

Croston United Charities
Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 30 June 2023

Croston United Charities

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Croston United Charities

Reference and Administrative Details for the year ended 30 June 2023

TRUSTEES	GM Kearton K Almond AC Marston MJ Driver M Woods BRP Paillusson SJ Myers JR Taylor HM Lloyd D Blackburn (resigned 18/5/2023)
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 2023

The trustees present their report with the financial statements of the charity for the year ended 30 June 2023. 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 Ulnes 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.

The Quinquennial report, undertaken by Bernard Taylor Partnership (BTP) in 2022 on all of the properties highlighted areas where work is required to meet the charities obligations and to meet legal requirements. Work this year has focussed on the major refurbishment of the Shevington Causeway properties, as well as addressing the recommendations from the Quinquennial report as part of a five-year maintenance and improvements programme. This has incurred an expense of over £124,000 in this financial year leaving limited opportunity for other than urgent works until the maintenance funds are replenished. All of our Statutory Gas and Electrical Inspections are up to date

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

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 2023

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 has encompassed 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.

Ongoing work to convert the existing charity to a new Charitable Incorporated Organisation - Croston Almshouses Charity - was due to be completed by 30th June 2023 but will now happen later in the year.

The new charity will have the same objectives and responsibilities for the upkeep of the almshouses but has a more modern legal structure.

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 D Blackburn resigned as a co-opted trustee on 18 May 2023.

The term of office as nominated trustee of Mrs SJ Myers was extended for a further term on 12 March 2023.

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 2023

Approved by order of the board of trustees on 3 October 2023 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 2023.

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

3 October 2023

Croston United Charities

Statement of Financial Activities for the year ended 30 June 2023

	Notes	Unrestricted funds £	Endowment fund £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Almshouses		48,370	-	48,370	52,680
Investment income	3	169	2,679	2,848	2,007
Other income		-	-	-	1,000
Total		48,539	2,679	51,218	55,687
EXPENDITURE ON					
Charitable activities					
Almshouses		145,962	-	145,962	40,029
Other		880	-	880	600
Total		146,842	-	146,842	40,629
Net gains/(losses) on investments		-	(170)	(170)	(2,269)
NET INCOME/(EXPENDITURE)		(98,303)	2,509	(95,794)	12,789
Transfers between funds	10	2,679	(2,679)	-	-
Net movement in funds		(95,624)	(170)	(95,794)	12,789
RECONCILIATION OF FUNDS					
Total funds brought forward		103,476	2,162,567	2,266,043	2,253,254
TOTAL FUNDS CARRIED FORWARD		7,852	2,162,397	2,170,249	2,266,043

The notes form part of these financial statements

Croston United Charities

Balance Sheet 30 June 2023

	Notes	Unrestricted funds £	Endowment fund £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	6	-	2,080,145	2,080,145	2,080,145
Investments	7	-	82,252	82,252	82,422
		-	2,162,397	2,162,397	2,162,567
CURRENT ASSETS					
Debtors	8	1,695	-	1,695	1,556
Cash at bank		6,997	-	6,997	102,520
		8,692	-	8,692	104,076
CREDITORS					
Amounts falling due within one year	9	(840)	-	(840)	(600)
NET CURRENT ASSETS		7,852	-	7,852	103,476
TOTAL ASSETS LESS CURRENT LIABILITIES		7,852	2,162,397	2,170,249	2,266,043
NET ASSETS		7,852	2,162,397	2,170,249	2,266,043
FUNDS	10				
Unrestricted funds				7,852	103,476
Endowment funds				2,162,397	2,162,567
TOTAL FUNDS				2,170,249	2,266,043

The financial statements were approved by the Board of Trustees and authorised for issue on 3 October 2023 and were signed on its behalf by:

MJ Driver - Trustee

Croston United Charities

Notes to the Financial Statements for the year ended 30 June 2023

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 2023

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

	2023 £	2022 £
Investment assets	2,679	1,996
Interest	169	11
	<u>2,848</u>	<u>2,007</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2023 nor for the year ended 30 June 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2023 nor for the year ended 30 June 2022.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Almshouses	52,680	-	52,680
Investment income	11	1,996	2,007
Other income	1,000	-	1,000
Total	<u>53,691</u>	<u>1,996</u>	<u>55,687</u>
EXPENDITURE ON			
Charitable activities			
Almshouses	40,029	-	40,029
Other	600	-	600
Total	<u>40,629</u>	<u>-</u>	<u>40,629</u>

Croston United Charities

Notes to the Financial Statements - continued for the year ended 30 June 2023

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Endowment fund £	Total funds £
Net gains/(losses) on investments	-	(2,269)	(2,269)
NET INCOME/(EXPENDITURE)	13,062	(273)	12,789
Transfers between funds	(18,004)	18,004	-
Net movement in funds	(4,942)	17,731	12,789
RECONCILIATION OF FUNDS			
Total funds brought forward	108,418	2,144,836	2,253,254
TOTAL FUNDS CARRIED FORWARD	<u>103,476</u>	<u>2,162,567</u>	<u>2,266,043</u>

6. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 July 2022 and 30 June 2023	<u>2,080,145</u>
NET BOOK VALUE	
At 30 June 2023	<u>2,080,145</u>
At 30 June 2022	<u>2,080,145</u>

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 (2022: £499,247).

7. FIXED ASSET INVESTMENTS

	2023 £	2022 £
Shares	70,252	70,422
Agricultural Land	12,000	12,000
	<u>82,252</u>	<u>82,422</u>

Croston United Charities

Notes to the Financial Statements - continued for the year ended 30 June 2023

7. FIXED ASSET INVESTMENTS - continued

Additional information as follows:

	Listed investments £
MARKET VALUE	
At 1 July 2022	70,422
Revaluations	(170)
	<hr/>
At 30 June 2023	70,252
	<hr/>
NET BOOK VALUE	
At 30 June 2023	70,252
	<hr/>
At 30 June 2022	70,422
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There were no investment assets outside the UK.

The historical cost of the listed investments is £65,752 (2022: £65,752).

Investments (neither listed nor unlisted) were as follows:

	2023 £	2022 £
Agricultural Land	12,000	12,000
	<hr/>	<hr/>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Prepayments and accrued income	1,695	1,556
	<hr/>	<hr/>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Other creditors	840	600
	<hr/>	<hr/>

Croston United Charities

Notes to the Financial Statements - continued for the year ended 30 June 2023

10. MOVEMENT IN FUNDS

	At 1/7/22 £	Net movement in funds £	Transfers between funds £	At 30/6/23 £
Unrestricted funds				
General fund	103,476	(98,303)	2,679	7,852
Endowment funds				
Permanent endowment	2,162,567	2,509	(2,679)	2,162,397
TOTAL FUNDS	2,266,043	(95,794)	-	2,170,249

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	48,539	(146,842)	-	(98,303)
Endowment funds				
Permanent endowment	2,679	-	(170)	2,509
TOTAL FUNDS	51,218	(146,842)	(170)	(95,794)

Comparatives for 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

Croston United Charities

Notes to the Financial Statements - continued for the year ended 30 June 2023

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	53,691	(40,629)	-	13,062
Endowment funds				
Permanent endowment	1,996	-	(2,269)	(273)
TOTAL FUNDS	<u>55,687</u>	<u>(40,629)</u>	<u>(2,269)</u>	<u>12,789</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 2023.