at 6.1% of construction valuation each month, with the outstanding balance payable at practical completion.

The Charity's reserves were committed to the project.

Investment policy and objectives

At present, the Charity's surplus cash is held on deposit.

The Directors keep the investment policy under review.

The Charity of Mrs Mabel Luke

Trustees' Report (continued)

Structure, governance and management

Recruitment and appointment of directors

Directors of Mabel Luke Trustee Ltd are recruited by advertising on the charity's website, other volunteer agency websites and professional and personal networks. Apart from a period from May to October, 2024, the post of Treasurer has remained unfilled since December 2022, with the Chair, E J Gatward FCA, combining the posts of Chair and Treasurer. A temporary Treasurer, A Harmer, was appointed in May 2024 but resigned for personal reasons in October 2024.

J McDougall resigned in June 2025 to pursue full-time studies; he retains a link to the Trustee as IT advisor. K Howlett resigned in May 2025 for health reasons.

The Trustee therefore currently has six Directors but ended 2024 with seven. Recruitment has proved difficult but the Board successfully appointed I Nichol in August 2025 and is actively seeking further recruits.

All Directors are engaged with the operational running of the Charity and have a good range of skills and experience between them. The Board has three Committees, dealing with Finance, Residents and Property; all Committee members are Directors at present, although the Articles of Association do allow for co-optees; one possibility being considered is to co-opt a Treasurer to the Finance Committee who would not sit on the Board.

Potential Directors are interviewed by the Chair and one or two other Directors and if suitable attend a Board Meeting as observers, following which the Board decides on appointment.

Arrangements for setting key management personnel remuneration

The Directors of the Trustee are all unpaid volunteers, drawing only out-of-pocket expenses from the Charity.

There was one paid employee during the year. The Clerk works an average of 15 hours per week. The Clerk's remuneration, terms and conditions have been set by the Board with regard to local market rates for similar positions and good practice. The present Clerk has been employed since July 2023 and has a good range of administrative skills, including bookkeeping using QuickBooks and is an experienced user of Google Drive.

Contractors are selected for specific purposes on a best value basis.

Information systems:

At its June meeting, the Board agreed to look into migrating its computer records and processes from Google Drive to Google Workspace, with the intention of improving the coherence of its systems. This process was instigated and managed by J McDougall, who has extensive senior IT experience.

The preparation for and migration of data from Drive to Workspace proved to be a lengthy process that was successfully completed in April 2025. In the course of the preparation, the Clerk digitised all operational paper documentation.

The Charity of Mrs Mabel Luke

Trustees' Report (continued)

Organisational structure

The Trustee has adopted the NCVO code: “Good Governance, A Code for the Voluntary and Community Sector, Version for Small Organisations”. The existing Trusts of the unincorporated Charity are set out in the Scheme dated 17 November 1982.

In 2016, in consideration of the risks to the individual Trustees of the Charity and to facilitate the process of requesting grants and mortgages, the Trustees formed Mabel Luke Trustee Ltd, a Company Limited by Guarantee, with the then current Trustees as Directors. This was registered at Companies House on 20 June 2016 with registered number 10241286.

The Trustees raised a Supplemental Deed to the 1982 Scheme on 22 June 2016, making the Company the Sole Trustee of the Charity. This arrangement was approved by the Charity Commission in their Scheme of 6 October 2016.

Mabel Luke Trustee Ltd (‘the Trustee’) as sole trustee is therefore responsible for managing and administering the Charity, which is a Registered Social Housing Provider (236518). The property owned by the Charity is vested in the Official Custodian for Charities. The Directors of the Trustee are responsible for the conduct of its affairs.

The Charity of Mrs Mabel Luke

Trustees' Report (continued)

Major risks and management of those risks

Risk consideration

Directors attended an Away day in June 2025, enabling consideration of issues beyond the constraints of regular Board meetings. The session was focused on risk management and resulted in a comprehensive risk register that was formally approved at the Board meeting on 7 August 2025.

The register identifies 41 risks, each one assigned a risk score computed by multiplying the probability of occurrence by the potential impact and then adding the potential impact again. This results in 7 red risks (score 15-30), 13 orange risks (score 9-12) and 21 green risks scoring 8 or below, across 5 categories:

Note	Number of red risk	Total red risk score	Number of orange risks	Total orange risk score	Number of green risks	Total green risk score
Governance	3	65	3	33	4	20
Operational	3	45	3	27	9	43
Financial	1	15	6	63	2	12
Environmental/external	-	-	1	12	3	18
Compliance	-	-	-	-	3	18
Totals	7	125	13	135	21	111

The seven red risks were:

- Governance: lack of succession planning for Chair (30); too few directors to function effectively (20); and failure to recruit a qualified Treasurer (15), all reflecting a general lack of volunteer directors/trustees in the area.
- Operational: catastrophic events - fire, flood etc (15); disputes between residents (15); and residents with unfulfilled support needs that affect others (15), these last two being in the wake of the problems the Charity had with one resident during the year, referred to earlier in this Report
- Finance: chronic operational cash deficit arising from lack of cash flow from income (15). A similar cash flow risk related to rising costs but was scored orange (12). It can be seen from the table above that five other financial risks were rated orange, at least double the number in other categories. Most of the orange risks were seen as capable of reduction as a result of appointing a Treasurer.

The Board is focused on managing the 20 red and orange risks, looking to reduce or mitigate the risk level where possible. The register will be reviewed annually (unless a major change necessitates immediate action) and that will include assessment of whether the green risks have changed.

A key financial risk for an organisation with substantial borrowings is that rises in interest rates feed through into higher costs. The Bank of England base rate rose substantially during 2022 and into 2023, resulting in the Charity's interest bill in 2024 being 241% of the level in 2021, drastically reducing net income from around £75k in 2021 to around £24k in 2024 (when the budgeted net income was half that). Fortunately, base rate went into gentle reverse during 2024 and this has continued in 2025, though at a slower rate than many anticipated. While base rate is expected to continue its slow downward trend and to stabilise within the next couple of years, it is generally thought unlikely to fall much below 3.5%, at which point the Charity income will still only be at half the level of the years up to 2022. This issue is therefore not so much a risk as a virtual certainty within which the Charity has to operate.

The Charity of Mrs Mabel Luke

Trustees' Report (continued)

Other than interest costs, the main cost centre is Repairs & Maintenance. A significant risk in the longer term is that the costs of maintaining the property in a sound state of repair rise beyond the financial capacity of the Charity. This risk is reduced in the short to medium term because the property was built relatively recently and to a high standard and in the longer term because the external finishings are designed to minimise maintenance costs. The Charity has built its free cash reserves, on instant access of £80k, which should enable planned and responsive maintenance to continue in line with our plans, as long as other costs remain stable and income is not lost through lengthy vacancy periods or rent controls.

As already stated under Reserves Policy, the Charity is setting aside funds annually to help meet these costs. The Charity has built up a list of proven contractors to deal with day-to-day repairs.

The Charity inspects each flat annually to ensure the residents are maintaining it in a reasonable state (and more generally, to maintain good contact with each resident and to ensure continuing eligibility for housing by the Charity). As already stated, the Charity has made provision for the costs of redecoration and equipment replacement, on the basis that such costs will generally be incurred when flats are vacated prior to re-letting, which keeps such costs low and minimises disruption to households. The communal areas - hallways and staircases - are designed to be easily maintained and are regularly cleaned.

The Charity actively manages resident arrears, which at £10,571 at 31 December 2024 (2023 - £5,733) have risen during the year but are considered reasonable. A significant element of arrears arises because the timing of Universal Credit and other benefit payments to residents is out of step with the Charity's monthly WMC payment dates. Such 'technical arrears' are recouped in the course of each month. Only three flats show arrears beyond 60 days old and all three balances are steadily reducing through agreements with the residents.

The buildings, public, employers/directors and employee liability risks are insured by Royal and Sun Alliance through Grout Insurance Brokers Ltd under a group policy negotiated by the Almshouse Association, of which the Charity is a member. The policy is now in its fifth and final year but is expected to be re-negotiated on similar terms.

The Charity has a full suite of policies and procedures and other strategic and working documents that are developed and agreed by the Board. These are designed to minimise risks inherent in many operational areas, in particular. The Board reviews policies every three years; each policy displays a review date.

The deeds for the Properties and Land are held, for security, by Gardner Leader, Newbury.

The annual report was approved by the Trustee of the Charity on and signed on behalf by:

.....
E J Gatward
Chair Mabel Luke Trustee Ltd

The Charity of Mrs Mabel Luke

Statement of Trustees' Responsibilities

The Trustee is responsible for preparing the Trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources 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;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 proper accounting records that 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, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The Trustee is 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.

Approved by the Trustee on and signed on its behalf by:

.....
E J Gatward
Chair Mabel Luke Trustee Ltd

The Charity of Mrs Mabel Luke

Independent Examiner's Report to the Trustee of The Charity of Mrs Mabel Luke

I report to the Trustee on my examination of the accounts of The Charity of Mrs Mabel Luke for the year ended 31 December 2024.

Responsibilities and basis of report

As the charity Trustee of The Charity of Mrs Mabel Luke you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of The Charity of Mrs Mabel Luke's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of The Charity of Mrs Mabel Luke as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
Kerry Hawkins, FCCA, UHY Ross Brooke

31a Charnham Street
Hungerford
Berkshire
RG17 0EJ

Date:.....

The Charity of Mrs Mabel Luke

Statement of Financial Activities for the Year Ended 31 December 2024

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income and Endowments from:					
Investment income	2	3,402	-	3,402	2,367
Service charge income	3	8,160	-	8,160	7,731
Weekly maintenance contributions	3	139,733	-	139,733	134,077
Total Income		151,295	-	151,295	144,175
Expenditure on:					
Staff costs	4	(12,554)	-	(12,554)	(10,442)
Independent Examiner's remuneration	7	(4,224)	-	(4,224)	(4,020)
Allocated support costs	5	(110,222)	-	(110,222)	(113,849)
Total Expenditure		(127,000)	-	(127,000)	(128,311)
Net income		24,295	-	24,295	15,864
Gross transfers between funds		(36,302)	36,302	-	-
Net movement in funds		(12,007)	36,302	24,295	15,864
Reconciliation of funds					
Total funds brought forward		111,742	1,440,569	1,552,311	1,536,447
Total funds carried forward	14	99,735	1,476,871	1,576,606	1,552,311

The notes on pages 17 to 23 form an integral part of these financial statements.

The Charity of Mrs Mabel Luke

Statement of Financial Activities for the Year Ended 31 December 2024

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and Endowments from:				
Investment income	2	2,367	-	2,367
Service charge income	3	7,731	-	7,731
Weekly maintenance contributions	3	134,077	-	134,077
Total Income		144,175	-	144,175
Expenditure on:				
Staff costs		(10,442)	-	(10,442)
Independent Examiner's remuneration	5	(4,020)	-	(4,020)
Allocated support costs	5	(113,849)	-	(113,849)
Total Expenditure		(128,311)	-	(128,311)
Net income		15,864	-	15,864
Gross transfers between funds		(39,713)	39,713	-
Net movement in funds		(23,849)	39,713	15,864
Reconciliation of funds				
Total funds brought forward		135,591	1,400,856	1,536,447
Total funds carried forward	14	111,742	1,440,569	1,552,311

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2023 is shown in note 14.

The Charity of Mrs Mabel Luke
(Registration number: 236518)
Balance Sheet as at 31 December 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	9	2,499,603	2,499,603
Current assets			
Debtors	10	11,747	7,211
Cash at bank and in hand	11	137,720	147,244
		149,467	154,455
Creditors: Amounts falling due within one year	12	(39,377)	(35,775)
Net current assets		110,090	118,680
Total assets less current liabilities		2,609,693	2,618,283
Creditors: Amounts falling due after more than one year	13	(1,033,087)	(1,065,972)
Net assets		1,576,606	1,552,311
Funds of the charity:			
Restricted income funds			
Restricted funds		1,476,871	1,440,569
Unrestricted income funds			
Unrestricted funds		99,735	111,742
Total funds	14	1,576,606	1,552,311

The financial statements on page 6 to 13 were approved by the Trustee, and authorised for issue on and signed on their behalf by:

.....
E J Gatward
Chair Mabel Luke Trustee Ltd

The Charity of Mrs Mabel Luke

Cash Flow Statement for the Year Ended 31 December 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net movement in funds		24,295	15,864
Investment income included in investment activities	2	<u>(3,402)</u>	<u>(2,369)</u>
		20,893	13,495
Working capital adjustments			
Increase in debtors	10	(4,536)	(566)
Decrease in creditors		<u>(2,981)</u>	<u>(5,922)</u>
Net cash flows from operating activities		13,376	7,007
Cash flows from investing activities			
Interest receivable and similar income	2	3,402	2,367
Cash flows from financing activities			
Net of new loans received and capital repayments made.		<u>(26,302)</u>	<u>(26,801)</u>
Net decrease in cash and cash equivalents		(9,524)	(17,427)
Cash and cash equivalents at 1 January		<u>147,244</u>	<u>164,671</u>
Cash and cash equivalents at 31 December		<u>137,720</u>	<u>147,244</u>

All of the cash flows are derived from continuing operations during the above two periods.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2024

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

The Charity of Mrs Mabel Luke meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

Going concern

The Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

No depreciation is charged on Land and Buildings due to the high residual value of the Almshouses.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the Trustee's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

2 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income;		
Interest receivable on bank deposits	3,402	3,402
Total for 2024	3,402	3,402
Total for 2023	2,367	2,367

3 Other income

	Unrestricted funds General £	Total funds £
Weekly maintenance contributions	147,893	147,893
Total for 2024	147,893	147,893
Total for 2023	141,808	141,808

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

4 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	11,856	10,084
Social security costs	349	73
Pension costs	349	285
	12,554	10,442

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2024 No	2023 No
Staff numbers	1	1

No employee received emoluments of more than £60,000 during the year

No key management personnel received any remuneration or consideration during the year.

5 Other expenditure

	Unrestricted funds	Total 2024	Total 2023
	General £	£	£
Repairs and maintenance	18,406	18,406	22,609
Travel and subsistence	311	311	-
Legal and professional fees	3,528	3,528	-
Bad debts written off	-	-	772
Rates	1,466	1,466	590
Insurance	2,687	2,687	2,164
Computer software and maintenance costs	306	306	434
Printing, postage and stationery	20	20	-
Sundry expenses	2,047	2,047	1,057
Advertising	200	200	-
Accountancy fees	450	450	426
Other interest payable	80,801	80,801	85,797
	110,222	110,222	113,849

All 2024 and 2023 expenditure was allocated to the Unrestricted Fund.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

6 Trustee remuneration and expenses

During the year £450 (2023: £426) was paid by the charity for the accounting fees of Mabel Luke Trustee Limited.

During the year the charity made the following transactions with directors of Mabel Luke Trustee Ltd:

P McAuliffe

£Nil (2023: £Nil) of expenses were reimbursed to P McAuliffe during the year.

