

The Penn and Smith Almshouses

England & Wales · Charity number 238044

Details

Other names	PENN AND WIDOW SMITH ALMSHOUSES
Status	Registered
Legal form	Other
Registered	1965-01-21
Register	View on the Charity Commission register

Contact

Address The Trust Partnership
6 Trull Farm Buildings
Tetbury
Gloucestershire
GL8 8SQ

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Activities

Objects: FOR THE PROVISION AND MAINTENANCE OF ALMSHOUSES FOR THE BENEFIT OF ALMSPEOPLE BEING OVER 55 YEARS OF AGE WHO ARE IN FINANCIAL NEED WITH A PREFERENCE FOR PERSONS WHO HAVE RESIDED IN THE LONDON BOROUGHS OF GREENWICH AND LEWISHAM FOR NOT LESS THAN THREE YEARS PRIOR TO MAKING AN APPLICATION.

Activities: Provision of almshouses in Greenwich.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Accommodation/housing
- **Who:** Elderly/old People

Geography

- **Area of benefit:** PARISHES OF GREENWICH AND LEWISHAM
- Greenwich
- Lewisham

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£124,407	£200,749	-	-
2024-03-31	£122,522	£86,438	-	-
2023-03-31	£112,862	£127,440	-	-
2022-03-31	£103,433	£56,256	-	-
2021-03-31	£161,982	£63,949	-	-

Trustees

Name	Role	Appointed
The Penn and Smith Almshouses Trustee Ltd		2024-05-20

The Penn and Smith Almshouses

England & Wales - Charity number 238044

Accounts

Charity registration number 238044
Regulator of Social Housing registration number A2334

The Penn and Smith
Almshouses

Annual report and financial statements
For the year ended 31 March 2025

The Penn and Smith Almshouses

Legal and administrative information

Charity number	238044
Regulator of Social Housing registration number	A 2334
Trustee	The Penn and Smith Almshouses Trustee Ltd (company registration 14191427)
Clerk to the trustees and managing agent	The Trust Partnership 6 Trull Farm Buildings Trull Tetbury Gloucestershire GL8 8SQ
Independent examiner	Dunkley's Woodlands Grange Woodlands Bradley Stoke Bristol BS32 4JY
Bankers	Unity Trust Bank PO Box 7193 Planetary Road Willenhall WV1 9DG

The Penn and Smith Almshouses

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The Penn and Smith Almshouses
Report of the Board of Trustees (continued)
For the year ended 31 March 2025

Structure, governance and management

On 20 May 2024 the Charity Commission granted permission for The Penn and Smith Almshouse Trustee to be the sole corporate trustee of the Charity. The Charity Commission had previously granted permission for the charity to change its name to The Penn and Smith Almshouses.

The Directors of the Penn and Smith Almshouse Trustee Ltd are the former trustees of the Charity prior to the sole corporate trustee being appointed. Namely:

Mr Christopher Penn
Mr Mark Fairbanks-Smith
Mr Rory Penn
Mr Charles Fairbanks-Smith
Mr John Stanley
Rev Simon Winn.

During the year to 31 March 2025 the governing document of the Charity was updated to be more relevant to the beneficiary group. This took the form of administrative changes by way of a s280 resolution dated 12 October 2023. For the change to the eligibility of beneficiaries and an amendment to the reference to the Extraordinary Repair Fund, the Charity Commission granted permission by way of a Scheme dated 11 November 2024.

The corporate trustee is responsible for the overall management and control of the Charity and meets a minimum of three times a year.

All Directors of the corporate trustee give of their time freely and no remuneration or expenses were paid in the year. Directors are required to disclose all relevant interests and to withdraw from decisions where a conflict of interest arises.

The existing Directors have been specifically recruited with relevant qualifications and experience to assist with the responsibility of the corporate trustee to maintain the Charity's listed property and to care for the wellbeing of the residents. The Trust Partnership was appointed to provide clerking services and to act as managing agent for property maintenance and resident welfare in September 2022.

Organisational management

The corporate trustee determines the general policies of the Charity. The day-to-day management and administration of the Charity was provided by Anchor Hanover Group (the managing agent) under a commercially agreed management agreement to 31 August 2022 and by The Trust Partnership (clerk and managing agent) from 1 September 2022. Operational management reports and accounts are prepared and presented by the managing agent to the corporate trustee for its consideration.

Risk management

The corporate trustee is responsible for the overseeing of the risks faced by the Charity. Detailed considerations of risk are delegated to the managing agent. Risks are identified, assessed and controls are established throughout the year. Through the risk management processes established for the Charity, the corporate trustee is satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The Penn and Smith Almshouses
Report of the Board of Trustees (continued)
For the year ended 31 March 2025

Objects

The governing instruments, under which The Penn and Smith Almshouses is established and operated, are the Charity Commissioners Scheme dated 11 November 1955 as amended by the Scheme dated 7 December 1979 as amended by resolution dated 12 October 2023 as amended by Scheme dated 20 May 2024 as amended by Scheme dated 11 November 2024.

The Object of the Charity, which was updated by the Scheme dated 11 November 2024 is to provide almshouses for people over 55 years of age who are in financial need with a preference for persons who have resided in the London Boroughs of Greenwich and Lewisham for not less than three years prior to making an application.

Public Benefit

There are 10 almshouses all fully occupied by eligible beneficiaries. There were no vacancies in the year ended 31 March 2025.

Review of operations

The Charity receives income from charges raised on residents in the form of services charges and licence fees (known as Weekly Maintenance Contributions paid monthly). The service charges are raised to cover the costs of providing support and services to the residents and maintenance of the grounds and equipment. Licence fees are charged to the residents in line with Government guidance and are used to cover maintenance of the properties in the year and to provide resources to meet future planned repairs costs.

In line with the Charity's obligation to maintain the properties in good repair and in order to provide accommodation to beneficiaries, the Charity continues to review the fabric of the building by means of planned works programmes and stock condition surveys undertaken by the managing agent and outsourced surveyors.

The Charity undertook a planned programme of repairs and maintenance during the year as identified by the Quinquennial survey of January 2023 (a stock condition survey). Further planned works are due in 2025/6.

The activities for the year are set out on page 7 in the Statement of Financial Activities. There is a loss of £74,195 for the year (2024: surplus £60,780). Excluding a gain on revaluation of investments of £2,147 (2024: gain £24,696) there was a loss on ordinary activities of £76,342 (2024: surplus £36,084).

Principal risks and uncertainties

There are several risks in the external environment, particularly geo-political, that are contributing to significant challenges for all providers.

All of these factors are contributing to inflationary pressures which the corporate trustee is actively managing as a key area of risk, with focus on maintaining properties, managing and anticipating financial impacts, and monitoring the potential negative impacts of the conditions on the Charity.

Maintenance of the almshouse properties is dependent on the timely and effective performance by third party contractors of their obligations, exposing the Charity to the potential risk of having less control over the quality of the services. The performance of contracts may be subject to disruption for a variety of reasons including availability of materials, work stoppages, labour constraints, and is impacted by macroeconomic conditions. The properties are Listed Buildings, further adding to the cost of maintenance.

The managing agents work closely with contractors and undertake appropriate due diligence and procurement procedures. Appropriately qualified surveyors are employed to oversee contracts for programmed works.

The Penn and Smith Almshouses
Report of the Board of Trustees (continued)
For the year ended 31 March 2025

Future Plans

The corporate trustee is preparing to undertake the remaining works identified in the 2023 Quinquennial Survey during the course of the next 24 months.

Going Concern

After making enquiries and examining major areas which could give rise to significant financial exposure, the Trustees are satisfied that no material or significant exposures exist as reflected in these Financial Statements and that the Trust has adequate resources to continue its operations for the foreseeable future. For this reason, we continue to adopt the going concern basis in preparing these financial statements.

Charitable and political contributions

No contributions were made during the financial year.

Employees

The Charity has no employees.

The Penn and Smith Almshouses
Report of the Board of Trustees (continued)
For the year ended 31 March 2025

Value for money statement

The Board of Trustees adopts a process of continuous review when assessing value for money giving due regard to balancing the need to preserve the financial integrity of the Charity into the future with the need and cost of repairing, maintaining and improving the Charity's properties and looking after the welfare of the residents.

At regular meetings of the Board of Trustees reports are presented by the Managing Agent, covering housing management, repairs and maintenance and financial performance and issues. These are scrutinised and questioned by the Board of Trustees to ensure that value for money and operational performance are not compromised with regard to the Charity and residents of the Charity's properties.

The managing agent has financial controls and delegated authority levels in place which have been agreed with the Board of Trustees and a financial review of both the Management Accounts and the charity's Investment Portfolio are carried out at each quarterly meeting. Larger scale projects are outsourced to an external agency with the approval of the Board of Trustees to ensure strict tender guidelines are adhered to and cost comparison exercises are carried out.

Under the Value for Money Standard issued by the Regulator of Social Housing in April 2018 and the subsequent Value for Money Metrics Technical Note Guidance issue in June 2019 registered providers with a stock of less than 1,000 units are required to publish their Value for Money metrics. These are shown below for the Charity.

	2025	2024
Metric 1 - Re-investment %	0%	0%

This metric looks at the investment in properties (existing stock as well as New Supply) as a percentage of the value of total properties held. For the Charity with its limited resources the focus is on maintaining its existing properties in to the future. Planned and routine maintenance are a part of this and all, but the largest planned works are expended through the Statement of Comprehensive Income and charged to the cyclical and extraordinary repairs reserve

	2025	2024
Metric 2a – New supply delivered (social housing units) %	0%	0%
Metric 2b – New supply delivered (non-social housing units) %	0%	0%

This metric sets out the number of new social housing and non-social housing units that have been acquired or developed in the year as a proportion of total social housing units and non-social housing units owned at period end. The Charity's focus is on maintaining its existing properties into the future and currently does not have the financial capacity to develop new properties.

	2025	2024
Metric 3 - Gearing %	0%	-2%

This metric assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance. The Charity has no loans or overdraft facilities. The negative ratio is a result of the cash balances held. Cash that is in excess of short term operational requirements is invested in Charity Investment Funds. The tangible fixed assets which the cash and loans are compared to is also relatively low as there is no cost associated with the original cost of the properties, only subsequent capitalised repairs expenditure.

The Penn and Smith Almshouses
Report of the Board of Trustees (continued)
For the year ended 31 March 2025

	2025	2024
Metric 4 – EBITDA MRI interest cover %	-	-

This metric is a key indicator for liquidity and investment capacity. It seeks to measure the level of surplus that a registered provider generates, adjusted for amortisation and depreciation, compared to interest payable. The Charity has no loans or overdraft facilities and, therefore, no interest payable.

	2025	2024
Metric 5 – Headline social housing cost per year	£19,516	£6,988

This metric assesses the headline social housing cost per unit as defined by the Regulator. The decrease in the cost per unit for 2023 is due to a decrease in major repairs expenditure and other costs in the year.

	2025	2024
Metric 6a – Operating margin (social housing lettings) %	-85%	8%
Metric 6b – Operating margin (overall) %	-85%	12%

This metric demonstrates the profitability of operating assets before exceptional expenses are taken into account. Increasing margins are one way to improve the financial efficiency of a business. In assessing this ratio, it is important that consideration is given to registered providers' purpose and objectives (including their social objectives).

	2025	2024
Metric 7 – Return on Capital Employed (ROCE) %	2%	1%

This metric compares the operating surplus to total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources

Statement of the Board of Trustees responsibilities in respect of the Annual Report and the Financial Statements

Under the trust deed of the Charity and charity law, the Board of Trustees is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations. The Board of Trustees has elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The Financial Statements are required by law to give a true and fair view of the state of affairs of the Charity and of the surplus or deficit for that period. In preparing these Financial Statements, the Board of Trustees is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- state whether the Financial Statements comply with the trust deed, 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 Board of Trustees is required to act in accordance with the trust deed of the Charity, within the framework of trust law. The Board of Trustees is responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the Charity at that time and enable the Board of Trustees to ensure that its Financial Statements comply with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. The Board of Trustees is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

Statement of disclosure of information to the examiner

The Trustees who held office at the date of approval of this Report of the Board of the Trustees confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditor is unaware and each Trustee has taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

Independent Examiner

A resolution to appoint Dunkley and Co. as independent examiner will be proposed at the next annual general meeting.

By order of the Board of Trustees


Christopher Penn (Sep 17, 2025 16:40:43 GMT+1)

Mr C Penn
Trustee


Mr M Fairbanks-Smith

Trustee
Date: 28.08.25

The Penn and Smith Almshouses

Report of the Independent Examiners to the Trustees of The Penn and Smith Almshouses

Independent examiner's report to the trustees of The Penn and Smith Almshouses

I report to the charity trustees on my examination of the accounts of The Penn and Smith Almshouses for the year ended 31 March 2025.

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').

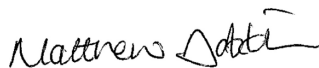
I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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.



Matthew Dobbins FCA
Dunkley's
Woodlands Grange
Woodlands Lane
Bradley Stoke
Bristol
BS32 4JY

19/09/2025

Date:

The Penn and Smith Almshouses

Statement of financial activities For the year ended 31 March 2025

	Notes	Unrestricted Funds £	Endowment Funds £	Total 2025 £	Total 2024 £
Income & expenditure					
Income from:					
Maintenance Charges Receivable		105,367	-	105,367	93,554
Investment Income		9,527	-	9,527	15,918
Interest Received		803	-	803	2,120
Other income	2	8,710	-	8,710	10,930
Total		124,407	-	124,407	122,522
Expenditure on:					
Activities in furtherance of the charity's objectives					
	12	200,749	-	200,749	86,438
Total Expenditure		200,749	-	200,749	86,438
Other recognised losses/(gains)		(2,147)	-	(2,147)	(24,696)
Loss/(Gain) on revaluation of fixed assets		763,370	(4,670,000)	(3,906,630)	-
Transfers between funds		(264,539)	264,539	-	-
Net (expenditure)/income and net movements in funds		(573,026)	4,405,461	3,832,435	60,780
Reconciliation of funds	10				
Fund balances brought forward at 31.03.2024		659,847	-	659,847	599,067
Fund balances carried forward at 31.03.2025		86,821	4,405,461	4,492,282	659,847

The statement of changes in equity includes all gains and losses in the year. All incomes and expenditures derive from continuing activities.

The notes on pages 11 to 20 form part of these accounts.

The Penn and Smith Almshouses

Statement of financial activities For the year ended 31 March 2024

Comparative Statement of Financial Activities For the Year Ending 31 March 2024

	Notes	Unrestricted Funds £	Endowment Funds £	Total 2024 £
Income & expenditure				
Income from:				
Maintenance Charges Receivable		93,554	-	93,554
Investment Income		15,918	-	15,918
Interest Received		2,120	-	2,120
Other income	2	10,930	-	10,930
Total		122,522	-	122,522
Expenditure on:				
Activities in furtherance of the charity's objectives				
Total Expenditure	12	86,438	-	86,438
Other recognised (gains)		(24,696)	-	(24,696)
Transfers between funds		-	-	-
Net income and net movements in funds		60,780	-	60,780
Reconciliation of funds	10			
Fund balances brought forward at 31.03.2023		599,067	-	599,067
Fund balances carried forward at 31.03.2024		659,847	-	659,847

The statement of changes in equity includes all gains and losses in the year. All incomes and expenditures derive from continuing activities.

The notes on pages 11 to 20 form part of these accounts.

The Penn and Smith Almshouses

Balance Sheet
As at 31 March 2025

	Notes	2025		2024	
		£	£	£	£
Fixed Assets					
Tangible assets	3		4,405,461		504,426
Current assets					
Debtors	5	1,053		691	
Investments	4	338,612		423,288	
Cash at bank and in hand		<u>13,324</u>		<u>8,529</u>	
		352,989		432,508	
Current liabilities					
Creditors	6	<u>31,813</u>		<u>34,052</u>	
		31,813		34,052	
Net current assets			321,176		398,456
Long term creditor	7		<u>234,355</u>		<u>243,035</u>
Total assets less current liabilities			<u>4,492,282</u>		<u>659,847</u>
Capital and reserves					
Unrestricted funds	10		86,821		659,847
Endowment funds			<u>4,405,461</u>		<u>-</u>
			<u>4,492,282</u>		<u>659,847</u>

The Financial Statements were approved for issue by the Board of Trustees on 28.08.25 and were signed on its behalf by:



Christopher Penn (Sep 17, 2025 16:40:43 GMT+1)

.....
Mr C Penn (Chair -Trustee)



.....
Mr M Fairbanks-Smith (Trustee)

The notes on pages 11 to 20 form part of these accounts.

The Penn and Smith Almshouses

Statement of Cashflows
For the year ended 31 March 2025

	Note	2025 £	2024 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
<i>Net cash provided by (used in) operating activities</i>	9	(101,038)	17,173
Cash flows from investing activities:			
Dividends and interest from investments		10,330	18,038
Purchase of property, plant and equipment		-	(217,800)
Decrease in short term deposits and investments		95,503	172,378
<i>Net cash provided by (used in) investing activities:</i>		105,833	(27,384)
<i>Change in cash and cash equivalents in the reporting period</i>		4,795	(10,211)
Cash and cash equivalents at the beginning of the reporting period		8,529	18,740
Cash and cash equivalents at the end of the reporting period		13,324	8,529

The notes on pages 11 to 20 form part of these accounts.

The Penn and Smith Almshouses

Notes to the financial statements (continued) For the year ended 31 March 2025

1(a) Principal Accounting policies

Basis of accounting

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 Companies Act 2006. Penn and Smith Almshouses Charity constitutes a public benefit entity as defined by FRS 102.

The Financial Statements are prepared on the historical cost and accruals basis of accounting, as modified to include the fair value of financial instruments and on the basis of going concern.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Financial Statements.

Going concern

The Charity's business activities and factors likely to affect its plans for the future are set out within the Report of the Board of Trustees. The Charity has adequate unrestricted reserves and designated reserves with which to fund its financial obligations and day to day operations.

On this basis, the Board of Trustees has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the Financial Statements.

Income

Income represents maintenance charge income from licensees and service charges receivable which are recognised when the Charity is entitled to them together with the amortisation of capital grant. Maintenance charges and service charges are shown net of void losses which are only recognised where the properties are available for occupation.

