

Croston United Charities
Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 30 June 2022

Croston United Charities

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Croston United Charities

Reference and Administrative Details for the year ended 30 June 2022

TRUSTEES

GM Kearton
K Almond
AC Marston
MJ Driver
M Woods
BRP Paillusson
SJ Myers
JR Taylor
HM Lloyd
RJ Foulger (appointed 20/7/2021) (resigned 5/1/2022)
D Blackburn (appointed 5/1/2022)

PRINCIPAL ADDRESS

28 Eaton Avenue
Matrix Office Park
Buckshaw Village
Chorley
Lancashire
PR7 7NA

REGISTERED CHARITY NUMBER

236699

INDEPENDENT EXAMINER

McMillan & Co LLP
Chartered Accountants
28 Eaton Avenue
Matrix Office Park
Buckshaw Village
Chorley
Lancashire
PR7 7NA

Croston United Charities

Report of the Trustees for the year ended 30 June 2022

The trustees present their report with the financial statements of the charity for the year ended 30 June 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects are:

- The provision of housing accommodation for beneficiaries;
- Such charitable purposes for the benefit of the residents as the trustees decide; and
- The relief of persons resident in the area of benefit who are in need, hardship or distress.

The area of benefit is the ancient parish of Croston (Bispham, Bretherton, Croston, Hesketh-with-Beconsall, Mawdesley, Rufford, Tarleton and Ulles Walton) with a preference for the ancient township of Croston.

To further the objects the Charity has thirteen almshouses, nine of which each have an internal floor area of between 31.2 and 35.3 square metres compared with the minimum recommended for a single person of 34.0 square metres. The Charity has four recently modernised almshouses two with two bedrooms and two with double bedrooms. The almshouses are maintained in good condition for the use of the beneficiaries.

The weekly maintenance contributions received from the almshouse residents are used to cover the cost of insurance and general maintenance as well as to provide funds for periodic upgrades, improvements and refurbishments.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Charity follows The Almshouse Association's "Standards of Almshouse Management" and has issued a Resident's Handbook, based on their example.

Previous Quinquennial reports of 2012 and 2017, undertaken by Bernard Taylor Partnership (BTP) on all of the properties, have highlighted areas where work is required to meet the charities obligations, and to meet legal requirements. Work continues to fully implement the recommendations, or to mitigate the works by way of a written risk assessment/further consultation with BTP. The next Quinquennial report is scheduled for September 2022 with BTP.

A pro-active five year maintenance and improvements programme has been implemented and has incurred an expense of over £37,000 in this financial year.

All of our Statutory Gas and Electrical Inspections are up to date, with the exception of one property which will be covered in the major refurbishment. Where possible, the gas boilers have all been serviced.

There have been a number of initiatives on the second and third objects stated above and this will continue with a modest budget.

During the year £20,000 was invested in M&G Investments Income units in the Multi Asset Fund and half of the Charibond Charities Fixed Interest Fund was transferred to the Multi Asset Fund.

Investment performance

Investment Managers advise on the listed investments.

FINANCIAL REVIEW

Investment policy and Objectives

The investments, including the Emergency Repair Fund, are held with the total return (combined income and capital) being of prime importance.

Croston United Charities

Report of the Trustees for the year ended 30 June 2022

FINANCIAL REVIEW

Reserves policy

The unrestricted funds are to cover general maintenance and periodic upgrades, improvements and refurbishment of the almshouses and other projects and developments which have yet to be approved in detail.

An Emergency Repair Fund for the almshouses is intended to be maintained in Common Investment Funds (as a designated fund) in line with the recommendations of The Almshouse Association; there is no separate Cyclical Maintenance Fund or Routine Maintenance Provision.

FUTURE PLANS

The Trustees have embarked on a five year pro-active maintenance and improvements programme that will encompass the refurbishment of the four Shevington Causeway properties as a priority. The aim is to ensure that all our properties are as energy efficient as possible within the constraints of the Grade II and Conservation Area listing.

The aim is to replenish the investment funds of the charity following the large expenditure on the extensions to the almshouses.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Governing Document is a Charity Commission Scheme sealed on 12 March 2007, the format of which followed the recommendations of The Almshouse Association.

The Charity comprises the following constituent charities:

- The Old Almshouses (Croston's Almshouse & Wilson's Charities)
- The Jubilee Almshouses
- Mrs Margaret Jackson for Almshouses
- Mrs Margaret Jackson for the maintenance and repair of Almshouses
- Poor's Stock (including John Hough & George Norris Charities)
- William Dandy
- Thomas Norris

The trustees comprise:

- 3 Ex officio - the Rector and Church Wardens of St Michael's and All Angels, Croston;
- 3 Nominated - appointed by Croston Parish Council (the person need not be a member of the Council) for a period of four years; and
- 4 Co-opted - for a period of five years.