E J Gatward

£40 (2023: £Nil) of expenses were reimbursed to E J Gatward during the year.

A Hyde

£Nil (2023: £Nil) of expenses were reimbursed to A Hyde during the year.

E Layton

£Nil (2023: £Nil) of expenses were reimbursed to E Layton during the year.

M Thomas

£Nil (2023: £Nil) of expenses were reimbursed to M Thomas during the year.

J McDougall

£246 (2023: £Nil) of expenses were reimbursed to J McDougall during the year.

Neither the Trustee nor any persons connected with the Trustee have received any remuneration from the charity during the year.

Neither the Trustee nor any persons connected with the Trustee have received any other benefits from the charity during the year, apart from a pre-payment of £315 to the Almshouse Association for an induction course, in April 2024, attended by A Hyde, M Thomas and K Howlett as part of Director training.

7 Independent examiner's remuneration

	2024 £	2023 £
Examination of the financial statements	4,224	4,020

8 Taxation

The charity is a registered charity and is therefore exempt from taxation.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

9 Tangible fixed assets

	Land and buildings £	Total £
Cost		
At 1 January 2024	2,499,603	2,499,603
At 31 December 2024	2,499,603	2,499,603
Depreciation		
At 31 December 2024	-	-
Net book value		
At 31 December 2024	2,499,603	2,499,603
At 31 December 2023	2,499,603	2,499,603

10 Debtors

	2024 £	2023 £
Prepayments	1,176	1,478
Rent not yet received	10,571	5,733
	11,747	7,211

11 Cash and cash equivalents

	2024 £	2023 £
Cash at bank	137,720	147,244

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

12 Creditors: amounts falling due within one year

	2024 £	2023 £
Bank loans	32,556	25,973
Other taxation and social security	157	-
Other creditors	-	82
Accruals	6,664	9,720
	39,377	35,775

The loans are secured by a fixed charge on the freehold interest in the property.

13 Creditors: amounts falling due after one year

	2024 £	2023 £
Bank loans	1,033,087	1,065,972

The loans are secured by a fixed charge on the freehold interest in the property.

14 Funds

	Balance at 1 January 2024 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2024 £
Unrestricted funds					
<i>General</i>					
General Funds	111,742	151,295	(127,000)	(36,302)	99,735
Restricted funds					
Mabel Luke Place	1,407,659	-	-	26,302	1,433,961
Extraordinary Repair Fund	16,910	-	-	5,000	21,910
Cyclical Maintenance Fund	16,000	-	-	5,000	21,000
Total restricted funds	1,440,569	-	-	36,302	1,476,871
Total funds	1,552,311	151,295	(127,000)	-	1,576,606

The restricted fund consists of the construction and legal costs for the building of new Almshouses, together with amounts transferred from time to time from the general funds to provide for future repairs and maintenance and the capital component of mortgage repayments made during the year.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2023 £
Unrestricted					
<i>General</i>					
General Funds	135,591	144,175	(128,311)	(39,713)	111,742
Restricted					
Mabel Luke Place	1,377,946	-	-	29,713	1,407,659
Extraordinary Repair Fund	11,910	-	-	5,000	16,910
Cyclical Maintenance Fund	11,000	-	-	5,000	16,000
	1,400,856	-	-	39,713	1,440,569
Total funds	1,536,447	144,175	(128,311)	-	1,552,311

15 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2024 £
Tangible fixed assets	-	2,499,603	2,499,603
Current assets	106,556	42,911	149,467
Current liabilities	(6,821)	(32,556)	(39,377)
Creditors over 1 year	-	(1,033,087)	(1,033,087)
Total net assets	99,735	1,476,871	1,576,606
	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2023 £
Tangible fixed assets	-	2,499,603	2,499,603
Current assets	121,543	32,912	154,455
Current liabilities	(9,801)	(25,974)	(35,775)
Creditors over 1 year	-	(1,065,972)	(1,065,972)
Total net assets	111,742	1,440,569	1,552,311

THE CHARITY OF MRS MABEL LUKE

England & Wales - Charity number 236518

Accounts

Charity registration number: 236518

The Charity of Mrs Mabel Luke

Annual Report and Financial Statements

for the Year Ended 31 December 2023

UHY Ross Brooke
31a Charnham Street
Hungerford
Berkshire
RG17 0EJ

The Charity of Mrs Mabel Luke

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The Charity of Mrs Mabel Luke
Reference and Administrative Details

Trustee

Mabel Luke Trustee Ltd

Directors Mabel Luke Trustee Ltd

E J Gatward (Chair)

L Coyle (resigned 13/6/23)

P McAuliffe

J McDougall

A Hyde

E Layton

M Thomas

K Howlett (appointed 12/9/23)

A Harmer (appointed 2/5/24)

Charity Registration Number

236518

Principal Office

C/O UHY Ross Brooke
2 Old Bath Road
Newbury
Berkshire
RG14 1QL

Independent Examiner

UHY Ross Brooke
31a Charnham Street
Hungerford
Berkshire
RG17 0EJ

Solicitors

Gardner Leader
White Hart House
Market Place
Newbury
Berkshire
RG14 5BA

Bankers

Metro Bank
64-65 Northbrook Street
Newbury
Berkshire
RG14 1AE

The Charity of Mrs Mabel Luke

Trustees' Report

The Trustee presents the annual report together with the financial statements of the Charity for the year ended 31 December 2023.

Objectives and activities

Objects and aims

The provision of social housing in the form of almshouse accommodation for the benefit of the residents of, and persons connected to, Newbury and the parish of Greenham (the 'area of benefit').

History of the Charity

The Charity was created in 1928 with five building plots at 11-17 Mill Lane, Newbury, RG14 5RE, now known as Mabel Luke Place. Initially, four houses were built on three of the plots, with two plots remaining undeveloped.

Following advice from the Almshouse Association in 2013, the then Trustees undertook a major redevelopment project. Sixteen newly-built flats in three blocks were built in three phases at Mabel Luke Place, completed in early 2018 and fully let by the middle of the year.

The property comprises twelve two-bedded and four one-bedded flats, designed for people of working age either resident in or with connection to the area of benefit, with the larger flats available for households with children. The flats are let on licences, with residents paying Weekly Maintenance Contributions comprising a rent-equivalent element, set at below market rent levels, and a service charge.

The Charity does not provide personal support services to residents.

Prior to the re-development, in consideration of the risks to the individual Trustees of the Charity and to facilitate the process of requesting grants and mortgages, the Trustees registered Mabel Luke Trustee Ltd ('MLT'), a Company Limited by Guarantee, at Companies House on 20 June 2016, with the then Trustees as Directors. The Trustees also raised a Supplemental Deed to the Charity Scheme of 17 November 1982, making the Company the Sole Trustee, and this was sealed by the Charity Commission for England and Wales on 22 June 2016 and took effect by Order of the Commission on 6 October 2016.

Public benefit

The Charity provides general needs housing at affordable rents, working closely with West Berkshire Council, which has nomination rights to nine of the sixteen flats. The remaining seven flats are let directly to people who meet the Charity's criteria or are offered to the Council for additional nominations from the Housing Register.

On 31 December 2023, the households housed at Mabel Luke Place comprised:

- 8 households consisting of couples with one, two or three children
- 3 households consisting of single people with one or two children
- 1 household consisting of a couple without children
- 3 households consisting of single adults

In total, 24 adults, all of working age, and 16 children were in residence at 31 December 2023.

The Charity of Mrs Mabel Luke

Trustees' Report (continued)

The Trustee confirms that it has complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales, specifically:

Public Benefit : The Public Benefit Requirement PB1

Public Benefit : Running a Charity PB2

Public Benefit : Reporting PB3

Grant making policies

The Charity does not make grants.

Achievements and performance

Key financial performance indicators

Regulator for Social Housing

Value for Money metrics

Metric 1 - Reinvestment 0.90% (2022 - 0.52%)

Metric 2 - New supply delivered

A: New supply delivered (social housing units) 0% (2022 - 0%)

B: New supply delivered (non-social housing units) 0% (2022 - 0%)

Metric 3 - Gearing 37.79% (2022 - 38.17%)

Metric 4 - Earnings Before Interest, Tax, Depreciation,
Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover 118% (2022 - 240%)

Metric 5 - Headline social housing cost per unit £8,019 (2022 - £4,768)

Metric 6 - Operating Margin

A. Operating Margin (social housing lettings only) 70.02% (2022 - 78.72%)

B. Operating Margin (overall) 68.87% (2022 - 78.18%)

Metric 7 - Return on capital employed (ROCE) 3.79% (2022 - 4.22%)

During the year the Charity had void losses of £4,161 (2022 - £1,582) as a result of 163 days (2022 - 73 days) of lost maintenance contributions due to properties being unoccupied.

The Trustee considers that these KPI's confirm that the Charity's finances remain on a stable and sustainable basis. Due to the increase in interest rates, interest cover has fallen and the headline social housing costs per unit has increased. The Charity has no plans to provide further accommodation.

The Charity considers that it fully complies with the Governance and Financial Standard requirements set out by the regulator.

The Charity of Mrs Mabel Luke

Trustees' Report (continued)

Financial review

Other than small bank account interest payments, the Charity's only income is from the Weekly Maintenance Contributions (WMC) made by residents. In setting the budget for 2023, Directors decided to keep WMC as low as possible, despite the high rate of inflation at the time, in order to mitigate the impact of the cost of living crisis on the Charity's residents. The overall increase in WMC was therefore restricted to 2%. The budget for 2024 includes an uplift of 7%.

The increases in the Bank of England Base Rate during the year fed through into the interest rate charged on the Charity's mortgage at Mabel Luke Place. As a result, interest charges incurred on the mortgage nearly doubled compared with previous years, totalling £85,797 (2022: £45,812). Whilst Base Rate and interest rates generally are widely predicted to fall in the second half of 2024 and thereafter, their decline is expected to be more gradual than their rise and the level eventually reached may be some way above rates in the recent past.

The other significant factor in the decline in net income to £15,864 (2022: £64,818) was higher expenditure on repairs and maintenance. This was largely due to the Charity's success in finding a local firm that was willing to deal with accumulated relatively small repair jobs, together with costs associated with a small increase in re-lets, five years on from the initial lettings after the re-development.

Policy on reserves

Funds held at the year-end are £1,552,311 (2022 - £1,536,449).

Restricted funds total £1,440,569 (2022 - £1,400,856) and consist of the Mabel Luke Fund (£1,407,659), an Extraordinary Repair Fund (£16,910) and a Cyclical Maintenance Fund (£16,000).

Unrestricted funds of £111,742 (2022 - £135,591) derive from WMCs less expenses. Together with restricted funds these are considered sufficient to meet the Charity's needs.

The Charity had cash reserve funds of £104,059 on deposit at the end of 2022 (2022 - £101,692).

The Charity's policy is to maintain a small surplus of WMC income over expenditure and so to steadily build those reserves. Funds are set aside to cover cyclical and other planned maintenance. The Charity has developed a planned maintenance programme, taking into account internal and external decoration and also the replacement cycle for the main appliances provided in the kitchen. Rather than establish a rigid cyclical internal redecoration/replacement programme, Directors decided that the bulk of such work could most efficiently be done during the process of re-letting flats, following inspection and assessment of condition. This would avoid both the intrusion into residents' quiet enjoyment of their homes that such programmes might otherwise entail and the unnecessary replacement of appliances and redecoration unwarranted by condition. The Board has been pleased to note that in several re-lets to date there has been little or no requirement for end-of-residency cleaning, let alone redecoration or appliance replacement.

The Charity of Mrs Mabel Luke

Trustees' Report (continued)

Principal funding sources

The finance for the building of the sixteen flats- in 2017/18 comprised of loans from the Charity Bank; West Berkshire Council (WBC) Section 106 Grant; Homes England (at the time HCA) Grant; fundraising, including a grant from a local trust match-funding other local fundraising; and the Charity's reserves.

To be eligible for HCA grant the Charity applied to be a Registered Social Housing Provider and was accepted on 17 January 2017. The Charity joined the Almshouse Consortium Ltd to bid for HCA grant in the 2013-2018 and 2016-2021 applications rounds.

The Charity Bank provided three loans, all of which were fully drawn:

- Loan 1: a repayment loan of £918,673, repayable over 25 years, with only interest payable for the first year following first drawdown. Capital repayments started on 12 November 2018. The rate of interest payable is 2.75% per annum above base rate, making the rate applicable at the start of the accounting period 6.25%, rising to 8% at the end of the accounting period.
- Loan 2: a bridging loan of £140,000 to be repaid after practical completion from the practical completion payment of the HCA Grant. This was repaid in full on 12 July 2018
- Loan 3: a repayment loan of £358,972, repayable over 25 years, with only interest payable for the first year following first drawdown. Capital repayments started on 12 August 2018. The rate of interest payable is 2.75% per annum above base rate, making the rate applicable at the start of the accounting period 6.25%, rising to 8% at the end of the accounting period.
- At the completion of the building project in 2018, the Charity's outstanding loans from the Charity Bank, repayable over 25 years totalled £1,277,645. Regular mortgage payments were made in 2023 and the outstanding loan at 31 December 2023 was £1,091,945 (2022 - £1,118,747).

A security deposit of £25,000 from the Charity is held by the Charity Bank in an account for the Charity. The balance on this account at 31 December 2023 was £26,363 (2022 - £25,746).

The WBC grant for 12 properties was £238,176. 50% payable on commencement was received in May 2017 and the balance on 24 July 2018. This grant is subject to a Funding & Nomination Agreement giving WBC nomination rights to 12 flats in the first round of letting and thereafter 9 flats to 2142 (125 years). A Local Lettings Plan agreed with WBC in 2022 specifies the 9 flats now subject to the Agreement.

The HCA grant for Phases 1 & 2 was £420,000. 50% payable on commencement was received in March 2017 and the balance on 4 July 2018.

The HCA grant for Phase 3 was £140,000. 75% was received on 13 April 2018 and the balance on 4 July 2018.

The Greenham Trust grant of £125,000 was match-funded to funds raised from other sources paid through The Good Exchange, and also to the WBC grant. It was paid at 6.1% of construction valuation each month, with the outstanding balance paid at practical completion.

Grants totalling £3,188 were received from Newbury Town Council (match-funded by Greenham Trust), Greenham Parish Council, Englefield Trust, other donors and Gift Aid. All grants received have been recognised in the Statement of Financial Activities, with none carried forward as deferred income at 31 December 2023.

The Charity's reserves were also committed to the project.

The Project Manager was a creditor with a £60,000 fee to be repaid in five yearly stages. The final payment of £12,000 was made in 2023, bringing the amount outstanding at 31 December 2023 to £Nil. This amount is deducted from Unrestricted funds.

The Charity of Mrs Mabel Luke

Trustees' Report (continued)

Investment policy and objectives

At present, the Charity's surplus cash is held on deposit.

The Directors keep the investment policy under review.