Fixed Assets

The freehold property 'Penn and Smith Almshouse' is shown at market value, following a formal valuation by Fifield Glyn Ltd on 14 October 2024. The market valuation allows the charity to fully reflect the value of the endowment fund. The property at the revalued amount, is its fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

1(a) Principal Accounting policies (continued)

Social housing grant

Social Housing Grant (SHG) is a capital grant made to the Charity towards the cost of acquiring, building or major alterations to housing properties. Social Housing Grant was received from the Housing Corporation. The Social Housing Grant is no longer included in Creditors: amounts falling due within one year and amounts falling due after more than one year in the Statement of Financial Position and amortised annually to the Statement of Comprehensive Income over the expected useful lives of the assets to which it relates. The accumulated amortised grant had been considered a contingent liability that may materialise when the relevant property to which the amortised grant relates ceases to be used for social housing purposes, usually due to disposal of the housing asset. Grants are usually repayable unless formally abated, waived or recycled. Therefore, they may be repayable in certain circumstances, primarily the sale of property.

Notes to the financial statements (continued)
For the year ended 31 March 2025

Revaluation of current asset investments

Current assets investments are stated at market value. Any unrealised surplus or deficit arising on revaluation of the investments is recognised in the Statement of Comprehensive Income. The aggregate realised surplus or deficit arising on the sale of investments is reflected in the Statement of Comprehensive Income.

Designated reserves

The Charity sets aside a reserve for an established regular programme of cyclical repairs and maintenance, and an extraordinary repairs reserve for a programme of major repairs on housing properties. The cost of cyclical and extraordinary repairs is charged to the Statement of Comprehensive

Endowment reserves

The endowment fund represents those assets which must be held permanently by the Charity, principally investments.

1(a) Principal Accounting policies (continued)

Income in the period in which they are incurred subject to transfers to or from the cyclical and extraordinary repairs reserves.

Financial Instruments – basic financial instruments

Trade and other debtors / creditors

Trade and other debtors / creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

In line with FRS 102 section 34; the Charity as a public benefit entity, has accounted for as concessionary loans all debtors or creditors that would have been classified as financing transactions such as deferred payment arrangement and are therefore being carried in the Statement of Financial Position at amortised cost.

Concessionary loans are financing arrangements between a public benefit entity such as the Trust and another party at nil percent or at below market rate of interest that are not repayable on demand and are for the purposes of furthering the objectives of the public benefit entity.

Short-term investments

Investments made by the Charity are a combination of short term bank deposits and fund investments managed by specialist managers and provided for not for profit investors.

The short term bank deposits are classified as basic and recognised at amortised cost using an effective interest rate.

The fund investments are classified as complex instruments and recognised at market value. Market value is based on a publicly available price. Gains and losses on revaluation of fund investments are included in the Statement of Comprehensive Income.

Other long-term creditors

Other long-term creditors include the unamortised element of the social housing grant less an amount due for amortisation in the following year.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short term investments, which can be liquidated at short notice with no loss of capital.

The Penn and Smith Almshouses

Notes to the financial statements (continued) For the year ended 31 March 2025

1(b) Judgements and accounting estimates

The preparation of the Financial Statements requires the Board of Trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements and estimates have had the most significant effect on amounts recognised in the Financial Statements:

Classification of housing properties

In determining the intended use of its housing properties, the Charity has considered if the asset is held for social benefit or to earn commercial rentals. The Charity has determined that its housing portfolio is held for social benefit purposes.

2. Other Income

	31.03.2025	31.03.2024
	£	£
Amortisation of capital grant	8,680	8,680
Other income	30	2,250
	<u>8,710</u>	<u>10,930</u>

3. Tangible Fixed Assets

	Freehold housing properties	Fixtures and fittings	Total 31.03.2025
	£	£	£
Cost or revaluation			
At 1 April 2024	761,984	12,946	774,930
Revaluation	4,670,000	-	4,670,000
Additions	-	-	-
Disposals	(761,984)	(8,332)	(770,316)
	<u>4,670,000</u>	<u>4,614</u>	<u>4,674,614</u>
Depreciation			
At 1 April 2024	262,172	8,332	270,504
Revaluation	-	-	-
Charge in year	4,900	692	5,592
Disposals	-	(6,943)	(6,943)
	<u>267,072</u>	<u>2,081</u>	<u>269,153</u>
Net cost/valuation at 31.03.2025	<u>4,402,928</u>	<u>2,533</u>	<u>4,405,461</u>
Net cost/valuation at 31.03.2024	<u>499,812</u>	<u>4,614</u>	<u>504,426</u>

The Penn and Smith Almshouses

Notes to the financial statements (continued) For the year ended 31 March 2025

The Charity was established in the late nineteenth century. The Charity holds the freehold to the land on which these properties and improvements are situated. The housing properties consist of 10 dwellings in the Ancient Parish of Greenwich.

The freehold property 'Penn and Smith Almshouse' is shown at market value, following a formal valuation by Fifield Glyn Ltd on 14 October 2024.

4. Investments

	Charity Investment Funds	Short term deposit fund	2025 Total	2024 Total
	£	£	£	£
Market value 31.03.2024	403,087	20,201	423,288	572,354
Purchases	-	-	-	(249,833)
Movements in year	(626)	13,803	13,177	14,071
	402,461	34,004	436,465	336,592
Sales	(100,000)	-	(100,000)	62,000
Net investments (losses)/gains	2,147	-	2,147	24,696
Market value 31.03.2025	304,608	34,004	338,612	423,288
Cost 31.03.2025	214,648	34,004	248,652	339,234

5. Debtors

	31.03.2025	31.03.2024
	£	£
Maintenance and service charge in arrears	1,053	691
Other debtors	-	-
	1,053	691

6. Creditors: amounts falling due within one year

	31.03.2025	31.03.2024
	£	£
Amounts falling due within one year:		
Maintenance and service charge received in advance	-	-
Creditors	23,136	25,372
Deferred social housing grant income	8,680	8,680
	31,816	34,052

The Charity's policy is to pay all invoices within 28 days or in accordance with agreed terms.

The Penn and Smith Almshouses

Notes to the financial statements (continued)
For the year ended 31 March 2025

7. Creditors: amounts falling due after more than one year

	31.03.2025	31.03.2024
Deferred social housing grant income	234,355	243,035

8. Deferred grant income

	31.03.2025	31.03.2024
	£	£
Grant received:		
At 1 April and 31 March	433,992	433,992
Amortisation of grant		
At 1 April	(182,277)	(173,597)
Charge for the year	(8,680)	(8,680)
Write down of grant balance	-	-
At 31 March	(190,957)	(182,277)
Net value of grant		
At 1 April	251,715	260,395
At 31 March	243,035	251,715
Analysis of unamortised grant		
Amounts due within one year	8,680	8,680
Amounts due after more than one year	234,355	243,035
	243,035	251,715

9. Reconciliation of net income to net cash flow from operating activities

	2025	2024
	£	£
Net Income for the reporting period per the statement of financial activities	3,832,435	60,780
Adjustments for:		
Depreciation charges	1,917	16,561
Amortisation of capital grant	(8,680)	(8,680)
Write down of fixed assets	767,045	-
(Gains) on investments	(4,672,147)	(24,696)
Dividends and interest from investments	(10,330)	(18,038)
(Increase)/Decrease in debtors	(362)	1,075
(Decrease) in creditors	(10,916)	(9,829)
Net cash (used in)/provided by operating activities	(101,038)	17,173

The Penn and Smith Almshouses

Notes to the financial statements (continued)
For the year ended 31 March 2025

10. Funds

	2024	Property expenditure	Admin expenditure	Sale/ Revaluation of investments	Income	Write off fixed assets	Transfers	2025
	£	£	£	£	£	£	£	£
Unrestricted funds - accumulated	403,985	(44,060)	(45,173)	2,147	124,407	(767,850)	336,779	10,235
Designated funds								
- Charity fund property reserve	7,468	-	-	-	-	-	(7,468)	-
- Cyclical repairs reserve	20,644	-	-	-	-	-	(20,644)	-
- Extraordinary repairs reserve	228,102	(111,516)	-	-	-	-	100,000	76,586
- Renewals reserve	(352)	-	-	-	-	-	352	-
Endowment funds - accumulated	-	-	-	4,670,000	-	-	(264,539)	4,405,461
	659,847	(155,576)	(45,173)	4,672,147	124,407	(767,850)	-	4,492,282

Unrestricted funds – accumulated

The income funds to be used in respect of repairs and insurance and all other charges and outgoings payable in respect of the property of the charity. All charges incidental to the administration and management to be met by the income account.

Designated funds

- **Charity fund property reserve** The Charity holds a reserve for property improvements. Balance transferred to unrestricted funds.
- **Cyclical repairs reserve** The Charity sets aside a reserve for an established regular programme of cyclical repairs and maintenance. Balance transferred to unrestricted funds.
- **Extraordinary repairs fund** The fund to be used for a programme of major repairs on housing properties.
- **Renewals reserve** The Charity holds a reserve for the replacement of fixtures and fittings. Balance transferred to unrestricted funds.

Endowment funds

The endowment fund represents those assets which must be held permanently by the Charity, principally investments. Income arising on the endowment fund can be used in accordance with the objects of the charity and is included as unrestricted income. All realised and unrealised gains or losses and investment management charges have been attributed to the endowment fund.

The Penn and Smith Almshouses

Notes to the financial statements (continued)
For the year ended 31 March 2025

11. Analysis of fund assets and liabilities

	Unrestricted funds	Designated funds	Endowment funds	31.03.2025 Total
	£	£	£	£
Tangible fixed assets	-	-	4,405,461	4,405,461
Current asset investments	262,026	76,586	-	338,612
Current assets	14,377	-	-	14,377
Current liabilities	(31,813)	-	-	(31,813)
Long term liabilities	(234,355)			(234,355)
	10,235	76,586	4,405,461	4,492,282

	Unrestricted funds	Designated funds	Endowment funds	31.03.2024 Total
	£	£	£	£
Tangible fixed assets	496,958	7,468	-	504,426
Current asset investments	174,894	248,394	-	423,288
Current assets	9,220	-	-	9,220
Current liabilities	(34,052)	-	-	(34,052)
Long term liabilities	(243,035)			(243,035)
	403,985	255,862	-	659,847

Notes to the financial statements (continued)
For the year ended 31 March 2025

12. Charitable Activities – almshouse accommodation

	Unrestricted fund Accumulated	Designated funds Extraordinary repairs	31.03.2025 Total costs
	£	£	£
Service charge costs	7,237	-	7,237
Routine maintenance	142,747	-	142,747
Depreciation	5,592	-	5,592
	155,576	-	155,576
	£	£	£
	Unrestricted fund Accumulated	Designated funds Extraordinary repairs	31.03.2024 Total costs
	£	£	£
Service charge costs	9,041	-	9,041
Routine maintenance	23,639	-	23,639
Depreciation	16,561	-	16,561
	49,241	-	49,241

Charitable Activities – Support and Governance Costs

	Unrestricted funds Accumulated	Designated funds Extraordinary repairs	31.03.2025 Total costs
	£	£	£
Almshouse management	45,173	-	45,173
Other costs	-	-	-
	45,173	-	45,173
	£	£	£
	Unrestricted funds Accumulated	Designated funds Extraordinary repairs	31.03.2024 Total costs
	£	£	£
Almshouse management	37,197	-	37,197
Other costs	-	-	-
	37,197	-	37,197

Notes to the financial statements (continued)
For the year ended 31 March 2025

13. Payments to trustees

No trustees received any remuneration from the charity during the year (2024: £nil) and travel expenses amounting to £nil (2024: £nil) were reimbursed to no (2024: Nil) trustees.

The Charity considers its key management personnel comprise the Trustees. The total employment benefits, including employer pension costs of key management personnel were £nil (2024: £nil).

There were no employees in this charity in 2025 (2024: Nil).

14. Related party transactions

Mr M Fairbanks-Smith is a Director of Sarasin and Partners LLP but is not a signatory for transactions relating to Penn and Smith Almshouses. During the year ended 31 March 2025 investment income totaling £9,527 was received from Sarasin and Partners LLP (2024 £15,917) and £100,000 was withdrawn from the portfolio (2024 £153,235 withdrawn).

15. Contingent liabilities arising from amortisation of Government grants

The Charity received financial assistance from Homes England (formerly the Housing Corporation) and these government grants were accounted for as deferred income as long term liabilities in the Balance Sheet and were amortised annually to the Statement of Financial Activities based on the life of the asset to which it relates. The amount amortised represented a contingent liability to the Charity and will be recognised as a liability when the properties funded by the relevant Government grant are disposed of or when the property ceases to be used for almshouse accommodation purposes.

Note 8 above sets out the amount of grant received and the amount that has been amortised.

The Trustees are not aware of any other contingent liabilities.

16. Share capital

The Charity is an unincorporated charity registered with the Charity Commission.

The Penn and Smith Almshouses

England & Wales - Charity number 238044

Accounts

Charity registration number 238044
Regulator of Social Housing registration number A2334

The Penn and Smith
Almshouses

Annual report and financial statements
For the year ended 31 March 2024

The Penn and Smith Almshouses

Legal and administrative information

Charity number	238044
Regulator of Social Housing registration number	A 2334
Trustees	Christopher Penn (Chair) Rory Penn Mark Fairbanks-Smith Charles J Fairbanks-Smith John Stanley Rev Simon Reynolds-Winn Dr Marion Kimberley (resigned 20 April 2023)
Clerk to the trustees and managing agent	The Trust Partnership
Registered office	6 Trull Farm Buildings Tetbury Gloucestershire GL8 8SQ
Independent examiner	Dunkley's Woodlands Grange Woodlands Bradley Stoke Bristol BS32 4JY
Bankers	Unity Trust Bank PO Box 7193 Planetary Road Willenhall WV1 9DG

The Penn and Smith Almshouses

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The Penn and Smith Almshouses
Report of the Board of Trustees (continued)
For the year ended 31 March 2024

Structure, governance and management

The Charity's Board of Trustees is responsible for the overall management and control of the Charity and meets a minimum of three times a year.

All Trustees give their time freely and no remuneration or expenses were paid in the year. Trustees are required to disclose all relevant interests and to withdraw from decisions where a conflict of interest arises.

The existing Trustees have been specifically recruited, according to a skills audit, with relevant qualifications and experience and include a chartered surveyor, investment advisor, architect, solicitor and vicar to assist with the Trustees' responsibilities of maintaining the Charity's listed property and to care for the wellbeing of the residents. The Trust Partnership was appointed as managing agent on 1 September 2022.

During the year Trustees instructed Stone King LLP to advise on updating the governing documents and making the change to corporate trusteeship.

On 20 May 2024, the Charity Commission approved the change to a Corporate Trustee known as The Penn and Smith Almshouse Trustee Ltd (Company No. 14191427). The Corporate Trustee is a Company Limited by Guarantee governed by Articles of Association.

On 12 October 2023, an application was made to the Charity Commission to update the Governing Schemes dated 11 November 1955 and 7 December 1979 with particular reference to the eligibility criteria for residents. Trustees also made administrative amendments to the Schemes using the powers contained in section 280 (2) of the Charities Act 2011 and changed the name of the Charity to The Penn and Smith Almshouse Trustee Ltd.

Organisational Management

The Board of Trustees determines the general policy of the Charity. The day-to-day management and administration of the Charity is provided by The Trust Partnership. Operational management reports and accounts are prepared and presented by the managing agent to the Board of Trustees at the regular Board meetings three times per year, or more frequently as required.

Risk management

The Board of Trustees is responsible for the overseeing of the risks faced by the Charity. Detailed considerations of risk and mitigation are delegated to the managing agent. Risks are identified, assessed and controls are established throughout the year with a report made to Trustees at each of their regular Board meetings. Through the risk management processes established for the Charity, the Board of Trustees is satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Objects

The governing instruments for the Charity are the Charity Commission Schemes dated 11 November 1955 and 7 December 1979, as amended, most recently, by s280 resolution in October 2023 (see Structure, Governance and Management above).

The object of the Charity is to provide accommodation for people aged over 60 who are in need and who have been resident in the Ancient Parishes of Greenwich, Deptford and Lewisham, for at least three years.

The Penn and Smith Almshouses
Report of the Board of Trustees (continued)
For the year ended 31 March 2024

Review of operations

The Charity receives funds from charges raised on residents in the form of services charges and licence fees. The service charges are raised to cover the costs of providing support and services to the residents and maintenance of the grounds and equipment. Licence fees are charged to the residents in line with Government guidance and are used to cover maintenance of the properties in the year and to provide resources to meet future planned repairs costs.

In line with the Charity's objective to maintain the properties in good repair and in order to provide accommodation to beneficiaries, the Charity continues to review the fabric of the building by means of planned works programmes and stock condition surveys undertaken by the managing agent and outsourced surveyors.

The main activity for the year was to undertake the major building works identified under the Quinquennial Inspection Report dated 3 January 2023 to include external repair and redecoration works, roof repairs, masonry repairs and repointing and repair to damaged Listed entrance gates. Hyde Harrington, Chartered Surveyors, acted as Contract Administrators, with associated specialist advice from architects and arboriculturists given the status of the buildings as Listed Grade II and being within a Conservation Area. The specification went to tender and was awarded to John Taylor and Green Limited under a JCT Minor Works Building Contract .

Due to planning restrictions and the age of the buildings, the original contract sum of £132,710.60 plus VAT and fees was exceeded. The works commenced in September 2023 and are due to be completed in May 2025. The final contract sum is anticipated at £205,000 plus VAT and fees. Additional unforeseen works were needed as a result of further planning constraints imposed during the contract, surveys required as a result, urgent works required to the drainage system and works to improve damp within the almshouses. The contract was overseen by Hyde Harrington reporting directly to the managing agent and Trustees. Additional Trustee meetings took place throughout the year as a result.

Additional non-urgent but essential works have been identified within the Quinquennial Inspection Report. Trustees have reviewed the need for further work against the reduced reserves as a result of Phase 1 above. Trustees have set up a sub-Committee to consider the timing and funding of these additional works which are likely to begin in the year 2025/26 and take the form of smaller contracts.

There is a surplus of £60,780 for the year (2023: loss £45,085). Excluding a gain on revaluation of investments of £24,696 (2023: loss £30,507) there was a surplus on ordinary activities of £36,084 (2023: loss £14,578).

Principal risks and uncertainties

There are several risks in the external environment that are contributing to significant challenges for all providers in particular rising costs of services and building materials as well as an increased volatility in income from investments funds. Inflation, global geo-political conflicts and economic uncertainty has led to increased costs of upkeep as well as reduced levels of reserves and income.

All Trustees actively manage key area of risk, with focus on maintaining service delivery, managing and anticipating financial impacts, and monitoring the potential negative impacts of the conditions on our customers and colleagues.

Maintenance of the Charity's properties is dependent on the timely and effective performance by third party contractors of their obligations.. The performance of contracts may be subject to disruption for a variety of reasons including availability of materials, work stoppages, labour constraints, and macroeconomic conditions. Professional advisors are employed to manage contracts and provide specialist advice where required.

Investments are managed by Sarasin & Partners and a report is provided at every Trustee meeting.