Mr RJ Foulger resigned as a co-opted trustee on 5 January 2022 and Mr D Blackburn was appointed in his place.

The term of office as nominated trustee of Mr BRP Paillusson and of co-opted trustee of Mrs GM Kearton were extended for a further term on 12 March 2022.

Related parties

There are no related parties.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Croston United Charities

Report of the Trustees for the year ended 30 June 2022

Approved by order of the board of trustees on 18 July 2022 and signed on its behalf by:

AC Marston - Trustee

Independent Examiner's Report to the Trustees of Croston United Charities

Independent examiner's report to the trustees of Croston United Charities

I report to the charity trustees on my examination of the accounts of Croston United Charities (the Trust) for the year ended 30 June 2022.

Responsibilities and basis of report

As the charity trustees of the Trust 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 Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all 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 Trust 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 applicable 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.

JFD McMillan FCA
McMillan & Co LLP
Chartered Accountants

18 July 2022

Croston United Charities

Statement of Financial Activities for the year ended 30 June 2022

	Notes	Unrestricted funds £	Endowment fund £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Almshouses		52,680	-	52,680	54,216
Investment income	3	11	1,996	2,007	1,470
Other income		1,000	-	1,000	1,275
Total		53,691	1,996	55,687	56,961
EXPENDITURE ON					
Charitable activities					
Almshouses		40,029	-	40,029	15,892
Other		600	-	600	480
Total		40,629	-	40,629	16,372
Net gains/(losses) on investments		-	(2,269)	(2,269)	4,061
NET INCOME/(EXPENDITURE)		13,062	(273)	12,789	44,650
Transfers between funds	10	(18,004)	18,004	-	-
Net movement in funds		(4,942)	17,731	12,789	44,650
RECONCILIATION OF FUNDS					
Total funds brought forward		108,418	2,144,836	2,253,254	2,208,604
TOTAL FUNDS CARRIED FORWARD		103,476	2,162,567	2,266,043	2,253,254

The notes form part of these financial statements

Croston United Charities

Balance Sheet 30 June 2022

	Notes	Unrestricted funds £	Endowment fund £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	6	-	2,080,145	2,080,145	2,080,145
Investments	7	-	82,422	82,422	64,691
		-	2,162,567	2,162,567	2,144,836
CURRENT ASSETS					
Debtors	8	1,556	-	1,556	1,075
Cash at bank		102,520	-	102,520	107,823
		104,076	-	104,076	108,898
CREDITORS					
Amounts falling due within one year	9	(600)	-	(600)	(480)
NET CURRENT ASSETS		103,476	-	103,476	108,418
TOTAL ASSETS LESS CURRENT LIABILITIES		103,476	2,162,567	2,266,043	2,253,254
NET ASSETS		103,476	2,162,567	2,266,043	2,253,254
FUNDS	10				
Unrestricted funds				103,476	108,418
Endowment funds				2,162,567	2,144,836
TOTAL FUNDS				2,266,043	2,253,254

The financial statements were approved by the Board of Trustees and authorised for issue on 18 July 2022 and were signed on its behalf by:

MJ Driver - Trustee

Croston United Charities

Notes to the Financial Statements for the year ended 30 June 2022

1. GENERAL INFORMATION

The charity is a registered charity in England and Wales and is unincorporated. The address of the principal office is 28 Eaton Avenue, Matrix Office Park, Buckshaw Village, Chorley, PR7 7NA.

There are no material uncertainties about the charity's ability to continue.

The presentational currency of the financial statements is the Pound Sterling (£).

The amounts in the financial statements have been rounded to the nearest £1.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

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

Expenditure

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

Tangible fixed assets

There is no record of the original purchase cost of the tangible fixed assets and the cost of major expenditure (less grants received) on refurbishing the almshouses since 1 July 1986 has been capitalised. Tangible fixed assets are included at market value on the basis of vacant possession.

No depreciation is provided on the almshouses as it is the Charity's practice to maintain these buildings to a high standard and accordingly the trustees consider that the lives of these assets are so long and residual values are such that their depreciation is insignificant.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Croston United Charities

Notes to the Financial Statements - continued for the year ended 30 June 2022

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument. Basic financial assets, which include debtors, prepayments and bank balances, are initially measured at transaction price and are subsequently carried at cost unless the arrangement indicates otherwise and then the asset is measured at the present value of the future receipts discounted at a market rate of interest. Basic financial liabilities, which include creditors, accruals, bank loans and group borrowings, are initially recognised at transaction price and are subsequently carried at cost unless the arrangement indicates otherwise and then the liability is measured at the present value of the future obligations discounted at a market rate of interest.