Structure, governance and management

Recruitment and appointment of directors

Directors of MLT are recruited by advertising on the Charity's website, on other volunteer agency websites and through professional networks. Potential Directors are interviewed by the Chair and one or two other Directors and if suitable are proposed for appointment at a Board Meeting, which they attend as observers.

Last year's Report noted that the Treasurer had stood down in December 2022 and that pending recruitment of her successor, the Chair, a qualified accountant, was combining the two roles. Unfortunately, despite advertising in a local Volunteer Hub, local newspapers and a professional volunteer recruitment website, no appointment was made during 2023. However, a well-qualified candidate was identified in April 2024 and following the process outlined above was appointed as Treasurer following a Board meeting in May 2024.

Apart from that, one Director resigned in the year and one new Director was appointed. The appointment of the Treasurer in 2024 brought the Board up to its favoured size of eight Directors.

All Directors are actively engaged with the running of the Charity and have a wide range of skills and experience between them. The Board has three Committees, dealing with Finance, Residents and Property; all Committee members are currently Directors but the Articles of Association allow co-option.

Arrangements for setting key management personnel remuneration

The Directors are all unpaid volunteers, drawing only out-of-pocket expenses from the Charity. Directors attend courses from time to time to enhance their understanding of the sector and their roles and where these courses charge attendance fees the Charity will pay them on behalf of the Directors.

The Charity does not generally use volunteers in other roles.

The Clerk was the sole employee during the year working an average of 10 hours per week for most of the year. This increased to 15 hours in the autumn, reflecting the need for the new Clerk to learn the Charity's systems and procedures whilst dealing with the workload and to give her some space to develop the use of Google Drive. The Clerk's remuneration, terms and conditions have been set by the Board with regard to good practice and to local market rates for similar positions.

Contractors are selected for specific purposes on a best value basis. The Charity maintains a slate of trusted tradespeople who deal with the great majority of common repair and maintenance tasks that the Clerk accumulates into viable packages.

The Charity of Mrs Mabel Luke

Trustees' Report (continued)

Organisational structure

As previously explained, the existing Trusts of the unincorporated Charity are set out in the Scheme dated 17 November 1982, as amended by the Supplemental Deed of 22 June 2016. The Charity is governed by the Charity Scheme of 6 October 2016, by which MLT was appointed as the sole trustee of the Charity.

The Directors of MLT are therefore responsible for administering the Charity, which is a Registered Social Housing Provider regulated by the Regulator of Social Housing. The property owned by the Charity is vested in the Official Custodian for Charities (see further details under 'Risk consideration').

The Directors have adopted for their Code of Governance: "Good Governance, A Code for the Voluntary and Community Sector, Version for Small Organisations".

The Board of MLT meets on a 6-weekly cycle. Board agendas focus on finance at the meetings following quarter-ends and on residents and property matters at the intervening meetings. All meetings allow time for standing items such as IT, Safeguarding, Health & Safety and the review of policies and procedures, done on a 3-year rotation.

Since the re-development, the Charity had employed a part-time Clerk, who resigned in July 2023, overlapping with her replacement to ensure continuity. The new Clerk currently works for 15 hours per week, on a flexible basis. Like her predecessor, the current Clerk is an experienced bookkeeper and continues to use Quickbooks.

During the year, one of the Directors with an IT background led a review and enhancement of the Charity's website (www.mabelluke.co.uk) and also introduced Google Drive to provide the Charity with the basis for a secure online filing system accessible to all Directors and the Clerk. Work is continuing to transfer the Charity's substantial electronic archive into Google Drive and to develop a common folder structure suited to the Charity's operational and archival requirements. The Directors are taking the opportunity to strengthen compliance with the General Data Protection Regulations, protecting sensitive information about residents in particular by removing the need for paper files.

Major risks and management of those risks

Risk consideration

The Charity took on a substantial loan from Charity Bank to fund the re-development of Mabel Luke Place. As the only source of income is the WMCs, the main permanent financial risk is that voids rise to the point at which income is reduced to unsustainable levels. The Charity therefore seeks to maintain high occupancy; with procedures in place to minimise void periods during re-lettings, the number of which naturally is starting to rise six years after initial lettings.

As the past two years have shown, another key risk for an organisation with substantial borrowings is rises in interest rates. Between 2021 and 2023 the increases in the Bank of England Base Rate have led to the Charity's annual interest costs rising by 155%, from £33,478 in 2021 to £45,812 in 2022 and £85,797 in 2023. While it is generally considered that Base Rate will start to fall in the second half of 2024, it is unlikely that interest rates will return to levels seen prior to 2022 in the foreseeable future and reductions in Base Rate may be gradual. Directors will periodically review the mortgage market for better deals.

The Charity of Mrs Mabel Luke

Trustees' Report (continued)

A significant risk in the longer term is that the costs of maintaining the property in a sound state of repair rise beyond the financial capacity of the Charity. This risk is low in the short to medium term because the property was built only six years ago and in the longer term because the external finishings are designed to minimise maintenance costs. As already stated under Reserves Policy, the Charity is setting aside funds to help meet these costs. The Charity has built up a list of proven contractors to deal with day-to-day repairs.

The Charity inspects each flat annually to ensure the residents are maintaining it in a reasonable state. Provision is made for the costs of redecoration and equipment replacement, on the basis that these will generally be incurred when flats are vacated prior to re-letting, which keeps them low and minimises disruption to households. The communal areas - hallways and staircases - are designed to be easily maintained and are regularly cleaned.

The Charity actively manages resident arrears, which at £5,733 at 31 December 2023 (2022 - £5,227) are considered reasonable. A significant element of arrears arises because the timing of Universal Credit and other benefit payments to residents is out of step with the Charity's monthly WMC payment dates. Such 'technical arrears' are recouped in the course of each month. Arrears are regularly reviewed and Directors visit households where arrears are high or rising to discuss why this is happening and to see if the Charity can offer help, such as allowing reduced payments for a time on the understanding of later repayment. In some cases, with the resident's agreement the Charity has arranged direct payment of Universal Credit by the Department for Work and Pensions.

The buildings, public, employers and trustee liability risks are insured by Royal and Sun Alliance through Grout Insurance Brokers Ltd. The insurance cover was extended to include employer's liability as from 1 January 2022, when the Clerk became a direct employee of the Charity.

The Charity was a member of the Almshouse Consortium Ltd ('ACL') until March 2022, when the Homes England funding programme, from which ACL assisted the Charity to apply for grants, drew to a close. As a member, the Charity also benefited from advice and support during the re-development. The Charity is also a member of the Almshouse Association.

The Charity has a suite of policies and procedures and other strategic and working documents that are developed and agreed by the Board. These are shared with new Board members.

The deeds for the Properties and Land are held, for security, by Gardner Leader, Newbury, the Charity's solicitors.

The annual report was approved by the Trustee of the charity on and signed on behalf by:

.....
E J Gatward
Chair Mabel Luke Trustee Ltd

The Charity of Mrs Mabel Luke

Statement of Trustees Responsibilities

The Trustee is responsible for preparing the Trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources 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;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 proper accounting records that 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, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The Trustee is 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.

Approved by the Trustee on and signed on its behalf by:

.....
E J Gatward
Chair Mabel Luke Trustee Ltd

The Charity of Mrs Mabel Luke

Independent Examiner's Report to the Trustee of The Charity of Mrs Mabel Luke

I report to the Trustee on my examination of the accounts of The Charity of Mrs Mabel Luke for the year ended 31 December 2023.

Responsibilities and basis of report

As the charity Trustee of The Charity of Mrs Mabel Luke you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of The Charity of Mrs Mabel Luke's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of The Charity of Mrs Mabel Luke as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
Kerry Hawkins, FCCA, UHY Ross Brooke

31a Charnham Street
Hungerford
Berkshire
RG17 0EJ

Date:.....

The Charity of Mrs Mabel Luke

Statement of Financial Activities for the Year Ended 31 December 2023

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Income and Endowments from:					
Investment income	2	2,367	-	2,367	817
Service charge income	3	7,731	-	7,731	6,943
Weekly maintenance contributions	3	134,077	-	134,077	133,186
Other income	3	-	-	-	155
Total Income		144,175	-	144,175	141,101
Expenditure on:					
Staff costs	6	(10,442)	-	(10,442)	(8,461)
Independent Examiner's remuneration	7	(4,020)	-	(4,020)	(3,990)
Allocated support costs	4	(113,849)	-	(113,849)	(63,832)
Total Expenditure		(128,311)	-	(128,311)	(76,283)
Net income		15,864	-	15,864	64,818
Gross transfers between funds		(39,713)	39,713	-	-
Net movement in funds		(23,849)	39,713	15,864	64,818
Reconciliation of funds					
Total funds brought forward		135,591	1,400,856	1,536,447	1,471,631
Total funds carried forward	14	111,742	1,440,569	1,552,311	1,536,449

The notes on pages 15 to 21 form an integral part of these financial statements.

The Charity of Mrs Mabel Luke

Statement of Financial Activities for the Year Ended 31 December 2023

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Investment income	2	817	-	817
Service charge income	3	6,943	-	6,943
Weekly maintenance contributions	3	133,186	-	133,186
Other income	3	155	-	155
Total Income		141,101	-	141,101
Expenditure on:				
Staff costs		(8,461)	-	(8,461)
Independent Examiner's remuneration	4	(3,990)	-	(3,990)
Allocated support costs	4	(63,832)	-	(63,832)
Total Expenditure		(76,283)	-	(76,283)
Net income		64,818	-	64,818
Gross transfers between funds		(47,440)	47,440	-
Net movement in funds		17,378	47,440	64,818
Reconciliation of funds				
Total funds brought forward		118,215	1,353,416	1,471,631
Total funds carried forward	14	135,593	1,400,856	1,536,449

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 14.

The Charity of Mrs Mabel Luke
(Registration number: 236518)
Balance Sheet as at 31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	9	2,499,603	2,499,603
Current assets			
Debtors	10	7,211	6,645
Cash at bank and in hand	11	147,244	164,671
		<u>154,455</u>	<u>171,316</u>
Creditors: Amounts falling due within one year	12	<u>(35,775)</u>	<u>(51,245)</u>
Net current assets		<u>118,680</u>	<u>120,071</u>
Total assets less current liabilities		2,618,283	2,619,674
Creditors: Amounts falling due after more than one year	13	<u>(1,065,972)</u>	<u>(1,083,225)</u>
Net assets		<u>1,552,311</u>	<u>1,536,449</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		1,440,569	1,400,856
Unrestricted income funds			
Unrestricted funds		<u>111,742</u>	<u>135,593</u>
Total funds	14	<u>1,552,311</u>	<u>1,536,449</u>

The financial statements on page 11 to 21 were approved by the Trustee, and authorised for issue on and signed on their behalf by:

.....
E J Gatward
Chair Mabel Luke Trustee Ltd

The Charity of Mrs Mabel Luke

Cash Flow Statement for the Year Ended 31 December 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net movement in funds		15,864	64,818
Investment income included in investment activities	2	<u>(2,369)</u>	<u>(817)</u>
		13,495	64,001
Working capital adjustments			
Increase in debtors	10	(566)	(1,511)
Decrease in creditors		<u>(5,922)</u>	<u>(13,585)</u>
Net cash flows from operating activities		7,007	48,905
Cash flows from investing activities			
Interest receivable and similar income	2	2,367	817
Cash flows from financing activities			
Net of new loans received and capital repayments made.		<u>(26,801)</u>	<u>(37,441)</u>
Net (decrease)/increase in cash and cash equivalents		(17,427)	12,281
Cash and cash equivalents at 1 January		<u>164,671</u>	<u>152,390</u>
Cash and cash equivalents at 31 December		<u>147,244</u>	<u>164,671</u>

All of the cash flows are derived from continuing operations during the above two periods.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2023

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

The Charity of Mrs Mabel Luke meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

Going concern

The Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

No depreciation is charged on Land and Buildings due to the high residual value of the Almshouses.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the Trustee's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

2 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income;		
Interest receivable on bank deposits	2,367	2,367
Total for 2023	2,367	2,367
Total for 2022	817	817

3 Other income

	Unrestricted funds General £	Total funds £
Weekly maintenance contributions	141,808	141,808
Total for 2023	141,808	141,808
Total for 2022	140,284	140,284

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

4 Other expenditure

	Unrestricted funds	Total 2023	Total 2022
	General £	£	£
Repairs and maintenance	22,609	22,609	13,001
Bad debts written off	772	772	-
Rates	590	590	863
Insurance	2,164	2,164	1,922
Computer software and maintenance costs	434	434	480
Sundry expenses	1,057	1,057	1,327
Advertising	-	-	55
Accountancy fees	426	426	372
Other interest payable	85,797	85,797	45,812
	113,849	113,849	63,832

All 2023 and 2022 expenditure was allocated to the Unrestricted Fund.

5 Trustee remuneration and expenses

During the year £426 (2022 : £372) was paid by the charity for the accounting fees of Mabel Luke Trustee Limited.

During the year the charity made the following transactions with directors of Mabel Luke Trustee Ltd:

S J Smith

£Nil (2022: £Nil) of expenses were reimbursed to S J Smith during the year.

P McAuliffe

£Nil (2022: £Nil) of expenses were reimbursed to P McAuliffe during the year.

E J Gatward

£Nil (2022: £180) of expenses were reimbursed to E J Gatward during the year.

A Hyde

£Nil (2022: £18) of expenses were reimbursed to A Hyde during the year.

E Layton

£Nil (2022: £123) of expenses were reimbursed to E Layton during the year.

J McDougall

£Nil (2022: £18) of expenses were reimbursed to J McDougall during the year.

M Thomas

£Nil (2022: £18) of expenses were reimbursed to M Thomas during the year.

Neither the Trustee nor any persons connected with the Trustee have received any remuneration from the charity during the year.

Neither the Trustee nor any persons connected with the Trustee have received any other benefits from the charity during the year, apart from a pre-payment of £315 to the Almshouse Association for an induction course, in April 2024, to be attended by A Hyde, M Thomas and K Howlett as part of Director training.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

6 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	10,084	8,381
Social security costs	73	25
Pension costs	285	55
	<u>10,442</u>	<u>8,461</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Staff numbers	1	1

No employee received emoluments of more than £60,000 during the year

No key management personnel received any remuneration or consideration during the year.

7 Independent examiner's remuneration

	2023 £	2022 £
Examination of the financial statements	4,020	3,990

8 Taxation

The charity is a registered charity and is therefore exempt from taxation.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

9 Tangible fixed assets

	Land and buildings £	Total £
Cost		
At 1 January 2023	2,499,603	2,499,603
At 31 December 2023	2,499,603	2,499,603
Depreciation		
At 31 December 2023	-	-
Net book value		
At 31 December 2023	2,499,603	2,499,603
At 31 December 2022	2,499,603	2,499,603

10 Debtors

	2023 £	2022 £
Prepayments	1,478	1,418
Rent not yet received	5,733	5,227
	7,211	6,645

11 Cash and cash equivalents

	2023 £	2022 £
Cash at bank	147,244	164,671

12 Creditors: amounts falling due within one year

	2023 £	2022 £
Bank loans	25,973	35,521
Other creditors	82	124
Accruals	9,720	15,600
	35,775	51,245

The loans are secured by a fixed charge on the freehold interest in the property.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

13 Creditors: amounts falling due after one year

	2023 £	2022 £
Bank loans	1,065,972	1,083,225

The loans are secured by a fixed charge on the freehold interest in the property.