Trustees use the Risk Register and the regular reports from professional advisors to set the agenda and decision-making for the long-term sustainability of the Charity and the well-being of the almshouse residents.

The Penn and Smith Almshouses
Report of the Board of Trustees (continued)
For the year ended 31 March 2024

Going Concern

After making enquiries and examining major areas which could give rise to significant financial exposure, the Trustees are satisfied that no material or significant exposures exist on than as reflected in these Financial Statements and that the Trust has adequate resources to continue its operations for the foreseeable future. For this reason, we continue to adopt the going concern basis in preparing these financial statements.

Future Plans

Trustees aim to complete the balance of the building works identified under the Quinquennial Inspection Report dated 2023 within the available funds and notwithstanding the need to retain reserves to ensure the long-term viability of the Charity.

The wellbeing of residents will remain a priority.

Charitable and political contributions

No contributions were made during the financial year.

Employees

The Charity has no employees.

The Penn and Smith Almshouses
Report of the Board of Trustees (continued)
For the year ended 31 March 2024

Value for money statement

The Board of Trustees adopts a process of continuous review when assessing value for money giving due regard to balancing the need to preserve the financial integrity of the Charity into the future with the need and cost of repairing, maintaining and improving the Charity's properties and looking after the welfare of the residents.

At regular meetings of the Board of Trustees reports are presented by the Managing Agent, covering housing management, repairs and maintenance and financial performance and issues. These are scrutinised and questioned by the Board of Trustees to ensure that value for money and operational performance are not compromised with regard to the Charity and residents of the Charity's properties.

The managing agent has financial controls and delegated authority levels in place which have been agreed with the Board of Trustees and a financial review of both the Management Accounts and the charity's Investment Portfolio are carried out at each quarterly meeting. Larger scale projects are outsourced to professional advisors with the approval of the Board of Trustees to ensure strict tender guidelines are adhered to and cost comparison exercises are carried out.

Under the Value for Money Standard issued by the Regulator of Social Housing in April 2018 and the subsequent Value for Money Metrics Technical Note Guidance issue in June 2019 registered providers with a stock of less than 1,000 units are required to publish their Value for Money metrics. These are shown below for the Charity.

	2024	2023
Metric 1 - Re-investment %	0%	0%

This metric looks at the investment in properties (existing stock as well as New Supply) as a percentage of the value of total properties held. For the Charity with its limited resources the focus is on maintaining its existing properties in to the future. Planned and routine maintenance are a part of this and all, but the largest planned works are expended through the Statement of Comprehensive Income and charged to the cyclical and extraordinary repairs reserve

	2024	2023
Metric 2a – New supply delivered (social housing units) %	0%	0%
Metric 2b – New supply delivered (non-social housing units) %	0%	0%

This metric sets out the number of new social housing and non-social housing units that have been acquired or developed in the year as a proportion of total social housing units and non-social housing units owned at period end. The Charity's focus is on maintaining its existing properties into the future and currently does not have the financial capacity to develop new properties.

	2024	2023
Metric 3 - Gearing %	-2%	-6%

This metric assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance. The Charity has no loans or overdraft facilities. The negative ratio is a result of the cash balances held. Cash that is in excess of short term operational requirements is invested in Charity Investment Funds. The tangible fixed assets which the cash and loans are compared to is also relatively low as there is no cost associated with the original cost of the properties, only subsequent capitalised repairs expenditure.

The Penn and Smith Almshouses
Report of the Board of Trustees (continued)
For the year ended 31 March 2024

	2024	2023
Metric 4 – EBITDA MRI interest cover %	-	-

This metric is a key indicator for liquidity and investment capacity. It seeks to measure the level of surplus that a registered provider generates, adjusted for amortisation and depreciation, compared to interest payable. The Charity has no loans or overdraft facilities and, therefore, no interest payable.

	2024	2023
Metric 5 – Headline social housing cost per year	£6,988	£11,578

This metric assesses the headline social housing cost per unit as defined by the Regulator. The decrease in the cost per unit for 2024 is due to a decrease in major repairs expenditure and other costs in the year.

	2024	2023
Metric 6a – Operating margin (social housing lettings) %	8%	-43%
Metric 6b – Operating margin (overall) %	12%	-27%

This metric demonstrates the profitability of operating assets before exceptional expenses are taken into account. Increasing margins are one way to improve the financial efficiency of a business. In assessing this ratio, it is important that consideration is given to registered providers' purpose and objectives (including their social objectives).

	2024	2023
Metric 7 – Return on Capital Employed (ROCE) %	1 %	- 3%

This metric compares the operating surplus to total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources

The Penn and Smith Almshouses
Report of the Board of Trustees (continued)
For the year ended 31 March 2024

Statement of the Board of Trustees responsibilities in respect of the Annual Report and the Financial Statements

Under the trust deed of the Charity and charity law, the Board of Trustees is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations. The Board of Trustees has elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The Financial Statements are required by law to give a true and fair view of the state of affairs of the Charity and of the surplus or deficit for that period. In preparing these Financial Statements, the Board of Trustees is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- state whether the Financial Statements comply with the trust deed, 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 Board of Trustees is required to act in accordance with the trust deed of the Charity, within the framework of trust law. The Board of Trustees is responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the Charity at that time and enable the Board of Trustees to ensure that its Financial Statements comply with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. The Board of Trustees is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

Statement of disclosure of information to the examiner

The Trustees who held office at the date of approval of this Report of the Board of the Trustees confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditor is unaware and each Trustee has taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

Independent Examiner

A resolution to appoint Dunkley and Co. as independent examiner will be proposed at the next annual general meeting.

By order of the Board of Trustees



Christopher Penn (Sep 20, 2024 18:45 GMT+2)

Mr C Penn
Trustee



M Fairbanks Smith (Sep 23, 2024 16:46 GMT+1)

Mr M Fairbanks-Smith
Trustee

Date:

The Penn and Smith Almshouses

Report of the Independent Examiners to the Trustees of The Penn and Smith Almshouses

Independent examiner's report to the trustees of The Penn and Smith Almshouses

I report to the charity trustees on my examination of the accounts of The Penn and Smith Almshouses for the year ended 31 March 2024.

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.



Matthew Dobbins FCA
Dunkley's
Woodlands Grange
Woodlands Lane
Bradley Stoke
Bristol
BS32 4JY

Date: 24/09/2024 .

The Penn and Smith Almshouses

Statement of financial activities For the year ended 31 March 2024

	Notes	Unrestricted Funds £	Designated Funds £	Total 2024 £	Total 2023 £
Income & expenditure					
Income from:					
Maintenance Charges Receivable		93,554	-	93,554	88,814
Investment Income		15,918	-	15,918	12,140
Interest Received		2,120	-	2,120	828
Other income	2	10,930	-	10,930	11,080
Total		122,522	-	122,522	112,862
Expenditure on:					
Activities in furtherance of the charity's objectives					
	12	86,438	-	86,438	127,440
Total Expenditure		86,438	-	86,438	127,440
Other recognised losses/(gains)		(24,696)	-	(24,696)	30,507
Transfers between funds		(30,000)	30,000	-	-
Net (expenditure)/income and net movements in funds		30,780	30,000	60,780	(45,085)
Reconciliation of funds	10				
Fund balances brought forward at 31.03.2023		373,205	225,862	599,067	644,152
Fund balances carried forward at 31.03.2024		403,985	255,862	659,847	599,067

The statement of changes in equity includes all gains and losses in the year. All incomes and expenditures derive from continuing activities.

The notes on pages 12 to 21 form part of these accounts.

The Penn and Smith Almshouses

Statement of financial activities
For the year ended 31 March 2024

Comparative Statement of Financial Activities
For the Year Ending 31 March 2023

	Notes	Unrestricted Funds £	Designated Funds £	Total 2023 £
Income & expenditure				
Income from:				
Maintenance Charges Receivable		88,814	-	88,814
Investment Income		12,140	-	12,140
Interest Received		828	-	828
Other income	2	11,080	-	11,080
Total		112,862	-	112,862
Expenditure on:				
Activities in furtherance of the charity's objectives				
Total Expenditure	12	106,313	21,127	127,440
Other recognised (gains)		30,507	-	30,507
Transfers between funds		(29,988)	29,988	-
Net income and net movements in funds		(53,946)	8,861	(45,085)
Reconciliation of funds	10			
Fund balances brought forward at 31.03.2022		427,151	217,001	644,152
Fund balances carried forward at 31.03.2023		373,205	225,862	599,067

The statement of changes in equity includes all gains and losses in the year. All incomes and expenditures derive from continuing activities.

The notes on pages 12 to 21 form part of these accounts.

The Penn and Smith Almshouses

Balance Sheet As at 31 March 2024

	Notes	2024		2023	
		£	£	£	£
Fixed Assets					
Tangible assets	3		504,426		301,803
Current assets					
Debtors	5	691		1,766	
Investments	4	423,288		572,354	
Cash at bank and in hand		<u>8,529</u>		<u>18,740</u>	
		432,508		592,860	
Current liabilities					
Creditors	6	<u>34,052</u>		<u>43,881</u>	
		34,052		43,881	
Net current assets			398,456		548,979
Long term creditor	7		<u>243,035</u>		<u>251,715</u>
Total assets less current liabilities			<u><u>659,847</u></u>		<u><u>599,067</u></u>
Capital and reserves					
Unrestricted funds	10		403,985		373,205
Designated funds			<u>255,862</u>		<u>225,862</u>
			<u><u>659,847</u></u>		<u><u>599,067</u></u>

The Financial Statements were approved for issue by the Board of Trustees on 23/09/2024 and were signed on its behalf by:


Christopher Penn (Sep 20, 2024 18:45 GMT+2)

.....
Mr C Penn (Chair -Trustee)


M Fairbanks Smith (Sep 23, 2024 16:46 GMT+1)

.....
Mr M Fairbanks-Smith (Trustee)

The notes on pages 12 to 21 form part of these accounts.

The Penn and Smith Almshouses

Statement of Cashflows
For the year ended 31 March 2024

	Note	2024 £	2023 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
<i>Net cash provided by (used in) operating activities</i>	9	17,173	(21,926)
Cash flows from investing activities:			
Dividends and interest from investments		18,038	12,968
(Increase)/decrease in short term deposits and investments			
Purchase of property, plant and equipment		(217,800)	(4,614)
(Increase)/decrease in short term deposits and investments		172,378	47,877
<i>Net cash provided by (used in) investing activities:</i>		(27,384)	56,231
Change in cash and cash equivalents in the reporting period			
		(10,211)	(34,305)
Cash and cash equivalents at the beginning of the reporting period		18,740	53,045
Cash and cash equivalents at the end of the reporting period		8,529	18,740

The notes on pages 12 to 21 form part of these accounts.

The Penn and Smith Almshouses

Notes to the financial statements (continued) For the year ended 31 March 2024

1(a) Principal Accounting policies

Basis of accounting

The Financial Statements have been prepared in accordance with Financial Reporting Standard 102 – the financial reporting standard applicable in the UK and Republic of Ireland (FRS102) the Statement of Recommended Practice: Accounting by Registered Social Landlords Update 2018 (SORP) and the Accounting Direction for Private Registered Providers of Social Housing 2019.

The Financial Statements are prepared on the historical cost and accruals basis of accounting, as modified to include the fair value of financial instruments and on the basis of going concern.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Financial Statements.

Going concern

The Charity's business activities and factors likely to affect its plans for the future are set out within the Report of the Board of Trustees. The Charity has adequate unrestricted reserves and designated reserves with which to fund its financial obligations and day to day operations.

On this basis, the Board of Trustees has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the Financial Statements.

Income

Income represents maintenance charge income from licensees and service charges receivable which are recognised when the Charity is entitled to them together with the amortisation of capital grant. Maintenance charges and service charges are shown net of void losses which are only recognised where the properties are available for occupation.

Fixed Assets

Fixed assets are stated using the cost model at cost, less cumulative depreciation, less impairment. Fixed assets includes housing properties held for social benefit purposes and scheme equipment. Housing properties are properties available for rent and are stated at cost less cumulative depreciation.

There is no record of the original cost of the housing properties and consequently no value is attributed thereto. The Housing Properties cost relate to improvements, some of which were funded by a Housing Corporation Grant and a mortgage loan from the London Borough of Southwark which has now been fully repaid.

Scheme equipment is shown at cost less cumulative depreciation.

Subsequent expenditure to housing properties

Works which result in an enhancement of economic benefits to the property (i.e. an increase in rental income, reduction in future maintenance costs or significant extension of life to the property) for a period of ten years or more are deemed to be improvements and are capitalised and depreciated in accordance with their expected economic life. Improvements to properties that relate to pre-identified asset components are also capitalised and depreciated over the expected economic life of the component.

The Penn and Smith Almshouses

Notes to the financial statements (continued) For the year ended 31 March 2024

1(a) Principal Accounting policies (continued)

All other expenditure on repairs incurred over the life of a property to maintain the fabric of the original asset is charged to the Statement of Financial Activities as incurred.

Depreciation

Freehold land is not depreciated.

In accordance with the Statement of Recommended Practice, the depreciation policy of the Charity is to write off the cost of improvements over a period of up to 50 years commencing the later of 1 April 2003 and practical completion.

Using component costing principles housing properties are divided into components which are depreciated at the following annual rates:

Component	Life (Years)	Depreciation
Building structure, roofing, drainage, roadways and footpaths	50	2.0%
Doors and windows	30	3.3%
Kitchens and Bathrooms	25	4.0%
Heating Boilers	15	6.6%

Scheme equipment is depreciated at varying annual rates as follows:

Component	Life (Years)	Depreciation
Security, heating and aerials	20	5.0%
Warden alarm	15	6.6%
Other shared areas	10	10.0%
Other scheme equipment	4	25.0%

Social housing grant

Social Housing Grant (SHG) is a capital grant made to the Charity towards the cost of acquiring, building or major alterations to housing properties. Social Housing Grant was received from the Housing Corporation.

Social Housing Grant is included in Creditors: amounts falling due within one year and amounts falling due after more than one year in the Statement of Financial Position. It is amortised annually to the Statement of Comprehensive Income over the expected useful lives of the assets to which it relates. The accumulated amortised grant represents a contingent liability that may materialise when the relevant property to which the amortised grant relates ceases to be used for social housing purposes, usually due to disposal of the housing asset.

Grants are usually repayable unless formally abated, waived or recycled. Therefore, they may be repayable in certain circumstances, primarily the sale of property.

Revaluation of current asset investments

Current assets investments are stated at market value. Any unrealised surplus or deficit arising on revaluation of the investments is recognised in the Statement of Comprehensive Income. The aggregate realised surplus or deficit arising on the sale of investments is reflected in the Statement of Comprehensive Income.

Designated reserves

The Charity sets aside a reserve for an established regular programme of cyclical repairs and maintenance, and an extraordinary repairs reserve for a programme of major repairs on housing properties. The cost of cyclical and extraordinary repairs is charged to the Statement of Comprehensive

The Penn and Smith Almshouses

Notes to the financial statements (continued) For the year ended 31 March 2024

1(a) Principal Accounting policies (continued)

Income in the period in which they are incurred subject to transfers to or from the cyclical and extraordinary repairs reserves.

Financial Instruments – basic financial instruments

Trade and other debtors / creditors

Trade and other debtors / creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

In line with FRS 102 section 34; the Charity as a public benefit entity, has accounted for as concessionary loans all debtors or creditors that would have been classified as financing transactions such as deferred payment arrangement and are therefore being carried in the Statement of Financial Position at amortised cost.

Concessionary loans are financing arrangements between a public benefit entity such as the Trust and another party at nil percent or at below market rate of interest that are not repayable on demand and are for the purposes of furthering the objectives of the public benefit entity.

Short-term investments

Investments made by the Charity are a combination of short term bank deposits and fund investments managed by specialist managers and provided for not for profit investors.

The short term bank deposits are classified as basic and recognised at amortised cost using an effective interest rate.

The fund investments are classified as complex instruments and recognised at market value. Market value is based on a publicly available price. Gains and losses on revaluation of fund investments are included in the Statement of Comprehensive Income.

Other long-term creditors

Other long-term creditors include the unamortised element of the social housing grant less an amount due for amortisation in the following year.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short term investments, which can be liquidated at short notice with no loss of capital.

1(b) Judgements and accounting estimates

The preparation of the Financial Statements requires the Board of Trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements and estimates have had the most significant effect on amounts recognised in the Financial Statements:

Classification of housing properties

In determining the intended use of its housing properties, the Charity has considered if the asset is held for social benefit or to earn commercial rentals. The Charity has determined that its housing portfolio is held for social benefit purposes.

The Penn and Smith Almshouses

Notes to the financial statements (continued)
For the year ended 31 March 2024

2. Other Income

	31.03.2024	31.03.2023
	£	£
Amortisation of capital grant	8,680	8,680
Other income	2,250	2,400
	<u>10,930</u>	<u>11,080</u>

3. Tangible Fixed Assets

	Freehold housing properties	Fixtures and fittings	Total 31.03.2024
	£	£	£
Cost or revaluation			
At 1 April 2023	544,184	12,946	557,130
Additions	217,800	-	-
	<u>761,984</u>	<u>12,946</u>	<u>774,930</u>
Depreciation			
At 1 April 2023	246,995	8,332	255,327
Charge in year	15,177	-	15,177
	<u>262,172</u>	<u>8,332</u>	<u>270,504</u>
Net cost/valuation at 31.03.2024	<u>499,812</u>	<u>4,614</u>	<u>504,426</u>
Net cost/valuation at 31.03.2023	<u>297,189</u>	<u>4,614</u>	<u>301,803</u>

The Charity was established in the late nineteenth century. There is no record of the original cost of the almshouses and no value is attributed thereto. The above details relate to improvements carried out since 1982, some of which were funded by what was then called the Housing Corporation and London Borough of Greenwich Grants of £433,992. The Charity holds the freehold to the land on which these properties and improvements are situated. The housing properties consist of 10 dwellings in the Ancient Parish of Greenwich.

The Penn and Smith Almshouses

**Notes to the financial statements (continued)
For the year ended 31 March 2024**

4. Investments

	Charity Investment Funds	Short term deposit fund	2024 Total	2023 Total
	£	£	£	£
Market value 31.03.2023	366,440	205,914	572,354	573,448
Purchases	-	(249,833)	(249,833)	-
Movements in year	11,951	2,120	14,071	29,413
	378,391	(41,799)	336,592	602,861
Sales	-	62,000	62,000	-
Net investments (losses)/gains	24,696	-	24,696	(30,507)
Market value 31.03.2024	403,087	20,201	423,288	572,354
Cost 31.03.2024	319,033	20,201	339,234	513,114

5. Debtors

	31.03.2024	31.03.2023
	£	£
Maintenance and service charge in arrears	691	1,766
	691	1,766

6. Creditors: amounts falling due within one year

	31.03.2024	31.03.2023
	£	£
Amounts falling due within one year:		
Creditors	25,372	35,201
Deferred social housing grant income	8,680	8,680
	34,052	43,881

The Charity's policy is to pay all invoices within 28 days or in accordance with agreed terms.