Investments

There is no record of the original purchase cost of the listed investments or the agricultural land. The market value of listed investments at 1 July 1991 has been taken as an indication of cost at that date. Investments are included at market value at the year end, for Common Investment Funds being based on the bid price and for agricultural land on the basis of vacant possession.

3. INVESTMENT INCOME

	2022 £	2021 £
Investment assets	1,996	1,462
Interest	11	8
	<u>2,007</u>	<u>1,470</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2022 nor for the year ended 30 June 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2022 nor for the year ended 30 June 2021.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Almshouses	54,216	-	54,216
Investment income	8	1,462	1,470
Other income	1,275	-	1,275
Total	<u>55,499</u>	<u>1,462</u>	<u>56,961</u>
EXPENDITURE ON			
Charitable activities			
Almshouses	15,892	-	15,892
Other	480	-	480
Total	<u>16,372</u>	<u>-</u>	<u>16,372</u>

Croston United Charities

Notes to the Financial Statements - continued for the year ended 30 June 2022

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Endowment fund £	Total funds £
Net gains on investments	-	4,061	4,061
NET INCOME	39,127	5,523	44,650
Transfers between funds	532	(532)	-
Net movement in funds	39,659	4,991	44,650
RECONCILIATION OF FUNDS			
Total funds brought forward	68,759	2,139,845	2,208,604
TOTAL FUNDS CARRIED FORWARD	108,418	2,144,836	2,253,254

6. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 July 2021 and 30 June 2022	2,080,145
NET BOOK VALUE	
At 30 June 2022	2,080,145
At 30 June 2021	2,080,145

The almshouses were valued at 30 June 2006 on the basis of vacant possession by Peter E Gilkes & Company, Chartered Surveyors. Subsequent additions are at cost which the Trustees consider to be their market value. The historical cost is £499,247 (2021: £499,247).

7. FIXED ASSET INVESTMENTS

	2022 £	2021 £
Shares	70,422	52,691
Agricultural Land	12,000	12,000
	82,422	64,691

Croston United Charities

Notes to the Financial Statements - continued for the year ended 30 June 2022

7. FIXED ASSET INVESTMENTS - continued

Additional information as follows:

	Listed investments £
MARKET VALUE	
At 1 July 2021	52,691
Additions	20,000
Revaluations	(2,269)
	<hr/>
At 30 June 2022	70,422
	<hr/>
NET BOOK VALUE	
At 30 June 2022	70,422
	<hr/>
At 30 June 2021	52,691
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There were no investment assets outside the UK.

The historical cost of the listed investments is £65,752 (2021: £45,752).

Investments (neither listed nor unlisted) were as follows:

	2022	2021
	£	£
Agricultural Land	12,000	12,000
	<hr/>	<hr/>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Prepayments and accrued income	1,556	1,075
	<hr/>	<hr/>

Croston United Charities

Notes to the Financial Statements - continued for the year ended 30 June 2022

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Other creditors	600	480

10. MOVEMENT IN FUNDS

	At 1/7/21 £	Net movement in funds £	Transfers between funds £	At 30/6/22 £
Unrestricted funds				
General fund	108,418	13,062	(18,004)	103,476
Endowment funds				
Permanent endowment	2,144,836	(273)	18,004	2,162,567
TOTAL FUNDS	2,253,254	12,789	-	2,266,043

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	53,691	(40,629)	-	13,062
Endowment funds				
Permanent endowment	1,996	-	(2,269)	(273)
TOTAL FUNDS	55,687	(40,629)	(2,269)	12,789

Comparatives for movement in funds

	At 1/7/20 £	Net movement in funds £	Transfers between funds £	At 30/6/21 £
Unrestricted funds				
General fund	68,759	39,127	532	108,418
Endowment funds				
Permanent endowment	2,139,845	5,523	(532)	2,144,836
TOTAL FUNDS	2,208,604	44,650	-	2,253,254

Croston United Charities

Notes to the Financial Statements - continued for the year ended 30 June 2022

10. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	55,499	(16,372)	-	39,127
Endowment funds				
Permanent endowment	1,462	-	4,061	5,523
TOTAL FUNDS	<u>56,961</u>	<u>(16,372)</u>	<u>4,061</u>	<u>44,650</u>

Permanent endowment fund

The permanent endowment fund is the property of the charity (including land, buildings and investments) which the trustees may not spend as if it were income. The permanent endowment fund must be held permanently and produces an income for the charity.

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30 June 2022.