14 Funds

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2023 £
Unrestricted					
<i>General</i>					
General Funds	135,591	144,175	(128,311)	(39,713)	111,742
Restricted					
Mabel Luke Place	1,377,946	-	-	29,713	1,407,659
Extraordinary Repair Fund	11,910	-	-	5,000	16,910
Cyclical Maintenance Fund	11,000	-	-	5,000	16,000
	1,400,856	-	-	39,713	1,440,569
Total funds	1,536,447	144,175	(128,311)	-	1,552,311

The restricted fund consists of the construction and legal costs for the building of new almshouses.

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2022 £
Unrestricted					
<i>General</i>					
General Funds	118,215	141,101	(76,283)	(47,440)	135,593
Restricted					
Mabel Luke Place	1,340,506	-	-	37,440	1,377,946
Extraordinary Repair Fund	6,910	-	-	5,000	11,910
Cyclical Maintenance Fund	6,000	-	-	5,000	11,000
	1,353,416	-	-	47,440	1,400,856
Total funds	1,471,631	141,101	(76,283)	-	1,536,449

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

15 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2023 £
Tangible fixed assets	-	2,499,603	2,499,603
Current assets	121,543	32,912	154,455
Current liabilities	(9,801)	(25,974)	(35,775)
Creditors over 1 year	-	(1,065,972)	(1,065,972)
Total net assets	111,742	1,440,569	1,552,311
	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2022 £
Tangible fixed assets	-	2,499,603	2,499,603
Current assets	151,318	19,998	171,316
Current liabilities	(15,725)	(35,520)	(51,245)
Creditors over 1 year	-	(1,083,225)	(1,083,225)
Total net assets	135,593	1,400,856	1,536,449

THE CHARITY OF MRS MABEL LUKE

England & Wales - Charity number 236518

Accounts

Charity registration number: 236518

The Charity of Mrs Mabel Luke

Annual Report and Financial Statements

for the Year Ended 31 December 2022

UHY Ross Brooke
31a Charnham Street
Hungerford
Berkshire
RG17 0EJ

The Charity of Mrs Mabel Luke

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The Charity of Mrs Mabel Luke
Reference and Administrative Details

Trustee

Mabel Luke Trustee Ltd

Directors Mabel Luke Trustee Ltd

E J Gatward

P McAuliffe

J McDougall (appointed 20 May 2022)

A Hyde (appointed 6 December 2022)

E Layton (appointed 10 May 2022)

M Thomas (appointed 26 July 2022)

D Haines (resigned 31 March 2022)

S Farrant (resigned 1 November 2022)

P Jakubowski (resigned 6 December 2022)

S Smith (resigned 6 December 2022)

L Coyle (resigned 13 June 2023)

Charity Registration Number

236518

Principal Office

C/O UHY Ross Brooke
2 Old Bath Road
Newbury
Berkshire
RG14 1QL

Independent Examiner

UHY Ross Brooke
31a Charnham Street
Hungerford
Berkshire
RG17 0EJ

Solicitors

Gardner Leader
White Hart House
Market Place
Newbury
Berkshire
RG14 5BA

Bankers

Metro Bank
Newbury
64-65 Northbrook Street
Newbury
Berkshire
RG14 1AE

The Charity of Mrs Mabel Luke

Trustee's Report

The Trustee presents the annual report together with the financial statements of the Charity for the year ended 31 December 2022.

Objectives and activities

Objects and aims

The provision of social housing in the form of almshouse accommodation for the benefit of the residents of, and persons connected to, Newbury and the parish of Greenham (the 'area of benefit').

History of the Charity

The Charity was created in 1928 with five building plots at 11-17 Mill Lane, Newbury, RG14 5RE, now known as Mabel Luke Place. Initially, four houses were built on three of the plots, with two plots remaining undeveloped.

Following advice from the Almshouse Association in 2013, Charity's then Trustees undertook a major redevelopment project. Sixteen newly-built flats in three blocks were built in three phases at Mabel Luke Place, completed in early 2018 and fully let by the middle of the year. Mabel Luke Trustee was incorporated in June 2016 as sole Trustee of the Charity (further details are provided in the section below covering risk management).

The property comprises twelve two-bedded and four one-bedded flats, designed for people of working age either resident in or with connection to the area of benefit, with the larger flats available for households with children. The flats are let on licences, with residents paying Weekly Maintenance Contributions comprising a rent-equivalent element, set at below market rent levels, and a service charge. The Charity does not provide personal support services to residents.

Public benefit

The Charity provides general needs housing at affordable rents, working closely with West Berkshire Council, which has nomination rights to nine of the sixteen flats. The remaining seven flats are let directly to people who meet the Charity's criteria or are offered to the Council for additional nominations from the Housing Register.

At 31 December 2022, the households housed at Mabel Luke Place comprised:

6 households consisting of couples with one, two or three children
6 households consisting of single people with one or two children
0 households consisting of a couple without children
4 households consisting of single adults

All the adult residents were of working age. In total, 22 adults and 18 children were in residence at 31 December 2022 and all 16 properties were let.

The Trustee declares that it has taken into account the need for compliance of Charity Commission Guidance:

Public Benefit : The Public Benefit Requirement PB1

Public Benefit : Running a Charity PB2

Public Benefit : Reporting PB3

The Trustee confirms that it has complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Grant making policies

The Charity does not make grants.

The Charity of Mrs Mabel Luke

Trustee's Report (continued)

Achievements and performance

2022 continued to see a minor exodus of residents who had moved into the newly-built flats during 2018, with 4 households moving out. However, working with West Berkshire Council's housing waiting list and the Charity's own records of direct applicants, the vacancies were swiftly filled. The experience of dealing with relets for the first time in the latter half of 2021 and the first months of 2022 enabled Directors to refine policy and procedures and to develop paperwork, in particular around the assessment of applicant eligibility and the method of prioritising competing applicants.

During the year, the Charity agreed a revised Local Lettings Plan with West Berkshire Council that concluded that of the 16 flats, the Council would nominate 9 – subject to nominees satisfying the Charity's eligibility criteria – and the Charity would retain the right to appoint from direct applicants for the remaining 7.

The Charity started to consider how best to address new regulatory requirements for developing and implementing Tenant Satisfaction Measures; this work will be concluded during 2023.

One of the Directors appointed during the year with a background in IT worked with the Chair, Clerk and another Director to revamp the website. This work continued into 2023. Further work was done to introduce Google Drive as the principal repository of the Charity's key documentation and work continues to transfer files on to the Drive for remote access by Directors.

Key financial performance indicators

Regulator for Social Housing
Value for Money metrics

Metric 1 - Reinvestment 0.52% (2021 - 0.60%)

Metric 2 - New supply delivered

A: New supply delivered (Social housing units) 0% (2020 - 0%)

B: New supply delivered (Non-social housing units) 0% (2020 - 0%)

Metric 3 - Gearing 38.17% (2021 - 40.16%)

Metric 4 - Earnings Before Interest, Tax, Depreciation,
Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover 240% (2021 - 325%)

Metric 5 - Headline social housing cost per unit £4,768 (2021 - £3,845)

Metric 6 - Operating Margin

A. Operating Margin (social housing lettings only) 78.72% (2021 - 80.58%)

B. Operating Margin (overall) 78.18% (2021 - 79.30%)

Metric 7 - Return on capital employed (ROCE) 4.22% (2021 - 4.20%)

During the year the Charity had void losses of £1,581.59 as a result of 73 days of lost maintenance contributions due to properties being unoccupied.

The Charity of Mrs Mabel Luke

Trustee's Report (continued)

The Trustee considers that these KPI's confirm that the Charity's finances remain on a stable and sustainable basis. The Charity has no plans to provide further accommodation.

The Trustee considers that the Charity fully complies with the Governance and Financial Standard requirements set out by the regulator.

Financial review

Policy on reserves

Other than small bank account interest payments, the Charity's only income is from the Weekly Maintenance Contributions (WMC) made by residents.

Funds held at the year-end are £1,536,449 (2021 - £1,471,631).

Restricted funds total £1,400,856 (2021 - £1,353,416) and consist of the Mabel Luke Fund (£1,377,946), an Extraordinary Repair Fund (£11,910) and a Cyclical Maintenance Fund (£11,000).

Unrestricted funds of £135,593 (2021 - £118,215) derive from WMCs less expenses. Together with restricted funds these are considered sufficient to meet the Charity's needs.

The Charity had cash reserve funds of £101,692 on deposit at the end of 2022 (2021 - £100,876).

The Charity's policy is to maintain a small surplus of WMC income over expenditure and so to steadily build those reserves. Funds are set aside to cover cyclical and other planned maintenance. During the year, the Charity developed a planned maintenance programme, taking into account internal and external decoration and also the replacement cycle for the main appliances provided in the kitchen. Rather than establish a rigid cyclical internal redecoration/replacement programme, Directors decided that the bulk of such work could most efficiently be done during the process of re-letting a flat, following inspection and assessment of condition. This would avoid both the intrusion into residents' quiet enjoyment of their homes that such programmes might otherwise entail and the unnecessary replacement of appliances and redecoration unwarranted by condition; in several re-lets there was little or no requirement for end-of-residency cleaning, let alone redecoration or appliance replacement.

The Charity of Mrs Mabel Luke

Trustee's Report (continued)

Principal funding sources

The finance for the building of the sixteen flats comprises loans from the Charity Bank; West Berkshire Council (WBC) Section 106 Grant; Homes England (at the time HCA) Grant; fundraising, including a grant from a local trust match-funding other local fundraising; and the Charity reserves.

To be eligible for HCA grant the Charity applied to be a Registered Social Housing Provider and was accepted on 17 January 2017. The Charity joined the Almshouse Consortium Ltd to bid for HCA grant in the 2013-2018 and 2016-2021 applications rounds.

The Charity Bank provided three loans, all of which were fully drawn:

- Loan 1: a repayment loan of £918,673, repayable over 25 years, with interest only payable for the first year following first drawdown. Capital repayments started on 12 November 2018. The rate of interest payable is 2.75% per annum above base rate. The rate applicable at the start of the accounting period was 3% and at the end of the accounting period the rate was 6.25%.
- Loan 2: a bridging loan of £140,000 to be repaid after practical completion from the practical completion payment of the HCA Grant. This was repaid in full on 12 July 2018
- Loan 3: a repayment loan of £358,972, repayable over 25 years, with interest only payable for the first year following first drawdown. Capital repayments started on 12 August 2018. The rate of interest payable is 2.75% per annum above base rate. The rate applicable at the start of the accounting period was 3% and at the end of the accounting period the rate was 6.25%.
- At the completion of the building project in 2018, the Charity's outstanding loans from the Charity Bank totalled £1,277,645 and were repayable over 25 years. Regular mortgage payments were made in 2022 and the outstanding loan at 31 December 2022 was £1,118,747 (2021 - £1,156,187).

A security deposit of £25,000 from the Charity is held by the Charity Bank in an account for the Charity.

The WBC grant for 12 properties was £238,176. 50% payable on commencement was received in May 2017 and the balance on 24 July 2018. This grant is subject to a Funding & Nomination Agreement giving WBC nomination rights to 12 flats in the first round of letting and thereafter 9 flats to 2142 (125 years). The Local Lettings Plan agreed with WBC in 2022 specifies the 9 flats now subject to the Agreement.

The HCA grant for Phases 1 & 2 was £420,000. 50% payable on commencement was received in March 2017 and the balance on 4 July 2018.

The HCA grant for Phase 3 was £140,000. 75% was received on 13 April 2018 and the balance on 4 July 2018.

The Greenham Trust grant of £125,000 was match-funded to funds raised from other sources paid through The Good Exchange, and also to the WBC grant. It was paid at 6.1% of construction valuation each month, with the outstanding balance payable at practical completion.

Grants totalling £3,188 were received from Newbury Town Council (match-funded by Greenham Trust), Greenham Parish Council, Englefield Trust, other donors and Gift Aid. All grants received have been recognised in the Statement of Financial Activities, with none carried forward as deferred income as at 31st December 2022.

The Charity's reserves were committed to the project.

The Project Manager remains a creditor with a £60,000 fee to be repaid in five yearly stages. One payment of £12,000 was made in 2022, bringing the amount outstanding at 31 December 2022 to £12,000. This amount is deducted from Unrestricted funds.

The Charity of Mrs Mabel Luke

Trustee's Report (continued)

Investment policy and objectives

At present, the Charity's surplus cash is held on deposit.

The Directors keep the investment policy under review.

Structure, governance and management

Recruitment and appointment of directors

Directors are recruited by advertising on its website, other volunteer agency websites and professional networks. Four Directors resigned in the year and four new Directors were appointed. One further Director resigned in June 2023, following her election to West Berkshire Council.

All Board members have been actively engaged with the running of the Charity and have a good range of skills and experience between them. The Board has three Committees, dealing with Finance, Residents and Property; all Committee members are Directors. Committees meet when necessary.

Recruitment continues to ensure succession planning. Potential Directors are interviewed by the Chair and one or two other Directors and if suitable are proposed for appointment at a Board Meeting.

Arrangements for setting key management personnel remuneration

The Directors of the Trustee are all unpaid volunteers, drawing only out-of-pocket expenses from the Charity.

The Charity does not generally use volunteers, though it may do for specific short-term activities.

There was one paid employee during the year. The Clerk works an average of 10 hours per week. The Clerk's remuneration, terms and conditions have been set by the Board with regard to local market rates for similar positions and good practice.

Contractors are selected for specific purposes on a best value basis.

Organisational structure

The existing Trusts of the unincorporated Charity are set out in the Scheme dated 17 November 1982, as amended by the Supplemental Deed of 22 June 2016. The Charity is governed by the Charity Scheme of 6 October 2016, by which Mabel Luke Trustee Ltd is appointed as the sole Trustee of the Charity (see below under 'Major risks and the management of those risks'). The Directors of Mabel Luke Trustee Ltd are therefore responsible for administering the Charity, which is a Registered Social Housing Provider. The property owned by the Charity is vested in the Official Custodian for Charities. See further details under Risk consideration.

The Clerk, who until 31 December 2021 was a self-employed contractor to the Charity, transferred into direct employment on 1 January 2022, the Board considering that employee status was more appropriate to the nature of her work. With the retirement in March of the Charity's long-standing Treasurer, the Clerk, who has substantial experience as a bookkeeper, took on the bookkeeping role, working in conjunction with the new Treasurer, an existing Director who was a qualified accountant and who after a review of the existing finance system introduced QuickBooks.