The Penn and Smith Almshouses

Notes to the financial statements (continued)
For the year ended 31 March 2024

7. Creditors: amounts falling due after more than one year	31.03.2024	31.03.2023
Deferred social housing grant income	<u>243,035</u>	<u>251,715</u>

8. Deferred grant income	31.03.2024	31.03.2023
	£	£
Grant received:		
At 1 April and 31 March	<u>433,992</u>	<u>433,992</u>
Amortisation of grant		
At 1 April	(173,597)	(164,917)
Charge for the year	<u>(8,680)</u>	<u>(8,680)</u>
At 31 March	<u>(182,277)</u>	<u>(173,597)</u>
Net value of grant		
At 1 April	<u>260,395</u>	<u>269,075</u>
At 31 March	<u>251,715</u>	<u>260,395</u>
Analysis of unamortised grant		
Amounts due within one year	8,680	8,680
Amounts due after more than one year	<u>243,035</u>	<u>251,715</u>
	<u>251,715</u>	<u>260,395</u>

9. Reconciliation of net (expenditure)/income to net cash flow from operating activities	2024	2023
	£	£
Net income for the reporting period per the statement of financial activities	60,780	(45,085)
Adjustments for:		
Depreciation charges	16,561	11,660
Amortisation of capital grant	(8,680)	(8,680)
Losses/(gains) on investments	(24,696)	30,507
Dividends and interest from investments	(18,038)	(12,968)
Decrease/(increase) in debtors	1,075	14,998
(Decrease)/increase in creditors	<u>(9,829)</u>	<u>(12,358)</u>
Net cash provided by/ (used in) operating activities	<u>17,173</u>	<u>(21,926)</u>

Notes to the financial statements (continued)
For the year ended 31 March 2024

10. Funds

	2023	£	Property expenditure	£	Admin expenditure	£	Sale/ Revaluation of investments	£	Income	£	Transfers	£	2024	£
Unrestricted funds - accumulated	373,205		(49,241)		(37,197)		24,696		122,522		(30,000)		403,985	
Designated funds														
- Charity fund property reserve	7,468		-		-		-		-		-		7,468	
- Cyclical repairs reserve	20,644		-		-		-		-		-		20,644	
- Extraordinary repairs reserve	198,102		-		-		-		-		30,000		228,102	
- Renewals reserve	(352)		-		-		-		-		-		(352)	
	599,067		(49,241)		(37,197)		24,696		122,522		-		659,847	

Unrestricted funds – accumulated

The income funds to be used in respect of repairs and insurance and all other charges and outgoings payable in respect of the property of the charity. All charges incidental to the administration and management to be met by the income account.

Designated funds

- **Charity fund property reserve**
The Charity holds a reserve for property improvements.
- **Cyclical repairs reserve**
The Charity sets aside a reserve for an established regular programme of cyclical repairs and maintenance.
- **Extraordinary repairs fund**
The fund to be used for a programme of major repairs on housing properties.
- **Renewals reserve**
The Charity holds a reserve for the replacement of fixtures and fittings.

The Penn and Smith Almshouses

Notes to the financial statements (continued)
For the year ended 31 March 2024

11. Analysis of fund assets and liabilities

	Unrestricted funds	Designated funds	31.03.2024 Total
	£	£	£
Tangible fixed assets	496,958	7,468	504,426
Current asset investments	174,894	248,394	423,288
Current assets	9,220	-	9,220
Current liabilities	(34,052)	-	(34,052)
Long term liabilities	(243,035)		(243,035)
	<u>403,985</u>	<u>255,862</u>	<u>659,847</u>

	Unrestricted funds	Designated funds	31.03.2023 Total
	£	£	£
Tangible fixed assets	294,335	7,468	301,803
Current asset investments	353,960	218,394	572,354
Current assets	20,506	-	20,506
Current liabilities	(43,881)	-	(43,881)
Long term liabilities	(251,715)		(251,715)
	<u>373,205</u>	<u>225,862</u>	<u>599,067</u>

The Penn and Smith Almshouses

Notes to the financial statements (continued)
For the year ended 31 March 2024

12. Charitable Activities – almshouse accommodation

	Unrestricted fund Accumulated	Designated funds Extraordinary repairs	31.03.2024 Total costs
	£	£	£
Service charge costs	9,041	-	9,041
Routine maintenance	23,639	-	23,639
Depreciation	16,561	-	16,561
	<u>49,241</u>	<u>-</u>	<u>49,241</u>
	Unrestricted fund Accumulated	Designated funds Extraordinary repairs	31.03.2023 Total costs
	£	£	£
Service charge costs	11,020	-	11,020
Routine maintenance	34,811	21,127	55,938
Depreciation	11,660	-	11,660
	<u>57,491</u>	<u>21,127</u>	<u>78,618</u>

Charitable Activities – Support and Governance Costs

	Unrestricted funds Accumulated	Designated funds Extraordinary repairs	31.03.2024 Total costs
	£	£	£
Almshouse management	37,197	-	37,197
Other costs	-	-	-
	<u>37,197</u>	<u>-</u>	<u>37,197</u>
	Unrestricted funds Accumulated	Designated funds Extraordinary repairs	31.03.2023 Total costs
	£	£	£
Almshouse management	48,822	-	48,822
Other costs	-	-	-
	<u>48,822</u>	<u>-</u>	<u>48,822</u>

The Penn and Smith Almshouses

Notes to the financial statements (continued) For the year ended 31 March 2024

13. Payments to trustees

No trustees received any remuneration from the charity during the year (2023: Nil). Travel expenses amounting to £nil (2023: £nil) were reimbursed to no (2023: 0) trustees.

The Charity considers its key management personnel comprise the Trustees. The total employment benefits, including employer pension costs of key management personnel were £nil (2023: £nil).

There were no employees in this charity in 2024 (2023: Nil).

14. Related party transactions

There were no related party transactions during the financial year ended 31 March 2024 nor in the prior year.

15. Contingent liabilities arising from amortisation of Government grants

The Charity has received financial assistance from Homes England (formerly the Housing Corporation) and these government grants are accounted for as deferred income as long term liabilities in the Balance Sheet and are amortised annually to the Statement of Financial Activities based on the life of the asset to which it relates. The amount amortised represents a contingent liability to the Charity and will be recognised as a liability when the properties funded by the relevant Government grant are disposed of or when the property ceases to be used for almshouse accommodation purposes.

Note 8 above sets out the amount of grant received and the amount that has been amortised.

The Trustees are not aware of any other contingent liabilities.

16. Share capital

The Charity is an unincorporated charity registered with the Charity Commission.

The Penn and Smith Almshouses

Notes to the financial statements (continued)
For the year ended 31 March 2024

Detailed Income and Expenditure Account

	Almshouse Accommodation	Total
Income & expenditure		
Income from:		
Rent receivable	85,588	85,588
Service Charge income	7,966	7,966
Investment Income	15,918	15,918
Interest Received	2,120	2,120
Amortisation of capital grant	8,680	8,680
Other income	2,250	2,250
Total	122,522	122,522
Expenditure on:		
Activities in furtherance of the charity's objectives		
Letting activities		
Council Tax and Water rates	1,272	1,272
Light and Heat	3,661	3,661
Repairs and maintenance	12,952	12,952
Cleaning and gardening	4,108	4,108
Insurance	2,523	2,523
Depreciation	16,561	16,561
Almshouse management	41,662	41,662
Sundry expenses	2,950	2,950
Subscriptions	749	749
	86,438	86,438
Other recognised gains	24,696	24,696
Net income	60,780	60,780

This page does not form part of the financial statements

The Penn and Smith Almshouses

England & Wales - Charity number 238044

Accounts

Charity registration number 238044
Regulator of Social Housing registration number A2334

Penn and Widow Smith
Almshouses

Annual report and financial statements
For the year ended 31 March 2023

Penn and Widow Smith Almshouses

Legal and administrative information

Charity number	238044
Regulator of Social Housing registration number	A 2334
Trustees	Dr M Kimberley resigned 20/04/2023 Mr M Fairbanks-Smith CJ Fairbanks-Smith – appointed 01/07/2022 Mr C Penn (Chair) Lady Penn - resigned 01/07/2022 Mr R Penn Rev S Reynolds-Winn – appointed 09/11/2021 Mr J Stanley – appointed 01/01/2021
Clerk to the trustees and managing agent	The Trust Partnership
Registered office	6 Trull Farm Buildings Tetbury Gloucestershire GL8 8SQ
Independent examiner	Dunkley's Woodlands Grange Woodlands Bradley Stoke Bristol BS32 4JY
Bankers	Barclays Bank Plc (to October 2022) 1 Churchill Place Canary Wharf London E14 5HP Unity Trust Bank (from July 2022) PO Box 7193 Planetary Road Willenhall WV1 9DG
Investment Managers	Sarasin and Partners LLP Juxon House 100 St. Paul's Churchyard London EC4M 8BU

Penn and Widow Smith Almshouses

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Detailed statement of financial activities	22

Structure, governance and management

The Charity's Board of Trustees is responsible for the overall management and control of the Charity and meets a minimum of three times a year.

All Trustees give their time freely and no remuneration or expenses were paid in the year. Trustees are required to disclose all relevant interests and to withdraw from decisions where a conflict of interest arises.

Trustees have been recruited with relevant qualifications and experience to assist with the Trustees' responsibilities of maintaining the Charity's listed property and duty of care for the wellbeing of the residents. Detailed housing and property management issues are referred to the contracted managing agent, Anchor Hanover Group, to 30 June 2022 and The Trust Partnership, from 1 July 2022.

New Trustees are selected and appointed by the existing Trustees. When appointing a new Trustee consideration is given to the skills the new Trustees may possess, links to the local community and how they may be of benefit to the Charity and to fill any gaps in knowledge that the existing Board of Trustees may have.

Organisational management

The Board of Trustees determines the general policy of the Charity. The day-to-day management and administration of the Charity was provided by Anchor Hanover Group (the managing agent) under a management agreement to 30 June 2022 and by The Trust Partnership (clerk and managing agent) from 1 July 2022. Operational management reports and accounts are prepared and presented by the managing agent to the Board of Trustees for their consideration.

Risk management

The Board of Trustees is responsible for overseeing the risks faced by the Charity. Detailed management of risk is delegated to the managing agent using agreed policies and procedures. Risks identified within the Risk Register are assessed and controls are established throughout the year. Through the risk management processes established for the Charity, the Board of Trustees is satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Objects

The governing instruments, under which Penn and Widow Smith Almshouses is established, are the Charity Commissioners Schemes dated 11 November 1955 and 7 December 1979.

The objective of the Charity is to provide accommodation for people aged over 60 who are in need and who have been resident in the Ancient Parishes of Greenwich, Deptford and Lewisham, for at least three years.

During the year Trustees submitted an application to the Charity Commission for a Scheme to appoint The Penn and Smith Almshouses Trustee Limited as the sole trustee of the Charity, subject to confirmation from the Greater London Authority regarding the regulatory requirements for the historic housing grant. Trustees have taken the opportunity to update the current Schemes. Stone King LLP is acting for the Trustees and the process is ongoing.

Review of Charity Activities

The Charity receives funds from charges raised on residents in the form of services charges and licence fees. The charges are raised to cover the costs of providing support and services to the residents and maintenance of the grounds and equipment. Licence fees are charged to the residents in line with Government guidance and are used to cover maintenance of the properties in the year and to provide resources to meet future planned repairs costs. For the year ending March 2023, increases in licence fees reflected the cap imposed by the Regulator for Social Housing.

In line with the Charity's objective to maintain the properties in good repair and in order to provide accommodation to beneficiaries, the Charity continues to review the fabric of the buildings by means of planned works programmes and quinquennial surveys conducted through the managing agent. A quinquennial survey was undertaken on 3 January 2023 which identified a number of repairs. A planned maintenance programme has been agreed within the budget and works begin in October 2023.

The activities for the year are set out on page 8 in the Statement of Financial Activities. There is a loss of £45,085 for the year (2022: surplus £49,632). Excluding a loss on revaluation of investments of £30,507 (2022: gain £2,455) there was a loss on ordinary activities of £14,578 (2022: surplus £47,177).

At 31 March 2023 the Charity had designated funds of £225,862 (2022 - £217,001). This left the Charity with general unrestricted funds of £373,205 (2022 - £427,151).

Main Achievements

The Charity's main achievement is to maintain the building to provide safe, warm, comfortable accommodation for the beneficiaries, in accordance with the governing document and best practice. There were no voids throughout the year.

Trustees have taken professional advice from Stone King LLP on updating the structure of the Charity to a modern corporate identity. On 23 June 2022 The Penn and Smith Almshouses Trustee Limited (company number 14191427) was incorporated. The current trustees are directors of the company. An application was made to the Charity Commission to appoint the Company as sole trustee of the Penn and Widow Smith Almshouses under a Charity Commission Scheme. The Scheme remains in draft form whilst confirmation is awaited from the Greater London Authority regarding any changes to the terms of the historic social housing grant as a result of the change in trustee. Trustees have taken this opportunity to update and modernise parts of the Charity Commission Schemes dated 11 November 1955 and 7 December 1979. Charity Commission approval has been sought, where required.

Future Aims and Objectives

Trustees are working towards completion of the current programme of repair and maintenance to the building fabric by the calendar year end. The 2024/5 budget will determine when further programmes can commence, in line with the quinquennial survey.

Principal risks and uncertainties

The Risk Register is considered by Trustees at every meeting and the performance of mitigating measures is monitored. The Register serves to prioritise governance, operational, compliance and external factors that pose the greatest concern. Professional advice is taken where necessary.

Financial risks are considered during each Trustee meeting. An investment report covers the return on investments and the risks to income yield and capital growth, both of which have been adversely affected by the uncertain global economic climate and increased inflation. Management accounts are presented at each trustee meeting and compared against the agreed budget. Financial administration is undertaken in accordance with an approved procedure and delegated authority. Increased building costs, due to worldwide supply chain issues, have led to increased costs for property maintenance in general but especially for major programmed works. As a result, property maintenance has been prioritised in accordance with a timetable recommended by the appointed Chartered Surveyors.

Policies and procedures are reviewed on a cyclical basis and take into account the fast-changing regulatory environment within social housing.

The managing agents provide regular reports on property management and resident welfare.

Going Concern

After making enquiries and examining major areas which could give rise to significant financial exposure, the Trustees are satisfied that no material or significant exposures exist on than as reflected in these Financial Statements and that the Trust has adequate resources to continue its operations for the foreseeable future. For this reason, we continue to adopt the going concern basis in preparing these financial statements.

Public Benefit

In carrying out the Charity's aims and objectives and in measuring achievements and performance, Trustees have had regard to the Charity Commission's guidance. Given the Charity's objective to reduce financial need, the test of public benefit is evidenced by the low rate of vacant properties. During the year there were no void properties.

Charitable and political contributions

No contributions were made during the financial year.

Employees

The Charity has no employees.

Value for money statement

The Board of Trustees adopts a process of continuous review when assessing value for money giving due regard to balancing the need to preserve the financial integrity of the Charity into the future with the need and cost of repairing, maintaining, and improving the Charity’s properties and looking after the welfare of the residents.

At regular meetings of the Board of Trustees reports are presented by the managing agent, covering housing management, repairs and maintenance and financial performance and issues. These are scrutinised and questioned by the Board of Trustees to ensure that value for money and operational performance are not compromised with regard to the Charity and residents of the Charity’s properties.

The managing agent has financial controls and delegated authority levels in place which have been agreed with the Board of Trustees and a financial review of both the Management Accounts and the charity’s Investment Portfolio are carried out at each quarterly meeting. Larger-scale projects are outsourced to an external agency with the approval of the Board of Trustees to ensure strict tender guidelines are adhered to and cost comparison exercises are carried out.

Under the Value for Money Standard issued by the Regulator of Social Housing in April 2018 and the subsequent Value for Money Metrics Technical Note Guidance issue in June 2019 registered providers with a stock of less than 1,000 units are required to publish their Value for Money metrics. These are shown below for the Charity.

	2023	2022
Metric 1 - Re-investment %	0%	0%

This metric looks at the investment in properties (existing stock as well as New Supply) as a percentage of the value of total properties held. For the Charity, with its limited resources the focus is on maintaining its existing properties into the future. Planned and routine maintenance are a part of this and all, but the largest planned works are expended through the Statement of Comprehensive Income and charged to the cyclical and extraordinary repairs reserve.

	2023	2022
Metric 2a – New supply delivered (social housing units) %	0%	0%
Metric 2b – New supply delivered (non-social housing units) %	0%	0%

This metric sets out the number of new social housing and non-social housing units that have been acquired or developed in the year as a proportion of total social housing units and non-social housing units owned at period end. The Charity’s focus is on maintaining its existing properties into the future and currently does not have the financial capacity to develop new properties.

	2023	2022
Metric 3 - Gearing %	6%	-17%

This metric assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance. The Charity has no loans or overdraft facilities. The negative ratio is a result of the cash balances held. Cash that is in excess of short-term operational requirements is invested in Charity Investment Funds. The tangible fixed assets which the cash and loans are compared to are also relatively low as there is no cost associated with the original cost of the properties, only subsequent capitalised repairs expenditure.

	2023	2022
Metric 4 – EBITDA MRI interest cover %	-	-

This metric is a key indicator for liquidity and investment capacity. It seeks to measure the level of surplus that a registered provider generates, adjusted for amortization, and depreciation, compared to interest payable. The Charity has no loans or overdraft facilities and, therefore, no interest payable.

	2023	2022
Metric 5 – Headline social housing cost per year	£11,578	£4,263

This metric assesses the headline social housing cost per unit as defined by the Regulator. The increase in the cost per unit for 2023 is due to a decrease in major repairs expenditure and other costs in the year.

	2023	2022
Metric 6a – Operating margin (social housing lettings) %	-43%	33%
Metric 6b – Operating margin (overall) %	-27%	39%

This metric demonstrates the profitability of operating assets before exceptional expenses are taken into account. Increasing margins are one way to improve the financial efficiency of a business. In assessing this ratio, it is important that consideration is given to registered providers' purpose and objectives (including their social objectives).

	2023	2022
Metric 7 – Return on Capital Employed (ROCE) %	-3%	4%

This metric compares the operating surplus to total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources.