The new Treasurer stood down in December, following her resumption of full-time work after maternity leave. The Charity is looking to recruit a replacement Treasurer but meanwhile the Chair, himself a qualified accountant, is combining the two roles.

In April 2023, the Clerk gave 3 months' notice of her resignation after 5 years at the Charity. A successful recruitment process followed and the new Clerk will be in post in good time before our current Clerk leaves.

The Charity of Mrs Mabel Luke

Trustee's Report (continued)

Major risks and management of those risks

Risk consideration

The Trustee has adopted for their Code of Governance: "Good Governance, A Code for the Voluntary and Community Sector, Version for Small Organisations".

In 2016, in consideration of the risks to the individual Trustees of the Charity and to facilitate the process of requesting grants and mortgages, the Trustees formed, Mabel Luke Trustee Ltd, a Company Limited by Guarantee, with the then current Trustees as Directors. The Trustees raised a Supplemental Deed to the Charity Scheme making the Company the Sole Trustee and this was agreed by the Charity Commission in their Scheme of 6 October 2016.

The Directors of Mabel Luke Trustee Ltd are responsible for administering the Charity.

The Charity has taken on a substantial loan. As the only source of income is the WMCs, the main permanent financial risk is that voids rise to the point at which income is reduced to unsustainable levels. The Charity therefore seeks to maintain high occupancy, with procedures in place to minimise void periods during re-lettings, the number of which has risen five years after initial lettings.

As the past year has shown, another key risk for an organisation with substantial borrowings is that rises in interest rates feed through into higher costs. During 2022 and into 2023 the increases in the Bank of England Base rate have led to interest costs rising by 37%, from £33,478 in 2021 to £45,812 in 2022. The Charity's 2023 budget forecasts a further substantial rise to some £78k, a 70% increase from 2022 and double what it was in 2021. With base rate still rising and now not expected to fall as rapidly as was thought likely even quite recently, interest costs in 2023 may yet be higher than budget. However, although the Charity's margins after interest are falling there is still sufficient headroom to accommodate any anticipated rate rises without the need to draw on existing cash reserves.

A further significant risk in the longer term is that the costs of maintaining the property in a sound state of repair rise beyond the financial capacity of the Charity. This risk is reduced in the short to medium term because the property was built only five years ago and in the longer term because the external finishings are designed to minimise maintenance costs. As already stated under Reserves Policy, the Charity is setting aside funds to help meet these costs. The Charity has built up a list of proven contractors to deal with day-to-day repairs.

Internally, the Charity inspects each flat annually to ensure the residents are maintaining it in a reasonable state. As already stated the Charity has made provision for the costs of redecoration and equipment replacement, on the basis that such costs will generally be incurred when flats are vacated prior to re-letting, which keeps such costs low and minimises disruption to households. The communal areas - hallways and staircases - are designed to be easily maintained and are regularly cleaned.

The Charity actively manages resident arrears, which at £5,227 at 31 December 2022 (2021 - £3,924) are considered reasonable. A significant element of arrears arises because the timing of Universal Credit and other benefit payments to residents is out of step with the Charity's monthly WMC payment dates. Such 'technical arrears' are recouped in the course of each month.

The Charity of Mrs Mabel Luke

Trustee's Report (continued)

The buildings, public, employers and trustee liability risks are insured by Royal and Sun Alliance through Grout Insurance Brokers Ltd. The insurance cover was extended to include employer's liability as from 1 January 2022, when the Clerk became a direct employee of the Charity.

The Charity is a member of the Almshouse Association and was a member of the Almshouse Consortium Ltd until March 2022, when the Homes England funding programme, from which the Charity received grants, drew to a close.

The Charity has a suite of policies and procedures and other strategic and working documents that are developed, agreed and will be regularly reviewed by the Board. These are shared with new Board members.

The deeds for the Properties and Land are held, for security, by Gardner Leader, Solicitors, Newbury.

The annual report was approved by the Trustee of the charity on and signed on its behalf by:

.....
E J Gatward
Chair Mabel Luke Trustee Ltd

The Charity of Mrs Mabel Luke

Statement of Trustees Responsibilities

The Trustee is responsible for preparing the Trustee's report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources 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;
- observe the methods and principles in the Charities Statement of Recommended Policy (SORP);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 proper accounting records that 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, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The Trustee is 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.

Approved by the Trustee of the Charity on and signed on its behalf by:

.....
E J Gatward
Chair Mabel Luke Trustee Ltd

The Charity of Mrs Mabel Luke

Independent Examiner's Report to the Trustee of The Charity of Mrs Mabel Luke

I report to the Trustee on my examination of the accounts of The Charity of Mrs Mabel Luke for the year ended 31 December 2022.

Responsibilities and basis of report

As the charity Trustee of The Charity of Mrs Mabel Luke you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of The Charity of Mrs Mabel Luke's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of The Charity of Mrs Mabel Luke as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
Kerry Hawkins, FCCA, UHY Ross Brooke

31a Charnham Street
Hungerford
Berkshire
RG17 0EJ

Date:.....

The Charity of Mrs Mabel Luke

Statement of Financial Activities for the Year Ended 31 December 2022

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Income and Endowments from:					
Investment income	2	817	-	817	315
Service charge income	3	6,943	-	6,943	-
Weekly maintenance contributions	3	133,186	-	133,186	134,791
Other income	3	155	-	155	1,869
Total Income		141,101	-	141,101	136,975
Expenditure on:					
Staff costs	6	(8,461)	-	(8,461)	-
Independent Examiner's remuneration	7	(3,990)	-	(3,990)	(2,760)
Allocated support costs	4	(63,832)	-	(63,832)	(58,761)
Total Expenditure		(76,283)	-	(76,283)	(61,521)
Net income		64,818	-	64,818	75,454
Gross transfers between funds		(47,440)	47,440	-	-
Net movement in funds		17,378	47,440	64,818	75,454
Reconciliation of funds					
Total funds brought forward		118,215	1,353,416	1,471,631	1,396,177
Total funds carried forward	14	135,593	1,400,856	1,536,449	1,471,631

The notes on pages 15 to 21 form an integral part of these financial statements.

The Charity of Mrs Mabel Luke

Statement of Financial Activities for the Year Ended 31 December 2022 (continued)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Investment income	2	315	-	315
Weekly maintenance contributions	3	134,791	-	134,791
Other income	3	1,869	-	1,869
Total Income		136,975	-	136,975
Expenditure on:				
Independent Examiner's remuneration	4	(2,760)	-	(2,760)
Allocated support costs	4	(58,761)	-	(58,761)
Total Expenditure		(61,521)	-	(61,521)
Net income		75,454	-	75,454
Gross transfers between funds		(50,372)	50,372	-
Net movement in funds		25,082	50,372	75,454
Reconciliation of funds				
Total funds brought forward		93,133	1,303,044	1,396,177
Total funds carried forward	14	118,215	1,353,416	1,471,631

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 14.

The Charity of Mrs Mabel Luke
(Registration number: 236518)
Balance Sheet as at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	9	2,499,603	2,499,603
Current assets			
Debtors	10	6,645	5,134
Cash at bank and in hand	11	164,671	152,390
		<hr/> 171,316	<hr/> 157,524
Creditors: Amounts falling due within one year	12	<hr/> (51,245)	<hr/> (69,680)
Net current assets		<hr/> 120,071	<hr/> 87,844
Total assets less current liabilities		2,619,674	2,587,447
Creditors: Amounts falling due after more than one year	13	<hr/> (1,083,225)	<hr/> (1,115,816)
Net assets		<hr/> 1,536,449	<hr/> 1,471,631
Funds of the charity:			
Restricted income funds			
Restricted funds		1,400,856	1,353,416
Unrestricted income funds			
Unrestricted funds		<hr/> 135,593	<hr/> 118,215
Total funds	14	<hr/> 1,536,449	<hr/> 1,471,631

The financial statements on pages 11 to 21 were approved by the Trustee, and authorised for issue on and signed on their behalf by:

.....
E J Gatward
Chair Mabel Luke Trustee Ltd

The Charity of Mrs Mabel Luke

Cash Flow Statement for the Year Ended 31 December 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net movement in funds		64,818	75,454
Investment income included in investment activities	2	(817)	(315)
		<hr/> 64,001	<hr/> 75,139
Working capital adjustments			
Increase in debtors	10	(1,511)	(2,212)
Decrease in creditors		(13,585)	(17,282)
		<hr/> 48,905	<hr/> 55,645
Cash flows from investing activities			
Interest receivable and similar income	2	817	315
Cash flows from financing activities			
Net of new loans received and capital repayments made.		(37,441)	(40,372)
		<hr/> 12,281	<hr/> 15,588
Net increase in cash and cash equivalents		12,281	15,588
Cash and cash equivalents at 1 January		152,390	136,802
		<hr/> 164,671	<hr/> 152,390

All of the cash flows are derived from continuing operations during the above two periods.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2022

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

The Charity of Mrs Mabel Luke meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

Going concern

The Trustee considers that there are no material uncertainties about the Charity's ability to continue as a going concern.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregates similar costs to that category.

Charitable activities

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

No depreciation is charged on Land and Buildings due to the high residual value of the Almshouses.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the Trustee's discretion in furtherance of the objectives of the Charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

2 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income;		
Interest receivable on bank deposits	817	817
Total for 2022	817	817
Total for 2021	315	315

3 Other income

	Unrestricted funds General £	Total funds £
Other income	155	155
Weekly maintenance contributions	140,129	140,129
Total for 2022	140,284	140,284
Total for 2021	136,660	136,660

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

4 Other expenditure

	Unrestricted funds		
	General	Total	Total
	£	2022	2021
		£	£
Repairs and maintenance	13,001	13,001	14,959
Clerk's fees (direct employee in 2022)	-	-	6,686
Rates	863	863	390
Insurance	1,922	1,922	1,849
Computer software and maintenance costs	480	480	-
Sundry expenses	1,327	1,327	1,027
Advertising	55	55	-
Accountancy fees	372	372	372
Other interest payable	45,812	45,812	33,478
	63,832	63,832	58,761

All 2022 and 2021 expenditure was allocated to the Unrestricted Fund.

5 Trustee remuneration and expenses

During the year £372 (2021 : £372) was paid by the Charity for the accounting fees of Mabel Luke Trustee Limited.

During the year the Charity made the following transactions with directors of Mabel Luke Trustee Ltd:

P Jakubowski

£250 (2021: £254) of expenses were reimbursed to P Jakubowski during the year.

D Haines

£Nil (2021: £99) of expenses were reimbursed to D Haines during the year.

S Farrant

£Nil (2021: £30) of expenses were reimbursed to S Farrant during the year.

S J Smith

£Nil (2021: £Nil) of expenses were reimbursed to S J Smith during the year.

P McAuliffe

£Nil (2021: £32) of expenses were reimbursed to P McAuliffe during the year.

E J Gatward

£180 (2021: £575) of expenses were reimbursed to E J Gatward during the year.

A Hyde

£18 (2021: £Nil) of expenses were reimbursed to A Hyde during the year.

E Layton

£123 (2021: £Nil) of expenses were reimbursed to E Layton during the year.

J McDougall

£18 (2021: £Nil) of expenses were reimbursed to J McDougall during the year.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

M Thomas

£18 (2021: £Nil) of expenses were reimbursed to M Thomas during the year.

Neither the Trustee, nor any persons connected with the Trustee, have received any remuneration from the Charity during the year.

Neither the Trustee, nor any persons connected with the Trustee, have received any other benefits from the Charity during the year.

6 Staff costs

The aggregate payroll costs were as follows:

	2022
	£
Staff costs during the year were:	
Wages and salaries	8,381
Social security costs	25
Pension costs	55
	<hr/>
	8,461 <hr/>

The monthly average number of persons (including senior management / leadership team) employed by the Charity during the year was as follows:

	2022
	No
Staff numbers	<hr/> 1 <hr/>

No employee received emoluments of more than £60,000 during the year

No key management personnel received any remuneration or consideration during the year.

7 Independent examiner's remuneration

	2022	2021
	£	£
Examination of the financial statements	<hr/> 3,990 <hr/>	<hr/> 2,760 <hr/>

8 Taxation

The Charity is a registered charity and is therefore exempt from taxation.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

9 Tangible fixed assets

	Land and buildings £	Total £
Cost		
At 1 January 2022	2,499,603	2,499,603
At 31 December 2022	2,499,603	2,499,603
Depreciation		
At 31 December 2022	-	-
Net book value		
At 31 December 2022	2,499,603	2,499,603
At 31 December 2021	2,499,603	2,499,603

10 Debtors

	2022 £	2021 £
Prepayments	1,418	1,210
Rent not yet received	5,227	3,924
	6,645	5,134

11 Cash and cash equivalents

	2022 £	2021 £
Cash at bank	164,671	152,390

12 Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans	35,521	40,371
Other creditors	124	-
Accruals	15,600	29,309
	51,245	69,680

The loans are secured by a fixed charge on the freehold interest in the property.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

13 Creditors: amounts falling due after one year

	2022 £	2021 £
Bank loans	1,083,225	1,115,816

The loans are secured by a fixed charge on the freehold interest in the property.

14 Funds

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2022 £
Unrestricted					
<i>General</i>					
General Funds	118,215	141,101	(76,283)	(47,440)	135,593
Restricted					
Mabel Luke Place	1,340,506	-	-	37,440	1,377,946
Extraordinary Repair Fund	6,910	-	-	5,000	11,910
Cyclical Maintenance Fund	6,000	-	-	5,000	11,000
	1,353,416	-	-	47,440	1,400,856
Total funds	1,471,631	141,101	(76,283)	-	1,536,449

The restricted fund consists of the construction and legal costs for the building of new almshouses.

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2021 £
Unrestricted					
<i>General</i>					
General Funds	93,133	136,975	(61,521)	(50,372)	118,215
Restricted					
Mabel Luke Place	1,300,134	-	-	40,372	1,340,506
Extraordinary Repair Fund	1,910	-	-	5,000	6,910
Cyclical Maintenance Fund	1,000	-	-	5,000	6,000
	1,303,044	-	-	50,372	1,353,416
Total funds	1,396,177	136,975	(61,521)	-	1,471,631

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

15 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2022 £
Tangible fixed assets	-	2,499,603	2,499,603
Current assets	151,318	19,998	171,316
Current liabilities	(15,725)	(35,520)	(51,245)
Creditors over 1 year	-	(1,083,225)	(1,083,225)
	135,593	1,400,856	1,536,449
	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2021 £
Tangible fixed assets	-	2,499,603	2,499,603
Current assets	147,524	10,000	157,524
Current liabilities	(29,309)	(40,371)	(69,680)
Creditors over 1 year	-	(1,115,816)	(1,115,816)
	118,215	1,353,416	1,471,631

THE CHARITY OF MRS MABEL LUKE

England & Wales - Charity number 236518

Accounts

Charity registration number: 236518

The Charity of Mrs Mabel Luke

Annual Report and Financial Statements

for the Year Ended 31 December 2021

UHY Ross Brooke
31a Charnham Street
Hungerford
Berkshire
RG17 0EJ

The Charity of Mrs Mabel Luke

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The Charity of Mrs Mabel Luke
Reference and Administrative Details

Trustee

Mabel Luke Trustee Ltd

Directors Mabel Luke Trustee Ltd

S Farrant

P Jakubowski

L Coyle

S J Smith

E J Gatward

P McAuliffe

D Haines (resigned 31 March 2022)

Charity Registration Number

236518

Principal Office

20 Denman Drive
Newbury
Berkshire
RG14 7GD

Independent Examiner

UHY Ross Brooke
31a Charnham Street
Hungerford
Berkshire
RG17 0EJ

Solicitors

Gardner Leader
White Hart House
Market Place
Newbury
Berkshire
RG14 5BA

Bankers

Metro Bank
Newbury
64-65 Northbrook Street
Newbury
Berkshire
RG14 1AE

The Charity of Mrs Mabel Luke

Trustees' Report

The Trustee presents the annual report together with the financial statements of the charity for the year ended 31 December 2021.

Objectives and activities

Objects and aims

The provision of social housing in the form of almshouse accommodation for the benefit of the residents of, and persons connected to, Newbury and the parish of Greenham (the 'area of benefit').

History of the Charity

The Charity was created in 1928 with five building plots at 11-17 Mill Lane, Newbury, RG14 5RE, now known as Mabel Luke Place. Initially, four houses were built on three of the plots, with two plots remaining undeveloped.

Following advice from the Almshouse Association in 2013, the Trustees undertook a major redevelopment project. Sixteen newly-built flats in three blocks were built in three phases at Mabel Luke Place, completed in early 2018 and fully let by the middle of the year.

The property comprises twelve two-bedded and four one-bedded flats, designed for people of working age either resident in or with connection to the area of benefit, with the larger flats available for households with children. The flats are let on licences, with residents paying Weekly Maintenance Contributions comprising a rent-equivalent element, set at below market rent levels, and a service charge. The Charity does not provide personal support services to residents.

Public benefit

The Charity works closely with West Berkshire Council, which has nomination rights to nine of the sixteen flats. The remaining seven flats are let directly to people who meet the Charity's criteria or are offered to the Council for additional nominations from the Housing Register.

At 31 December 2021, the households housed at Mabel Luke Place comprised:

- 9 households consisting of couples with one, two or three children
- 2 households consisting of single people with one or two children
- 0 households consisting of a couple without children
- 4 households consisting of single adults

All the adult residents were of working age. In total, 24 adults and 19 children were in residence at 31 December 2021 and 15 properties were let and there was 1 vacancy.

The Trustee declares that it has taken into account the need for compliance of Charity Commission Guidance:

Public Benefit : The Public Benefit Requirement PB1

Public Benefit : Running a Charity PB2

Public Benefit : Reporting PB3

The trustee confirms that it has complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Grant making policies

The Charity does not make grants.

The Charity of Mrs Mabel Luke

Trustees' Report

Achievements and performance

The Charity continued its modified working practices and provided help and advice to residents during the 2021 lockdowns and then the gradual easing of restrictions. Any instances of Covid-19 were communicated and confined to the flats in question.

Maintaining our income stream:

The pandemic affected the incomes of some of our residents but through close monitoring of monthly payments and prompt follow up with any resident who had failed to pay the full amount due, We were able to continue to keep arrears at a very low level.

We welcomed two new families to Mabel Luke in September 2021 – after two two-bedroomed flats became available. The flats were empty for just over two months and just over one month, respectively.

Key financial performance indicators

Regulator for Social Housing
Value for Money metrics

Metric 1 - Reinvestment 0.60% (2020 - 0.82%)

Metric 2 - New supply delivered

A: New supply delivered (Social housing units) 0% (2020 - 0%)

B: New supply delivered (Non-social housing units) 0% (2020 - 0%)

Metric 3 - Gearing 40.16% (2020 - 42.59%)

Metric 4 - Earnings Before Interest, Tax, Depreciation,
Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover 325% (2020 - 286%)

Metric 5 - Headline social housing cost per unit £3,845 (2020 - £4,110)

Metric 6 - Operating Margin

A. Operating Margin (social housing lettings only) 80.58% (2020 - 78.62%)

B. Operating Margin (overall) 79.30% (2020 - 78.49%)

Metric 7 - Return on capital employed (ROCE) 4.20% (2020 - 4.14%)

The Charity of Mrs Mabel Luke

Trustees' Report

Financial review

Policy on reserves

Other than small bank account interest payments, the Charity's only income is from the Weekly Maintenance Contributions (WMC) made by residents.

Funds held at the year-end are £1,471,631 (2020 - £1,396,177).

Restricted funds total £1,353,416 (2020 - £1,303,044) and consist of the Mabel Luke Fund (£1,340,506), an Extraordinary Repair Fund (£6,910) and a Cyclical Maintenance Fund (£6,000).

Unrestricted funds of £118,215 (2020 - £93,133) derive from WMCs less expenses. Together with restricted funds these are considered sufficient to meet the Charity's needs.

The Charity had cash reserve funds of £100,876 on deposit at the end of 2021 (2020 - £60,560).

The Charity's policy is to maintain a small surplus of WMC income over expenditure and so to steadily build those reserves. Funds are set aside to cover cyclical and any unplanned maintenance.

The Charity of Mrs Mabel Luke

Trustees' Report

Principal funding sources

The finance for the building of the sixteen flats comprises loans from the Charity Bank; West Berkshire Council (WBC) Section 106 Grant; Homes England (at the time HCA) Grant; fundraising, including a grant from a local trust match-funding other local fundraising; and the Charity reserves.

To be eligible for HCA grant the Charity applied to be a Registered Social Housing Provider and was accepted on 17 January 2017. The Charity joined the Almshouse Consortium Ltd to bid for HCA grant in the 2013-2018 and 2016-2021 applications rounds.

The Charity Bank provided three loans, all of which were fully drawn:

- Loan 1: a repayment loan of £918,673, repayable over 25 years, were interest only payable for the first year following first drawdown. Capital repayments started on 12 November 2018
- Loan 2: a bridging loan of £140,000 to be repaid after practical completion from the practical completion payment of the HCA Grant. This was repaid in full on 12 July 2018
- Loan 3: a repayment loan of £358,972, repayable over 25 years, were interest only payable for the first year following first drawdown. Capital repayments started on 12 August 2018.
- At the completion of the building project in 2018, the Charity's outstanding loans from the Charity Bank totalled £1,277,645 and were repayable over 25 years. Regular mortgage payments were made in 2021 and the outstanding loan at 31 December 2021 was £1,156,187 (2020 - £1,196,559).

A security deposit of £25,000 from the Charity is held by the Charity Bank in an account for the Charity.

The WBC grant for 12 properties was £238,176. 50% payable on commencement was received in May 2017 and the balance on 24 July 2018. This grant is subject to a Funding & Nomination Agreement giving WBC nomination rights to 12 flats in the first round of letting and thereafter 9 flats to 2142 (125 years). A Local Lettings Plan agreed with WBC in 2022 specifies the 9 flats now subject to the Agreement.

The HCA grant for Phases 1 & 2 was £420,000. 50% payable on commencement was received in March 2017 and the balance on 4 July 2018.

The HCA grant for Phase 3 was £140,000. 75% was received on 13 April 2018 and the balance on 4 July 2018.

The Greenham Trust grant of £125,000 was match-funded to funds raised from other sources paid through The Good Exchange, and also to the WBC grant. It was paid at 6.1% of construction valuation each month, with the outstanding balance payable at practical completion.

Grants totalling £3,188 were received from Newbury Town Council (match-funded by Greenham Trust), Greenham Parish Council, Englefield Trust, other donors and Gift Aid.

The Charity's reserves were committed to the project.

The Project Manager remains a creditor with a £60,000 fee to be repaid in five yearly stages. One payment of £12,000 was made in 2021, bringing the amount outstanding at 31 December 2021 to £24,000. This amount is deducted from Unrestricted funds.

Investment policy and objectives

At present, the Charity's surplus cash is held on deposit.

The Directors keep the investment policy under review.

The Charity of Mrs Mabel Luke

Trustees' Report

Structure, governance and management

Recruitment and appointment of directors

Directors are recruited by advertising on its website, other volunteer agency websites and professional networks. One Director resigned in the year and one new Director was appointed. During the year, the Chair stood down, though remaining on the Board, and a new Chair was appointed. Following the year-end, one Director was given leave of absence for six months from January and the Treasurer stood down in March after 18 years' service. A further Director was recruited and approved by the Board in March.

All Board members have been actively engaged with the running of the Charity and have a good range of skills and experience between them. The Board has three Committees, dealing with Finance, Residents and Property; all Committee members are Directors, apart from a member of the Property Committee, who is a volunteer.

Recruitment continues to ensure succession planning. Potential Directors are interviewed by the Chair and one or two other Directors and if suitable are proposed for appointment at a Board Meeting.

Arrangements for setting key management personnel remuneration

The Directors of the Trustee are all unpaid volunteers, drawing only out-of-pocket expenses from the Charity.

Apart from the volunteer member of the Property Committee, the Charity does not generally use volunteers, though it may do for specific short term activities.

There were no paid employees during the year. However, the Clerk, who was originally appointed as a self-employed contractor in January 2018, working a minimum of 10 hours per week, transferred to direct employment with effect from 1 January 2022. Her role was also extended in the early part of 2022 to include the bookkeeping duties previously undertaken by the Treasurer, who retired in March. The Clerk's remuneration, terms and conditions have been set by the Board with regard to local market rates for similar positions and good practice.

Contractors are selected for specific purposes on a best value basis.

Organisational structure

The existing Trusts of the unincorporated Charity are set out in the Scheme dated 17 November 1982, as amended by the Supplemental Deed of 22 June 2016. The Charity is governed by the Charity Scheme of 6 October 2016, by which Mabel Luke Trustee Ltd is appointed as the sole trustee of the Charity (see below under 'Major risks and the management of those risks'). The Directors of Mabel Luke Trustee Ltd are therefore responsible for administering the Charity, which is a Registered Social Housing Provider. The property owned by the Charity is vested in the Official Custodian for Charities. See further details under Risk consideration.

The Charity of Mrs Mabel Luke

Trustees' Report

Major risks and management of those risks

Risk consideration

The Trustee has adopted for their Code of Governance: “Good Governance, A Code for the Voluntary and Community Sector, Version for Small Organisations”.

In 2016, in consideration of the risks to the individual Trustees of the Charity and to facilitate the process of requesting grants and mortgages, the Trustees formed, Mabel Luke Trustee Ltd, a Company Limited by Guarantee, with the then current Trustees as Directors. The Trustees raised a Supplemental Deed to the Charity Scheme making the Company the Sole Trustee and this was agreed by the Charity Commission in their Scheme of 6 October 2016.

The Directors of Mabel Luke Trustee Ltd are responsible for administering the Charity.

The Charity has taken on a substantial loan. As the only source of income is the WMCs, the main financial risk is that voids rise to the point at which income is reduced to unsustainable levels. The Charity therefore seeks to maintain high occupancy, with procedures in place to minimise void periods during re-lettings, the number of which is starting to rise four years after initial lettings.

A lesser but significant risk in the longer term is that the costs of maintaining the property in a sound state of repair rise beyond the financial capacity of the Charity. This risk is reduced in the short to medium term because the property was built only four years ago and in the longer term because the external finishings are designed to minimise maintenance costs. The Charity has built up a list of proven contractors to deal with day-to-day repairs.

Internally, the Charity inspects each flat annually to ensure the residents are maintaining it in a reasonable state. The Charity has made provision for the costs of redecoration and equipment replacement, on the basis that such costs will generally be incurred when flats are vacated prior to re-letting, which keeps such costs low and minimises disruption to households. The communal areas – hallways and staircases – are designed to be easily maintained and are regularly cleaned.

The Charity actively manages resident arrears, which at £3,924 at 31 December 2021 (2020 - £1,969) are considered reasonable.

The buildings, public liability and trustee liability risks are insured by Royal and Sun Alliance through Grout Insurance Brokers Ltd. The insurance cover will cover employer’s liability as from 1 January 2022, when the Clerk becomes a direct employee of the Charity (see above under Arrangements for setting key management personnel remuneration).

The Charity is a member of the Almshouse Association and of the Almshouse Consortium Ltd (until March 2022, when the Homes England funding programme, from which the Charity received grants, draws to a close).

The Charity has a suite of policies and procedures and other strategic and working documents that are developed and agreed by the Board. These are shared with new Board members.

The deeds for the Properties and Land are held, for security, by Gardner Leader, Newbury.

The Charity of Mrs Mabel Luke

Trustees' Report

The annual report was approved by the Trustee of the charity on and signed on behalf by:

.....
E J Gatward
Chair Mabel Luke Trustee Ltd

The Charity of Mrs Mabel Luke

Statement of Trustees' Responsibilities

Trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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.

Trustees are responsible for keeping proper accounting records that 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, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. Trustees 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.

Approved by the Trustee of the charity on and signed on its behalf by:

.....
E J Gatward
Chair Mabel Luke Trustee Ltd

The Charity of Mrs Mabel Luke

Independent Examiner's Report to the Trustee of The Charity of Mrs Mabel Luke

I report to the Trustee on my examination of the accounts of The Charity of Mrs Mabel Luke for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity Trustee of The Charity of Mrs Mabel Luke you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the The Charity of Mrs Mabel Luke's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of The Charity of Mrs Mabel Luke as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
Kerry Hawkins, FCCA, UHY Ross Brooke

31a Charnham Street
Hungerford
Berkshire
RG17 0EJ

Date:.....

The Charity of Mrs Mabel Luke

Statement of Financial Activities for the Year Ended 31 December 2021

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income and Endowments from:					
Investment income	2	315	-	315	220
Weekly maintenance contributions	3	134,791	-	134,791	134,515
Other income	3	1,869	-	1,869	-
Total Income		136,975	-	136,975	134,735
Expenditure on:					
Independent Examiner's remuneration	6	(2,760)	-	(2,760)	(3,060)
Allocated support costs	4	(58,761)	-	(58,761)	(62,700)
Total Expenditure		(61,521)	-	(61,521)	(65,760)
Net income		75,454	-	75,454	68,975
Gross transfers between funds		(50,372)	50,372	-	-
Net movement in funds		25,082	50,372	75,454	68,975
Reconciliation of funds					
Total funds brought forward		93,133	1,303,044	1,396,177	1,327,202
Total funds carried forward	13	118,215	1,353,416	1,471,631	1,396,177

The notes on pages 15 to 21 form an integral part of these financial statements.