Statement of the Board of Trustees responsibilities in respect of the Annual Report and the Financial Statements

Under the trust deed of the Charity and charity law, the Board of Trustees is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations. The Board of Trustees has elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The Financial Statements are required by law to give a true and fair view of the state of affairs of the Charity and of the surplus or deficit for that period. In preparing these Financial Statements, the Board of Trustees is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- state whether the Financial Statements comply with the trust deed, 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 Board of Trustees is required to act in accordance with the trust deed of the Charity, within the framework of trust law. The Board of Trustees is responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the Charity at that time and enable the Board of Trustees to ensure that its Financial Statements comply with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. The Board of Trustees is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

Statement of disclosure of information to the examiner

The Trustees who held office at the date of approval of this Report of the Board of the Trustees confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditor is unaware and each Trustee has taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

Independent Examiner

A resolution to appoint Dunkley and Co. as independent examiner will be proposed at the next annual general meeting.

By order of the Board of Trustees

 (Dec 8, 2023 15:59 GMT)

Mr C Penn
Trustee

 (Dec 9, 2023 18:04 GMT)

Mr M Fairbanks-Smith
Trustee

Date: 6 December 2023

Penn and Widow Smith Almshouses

**Report of the Independent Examiners to the Trustees of
Penn and Widow Smith Almshouses**

Independent examiner's report to the trustees of Penn and Widow Smith Almshouses

I report to the charity trustees on my examination of the accounts of Penn and Widow Smith Almshouses for the year ended 31 March 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').

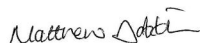
I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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.



Matthew Dobbins FCA
Dunkley's
Woodlands Grange
Woodlands Lane
Bradley Stoke
Bristol
BS32 4JY

Date: Dec 11, 2023

Penn and Widow Smith Almshouses

Statement of financial activities For the year ended 31 March 2023

	Notes	Unrestricted Funds £	Designated Funds £	Total 2023 £	Total 2022 £
Income & expenditure					
Income from:					
Maintenance Charges Receivable		88,814	-	88,814	83,806
Investment Income		12,140	-	12,140	10,895
Interest Received		828	-	828	52
Other income	2	11,080	-	11,080	8,680
Total		112,862	-	112,862	103,433
Expenditure on:					
Activities in furtherance of the charity's objectives					
	12	106,313	21,127	127,440	56,256
Total Expenditure		106,313	21,127	127,440	56,256
Other recognised losses/(gains)		30,507	-	30,507	(2,455)
Transfers between funds		(29,988)	29,988	-	-
Net (expenditure)/income and net movements in funds		(53,946)	8,861	(45,085)	49,632
Reconciliation of funds	10				
Fund balances brought forward at 31.03.2022		427,151	217,001	644,152	594,520
Fund balances carried forward at 31.03.2023		373,205	225,862	599,067	644,152

The statement of changes in equity includes all gains and losses in the year. All incomes and expenditures derive from continuing activities.

The notes on pages 12 to 21 form part of these accounts.

Penn and Widow Smith Almshouses

Statement of financial activities For the year ended 31 March 2023

Comparative Statement of Financial Activities For the Year Ending 31 March 2022

	Notes	Unrestricted Funds £	Designated Funds £	Total 2022 £
Income & expenditure				
Income from:				
Maintenance Charges Receivable		83,806	-	83,806
Investment Income		10,895	-	10,895
Interest Received		52	-	52
Other income	2	8,680	-	8,680
Total		103,433	-	103,433
Expenditure on:				
Activities in furtherance of the charity's objectives				
Total Expenditure	12	56,256	-	56,256
Other recognised (gains)		(2,455)	-	(2,455)
Transfers between funds		(29,087)	29,087	-
Net income and net movements in funds		20,545	29,087	49,632
Reconciliation of funds				
	10			
Fund balances brought forward at 31.03.2021		406,606	187,914	594,520
Fund balances carried forward at 31.03.2022		427,151	217,001	644,152

The statement of changes in equity includes all gains and losses in the year. All incomes and expenditures derive from continuing activities.

The notes on pages 12 to 21 form part of these accounts

Penn and Widow Smith Almshouses

Balance Sheet As at 31 March 2023

	Notes	2023		2022	
		£	£	£	£
Fixed Assets					
Tangible assets	3		301,803		308,849
Current assets					
Debtors	5	1,766		16,764	
Investments	4	572,354		573,448	
Cash at bank and in hand		18,740		53,045	
		592,860		643,257	
Current liabilities					
Creditors	6	43,881		47,559	
		43,881		47,559	
Net current assets					
			548,979		595,698
Long term creditor	7		251,715		260,395
Total assets less current liabilities					
			599,067		644,152
Capital and reserves					
	10				
Unrestricted funds			373,205		427,151
Designated funds			225,862		217,001
			599,067		644,152

The Financial Statements were approved for issue by the Board of Trustees on 6 December 2023 and were signed on its behalf by:

 (Dec 8, 2023 15:59 GMT)

.....
Mr C Penn (Chair -Trustee)

 (Dec 9, 2023 18:04 GMT)

.....
Mr M Fairbanks-Smith (Trustee)

The notes on pages 12 to 21 form part of these accounts.

Statement of Cashflows
For the year ended 31 March 2023

	Note	2023 £	2022 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
<i>Net cash provided by (used in) operating activities</i>	9	(21,926)	50,001
Cash flows from investing activities:			
Dividends and interest from investments		12,968	10,947
(Increase)/decrease in short term deposits and investments			
Purchase of property, plant and equipment		(4,614)	-
(Increase)/decrease in short term deposits and investments		47,877	(50,063)
<i>Net cash provided by (used in) investing activities:</i>		56,231	(39,116)
<i>Change in cash and cash equivalents in the reporting period</i>		(34,305)	10,885
Cash and cash equivalents at the beginning of the reporting period		53,045	42,160
<i>Cash and cash equivalents at the end of the reporting period</i>		18,740	53,045

The notes on pages 12 to 21 form part of these accounts.

1(a) Principal Accounting policies

Basis of accounting

The Financial Statements have been prepared in accordance with Financial Reporting Standard 102 – the financial reporting standard applicable in the UK and Republic of Ireland (FRS102) the Statement of Recommended Practice: Accounting by Registered Social Landlords Update 2018 (SORP) and the Accounting Direction for Private Registered Providers of Social Housing 2019.

The Financial Statements are prepared on the historical cost and accruals basis of accounting, as modified to include the fair value of financial instruments and on the basis of going concern.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Financial Statements.

Going concern

The Charity's business activities and factors likely to affect its plans for the future are set out within the Report of the Board of Trustees. The Charity has adequate unrestricted reserves and designated reserves with which to fund its financial obligations and day-to-day operations.

On this basis, the Board of Trustees has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the Financial Statements.

Income

Income represents maintenance charge income from licensees and service charges receivable which are recognised when the Charity is entitled to them together with the amortisation of capital grant. Maintenance charges and service charges are shown net of void losses which are only recognised where the properties are available for occupation.

Fixed Assets

Fixed assets are stated using the cost model at cost, less cumulative depreciation, less impairment. Fixed assets include housing properties held for social benefit purposes and scheme equipment. Housing properties are properties available for rent and are stated at cost less cumulative depreciation.

There is no record of the original cost of the housing properties and consequently no value is attributed thereto. The Housing Properties cost relates to improvements, some of which were funded by a Housing Corporation Grant and a mortgage loan from the London Borough of Southwark which has now been fully repaid.

Scheme equipment is shown at cost less cumulative depreciation.

Subsequent expenditure to housing properties

Works which result in an enhancement of economic benefits to the property (i.e. an increase in rental income, reduction in future maintenance costs or significant extension of life to the property) for a period of ten years or more are deemed to be improvements and are capitalised and depreciated in accordance with their expected economic life. Improvements to properties that relate to pre-identified asset components are also capitalised and depreciated over the expected economic life of the component.

Notes to the financial statements (continued)
For the year ended 31 March 2023

1(a) Principal Accounting policies (continued)

All other expenditure on repairs incurred over the life of a property to maintain the fabric of the original asset is charged to the Statement of Financial Activities as incurred.

Depreciation

Freehold land is not depreciated.

In accordance with the Statement of Recommended Practice, the depreciation policy of the Charity is to write off the cost of improvements over a period of up to 50 years commencing the later of 1 April 2003 and practical completion.

Using component costing principles housing properties are divided into components which are depreciated at the following annual rates:

Component	Life (Years)	Depreciation
Building structure, roofing, drainage, roadways and footpaths	50	2.0%
Doors and windows	30	3.3%
Kitchens and Bathrooms	25	4.0%
Heating Boilers	15	6.6%

Scheme equipment is depreciated at varying annual rates as follows:

Component	Life (Years)	Depreciation
Security, heating and aerials	20	5.0%
Warden alarm	15	6.6%
Other shared areas	10	10.0%
Other scheme equipment	4	25.0%

Social housing grant

Social Housing Grant (SHG) is a capital grant made to the Charity towards the cost of acquiring, building or major alterations to housing properties. Social Housing Grant was received from the Housing Corporation.

Social Housing Grant is included in Creditors: amounts falling due within one year and amounts falling due after more than one year in the Statement of Financial Position. It is amortised annually to the Statement of Comprehensive Income over the expected useful lives of the assets to which it relates. The accumulated amortised grant represents a contingent liability that may materialise when the relevant property to which the amortised grant relates to ceases to be used for social housing purposes, usually due to disposal of the housing asset.

Grants are usually repayable unless formally abated, waived or recycled. Therefore, they may be repayable in certain circumstances, primarily the sale of property.

Revaluation of current asset investments

Current assets investments are stated at market value. Any unrealised surplus or deficit arising on revaluation of the investments is recognised in the Statement of Comprehensive Income. The aggregate realised surplus or deficit arising on the sale of investments is reflected in the Statement of Comprehensive Income.

Designated reserves

The Charity sets aside a reserve for an established regular programme of cyclical repairs and maintenance, and an extraordinary repairs reserve for a programme of major repairs on housing properties. The cost of cyclical and extraordinary repairs is charged to the Statement of Comprehensive

Notes to the financial statements (continued)
For the year ended 31 March 2023

1(a) Principal Accounting policies (continued)

Income in the period in which they are incurred subject to transfers to or from the cyclical and extraordinary repairs reserves.

Financial Instruments – basic financial instruments

Trade and other debtors / creditors

Trade and other debtors / creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

In line with FRS 102 section 34; the Charity as a public benefit entity, has accounted for as concessionary loans all debtors or creditors that would have been classified as financing transactions such as deferred payment arrangement and are therefore being carried in the Statement of Financial Position at amortised cost.

Concessionary loans are financing arrangements between a public benefit entity such as the Trust and another party at nil percent or at below market rate of interest that are not repayable on demand and are for the purposes of furthering the objectives of the public benefit entity.

Short-term investments

Investments made by the Charity are a combination of short-term bank deposits and fund investments managed by specialist managers and provided for not-for-profit investors.

The short-term bank deposits are classified as basic and recognised at amortised cost using an effective interest rate.

The fund investments are classified as complex instruments and recognised at market value. Market value is based on a publicly available price. Gains and losses on revaluation of fund investments are included in the Statement of Comprehensive Income.

Other long-term creditors

Other long-term creditors include the unamortised element of the social housing grant less an amount due for amortisation in the following year.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term investments, which can be liquidated at short notice with no loss of capital.

1(b) Judgements and accounting estimates

The preparation of the Financial Statements requires the Board of Trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements and estimates have had the most significant effect on amounts recognised in the Financial Statements:

Classification of housing properties

In determining the intended use of its housing properties, the Charity has considered if the asset is held for social benefit or to earn commercial rentals. The Charity has determined that its housing portfolio is held for social benefit purposes.

Penn and Widow Smith Almshouses

Notes to the financial statements (continued) For the year ended 31 March 2023

2. Other Income

	31.03.2023	31.03.2022
	£	£
Amortisation of capital grant	8,680	8,680
Other income	2,400	-
	<u>11,080</u>	<u>8,680</u>

3. Tangible Fixed Assets

	Freehold housing properties	Fixtures and fittings	Total 31.03.2023
	£	£	£
Cost or revaluation			
At 1 April 2022	544,184	8,332	552,516
Additions	-	4,614	4,614
	<u>544,184</u>	<u>12,946</u>	<u>557,130</u>
Depreciation			
At 1 April 2022	235,335	8,332	243,667
Charge in year	11,660	-	11,660
	<u>246,995</u>	<u>8,332</u>	<u>255,327</u>
Net cost/valuation at 31.03.2023	<u>297,189</u>	<u>4,614</u>	<u>301,803</u>
Net cost/valuation at 31.03.2022	<u>308,849</u>	<u>-</u>	<u>308,849</u>

The Charity was established in the late nineteenth century. There is no record of the original cost of the almshouses and no value is attributed thereto. The above details relate to improvements carried out since 1982, some of which were funded by what was then called the Housing Corporation and London Borough of Greenwich Grants of £433,992. The Charity holds the freehold to the land on which these properties and improvements are situated. The housing properties consist of 10 dwellings in the Parish of Greenwich.

Penn and Widow Smith Almshouses

Notes to the financial statements (continued) For the year ended 31 March 2023

4. Investments

	Charity Investment Funds	Short term deposit fund	2023 Total	2022 Total
	£	£	£	£
Market value 31.03.2022	391,348	182,100	573,448	570,993
Purchases	-	-	-	-
Movements in year	5,599	23,814	29,413	-
	396,947	205,914	602,861	570,993
Sales	-	-	-	-
Net investments (losses)/gains	(30,507)	-	(30,507)	2,455
Market value 31.03.2023	366,440	205,914	572,354	573,448
Cost 31.03.2023	307,200	205,914	513,114	301,603

5. Debtors

	31.03.2023	31.03.2022
	£	£
Maintenance and service charge in arrears	1,766	1,077
Other debtors	-	15,687
	1,766	16,764

6. Creditors: amounts falling due within one year

	31.03.2023	31.03.2022
	£	£
Amounts falling due within one year:		
Maintenance and service charge received in advance	-	4,396
Creditors	35,201	34,483
Deferred social housing grant income	8,680	8,680
	43,881	47,559

The Charity's policy is to pay all invoices within 28 days or in accordance with agreed terms.

Penn and Widow Smith Almshouses

**Notes to the financial statements (continued)
For the year ended 31 March 2023**

7. Creditors: amounts falling due after more than one year

	31.03.2023	31.03.2022
Deferred social housing grant income	251,715	260,395

8. Deferred grant income

	31.03.2023	31.03.2022
	£	£
Grant received:		
At 1 April and 31 March	433,992	433,992
Amortisation of grant		
At 1 April	(164,917)	(156,237)
Charge for the year	(8,680)	(8,680)
At 31 March	(173,597)	(164,917)
Net value of grant		
At 1 April	269,075	277,755
At 31 March	260,395	269,075
Analysis of unamortised grant		
Amounts due within one year	8,680	8,680
Amounts due after more than one year	251,715	260,395
	260,395	269,075

Grant income received is deferred and released in line with the expected lifespan of the property improvements.

9. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2023	2022
	£	£
Net Income for the reporting period per the statement of financial activities	(45,085)	49,632
Adjustments for:		
Depreciation charges	11,660	13,626
Amortisation of capital grant	(8,680)	(8,680)
Losses/(gains) on investments	30,507	(2,455)
Dividends and interest from investments	(12,968)	(10,947)
Decrease/(increase) in debtors	14,998	(14,854)
(Decrease)/increase in creditors	(12,358)	23,679
Net cash used in operating activities	(21,926)	50,001

Notes to the financial statements (continued)
For the year ended 31 March 2023

10. Funds

	2022	Property expenditure	Admin expenditure	Sale/ Revaluation of investments	Income	Transfers	2023
	£	£	£	£	£	£	£
Unrestricted funds - accumulated	427,151	(57,491)	(48,822)	(30,507)	112,862	(29,988)	373,205
Designated funds							
- Charity fund property reserve	7,468	-	-	-	-	-	7,468
- Cyclical repairs reserve	20,644	-	-	-	-	-	20,644
- Extraordinary repairs reserve	189,241	(21,127)	-	-	-	29,988	198,102
- Renewals reserve	(352)	-	-	-	-	-	(352)
	644,152	(78,618)	(48,822)	(30,507)	112,862	-	599,067

Unrestricted funds – accumulated

The income funds to be used in respect of repairs and insurance and all other charges and all other charges and outgoings payable in respect of the property of the charity. All charges incidental to the administration and management to be met by the income account.

Designated funds

- **Charity fund property reserve**
The Charity holds a reserve for property improvements.
- **Cyclical repairs reserve**
The Charity sets aside a reserve for an established regular programme of cyclical repairs and maintenance.
- **Extraordinary repairs fund**
The fund to be used for a programme of major repairs to housing properties.
- **Renewals reserve**
The Charity holds a reserve for the replacement of fixtures and fittings.

Notes to the financial statements (continued)
For the year ended 31 March 2023

11. Analysis of fund assets and liabilities

	Unrestricted funds	Designated funds	31.03.2023 Total
	£	£	£
Tangible fixed assets	294,335	7,468	301,803
Current asset investments	353,960	218,394	572,354
Current assets	20,506	-	20,506
Current liabilities	(43,881)	-	(43,881)
Long term liabilities	(251,715)		(251,715)
	373,205	225,862	599,067

	Unrestricted funds	Designated funds	31.03.2022 Total
	£	£	£
Tangible fixed assets	301,381	7,468	308,849
Current asset investments	363,915	209,533	573,448
Current assets	69,809	-	69,809
Current liabilities	(47,559)	-	(47,559)
Long term liabilities	(260,395)	-	(260,395)
	427,151	217,001	644,152

Penn and Widow Smith Almshouses

**Notes to the financial statements (continued)
For the year ended 31 March 2023**

12. Charitable Activities – almshouse accommodation

	Unrestricted fund Accumulated	Designated funds Extraordinary repairs	31.03.2023 Total costs
	£	£	£
Service charge costs	11,020	-	11,020
Routine maintenance	34,811	21,127	55,938
Depreciation	11,660	-	11,660
	57,491	21,127	78,618

	Unrestricted fund Accumulated	Designated funds Extraordinary repairs	31.03.2022 Total costs
	£	£	£
Service charge costs	11,530	-	11,530
Routine maintenance	16,223	-	16,223
Depreciation	13,626	-	13,626
	41,379	-	41,379

Charitable Activities – Support and Governance Costs

	Unrestricted funds Accumulated	Designated funds Extraordinary repairs	31.03.2023 Total costs
	£	£	£
Almshouse management	48,822	-	48,822
Other costs	-	-	-
	48,822	-	48,822

	Unrestricted funds Accumulated	Designated funds Extraordinary repairs	31.03.2022 Total costs
	£	£	£
Almshouse management	13,273	-	13,273
Other costs	1,604	-	1,604
	14,877	-	14,877

Notes to the financial statements (continued)
For the year ended 31 March 2023

13. Net income for the year

Is stated after charging examiner's remuneration to the value of £1,500 (2022 £905).