The Charity of Mrs Mabel Luke

Statement of Financial Activities for the Year Ended 31 December 2021

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Investment income	2	220	-	220
Weekly maintenance contributions	3	134,515	-	134,515
Total Income		134,735	-	134,735
Expenditure on:				
Independent Examiner's remuneration	4	(3,060)	-	(3,060)
Allocated support costs	4	(62,700)	-	(62,700)
Total Expenditure		(65,760)	-	(65,760)
Net income		68,975	-	68,975
Gross transfers between funds		(113,890)	113,890	-
Net movement in funds		(44,915)	113,890	68,975
Reconciliation of funds				
Total funds brought forward		138,048	1,189,154	1,327,202
Total funds carried forward	13	93,133	1,303,044	1,396,177

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 13.

The Charity of Mrs Mabel Luke
(Registration number: 236518)
Balance Sheet as at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	8	2,499,603	2,499,603
Current assets			
Debtors	9	5,134	2,922
Cash at bank and in hand	10	152,390	136,802
		<u>157,524</u>	<u>139,724</u>
Creditors: Amounts falling due within one year	11	<u>(69,680)</u>	<u>(83,835)</u>
Net current assets		<u>87,844</u>	<u>55,889</u>
Total assets less current liabilities		2,587,447	2,555,492
Creditors: Amounts falling due after more than one year	12	<u>(1,115,816)</u>	<u>(1,159,315)</u>
Net assets		<u>1,471,631</u>	<u>1,396,177</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		1,353,416	1,303,044
Unrestricted income funds			
Unrestricted funds		<u>118,215</u>	<u>93,133</u>
Total funds	13	<u>1,471,631</u>	<u>1,396,177</u>

The financial statements on page 6 to 13 were approved by the Trustee, and authorised for issue on and signed on their behalf by:

.....
E J Gatward
Chair Mabel Luke Trustee Ltd

The Charity of Mrs Mabel Luke

Cash Flow Statement for the Year Ended 31 December 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net movement in funds		75,454	68,975
Investment income included in investment activities	2	<u>(315)</u>	<u>(220)</u>
		75,139	68,755
Working capital adjustments			
Increase in debtors	9	(2,212)	(759)
Decrease in creditors		<u>(17,282)</u>	<u>(18,026)</u>
Net cash flows from operating activities		<u>55,645</u>	<u>49,970</u>
Cash flows from investing activities			
Interest receivable and similar income	2	315	220
Purchase of tangible fixed assets	8	<u>-</u>	<u>(7,380)</u>
Net cash flows from investing activities		315	(7,160)
Cash flows from financing activities			
Net of new loans received and capital repayments made.		<u>(40,372)</u>	<u>(38,084)</u>
Net increase in cash and cash equivalents		15,588	4,726
Cash and cash equivalents at 1 January		<u>136,802</u>	<u>132,076</u>
Cash and cash equivalents at 31 December		<u>152,390</u>	<u>136,802</u>

All of the cash flows are derived from continuing operations during the above two periods.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2021

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

The Charity of Mrs Mabel Luke meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

Going concern

The Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

No depreciation is charged on Land and Buildings due to the high residual value of the Almshouses.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2021

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at Trustee discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

2 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income;		
Interest receivable on bank deposits	315	315
Total for 2021	315	315
Total for 2020	220	220

3 Other income

	Unrestricted funds General £	Total funds £
Other income	1,869	1,869
Weekly maintenance contributions	134,791	134,791
Total for 2021	136,660	136,660
Total for 2020	134,515	134,515

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2021

4 Other expenditure

	Unrestricted funds	Total 2021	Total 2020
	General £	£	£
Repairs and maintenance	14,959	14,959	13,197
Clerks fees	6,686	6,686	5,877
Rates	390	390	1,432
Insurance	1,849	1,849	1,829
Sundry expenses	1,027	1,027	1,843
Accountancy fees	372	372	372
Legal and professional fees	-	-	1,153
Other interest payable	33,478	33,478	36,997
	<u>58,761</u>	<u>58,761</u>	<u>62,700</u>

All 2021 and 2020 expenditure was allocated to the Unrestricted Fund.

5 Trustee remuneration and expenses

During the year £372 (2020 : £372) was paid by the charity for the accounting fees of Mabel Luke Trustee Limited.

During the year the charity made the following transactions with directors of Mabel Luke Trustee Ltd:

P Jakubowski

£254 (2020: £193) of expenses were reimbursed to P Jakubowski during the year.

D Haines

£99 (2020: £50) of expenses were reimbursed to D Haines during the year.

L Coyle

£Nil (2020: £23) of expenses were reimbursed to L Coyle during the year.

S Farrant

£30 (2020: £167) of expenses were reimbursed to S Farrant during the year.

S J Smith

£Nil (2020: £23) of expenses were reimbursed to S J Smith during the year.

P McAuliffe

£32 (2020: £23) of expenses were reimbursed to P McAuliffe during the year.

E J Gatward

£575 (2020: £23) of expenses were reimbursed to E J Gatward during the year.

W Drummond

£Nil (2020: £31) of expenses were reimbursed to W Drummond during the year.

The Trustee, nor any persons connected with the Trustee, have received any remuneration from the charity during the year.

The Trustee, nor any persons connected with the Trustee, have received any other benefits from the charity during the year.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2021

6 Independent examiner's remuneration

	2021 £	2020 £
Examination of the financial statements	2,760	3,060

7 Taxation

The charity is a registered charity and is therefore exempt from taxation.

8 Tangible fixed assets

	Land and buildings £	Total £
Cost		
At 1 January 2021	2,499,603	2,499,603
At 31 December 2021	2,499,603	2,499,603
Depreciation		
At 31 December 2021	-	-
Net book value		
At 31 December 2021	2,499,603	2,499,603
At 31 December 2020	2,499,603	2,499,603

9 Debtors

	2021 £	2020 £
Prepayments	1,210	953
Accrued income	3,924	1,969
	5,134	2,922

10 Cash and cash equivalents

	2021 £	2020 £
Cash at bank	152,390	136,802

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2021

11 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans	40,371	37,244
Other creditors	-	5,049
Accruals	29,309	41,542
	<u>69,680</u>	<u>83,835</u>

The loans are secured by a fixed charge on the freehold interest in the property.

12 Creditors: amounts falling due after one year

	2021 £	2020 £
Bank loans	<u>1,115,816</u>	<u>1,159,315</u>

The loans are secured by a fixed charge on the freehold interest in the property.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2021

13 Funds

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2021 £
Unrestricted					
<i>General</i>					
General Funds	93,133	136,975	(61,521)	(50,372)	118,215
Restricted					
Mabel Luke Place	1,300,134	-	-	40,372	1,340,506
Extraordinary Repair Fund	1,910	-	-	5,000	6,910
Cyclical Maintenance Fund	1,000	-	-	5,000	6,000
	<u>1,303,044</u>	<u>-</u>	<u>-</u>	<u>50,372</u>	<u>1,353,416</u>
Total funds	<u>1,396,177</u>	<u>136,975</u>	<u>(61,521)</u>	<u>-</u>	<u>1,471,631</u>

The restricted fund consists of the construction and legal costs for the building of new almshouses.

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2020 £
Unrestricted					
<i>General</i>					
General Funds	138,048	134,735	(65,760)	(113,890)	93,133
Restricted					
Mabel Luke Place	1,188,244	-	-	111,890	1,300,134
Extraordinary Repair Fund	910	-	-	1,000	1,910
Cyclical Maintenance Fund	-	-	-	1,000	1,000
	<u>1,189,154</u>	<u>-</u>	<u>-</u>	<u>113,890</u>	<u>1,303,044</u>
Total funds	<u>1,327,202</u>	<u>134,735</u>	<u>(65,760)</u>	<u>-</u>	<u>1,396,177</u>

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2021

14 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2021 £
Tangible fixed assets	-	2,499,603	2,499,603
Current assets	147,524	10,000	157,524
Current liabilities	(29,309)	(40,371)	(69,680)
Creditors over 1 year	-	(1,115,816)	(1,115,816)
Total net assets	118,215	1,353,416	1,471,631
	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2020 £
Tangible fixed assets	-	2,499,603	2,499,603
Current assets	139,724	-	139,724
Current liabilities	(46,591)	(37,244)	(83,835)
Creditors over 1 year	-	(1,159,315)	(1,159,315)
Total net assets	93,133	1,303,044	1,396,177

THE CHARITY OF MRS MABEL LUKE

England & Wales - Charity number 236518

Accounts

Charity registration number: 236518

The Charity of Mrs Mabel Luke

Annual Report and Financial Statements

for the Year Ended 31 December 2020

Ross Brooke Limited
31a Charnham Street
Hungerford
Berkshire
RG17 0EJ

The Charity of Mrs Mabel Luke

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The Charity of Mrs Mabel Luke

Reference and Administrative Details

Trustee

Mabel Luke Trustee Ltd

Directors Mabel Luke Trustee Ltd

S Farrant

D Haines

T Vickers (resigned 19 January 2021)

P Jakubowski

W Drummond (resigned 13 October 2020)

L Coyle

S J Smith

A Brunskill (resigned 13 October 2020)

E J Gatward (appointed 30 April 2020)

P McAuliffe (appointed 13 October 2020)

Principal Office

20 Denman Drive

Newbury

Berkshire

RG14 7GD

Charity Registration Number

236518

Solicitors

Gardner Leader

White Hart House

Market Place

Newbury

Berkshire

RG14 5BA

Bankers

Metro Bank

Newbury

64-65 Northbrook Street

Newbury

Berkshire

RG14 1AE

Independent Examiner

Ross Brooke Limited

31a Charnham Street

Hungerford

Berkshire

RG17 0EJ

The Charity of Mrs Mabel Luke

Trustees' Report

The Trustee presents the annual report together with the financial statements of the charity for the year ended 31 December 2020.

Objectives and activities

Objects and aims

The provision of social housing in the form of almshouse accommodation for the benefit of the residents of, and persons connected to, Newbury and the parish of Greenham.

Fundraising disclosures

The finance for the building of sixteen flats comprises the Charity reserves, fundraising, West Berkshire Council (WBC) Section 106 Grant, Homes England (formerly HCA) Grant, a grant from a local trust match funding other local fundraising, and loans from the Charity Bank. To obtain a Homes England (HE) Grant the Charity joined the Almshouse Consortium Ltd to bid in the 2013-2018 application and 2016- 2021 application. To apply for HE grant the Charity applied to be a Registered Social Housing Provider and was accepted on 17th January 2017.

Tendering for the building works was carried out by the Q.S. and Feltham Construction were appointed in July 2016.

In November 2016 the Charity Reserves were used to start site works, comprising demolition and ground works, but the contract could not be fully let until January 2017 when the Charity became a Registered Social Housing provider releasing the Homes England and West Berkshire Council Grants. The West Berkshire Council grants were also subject to a Funding and Nominations Agreement signed 3rd May 2017.

Mabel Luke Place was completed in May 2018 and residents appointed to each of the 16 new flats at the end of May/beginning of June 2018. Resident satisfaction is high.

Public benefit

The Charity provides Almshouses for beneficiaries in accordance with the Charity Scheme.

The Charity was created in 1928 with 5 building plots and 4 houses built on three plots, with two plots undeveloped. Following advice from the Almshouse Association in 2013, the Trustees undertook a major redevelopment project and 16 newly-built flats were completed at Mabel Luke Place in 2018.

The Charity works closely with West Berkshire Council which has nomination rights over nine of the sixteen flats. Other flats are let directly to people who meet the criteria or are offered to the Council for additional nominations from the Housing Register.

The Trustee declares that it has taken into account the need for compliance of Charity Commission Guidance:

Public Benefit : The Public Benefit Requirement PB1

Public Benefit : Running a Charity PB2

Public Benefit : Reporting PB3

The trustee confirms that it has complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Grant making policies

The Charity does not make grants.

The Charity of Mrs Mabel Luke

Trustees' Report

Achievements and performance

The Charity modified its working practices and provided advice to residents from March 2020 when the government began imposing restrictions on people's movements and interactions. There has been no outbreak of Covid-19 within our flats.

Maintaining our income stream:

The pandemic affected the incomes of some of our residents but through close monitoring of monthly payments and prompt follow up with any resident who had failed to pay the full amount due, We were able to keep arrears at a very low level, averaging 0.5%.

One property became void in 2020. Due to the Covid-19 restrictions the property could not be re-let immediately and remained empty for five weeks with a consequent loss of income. A new resident was appointed from West Berkshire Council's homeless register.

Maintaining our property:

New arrangements for repair and maintenance were made during the year and the list of approved contractors expanded.

Key financial performance indicators

Regulator for Social Housing

Value for Money metrics

Metric 1 - Reinvestment 0.82% (2019 - 0.58%)

Metric 2 - New supply delivered

A: New supply delivered (Social housing units) 0% (2019 - 0%)

B: New supply delivered (Non-social housing units) 0% (2019 - 0%)

Metric 3 - Gearing 42.59% (2019 - 44.24%)

Metric 4 - Earnings Before Interest, Tax, Depreciation,

Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover 286% (2019 - 260%)

Metric 5 - Headline social housing cost per unit £4,110 (2019 - £4,086)

Metric 6 - Operating Margin

A. Operating Margin (social housing lettings only) 78.62% (2019 - 85.70%)

B. Operating Margin (overall) 78.49% (2019 - 85.48%)

Metric 7 - Return on capital employed (ROCE) 4.14% (2019 - 4.50%)

The Charity of Mrs Mabel Luke

Trustees' Report

Financial review

Policy on reserves

The Charity had reserve funds of £60,560 on deposit at the end of 2020.

The policy is to maintain a small surplus of Weekly Maintenance Contribution (WMC) income over expenditure and steadily build those reserves. Funds are set aside to cover cyclical and any unplanned maintenance.

Funds held at the year-end are £1,396,177.

Restricted funds total £1,303,044 (2019 - £1,189,154) and consists of the redevelopment project fund (£1,300,134) an Extraordinary repair fund of £1,910 and a Cyclical maintenance fund of £1,000.

Unrestricted funds related to weekly maintenance contributions less expenses and together with restricted funds are considered sufficient to meet the Charity's needs, 2020 - £93,133 (2019 - £138,048).

At the completion of the building project in 2018, the Charity had loans from the Charity Bank totalling £1,277,645 and repayable over 25 years. Regular mortgage payments were made in 2020 and the outstanding loan at 31 December 2020 was £1,196,559.

The Project Manager was also a creditor with a £60,000 fee to be repaid in agreed stages. Two payments of £12,000 were made in 2020 (one in January and one in December), bringing the amount outstanding to £36,000. This amount is deducted from the Unrestricted funds.

The Charity of Mrs Mabel Luke

Trustees' Report

Principal funding sources

The Charity Bank loan comprises three loans. Loan 1 for £918,673 as a repayment loan over 25 years, Loan 2 a bridging loan for £140,000 to be repaid after practical completion from the practical completion payment of the HA Grant and Loan 3 for £358,972 as a repayment loan over 25 years. The Charity had drawn down loan 2 fully by 27/07/2017, loan 3 fully by 02/11/2017. Loan 1 was fully drawn down on 19th April 2018. A security deposit of £25,000 from the Charity is being held by the Charity Bank in an account for the Charity.