14. Payments to trustees

No trustees received any remuneration from the charity during the year (2022: Nil). Travel expenses amounting to £nil (2022: £nil) were reimbursed to no (2022: 0) trustees.

The Charity considers its key management personnel comprise the Trustees. The total employment benefits, including employer pension costs of key management personnel were £nil (2022: £nil).

There were no employees in this charity in 2023 (2022: Nil).

15. Related party transactions

There were no related party transactions during the financial year ended 31 March 2023 nor in the prior year.

16. Contingent liabilities arising from amortisation of Government grants

The Charity has received financial assistance from Homes England (formerly the Housing Corporation) and these government grants are accounted for as deferred income as long term liabilities in the Balance Sheet and are amortised annually to the Statement of Financial Activities based on the life of the asset to which it relates. The amount amortised represents a contingent liability to the Charity and will be recognised as a liability when the properties funded by the relevant Government grant are disposed of or when the property ceases to be used for almshouse accommodation purposes.

Note 8 above sets out the amount of grant received and the amount that has been amortised.

The Trustees are not aware of any other contingent liabilities.

17. Share capital

The Charity is an unincorporated charity registered with the Charity Commission.

Penn and Widow Smith Almshouses

Notes to the financial statements (continued) For the year ended 31 March 2023

Detailed Income and Expenditure Account

	Almshouse Accommodation	Total
Income & expenditure		
Income from:		
Rent receivable	79,248	79,248
Service Charge income	9,566	9,566
Investment Income	12,140	12,140
Interest Received	828	828
Amortisation of capital grant	8,680	8,680
Other income	2,400	2,400
Total	112,862	112,862
Expenditure on:		
Activities in furtherance of the charity's objectives		
Letting activities		
Council Tax and Water rates	3,258	3,258
Light and Heat	9,885	9,885
Repairs and maintenance	44,685	44,685
Cleaning and gardening	445	445
Insurance	2,690	2,690
Depreciation	11,660	11,660
Resident events	43	43
Almshouse management	52,741	52,741
Sundry expenses	2,475	2,475
Subscriptions	448	448
	127,440	127,440
Other recognised (losses)	(30,507)	(30,507)
Net income	(45,085)	(45,085)

This page does not form part of the financial statements

The Penn and Smith Almshouses

England & Wales - Charity number 238044

Accounts

Penn and Widow Smith Almshouses

Annual Report and Financial Statements

Year Ended 31 March 2022

Registered with the Charity Commission Number 238044

Registered with the Regulator of Social Housing Number A2334

Penn and Widow Smith Almshouses

Annual report and Accounts

For the year ended 31 March 2022

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14	Statement of Cash Flows
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Registered office

Suites A & B, Third Floor, The Heal's Building, 22-24 Torrington Place,
London WC1E 7HJ

Auditor

BDO LLP, 55 Baker Street, London, W1U 7EU

Banker

Barclays Bank plc, 1 Churchill Place, Canary Wharf, London, E14 5HP

Report of the Board of Trustees

For the year ended 31 March 2022

Trustees

Mr C Penn (Chair)
Mr M Fairbanks-Smith
Dr M Kimberley
Lady Penn
Mr R Penn
Mr J Stanley

Structure, governance and management

The Charity's Board of Trustees is responsible for the overall management and control of the Charity and meets a minimum of three times a year.

All Trustees give of their time freely and no remuneration or expenses were paid in the year. Trustees are required to disclose all relevant interests and to withdraw from decisions where a conflict of interest arises.

The existing Trustees have been specifically recruited with relevant qualifications and experience including a chartered surveyor, investment advisor, architect, solicitor and vicar to assist with the Trustees' responsibilities of maintaining the Charity's listed property and to care for the wellbeing of the residents. Detailed housing and property management issues are referred to the contracted managing agent, Anchor Hanover Group.

New Trustees are selected and appointed by the existing Trustees. When appointing a new Trustee consideration is given to the skills the new Trustees may possess, links to the local community and how they may be of benefit to the Charity and to fill any gaps in knowledge that the existing Board of Trustees may have.

Organisational management

The Board of Trustees determines the general policy of the Charity. The day to day management and administration of the Charity is provided by Anchor Hanover Group (the managing agent) under a commercially agreed management agreement. Operational management reports and accounts are prepared and presented by the managing agent to the Board of Trustees for their consideration.

Risk management

The Board of Trustees is responsible for the overseeing of the risks faced by the Charity. Detailed considerations of risk are delegated to the managing agent. Risks are identified, assessed and controls are established throughout the year. Through the risk management processes established for the Charity, the Board of Trustees is satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Objects

The governing instruments, under which Penn and Widow Smith Almshouses is established, are the Charity Commissioners Schemes dated 11 November 1955 and 7 December 1979.

The objective of the Charity is to provide accommodation for people aged over 60 who are in need and who have been resident in the Ancient Parishes of Greenwich, Deptford and Lewisham, for at least three years.

Review of operations

The Charity receives funds from charges raised on residents in the form of services charges and licence fees. The service charges are raised to cover the costs of providing support and services to the residents and maintenance of the grounds and equipment. Rents/licence fees are charged to the residents in line with Government guidance and are used to cover maintenance of the properties in the year and to provide resources to meet future planned repairs costs.

In line with the Charity's objective to maintain the properties in good repair and in order to provide accommodation to rent, the Charity continues to review the fabric of the building by means of planned works programmes and stock condition surveys undertaken by Anchor Hanover Group.

The activities for the year are set out on page 11 in the Statement of Comprehensive Income. There is a surplus of £49,632 for the year (2021: £98,033). Excluding the gain on revaluation of investments of £2,455 (2021: surplus £56,606) there was a surplus on ordinary activities of £47,177 (2021: £41,427).

Principal risks and uncertainties

There are several risks in the external environment that are contributing to significant challenges for all providers. This includes; effects that have resulted from the UK's exit from the European Union, increased fuel costs, macroeconomic impacts on the global economy linked to the Ukraine crisis, and high inflation levels in the UK.

All of these factors are contributing to the "cost of living" crisis which we are actively managing as a key area of risk, with focus on maintaining service delivery, managing and anticipating financial impacts, and monitoring the potential negative impacts of the conditions on our customers and colleagues.

Maintenance of Penn and Widow Smith's properties is dependent on the timely and effective performance by third party contractors of their obligations, exposing us to risk of potentially having less control over the quality of the services than if we were providing them directly. The performance of contracts may be subject to disruption for a variety of reasons including availability of materials, work stoppages, labour constraints, and is impacted by macroeconomic conditions.

We work closely with contractors to avoid such problems, undertake appropriate due diligence and procurement procedures and avoid concentration risk.

The Trustees will continue to review plans in order to ensure that services are delivered in a safe, effective way. At the date of this report, the return to "normality" following the roll out of the Covid-19 vaccination is becoming more certain, although it should be noted that many implications resulting from the virus are to an extent, outside the control of management and so additional procedures remain in place to ensure that cash flow and financial stability is effectively managed.

Going concern

After making enquiries and examining major areas which could give rise to significant financial exposure, the Trustees are satisfied that no material or significant exposures exist on than as reflected in these Financial Statements and that the Trust has adequate resources to continue its operations for the foreseeable future. For this reason, we continue to adopt the going concern basis in preparing these financial statements.

Charitable and political contributions

No contributions were made during the financial year.

Employees

The Charity has no employees.

Value for money statement

The Board of Trustees adopts a process of continuous review when assessing value for money giving due regard to balancing the need to preserve the financial integrity of the Charity into the future with the need and cost of repairing, maintaining and improving the Charity's properties and looking after the welfare of the residents.

At regular meetings of the Board of Trustees reports are presented by the Managing Agent, Anchor Hanover Group, covering housing management, repairs and maintenance and financial performance and issues. These are scrutinised and questioned by the Board of Trustees to ensure that value for money and operational performance are not compromised with regard to the Charity and residents of the Charity's properties.

The managing agent, Anchor Hanover Group, has itself agreed a comprehensive approach to achieve and demonstrate value for money across all parts of its operations, including the provision of housing management services that the Charity has contracted it to provide. A self-assessment statement on how value for money is achieved by Anchor Hanover Group is included in the Operating and Financial Review of its Annual Report and Accounts and which can be found on their website at www.anchorhanover.org.uk.

Under the Value for Money Standard issued by the Regulator of Social Housing in April 2018 and the subsequent Value for Money Metrics Technical Note Guidance issue in June 2019 registered providers with a stock of less than 1,000 units are required to publish their Value for Money metrics. These are shown below for the Charity and are in addition to the overall approach taken to achieving value for money by Anchor Hanover Group as managing agent.

	2022	2021
Metric 1 - Re-investment %	0%	0%

This metric looks at the investment in properties (existing stock as well as New Supply) as a percentage of the value of total properties held. For the Charity with its limited resources the focus is on maintaining its existing properties in to the future. Planned and routine maintenance are a part of this and all, but the largest planned works are expended through the Statement of Comprehensive Income and charged to the cyclical and extraordinary repairs reserves.

Penn and Widow Smith Almshouses

Report of the Board of Trustees (continued)

For the year ended 31 March 2022

	2022	2021
Metric 2a – New supply delivered (social housing units) %	0%	0%
Metric 2b – New supply delivered (non-social housing units) %	0%	0%

This metric sets out the number of new social housing and non-social housing units that have been acquired or developed in the year as a proportion of total social housing units and non-social housing units owned at period end. The Charity's focus is on maintaining its existing properties into the future and currently does not have the financial capacity to develop new properties.

	2022	2021
Metric 3 - Gearing %	-17%	-13%

This metric assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance. The Charity has no loans or overdraft facilities. The negative ratio is a result of the cash balances held. Cash that is in excess of short term operational requirements is invested in Charity Investment Funds. The tangible fixed assets which the cash and loans are compared to is also relatively low as there is no cost associated with the original cost of the properties, only subsequent capitalised repairs expenditure.

	2022	2021
Metric 4 – EBITDA MRI interest cover %	-	-

This metric is a key indicator for liquidity and investment capacity. It seeks to measure the level of surplus that a registered provider generates, adjusted for amortisation and depreciation, compared to interest payable. The Charity has no loans or overdraft facilities and, therefore, no interest payable.

	2022	2021
Metric 5 – Headline social housing cost per year	£4,263	£5,000

This metric assesses the headline social housing cost per unit as defined by the Regulator. The decrease in the cost per unit for 2022 is due to a decrease in major repairs expenditure and other costs in the year.

	2022	2021
Metric 6a – Operating margin (social housing lettings) %	33%	25%
Metric 6b – Operating margin (overall) %	39%	32%

This metric demonstrates the profitability of operating assets before exceptional expenses are taken into account. Increasing margins are one way to improve the financial efficiency of a business. In assessing this ratio, it is important that consideration is given to registered providers' purpose and objectives (including their social objectives).

	2022	2021
Metric 7 – Return on Capital Employed (ROCE) %	4%	3%

This metric compares the operating surplus to total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources.

Report of the Board of Trustees (continued)

For the year ended 31 March 2022

Statement of the Board of Trustees responsibilities in respect of the Annual Report and the Financial Statements

Under the trust deed of the Charity and charity law, the Board of Trustees is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations. The Board of Trustees has elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*

The Financial Statements are required by law to give a true and fair view of the state of affairs of the Charity and of the surplus or deficit for that period. In preparing these Financial Statements, the Board of Trustees is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- state whether the Financial Statements comply with the trust deed, 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 Board of Trustees is required to act in accordance with the trust deed of the Charity, within the framework of trust law. The Board of Trustees is responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the Charity at that time and enable the Board of Trustees to ensure that its Financial Statements comply with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. The Board of Trustees is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

Statement of disclosure of information to auditor

The Trustees who held office at the date of approval of this Report of the Board of the Trustees confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditor is unaware and each Trustee has taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

Penn and Widow Smith Almshouses

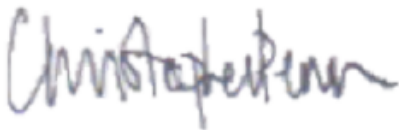
Report of the Board of Trustees (continued)

For the year ended 31 March 2022

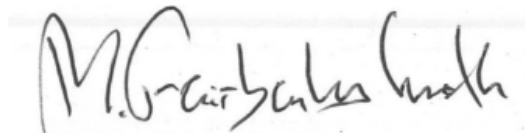
Auditor

A resolution to reappoint BDO LLP as auditor will be proposed at the next annual general meeting.

By order of the Board of Trustees



Mr C Penn
Chair - Trustee



Mr M Fairbanks-Smith
Trustee

Date: 29 September 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PENN AND WIDOW SMITH ALMSHOUSES

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2022 and of incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

We have audited the financial statements of Penn and Widow Smith Almshouses ("the Charity") for the year ended 31 March 2022 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charity in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises: the Strategic report and the Directors report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PENN AND WIDOW SMITH ALMSHOUSES (CONTINUED)

on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019 requires us to report to you if, in our opinion;

- the information contained in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Board of the Corporate Trustee's statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Identifying and testing journal entries, with a focus on manual journals to revenue and journals indicating large or unusual transactions based on our understanding of the business;
- Challenging assumptions, accounting estimates and judgements made by the Directors, specifically classification of housing properties and provision for bad and doubtful debts;
- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PENN AND WIDOW SMITH ALMSHOUSES (CONTINUED)

Extent to which the audit was capable of detecting irregularities, including fraud (continued)

- Obtaining an understanding of the control environment in monitoring compliance with laws and regulations

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

D1FB52C82A114D7...

Philip Cliftlands
BDO LLP, statutory auditor
London, UK

30 September 2022

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Penn and Widow Smith Almshouses

Statement of Comprehensive Income

For the year ended 31 March 2022

	Note	2022 £	2021 £
Turnover	2	92,486	93,670
Operating costs	2	(56,256)	(63,949)
Operating surplus		<u>36,230</u>	<u>29,721</u>
Interest receivable and similar income	5	10,947	11,706
Surplus on ordinary activities	6	<u>47,177</u>	<u>41,427</u>
Unrealised surplus / (loss) on revaluation of current asset investments	8	2,455	56,606
Total comprehensive income for the year		<u><u>49,632</u></u>	<u><u>98,033</u></u>

There is no material difference between the surplus for the year as stated above and its historical cost equivalent.

All amounts relate to continuing activities.

The notes on pages 16 to 24 form part of these Financial Statements.

Penn and Widow Smith Almshouses


Statement of Financial Position

As at 31 March 2022

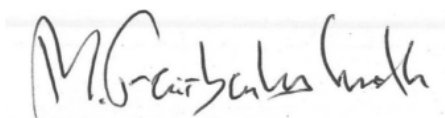
	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible fixed assets at cost	9		552,516		552,516
Less: Depreciation	9		(243,667)		(230,041)
			<u>308,849</u>		<u>322,475</u>
Current assets					
Debtors	10	16,764		1,910	
Investment	11	573,448		520,930	
Cash at bank and in hand		53,045		42,160	
Less Creditors: amounts falling due within one year	12	(47,559)		(23,880)	
Net current assets			<u>595,698</u>		<u>541,120</u>
Creditors: amounts falling due after more than one year	13		(260,395)		(269,075)
Total net assets			<u>644,152</u>		<u>594,520</u>
Capital and reserves					
Revenue reserves			427,151		406,606
Designated reserves:					
Charity fund property reserve			7,468		7,468
Cyclical repairs reserve			20,644		20,644
Extraordinary repairs reserve			189,241		160,154
Renewals reserve			(352)		(352)
			<u>644,152</u>		<u>594,520</u>

The notes on pages 15 to 23 form part of these Financial Statements

The Financial Statements were approved for issue by the Board of Trustees on 29 September 2022 and were signed on its behalf by:



Mr C Penn
Chair - Trustee



Mr M Fairbanks-Smith
Trustee

Registered with the Charity Commission Number 238044
Registered Housing Association Number A2334

Penn and Widow Smith Almshouses

Statement of Changes in Reserves

For the year ended 31 March 2022

	Revenue reserve £	Charity fund property reserve £	Cyclical repairs reserve £	Extra- ordinary repairs reserve £	Renewals reserve £	Total £
At 1 April 2020	336,461	7,468	20,644	131,914	-	496,487
Transfer between reserves To extraordinary reserve	(27,888)	-	-	28,240	(352)	-
Surplus in year	98,033	-	-	-	-	98,033
At 31 March 2021	406,606	7,468	20,644	160,154	(352)	594,520
Transfer between reserves To extraordinary reserve	(29,087)	-	-	29,087	-	-
Surplus in year	49,632	-	-	-	-	49,632
At 31 March 2022	427,151	7,468	20,644	189,241	(352)	644,152

The notes on pages 15 to 23 form part of these Financial Statements.

Penn and Widow Smith Almshouses

Statement of Cash Flows

For the year ended 31 March 2022

	Note	2022 £	2021 £
Cash flow from operating activities			
Operating surplus for the year	2	36,230	29,721
Adjustments for non-cash items:			
Depreciation of tangible fixed assets	9	13,626	13,950
Amortisation of capital grant	14	(8,680)	(8,680)
(Increase) in trade and other debtors	10	(14,854)	(140)
(Decrease) / increase in trade and other creditors	12, 13	26,007	(1,400)
(Decrease) / increase in amounts owing to AHG	10, 12	(2,328)	(2,632)
		<u>50,001</u>	<u>30,819</u>
Cash flow from investing activities			
Purchase of fixed assets	9	-	(5,820)
Interest received	5	10,947	11,706
(Increase) in short term deposits and investments	11	(50,063)	(25,163)
Purchase of investments	11	-	-
		<u>10,885</u>	<u>11,542</u>
Net change in cash and cash equivalents			
Cash and cash equivalents at 1 April		42,160	30,618
Cash and cash equivalents at 31 March		<u>53,045</u>	<u>42,160</u>
		<u>10,885</u>	<u>11,542</u>

The notes on pages 15 to 23 form part of these Financial Statements.

Notes to the Financial Statements

For the year ended 31 March 2022

1(a) Principal Accounting policies

Basis of accounting

The Financial Statements have been prepared in accordance with Financial Reporting Standard 102 – the financial reporting standard applicable in the UK and Republic of Ireland (FRS102) the Statement of Recommended Practice: Accounting by Registered Social Landlords Update 2018 (SORP) and the Accounting Direction for Private Registered Providers of Social Housing 2019.

The Financial Statements are prepared on the historical cost and accruals basis of accounting, as modified to include the fair value of financial instruments and on the basis of going concern.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Financial Statements.

Going concern

The Charity's business activities and factors likely to affect its plans for the future are set out within the Report of the Board of Trustees. The Charity has adequate unrestricted reserves and designated reserves with which to fund its financial obligations and day to day operations.