Loan 2 (Bridging Loan) was repaid 12th July 2018.

Loan 1 and 3 were interest only for 1 year from 1st drawdown of each and capital repayments were started on 12th November 2018 for loan 1 and 12th August 2018 for Loan 3.

The WBC grant for 12 properties is £238,176 with the 50% payable on commencement received in May 2017. The balance was paid on 24th July 2018. This grant is subject to a Funding & Nomination Agreement giving WBC nomination to 12 flats in the First Round and 9 flats to 2142 (125 years).

The HE grant for Phase 1 & 2 was £420,000 with 50% payable on commencement being received in March 2017. The balance was paid on 4th July 2018.

The HE grant for phase 3 was £140,000 and 75% was paid 13th April 2018. The balance was also paid on 4th July 2018.

The Greenham Trust Grant of £125,000 was match funded to funds raised from other sources paid through The Good Exchange and also the WBC grant. It was paid at 6.1% of construction valuation each month with the outstanding balance payable at practical completion.

Grants from Newbury Town Council (match funded by Greenham trust), Greenham Parish Council, Englefield Trust, other donors and gift aid have been received to the sum of £3,188.

The Charity's reserves have been committed to the project.

Other than small bank account interest payments, the Charity's only income is from the Weekly Maintenance Contributions made by residents.

The Directors keep the investment policy under review and are currently seeking advice.

The Charity of Mrs Mabel Luke

Trustees' Report

Structure, governance and management

Recruitment and appointment of directors

Until late in 2017, West Berkshire Council and Greenham Parish Council appointed one Director each and remaining Directors are appointed by the Directors of Mabel Luke Trustee Limited (the Trustee). The Regulation of Social Housing (Influence of Local Authorities) (England) Regulations made 15th November 2017 requires nominees of Local authorities to change their status.

At a Directors Meeting on 30th January 2018 a resolution was proposed and agreed that the Local Authority Nominative Directors be reappointed as co-opted Directors.

Directors are recruited by advertising on its website, other volunteer agency websites and professional networks. Two Directors resigned in the year and two new Directors appointed. All Board members have been actively engaged with the running of the Charity and have a good range of skills and experience between them.

Recruitment continues to ensure succession planning.

Potential Directors are interviewed by the Chair and one other Director and if suitable are proposed at a Board Meeting for appointment as a Director.

Arrangements for setting key management personnel remuneration

The Directors of the Trustee are all unpaid volunteers.

There is not a need for other volunteers except for specific short term activities.

There were no paid employees. Contractors, including the Clerk who was appointed on 22 January 2018, are selected for specific purposes on a best value basis.

Contractors are selected for specific purposes on a best value basis.

Organisational structure

The Charity registration number is 236518.

The Unincorporated Charity is governed by the Charity Scheme of 6th October 2016. The existing Trusts are the scheme dated 17th November 1982 as amended by the Supplemental Deed of 22nd June 2016. The Charity Scheme appoints "Mabel Luke Trustee Ltd" as the sole trustee. The Directors of Mabel Luke Trustee Ltd are responsible for administering the Charity. The Charity is a Registered Social Housing Provider. The property owned by the Charity is vested in the Official Custodian for Charities.

The Charity of Mrs Mabel Luke

Trustees' Report

Major risks and management of those risks

Risk consideration

The Trustee has adopted for their Code of Governance, "Good Governance, A Code for the Voluntary and Community Sector, Version for Small organisations".

In 2016, as a consideration of the risks to the individual Trustees of the Charity and to make the process of requesting grants and mortgage the Trustees formed a Company Mabel Luke Trustee Ltd, limited by Guarantee, with the current Trustees as Directors. The Trustees raised a supplemental deed to the Charity Scheme making the Company the Sole Trustee and this was agreed by the Charity Commission in their Scheme of 6th October 2016.

The Directors of Mabel Luke Trustee Ltd. are responsible for administering the Charity.

The Charity has taken on a substantial loan and as the only source of income is the WMC's the main risk is with maintaining high occupancy and minimum voids.

The buildings, public liability and trustee liability risks are insured by Royal and Sun Alliance through Grout Insurance Brokers Ltd.

The Charity is in membership of the Almshouse Association and the Almshouse Consortium Ltd.

The Charity has a suite of policies and procedures and other strategic and working documents that are developed and agreed by all Directors. These are shared with new Board members.

The deeds for the Properties and Land are held, for security, by Gardner Leader, Newbury.

The annual report was approved by the Trustee of the charity on and signed on behalf by:

.....
E J Gatward
Chair Mabel Luke Trustee Ltd

The Charity of Mrs Mabel Luke

Statement of Trustees' Responsibilities

Trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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.

Trustees are responsible for keeping proper accounting records that 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, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. Trustees 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.

Approved by the Trustee of the charity on and signed on its behalf by:

.....
E J Gatward
Chair Mabel Luke Trustee Ltd

The Charity of Mrs Mabel Luke

Independent Examiner's Report to the Trustee of The Charity of Mrs Mabel Luke

I report to the charity Trustee on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 10 to 21.

Respective responsibilities of the Trustee and examiner

As the charity's Trustee of The Charity of Mrs Mabel Luke you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of The Charity of Mrs Mabel Luke's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of The Charity of Mrs Mabel Luke as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
Kerry Hawkins, FCCA, Ross Brooke Limited

31a Charnham Street
Hungerford
Berkshire
RG17 0EJ

Date:.....

The Charity of Mrs Mabel Luke

Statement of Financial Activities for the Year Ended 31 December 2020

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Income and Endowments from:					
Grants, including capital grants	2	-	-	-	2,527
Investment income	3	220	-	220	338
Weekly maintenance contributions	4	134,515	-	134,515	132,693
Total Income		134,735	-	134,735	135,558
Expenditure on:					
Independent Examiner's remuneration	7	(3,060)	-	(3,060)	(2,400)
Allocated support costs	5	(62,700)	-	(62,700)	(62,979)
Total Expenditure		(65,760)	-	(65,760)	(65,379)
Net income		68,975	-	68,975	70,179
Gross transfers between funds		(113,890)	113,890	-	-
Net movement in funds		(44,915)	113,890	68,975	70,179
Reconciliation of funds					
Total funds brought forward		138,048	1,189,154	1,327,202	1,257,023
Total funds carried forward	14	93,133	1,303,044	1,396,177	1,327,202

The notes on pages 14 to 21 form an integral part of these financial statements.

The Charity of Mrs Mabel Luke

Statement of Financial Activities for the Year Ended 31 December 2020

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £
Income and Endowments from:				
Grants, including capital grants	2	-	2,527	2,527
Investment income	3	338	-	338
Weekly maintenance contributions	4	132,693	-	132,693
Total Income		133,031	2,527	135,558
Expenditure on:				
Independent Examiner's remuneration	7	(2,400)	-	(2,400)
Allocated support costs	5	(60,452)	(2,527)	(62,979)
Total Expenditure		(62,852)	(2,527)	(65,379)
Net income		70,179	-	70,179
Gross transfers between funds		(78,141)	78,141	-
Net movement in funds		(7,962)	78,141	70,179
Reconciliation of funds				
Total funds brought forward		146,010	1,111,013	1,257,023
Total funds carried forward	14	138,048	1,189,154	1,327,202

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2019 is shown in note 14.

The Charity of Mrs Mabel Luke
(Registration number: 236518)
Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	9	2,499,603	2,492,223
Current assets			
Debtors	10	2,922	2,163
Cash at bank and in hand	11	136,802	132,076
		<u>139,724</u>	<u>134,239</u>
Creditors: Amounts falling due within one year	12	<u>(83,835)</u>	<u>(99,473)</u>
Net current assets		<u>55,889</u>	<u>34,766</u>
Total assets less current liabilities		2,555,492	2,526,989
Creditors: Amounts falling due after more than one year	13	<u>(1,159,315)</u>	<u>(1,199,787)</u>
Net assets		<u>1,396,177</u>	<u>1,327,202</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		1,303,044	1,189,154
Unrestricted income funds			
Unrestricted funds		<u>93,133</u>	<u>138,048</u>
Total funds	14	<u>1,396,177</u>	<u>1,327,202</u>

The financial statements on page 6 to 13 were approved by the Trustee, and authorised for issue on and signed on their behalf by:

.....
E J Gatward
Chair Mabel Luke Trustee Ltd

The Charity of Mrs Mabel Luke

Cash Flow Statement for the Year Ended 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net movement in funds		68,975	70,179
Investment income included in investment activities	3	(220)	(338)
		68,755	69,841
Working capital adjustments			
(Increase)/decrease in debtors	10	(759)	12,089
Decrease in creditors		(18,026)	(62,298)
		49,970	19,632
Cash flows from investing activities			
Interest receivable and similar income	3	220	338
Purchase of tangible fixed assets	9	(7,380)	(2,775)
		(7,160)	(2,437)
Cash flows from financing activities			
Net of new loans received and capital repayments made.		(38,084)	(34,899)
		4,726	(17,704)
Cash and cash equivalents at 1 January		132,076	149,780
Cash and cash equivalents at 31 December		136,802	132,076

All of the cash flows are derived from continuing operations during the above two periods.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2020

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

The Charity of Mrs Mabel Luke meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

No depreciation is charged on Land and Buildings due to the high residual value of the Almshouses.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2020

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at Trustee discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2020

2 Income from donations and legacies

	Total 2020 £	Total 2019 £
Grants, including capital grants;		
Grants from other charities	-	2,527
	-	2,527

3 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income;		
Interest receivable on bank deposits	220	220
Total for 2020	220	220
Total for 2019	338	338

4 Other income

	Unrestricted funds General £	Total funds £
Weekly maintenance contributions	134,515	134,515
Total for 2020	134,515	134,515
Total for 2019	132,693	132,693

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2020

5 Other expenditure

	Unrestricted funds	Total 2020	Total 2019
	General £	£	£
Repairs and maintenance	13,197	13,197	11,678
Clerks fees	5,877	5,877	3,221
Rates	1,432	1,432	755
Insurance	1,829	1,829	1,776
Sundry expenses	1,843	1,843	1,301
Accountancy fees	372	372	372
Legal and professional fees	1,153	1,153	-
Other interest payable	-	-	2,527
Other interest payable	36,997	36,997	41,349
	<u>62,700</u>	<u>62,700</u>	<u>62,979</u>

All 2019 expenditure was allocated to the Unrestricted Fund, apart from £2,527 interest payable which was allocated to the Restricted Fund.

6 Trustee remuneration and expenses

During the year £372 (2019 : £372) was paid by the charity for the accounting fees of Mabel Luke Trustee Limited.

During the year the charity made the following transactions with directors of Mabel Luke Trustee Ltd:

P Jakubowski

£193 (2019: £92) of expenses were reimbursed to P Jakubowski during the year.

D Haines

£50 (2019: £6) of expenses were reimbursed to D Haines during the year.

W Piner

£Nil (2019: £35) of expenses were reimbursed to W Piner during the year.

S Farrant

£167 (2019: £67) of expenses were reimbursed to S Farrant during the year.

L Coyle

£23 (2019: £Nil) of expenses were reimbursed to L Coyle during the year.

S J Smith

£23 (2019: £Nil) of expenses were reimbursed to S J Smith during the year.

P McAuliffe

£23 (2019: £Nil) of expenses were reimbursed to P McAuliffe during the year.

E J Gatward

£23 (2019: £Nil) of expenses were reimbursed to E Gatward during the year.

W Drummond

£31 (2019: £Nil) of expenses were reimbursed to W Drummond during the year.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2020

The Trustee, nor any persons connected with the Trustee, have received any remuneration from the charity during the year.

The Trustee, nor any persons connected with the Trustee, have received any other benefits from the charity during the year.

7 Independent examiner's remuneration

	2020 £	2019 £
Examination of the financial statements	3,060	2,400

8 Taxation

The charity is a registered charity and is therefore exempt from taxation.

9 Tangible fixed assets

	Land and buildings £	Total £
Cost		
At 1 January 2020	2,492,223	2,492,223
Additions	7,380	7,380
At 31 December 2020	2,499,603	2,499,603
Depreciation		
At 31 December 2020	-	-
Net book value		
At 31 December 2020	2,499,603	2,499,603
At 31 December 2019	2,492,223	2,492,223

10 Debtors

	2020 £	2019 £
Prepayments	953	932
Accrued income	1,969	1,231
	2,922	2,163

11 Cash and cash equivalents

	2020 £	2019 £
Cash at bank	136,802	132,076

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2020

12 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans	37,244	34,856
Trade creditors	-	12,174
Other creditors	5,049	-
Accruals	41,542	52,443
	<u>83,835</u>	<u>99,473</u>

The loans are secured by a fixed charge on the freehold interest in the property.

13 Creditors: amounts falling due after one year

	2020 £	2019 £
Bank loans	1,159,315	1,199,787

The loans are secured by a fixed charge on the freehold interest in the property.

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2020

14 Funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2020 £
Unrestricted					
<i>General</i>					
General Funds	138,048	134,735	(65,760)	(113,890)	93,133
Restricted					
Restricted Funds	1,188,244	-	-	111,890	1,300,134
Extraordinary Repair Fund	910	-	-	1,000	1,910
Cyclical Maintenance Fund	-	-	-	1,000	1,000
	<u>1,189,154</u>	<u>-</u>	<u>-</u>	<u>113,890</u>	<u>1,303,044</u>
Total funds	<u>1,327,202</u>	<u>134,735</u>	<u>(65,760)</u>	<u>-</u>	<u>1,396,177</u>

The restricted fund consists of the construction and legal costs for the building of new almshouses.

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2019 £
Unrestricted					
<i>General</i>					
General Funds	146,010	133,031	(62,852)	(78,141)	138,048
Restricted					
Restricted Funds	1,111,013	2,527	(2,527)	77,231	1,188,244
Extraordinary Repair Fund	-	-	-	910	910
	<u>1,111,013</u>	<u>2,527</u>	<u>(2,527)</u>	<u>78,141</u>	<u>1,189,154</u>
Total funds	<u>1,257,023</u>	<u>135,558</u>	<u>(65,379)</u>	<u>-</u>	<u>1,327,202</u>

The Charity of Mrs Mabel Luke

Notes to the Financial Statements for the Year Ended 31 December 2020

15 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2020 £
Tangible fixed assets	-	2,499,603	2,499,603
Current assets	139,724	-	139,724
Current liabilities	(46,591)	(37,244)	(83,835)
Creditors over 1 year	-	(1,159,315)	(1,159,315)
Total net assets	93,133	1,303,044	1,396,177
	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2019 £
Tangible fixed assets	-	2,492,223	2,492,223
Current assets	202,665	(68,426)	134,239
Current liabilities	(64,617)	(34,856)	(99,473)
Creditors over 1 year	-	(1,199,787)	(1,199,787)
Total net assets	138,048	1,189,154	1,327,202