On this basis, the Board of Trustees has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the Financial Statements.

Turnover

Turnover represents rental income from licensees and service charges receivable which are recognised when the Charity is entitled to them together with the amortisation of capital grant. Rent and service charges are shown net of void losses which are only recognised where the properties are available for letting.

Fixed Assets

Fixed assets are stated using the cost model at cost, less cumulative depreciation, less impairment. Fixed assets includes housing properties held for social benefit purposes and scheme equipment

Housing properties are properties available for rent and are stated at cost less cumulative depreciation.

There is no record of the original cost of the housing properties and consequently no value is attributed thereto. The Housing Properties cost relate to improvements, some of which were funded by a Housing Corporation Grant and a mortgage loan from the London Borough of Southwark which has now been fully repaid.

Scheme equipment is shown at cost less cumulative depreciation.

Notes to the Financial Statements

For the year ended 31 March 2022

1(a) Principal Accounting policies (continued)

Subsequent expenditure to housing properties

Works which result in an enhancement of economic benefits to the property (i.e. an increase in rental income, reduction in future maintenance costs or significant extension of life to the property) for a period of ten years or more are deemed to be improvements and are capitalised and depreciated in accordance with their expected economic life. Improvements to properties that relate to pre-identified asset components are also capitalised and depreciated over the expected economic life of the component.

All other expenditure on repairs incurred over the life of a property to maintain the fabric of the original asset is charged to the Statement of Comprehensive Income as incurred.

Depreciation

Freehold land is not depreciated.

In accordance with the Statement of Recommended Practice, the depreciation policy of the Charity is to write off the cost of improvements over a period of up to 50 years commencing the later of 1 April 2003 and practical completion.

Using component costing principles housing properties are divided into components which are depreciated at the following annual rates:

Component	Life (Years)	Depreciation
Building structure, roofing, drainage, roadways and footpaths	50	2.0%
Doors and windows	30	3.3%
Kitchens and Bathrooms	25	4.0%
Heating Boilers	15	6.6%

Scheme equipment is depreciated at varying annual rates as follows:

Component	Life (Years)	Depreciation
Security, heating and aerials	20	5.0%
Warden alarm	15	6.6%
Other shared areas	10	10.0%
Other scheme equipment	4	25.0%

Social housing grant

Social Housing Grant (SHG) is a capital grant made to the Charity towards the cost of acquiring, building or major alterations to housing properties. Social Housing Grant was received from the Housing Corporation.

Social Housing Grant is included in Creditors: amounts falling due within one year and amounts falling due after more than one year in the Statement of Financial Position. It is amortised annually to the Statement of Comprehensive Income over the expected useful lives of the assets to which it relates. The accumulated amortised grant represents a contingent liability that may materialise when the relevant property to which the amortised grant relates to ceases to be used for social housing purposes, usually due to disposal of the housing asset.

Grants are usually repayable unless formally abated, waived or recycled. Therefore, they may be repayable in certain circumstances, primarily the sale of property.

Notes to the Financial Statements

For the year ended 31 March 2022

1(a) Principal Accounting policies (continued)

Revaluation of current asset investments

Current assets investments are stated at market value. Any unrealised surplus or deficit arising on revaluation of the investments is recognised in the Statement of Comprehensive Income. The aggregate realised surplus or deficit arising on the sale of investments is reflected in the Statement of Comprehensive Income.

Designated reserves

The Charity sets aside a reserve for an established regular programme of cyclical repairs and maintenance, and an extraordinary repairs reserve for a programme of major repairs on housing properties. The cost of cyclical and extraordinary repairs is charged to the Statement of Comprehensive Income in the period in which they are incurred subject to transfers to or from the cyclical and extraordinary repairs reserves.

Financial instruments - basic financial instruments

Trade and other debtors / creditors

Trade and other debtors / creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

In line with FRS 102 section 34; the Charity as a public benefit entity, has accounted for as concessionary loans all debtors or creditors that would have been classified as financing transactions such as deferred payment arrangement and are therefore being carried in the Statement of Financial Position at amortised cost.

Concessionary loans are financing arrangements between a public benefit entity such as the Trust and another party at nil percent or at below market rate of interest that are not repayable on demand and are for the purposes of furthering the objectives of the public benefit entity.

Short-term investments

Investments made by the Charity are a combination of short term bank deposits and fund investments managed by specialist managers and provided for not for profit investors.

The short term bank deposits are classified as basic and recognised at amortised cost using an effective interest rate.

The fund investments are classified as complex instruments and recognised at market value. Market value is based on a publicly available price. Gains and losses on revaluation of fund investments are included in the Statement of Comprehensive Income.

Other long-term creditors

Other long-term creditors include the unamortised element of the social housing grant less an amount due for amortisation in the following year.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short term investments, which can be liquidated at short notice with no loss of capital.

Notes to the Financial Statements

For the year ended 31 March 2022

1(b) Judgements and accounting estimates

The preparation of the Financial Statements requires the Board of Trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements and estimates have had the most significant effect on amounts recognised in the Financial Statements:

Classification of housing properties

In determining the intended use of its housing properties, the Charity has considered if the asset is held for social benefit or to earn commercial rentals. The Charity has determined that its housing portfolio is held for social benefit purposes.

2 Particulars of turnover, operating costs and operating surplus

	Note	Turnover £	2022 Operating costs £	Operating surplus £
Social housing activities:				
Housing accommodation	3	83,806	(56,256)	27,550
Amortisation of capital grant	14	8,680	-	8,680
		<u>92,486</u>	<u>(56,256)</u>	<u>36,230</u>

	Note	Turnover £	2021 Operating costs £	Operating surplus £
Social housing activities:				
Housing accommodation	3	84,990	(63,949)	21,041
Amortisation of capital grant	14	8,680	-	8,680
		<u>93,670</u>	<u>(63,949)</u>	<u>29,721</u>

Notes to the Financial Statements

For the year ended 31 March 2022

3 Particulars of income and expenditure from social housing lettings

	2022	2021
	£	£
Income from lettings		
Rent receivable net of identifiable service charges and rent losses from voids	72,697	75,274
Service charge income	11,109	9,716
	<u>83,806</u>	<u>84,990</u>
Net rental income	83,806	84,990
Other property income	-	-
	<u>83,806</u>	<u>84,990</u>
Turnover from social housing lettings	<u>83,806</u>	<u>84,990</u>
Expenditure on letting activities		
Service charge costs	(11,530)	(10,397)
Management	(13,273)	(13,207)
Bad debts written off and movement in provision	-	(1,909)
Routine maintenance	(16,223)	(13,505)
Major repairs expenditure	-	(4,578)
Depreciation of housing properties	(13,626)	(13,950)
Other costs	(1,604)	(6,403)
	<u>(56,256)</u>	<u>(63,949)</u>
Operating costs on social housing lettings	<u>(56,256)</u>	<u>(63,949)</u>
Operating surplus on social housing lettings	<u>27,550</u>	<u>21,041</u>
Rent losses from voids	<u>(3,965)</u>	<u>(7,444)</u>

No segmental analysis is shown for housing accommodation as the Charity owns and manages only 10 units of general needs accommodation.

4 Employee information

The Charity does not have any employees but purchases services from Anchor Hanover Group.

The Charity Trustees were not paid or reimbursed expenses during the year and no Charity Trustee received any emolument or payment for professional or other services (2020: Nil).

5 Interest receivable and similar income

	2022	2021
	£	£
Interest receivable from listed investments	10,895	11,542
Other interest	52	164
	<u>10,947</u>	<u>11,706</u>

Penn and Widow Smith Almshouses

Notes to the Financial Statements

For the year ended 31 March 2022

6 Surplus on ordinary activities

	2022 £	2021 £
Is stated after charging:		
Depreciation of fixed assets	13,626	13,950
Auditor's remuneration:		
- In their capacity as auditor (excluding VAT)	-	-

The Charity's audit fee for 2021/22 of £1,333 is paid by AHG and recharged as part of the Management Fee (2020/21 :£1,111).

7 Taxation

No provision for UK taxation has been made as all income and gains are used exclusively for charitable purposes and are therefore exempt from taxation.

8 Unrealised (deficit) / surplus on revaluation of current asset investments

	2022 £	2021 £
Unrealised (deficit)/surplus on revaluation of current asset investments	2,455	56,606

9 Tangible fixed assets

	Freehold housing properties £	Fixtures and fittings £	Total £
Cost			
At 1 April 2021	544,184	8,332	552,516
Additions	-	-	-
At 31 March 2022	544,184	8,332	552,516
Depreciation			
At 1 April 2021	(221,709)	(8,332)	(230,041)
Charge for the year	(13,626)	-	(13,626)
At 31 March 2022	(235,335)	(8,332)	(243,667)
Net book value			
At 31 March 2022	308,849	-	308,849
At 31 March 2021	322,475	-	322,475

The Charity was established in the late nineteenth century. There is no record of the original cost of the almshouses and no value is attributed thereto. The above details relate to improvements carried out since 1982, some of which were funded by what was then called the Housing Corporation and London Borough of Greenwich Grants of £433,992. The Charity holds the freehold to the land on which these properties and improvements are situated. The housing properties consist of 10 dwellings in the Ancient Parish of Greenwich.

Penn and Widow Smith Almshouses

Notes to the Financial Statements

For the year ended 31 March 2022

10 Debtors

	2022 £	2021 £
Amounts receivable within one year:		
Rent and service charge arrears	1,077	2,345
Less: Bad debt provision	-	(1,909)
	<u>1,077</u>	<u>436</u>
Anchor Hanover Group		
Service charge deficits	-	393
Other debtors, prepayments and accrued income	15,687	-
	<u>16,764</u>	<u>829</u>
Amounts receivable after more than one year:		
Service charge deficits	-	1,081
	<u>16,764</u>	<u>1,910</u>

11 Current asset investments

	2022 £	2021 £
Short term deposits	182,100	132,037
Listed investments:		
Charity Investment Funds	391,348	388,893
Value at 31 March	<u>573,448</u>	<u>520,930</u>
Cost of listed investments	<u>301,603</u>	<u>301,603</u>

Analysis of movement of listed investments

	2022 £	2021 £
Value at 1 April	332,287	332,287
Additions at cost	-	-
Retained / (distributed) interest	-	-
Net surplus / (deficit) on revaluation	2,445	56,606
Value 31 March	<u>391,348</u>	<u>388,893</u>

Penn and Widow Smith Almshouses

Notes to the Financial Statements

For the year ended 31 March 2022

12 Creditors: amounts falling due within one year

	2022 £	2021 £
Rents and service charges received in advance	4,396	672
Anchor Hanover Group	28,096	2,089
Other creditors, accruals and deferred income	6,387	12,439
Deferred social housing grant income	8,680	8,680
	<u>47,559</u>	<u>23,880</u>

13 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Service charge surplus	-	-
Deferred social housing grant income	260,395	269,075
	<u>260,395</u>	<u>269,075</u>

14 Deferred grant income

	2022 £	2021 £
Grant received		
At 1 April and 31 March	<u>433,992</u>	<u>433,992</u>
Amortisation of grant		
At 1 April	(156,237)	(147,557)
Charge for the year	(8,680)	(8,680)
	<u>(164,917)</u>	<u>(156,237)</u>
At 31 March	<u>(164,917)</u>	<u>(156,237)</u>
Net value of grant		
At 1 April	<u>277,755</u>	<u>286,435</u>
At 31 March	<u>269,075</u>	<u>277,755</u>
Analysis of unamortised grant		
Amounts due within one year	8,680	8,680
Amounts due after more than one year	260,395	269,075
	<u>269,075</u>	<u>277,755</u>

Notes to the Financial Statements

For the year ended 31 March 2022

15 Capital commitments

The Charity had no capital commitments at 31 March 2022 (2021: Nil).

16 Contingent liabilities

Contingent liabilities arising from amortisation of Government grants

The Charity has received financial assistance from Homes England (formerly the Housing Corporation) and these government grants are accounted for as deferred income as long term liabilities in the Statement of Financial Position and are amortised annually to the Statement of Comprehensive Income based on the life of the asset to which it relates. The amount amortised represents a contingent liability to the Charity and will be recognised as a liability when the properties funded by the relevant Government grant are disposed of or when the property ceases to be used for social housing purposes.

Note 14 above sets out the amount of grant received and the amount that has been amortised.

The Trustees are not aware of any other contingent liabilities.

17 Related party transactions

No related party transactions have been disclosed by the Trustees.

18 Legislative provisions

The Charity is an unincorporated charity registered with the Charity Commission.

19 Payments to creditors

The Charity's policy is to pay all invoices within 28 days or in accordance with agreed terms.

The Penn and Smith Almshouses

England & Wales - Charity number 238044

Accounts

Penn and Widow Smith Almshouses

Annual Report and Financial Statements

Year Ended 31 March 2021

Registered with the Charity Commission Number 238044

Registered with the Regulator of Social Housing Number A2334

Penn and Widow Smith Almshouses

Annual report and Accounts

For the year ended 31 March 2021

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15	Statement of Cash Flows
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Registered office

Suites A & B, Third Floor, The Heal's Building, 22-24 Torrington Place,
London WC1E 7HJ

Auditor

BDO LLP, 55 Baker Street, London, W1U 7EU

Banker

Barclays Bank plc, 1 Churchill Place, Canary Wharf, London, E14 5HP

Report of the Board of Trustees

For the year ended 31 March 2021

Trustees

Mr C Penn (Chair)
Mr M Fairbanks-Smith
Dr M Kimberley
Lady Penn
Mr R Penn
Mr J Stanley

Structure, governance and management

The Charity's Board of Trustees is responsible for the overall management and control of the Charity and meets a minimum of three times a year.

All Trustees give of their time freely and no remuneration or expenses were paid in the year. Trustees are required to disclose all relevant interests and to withdraw from decisions where a conflict of interest arises.

The existing Trustees have been specifically recruited with relevant qualifications and experience including a chartered surveyor, investment advisor, architect, solicitor and vicar to assist with the Trustees' responsibilities of maintaining the Charity's listed property and to care for the wellbeing of the residents. Detailed housing and property management issues are referred to the contracted managing agent, Anchor Hanover Group.

New Trustees are selected and appointed by the existing Trustees. When appointing a new Trustee consideration is given to the skills the new Trustees may possess, links to the local community and how they may be of benefit to the Charity and to fill any gaps in knowledge that the existing Board of Trustees may have.

Organisational management

The Board of Trustees determines the general policy of the Charity. The day to day management and administration of the Charity is provided by Anchor Hanover Group (the managing agent) under a commercially agreed management agreement. Operational management reports and accounts are prepared and presented by the managing agent to the Board of Trustees for their consideration.

Risk management

The Board of Trustees is responsible for the overseeing of the risks faced by the Charity. Detailed considerations of risk are delegated to the managing agent. Risks are identified, assessed and controls are established throughout the year. Through the risk management processes established for the Charity, the Board of Trustees is satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Penn and Widow Smith Almshouses

Report of the Board of Trustees (continued)

For the year ended 31 March 2021

Objects

The governing instruments, under which Penn and Widow Smith Almshouses is established, are the Charity Commissioners Schemes dated 11 November 1955 and 7 December 1979.

The objective of the Charity is to provide accommodation for people aged over 60 who are in need and who have been resident in the Ancient Parishes of Greenwich, Deptford and Lewisham, for at least three years.

Review of operations

The Charity receives funds from charges raised on residents in the form of services charges and licence fees. The service charges are raised to cover the costs of providing support and services to the residents and maintenance of the grounds and equipment. Rents/licence fees are charged to the residents in line with Government guidance and are used to cover maintenance of the properties in the year and to provide resources to meet future planned repairs costs.

In line with the Charity's objective to maintain the properties in good repair and in order to provide accommodation to rent, the Charity continues to review the fabric of the building by means of planned works programmes and stock condition surveys undertaken by Anchor Hanover Group.

The activities for the year are set out on page 11 in the Statement of Comprehensive Income. There is a surplus of £98,033 for the year (2020: £32,442). Excluding the gain on revaluation of investments of £56,606 (2020: deficit £14,329) there was a surplus on ordinary activities of £41,427 (2020: £46,771). Licence fee income has increased in line with regulated rents for almshouses. An increase in interest receivable and similar income is due to the effect of additional sums invested in Charities Investment Funds in each of the last two years following low levels of major repairs.

Principal risks and uncertainties

The principal uncertainty currently facing Penn and Widow Smith Almshouses relates to the impact of the Covid-19 pandemic. The board continue to monitor the pandemic, including UK Government advice, and acknowledge that the Trust faces a prolonged period of uncertainty. The evolving nature of the situation means that it is not possible to accurately quantify the financial impact; however, the Trust is in a good financial position in respect of managing this risk.

Going concern

After making enquiries and examining major areas which could give rise to significant financial exposure, the Trustees are satisfied that no material or significant exposures exist on than as reflected in these Financial Statements and that the Trust has adequate resources to continue its operations for the foreseeable future. For this reason, we continue to adopt the going concern basis in preparing these financial statements.

The World Health Organisation classed Covid-19 as a pandemic on 11 March 2020. Following that announcement, the UK Government introduced various measures to address the impact in the UK resulting in lockdown from 23 March 2020. The Managing Agent of Anchor Hanover moved swiftly to implement business continuity plans, and we thank our colleagues and our key suppliers for working with us to make a proactive response during that period.

There was no impact on the financial position of the Charity in the year ended 31 March 2021.

Penn and Widow Smith Almshouses

Report of the Board of Trustees (continued)

For the year ended 31 March 2021

The unprecedented impact of the Covid-19 pandemic on the UK and globally continued to overshadow the 2020/21 financial year for many organisations, as well as bringing concern and loss to families and communities across the country. Our sympathies continue to be with residents, their relatives and our colleagues who have lost loved ones as a result of the virus.

The UK continues to evolve in response to the challenges of Covid-19 and we continue to take proactive steps to ensure that we are well-positioned.

Whilst access to the properties to undertake maintenance was restricted during the earlier parts of the pandemic, access has commenced to all of our properties and we expect to complete all essential maintenance works in line with expectations. Occupancy rates have remained constant throughout the pandemic.

Charitable and political contributions

No contributions were made during the financial year.

Employees

The Charity has no employees.

Report of the Board of Trustees (continued)

For the year ended 31 March 2021

Value for money statement

The Board of Trustees adopts a process of continuous review when assessing value for money giving due regard to balancing the need to preserve the financial integrity of the Charity into the future with the need and cost of repairing, maintaining and improving the Charity's properties and looking after the welfare of the residents.

At regular meetings of the Board of Trustees reports are presented by the Managing Agent, Anchor Hanover Group, covering housing management, repairs and maintenance and financial performance and issues. These are scrutinised and questioned by the Board of Trustees to ensure that value for money and operational performance are not compromised with regard to the Charity and residents of the Charity's properties.

The managing agent, Anchor Hanover Group, has itself agreed a comprehensive approach to achieve and demonstrate value for money across all parts of its operations, including the provision of housing management services that the Charity has contracted it to provide. A self-assessment statement on how value for money is achieved by Anchor Hanover Group is included in the Operating and Financial Review of its Annual Report and Accounts and which can be found on their website at www.anchorhanover.org.uk.

Under the Value for Money Standard issued by the Regulator of Social Housing in April 2018 and the subsequent Value for Money Metrics Technical Note Guidance issue in June 2019 registered providers with a stock of less than 1,000 units are required to publish their Value for Money metrics. These are shown below for the Charity and are in addition to the overall approach taken to achieving value for money by Anchor Hanover Group as managing agent.

	2021	2020
Metric 1 - Re-investment %	0%	0%

This metric looks at the investment in properties (existing stock as well as New Supply) as a percentage of the value of total properties held. For the Charity with its limited resources the focus is on maintaining its existing properties in to the future. Planned and routine maintenance are a part of this and all, but the largest planned works are expended through the Statement of Comprehensive Income and charged to the cyclical and extraordinary repairs reserves.

	2021	2020
Metric 2a – New supply delivered (social housing units) %	0%	0%
Metric 2b – New supply delivered (non-social housing units) %	0%	0%

This metric sets out the number of new social housing and non-social housing units that have been acquired or developed in the year as a proportion of total social housing units and non-social housing units owned at period end. The Charity's focus is on maintaining its existing properties into the future and currently does not have the financial capacity to develop new properties.

Penn and Widow Smith Almshouses

Report of the Board of Trustees (continued)

For the year ended 31 March 2021

Value for money statement (continued)

	2021	2020
Metric 3 - Gearing %	-13%	-9%

This metric assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance. The Charity has no loans or overdraft facilities. The negative ratio is a result of the cash balances held. Cash that is in excess of short term operational requirements is invested in Charity Investment Funds. The tangible fixed assets which the cash and loans are compared to is also relatively low as there is no cost associated with the original cost of the properties, only subsequent capitalised repairs expenditure.

	2021	2020
Metric 4 – EBITDA MRI interest cover %	-	-

This metric is a key indicator for liquidity and investment capacity. It seeks to measure the level of surplus that a registered provider generates, adjusted for amortisation and depreciation, compared to interest payable. The Charity has no loans or overdraft facilities and, therefore, no interest payable.

	2021	2020
Metric 5 – Headline social housing cost per year	£5,000	£4,750

This metric assesses the headline social housing cost per unit as defined by the Regulator. The increase in the cost per unit for 2020 is due to a increase in major repairs expenditure, but partly off-set by an decrease in other costs in the year.

	2021	2020
Metric 6a – Operating margin (social housing lettings) %	25%	29%
Metric 6b – Operating margin (overall) %	32%	36%

This metric demonstrates the profitability of operating assets before exceptional expenses are taken into account. Increasing margins are one way to improve the financial efficiency of a business. In assessing this ratio, it is important that consideration is given to registered providers' purpose and objectives (including their social objectives). The increase in the ratios for 2020 are a result of increased revenue arising from increases in formula rents and reduced void losses and a reduction in operating expenditure due to a decrease in major repairs expenditure less an increase in other costs.

	2021	2020
Metric 7 – Return on Capital Employed (ROCE) %	3%	4%

This metric compares the operating surplus to total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources.

Report of the Board of Trustees (continued)

For the year ended 31 March 2021

Statement of the Board of Trustees responsibilities in respect of the Annual Report and the Financial Statements

Under the trust deed of the Charity and charity law, the Board of Trustees is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations. The Board of Trustees has elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*

The Financial Statements are required by law to give a true and fair view of the state of affairs of the Charity and of the surplus or deficit for that period. In preparing these Financial Statements, the Board of Trustees is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- state whether the Financial Statements comply with the trust deed, 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 Board of Trustees is required to act in accordance with the trust deed of the Charity, within the framework of trust law. The Board of Trustees is responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the Charity at that time and enable the Board of Trustees to ensure that its Financial Statements comply with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. The Board of Trustees is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

Statement of disclosure of information to auditor

The Trustees who held office at the date of approval of this Report of the Board of the Trustees confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditor is unaware and each Trustee has taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

Penn and Widow Smith Almshouses

Report of the Board of Trustees (continued)

For the year ended 31 March 2021

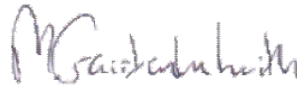
Auditor

A resolution to reappoint BDO LLP as auditor will be proposed at the next annual general meeting.

By order of the Board of Trustees



Mr C Penn
Chair - Trustee



Mr M Fairbanks-Smith
Trustee

Date: 26 September 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PENN AND WIDOW SMITH ALMSHOUSES

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2021 and of incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

We have audited the financial statements of Penn and Widow Smith Almshouses ("the Charity") for the year ended 31 March 2021 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charity in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises: the Strategic report and the Directors report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PENN AND WIDOW SMITH ALMSHOUSES (CONTINUED)

on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019 requires us to report to you if, in our opinion;

- the information contained in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Board of the Corporate Trustee's statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Identifying and testing journal entries, with a focus on manual journals to revenue and journals indicating large or unusual transactions based on our understanding of the business;
- Challenging assumptions, accounting estimates and judgements made by the Directors, specifically classification of housing properties and provision for bad and doubtful debts;
- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PENN AND WIDOW SMITH ALMSHOUSES (CONTINUED)

- Obtaining an understanding of the control environment in monitoring compliance with laws and regulations

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Philip Cliftlands
BDO LLP, statutory auditor
London, UK
29 September 2021

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Penn and Widow Smith Almshouses

Statement of Comprehensive Income

For the year ended 31 March 2021

	Note	2021 £	2020 £
Turnover	2	93,670	95,653
Operating costs	2	(63,949)	(61,429)
Operating surplus		<u>29,721</u>	<u>34,224</u>
Interest receivable and similar income	5	11,706	12,547
Surplus on ordinary activities	6	41,427	46,771
Unrealised surplus / (loss) on revaluation of current asset investments	8	56,606	(14,329)
Total comprehensive income for the year		<u>98,033</u>	<u>32,442</u>

There is no material difference between the surplus for the year as stated above and its historical cost equivalent.

All amounts relate to continuing activities.

The notes on pages 16 to 24 form part of these Financial Statements.

Penn and Widow Smith Almshouses

Statement of Financial Position

As at 31 March 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible fixed assets at cost	9		552,516		546,696
Less: Depreciation	9		(230,041)		(216,091)
			<u>322,475</u>		<u>330,605</u>
Current assets					
Debtors	10	1,910		1,771	
Investment	11	520,930		439,161	
Cash at bank and in hand		42,160		30,618	
Less Creditors: amounts falling due within one year	12	(23,880)		(26,553)	
Net current assets			<u>541,120</u>		<u>444,997</u>
Creditors: amounts falling due after more than one year	13		(269,075)		(279,114)
Total net assets			<u>594,520</u>		<u>496,488</u>
Capital and reserves					
Revenue reserves			406,606		336,462
Designated reserves:					
Charity fund property reserve			7,468		7,468
Cyclical repairs reserve			20,644		20,644
Extraordinary repairs reserve			160,154		131,914
Renewals reserve			(352)		-
			<u>594,520</u>		<u>496,488</u>

The notes on pages 16 to 24 form part of these Financial Statements

The Financial Statements were approved for issue by the Board of Trustees on 26 September 2021 and were signed on its behalf by:



Mr C Penn
Chair - Trustee



Mr M Fairbanks-Smith
Trustee

Registered with the Charity Commission Number 238044
Registered Housing Association Number A2334

Penn and Widow Smith Almshouses

Statement of Changes in Reserves

For the year ended 31 March 2021

	Revenue reserve £	Charity fund property reserve £	Cyclical repairs reserve £	Extra- ordinary repairs reserve £	Renewals reserve £	Total £
At 1 April 2019	332,259	7,468	20,644	103,674	-	464,045
Transfer between reserves To extraordinary reserve	(28,240)	-	-	28,240	-	-
Surplus in year	32,442	-	-	-	-	32,442
At 31 March 2020	336,461	7,468	20,644	131,914	-	496,487
Transfer between reserves To extraordinary reserve	(27,888)	-	-	28,240	(352)	-
Surplus in year	98,033	-	-	-	-	98,033
At 31 March 2021	406,606	7,468	20,644	160,154	(352)	594,520

The notes on pages 16 to 24 form part of these Financial Statements.

Penn and Widow Smith Almshouses

Statement of Cash Flows

For the year ended 31 March 2021

	Note	2021 £	2020 £
Cash flow from operating activities			
Operating surplus for the year	2	29,721	34,224
Adjustments for non-cash items:			
Depreciation of tangible fixed assets	9	13,950	13,934
Amortisation of capital grant	14	(8,680)	(8,680)
(Increase) in trade and other debtors	10	(140)	(711)
(Decrease) / increase in trade and other creditors	12, 13	(1,400)	5,202
(Decrease) / increase in amounts owing to AHG	10, 12	(2,632)	9,027
		<u>30,819</u>	<u>52,996</u>
Cash flow from investing activities			
Purchase of fixed assets	9	(5,820)	-
Interest received	5	11,706	12,547
(Increase) in short term deposits and investments	11	(25,163)	(53,481)
Purchase of investments	11	-	-
		<u>11,542</u>	<u>12,062</u>
Net change in cash and cash equivalents			
Cash and cash equivalents at 1 April		30,618	18,556
Cash and cash equivalents at 31 March		<u>42,160</u>	<u>30,618</u>
		<u>11,542</u>	<u>12,062</u>

The notes on pages 16 to 24 form part of these Financial Statements.

Notes to the Financial Statements

For the year ended 31 March 2021

1(a) Principal Accounting policies

Basis of accounting

The Financial Statements have been prepared in accordance with Financial Reporting Standard 102 – the financial reporting standard applicable in the UK and Republic of Ireland (FRS102) the Statement of Recommended Practice: Accounting by Registered Social Landlords Update 2018 (SORP) and the Accounting Direction for Private Registered Providers of Social Housing 2019.

The Financial Statements are prepared on the historical cost and accruals basis of accounting, as modified to include the fair value of financial instruments and on the basis of going concern.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Financial Statements.

Going concern

The Charity's business activities and factors likely to affect its plans for the future are set out within the Report of the Board of Trustees. The Charity has adequate unrestricted reserves and designated reserves with which to fund its financial obligations and day to day operations.

On this basis, the Board of Trustees has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the Financial Statements.

Turnover

Turnover represents rental income from licensees and service charges receivable which are recognised when the Charity is entitled to them together with the amortisation of capital grant. Rent and service charges are shown net of void losses which are only recognised where the properties are available for letting.

Fixed Assets

Fixed assets are stated using the cost model at cost, less cumulative depreciation, less impairment. Fixed assets includes housing properties held for social benefit purposes and scheme equipment

Housing properties are properties available for rent and are stated at cost less cumulative depreciation.

There is no record of the original cost of the housing properties and consequently no value is attributed thereto. The Housing Properties cost relate to improvements, some of which were funded by a Housing Corporation Grant and a mortgage loan from the London Borough of Southwark which has now been fully repaid.

Scheme equipment is shown at cost less cumulative depreciation.

Notes to the Financial Statements

For the year ended 31 March 2021

1(a) Principal Accounting policies (continued)

Subsequent expenditure to housing properties

Works which result in an enhancement of economic benefits to the property (i.e. an increase in rental income, reduction in future maintenance costs or significant extension of life to the property) for a period of ten years or more are deemed to be improvements and are capitalised and depreciated in accordance with their expected economic life. Improvements to properties that relate to pre-identified asset components are also capitalised and depreciated over the expected economic life of the component.

All other expenditure on repairs incurred over the life of a property to maintain the fabric of the original asset is charged to the Statement of Comprehensive Income as incurred.

Depreciation

Freehold land is not depreciated.

In accordance with the Statement of Recommended Practice, the depreciation policy of the Charity is to write off the cost of improvements over a period of up to 50 years commencing the later of 1 April 2003 and practical completion.

Using component costing principles housing properties are divided into components which are depreciated at the following annual rates:

Component	Life (Years)	Depreciation
Building structure, roofing, drainage, roadways and footpaths	50	2.0%
Doors and windows	30	3.3%
Kitchens and Bathrooms	25	4.0%
Heating Boilers	15	6.6%

Scheme equipment is depreciated at varying annual rates as follows:

Component	Life (Years)	Depreciation
Security, heating and aerials	20	5.0%
Warden alarm	15	6.6%
Other shared areas	10	10.0%
Other scheme equipment	4	25.0%

Social housing grant

Social Housing Grant (SHG) is a capital grant made to the Charity towards the cost of acquiring, building or major alterations to housing properties. Social Housing Grant was received from the Housing Corporation.

Social Housing Grant is included in Creditors: amounts falling due within one year and amounts falling due after more than one year in the Statement of Financial Position. It is amortised annually to the Statement of Comprehensive Income over the expected useful lives of the assets to which it relates. The accumulated amortised grant represents a contingent liability that may materialise when the relevant property to which the amortised grant relates to ceases to be used for social housing purposes, usually due to disposal of the housing asset.

Grants are usually repayable unless formally abated, waived or recycled. Therefore, they may be repayable in certain circumstances, primarily the sale of property.

Notes to the Financial Statements

For the year ended 31 March 2021

1(a) Principal Accounting policies (continued)

Revaluation of current asset investments

Current assets investments are stated at market value. Any unrealised surplus or deficit arising on revaluation of the investments is recognised in the Statement of Comprehensive Income. The aggregate realised surplus or deficit arising on the sale of investments is reflected in the Statement of Comprehensive Income.

Designated reserves

The Charity sets aside a reserve for an established regular programme of cyclical repairs and maintenance, and an extraordinary repairs reserve for a programme of major repairs on housing properties. The cost of cyclical and extraordinary repairs is charged to the Statement of Comprehensive Income in the period in which they are incurred subject to transfers to or from the cyclical and extraordinary repairs reserves.

Financial instruments - basic financial instruments

Trade and other debtors / creditors

Trade and other debtors / creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

In line with FRS 102 section 34; the Charity as a public benefit entity, has accounted for as concessionary loans all debtors or creditors that would have been classified as financing transactions such as deferred payment arrangement and are therefore being carried in the Statement of Financial Position at amortised cost.

Concessionary loans are financing arrangements between a public benefit entity such as the Trust and another party at nil percent or at below market rate of interest that are not repayable on demand and are for the purposes of furthering the objectives of the public benefit entity.

Short-term investments

Investments made by the Charity are a combination of short term bank deposits and fund investments managed by specialist managers and provided for not for profit investors.

The short term bank deposits are classified as basic and recognised at amortised cost using an effective interest rate.

The fund investments are classified as complex instruments and recognised at market value. Market value is based on a publicly available price. Gains and losses on revaluation of fund investments are included in the Statement of Comprehensive Income.

Other long-term creditors

Other long-term creditors include the unamortised element of the social housing grant less an amount due for amortisation in the following year.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short term investments, which can be liquidated at short notice with no loss of capital.

Notes to the Financial Statements

For the year ended 31 March 2021

1(b) Judgements and accounting estimates

The preparation of the Financial Statements requires the Board of Trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements and estimates have had the most significant effect on amounts recognised in the Financial Statements:

Classification of housing properties

In determining the intended use of its housing properties, the Charity has considered if the asset is held for social benefit or to earn commercial rentals. The Charity has determined that its housing portfolio is held for social benefit purposes.

2 Particulars of turnover, operating costs and operating surplus

	Note	Turnover £	2021 Operating costs £	Operating surplus £
Social housing activities:				
Housing accommodation	3	84,990	(63,949)	21,041
Amortisation of capital grant	14	8,680	-	8,680
		<u>93,670</u>	<u>(63,949)</u>	<u>29,721</u>

	Note	Turnover £	2020 Operating costs £	Operating surplus £
Social housing activities:				
Housing accommodation	3	86,973	(61,429)	25,544
Amortisation of capital grant	14	8,680	-	8,680
		<u>95,653</u>	<u>(61,429)</u>	<u>34,224</u>

Penn and Widow Smith Almshouses

Notes to the Financial Statements

For the year ended 31 March 2021

3 Particulars of income and expenditure from social housing lettings

	2021 £	2020 £
Income from lettings		
Rent receivable net of identifiable service charges and rent losses from voids	75,274	78,454
Service charge income	9,716	8,519
	<u>84,990</u>	<u>86,973</u>
Net rental income	84,990	86,973
Other property income	-	-
	<u>84,990</u>	<u>86,973</u>
Turnover from social housing lettings	<u>84,990</u>	<u>86,973</u>
Expenditure on letting activities		
Service charge costs	(10,397)	(9,083)
Management	(13,207)	(12,973)
Bad debts written off and movement in provision	(1,909)	-
Routine maintenance	(13,505)	(14,876)
Major repairs expenditure	(4,578)	(6,823)
Depreciation of housing properties	(13,950)	(13,934)
Other costs	(6,403)	(3,740)
	<u>(63,949)</u>	<u>(61,429)</u>
Operating costs on social housing lettings	<u>(63,949)</u>	<u>(61,429)</u>
	<u>21,041</u>	<u>25,544</u>
Operating surplus on social housing lettings	<u>21,041</u>	<u>25,544</u>
Rent losses from voids	<u>(7,444)</u>	<u>(1,478)</u>

No segmental analysis is shown for housing accommodation as the Charity owns and manages only 10 units of general needs accommodation.

4 Employee information

The Charity does not have any employees but purchases services from Anchor Hanover Group.

The Charity Trustees were not paid or reimbursed expenses during the year and no Charity Trustee received any emolument or payment for professional or other services (2020: Nil).

5 Interest receivable and similar income

	2021 £	2020 £
Interest receivable from listed investments	11,542	12,066
Other interest	164	481
	<u>11,706</u>	<u>12,547</u>

Penn and Widow Smith Almshouses

Notes to the Financial Statements

For the year ended 31 March 2021

6 Surplus on ordinary activities

	2021 £	2020 £
Is stated after charging:		
Depreciation of fixed assets	13,950	13,934
Auditor's remuneration:		
- In their capacity as auditor (excluding VAT)	-	750

The Charity's audit fee for 2020/21 of £750 is paid by AHG and recharged as part of the Management Fee.

7 Taxation

No provision for UK taxation has been made as all income and gains are used exclusively for charitable purposes and are therefore exempt from taxation.

8 Unrealised (deficit) / surplus on revaluation of current asset investments

	2021 £	2020 £
Unrealised (deficit)/surplus on revaluation of current asset investments	56,606	(14,329)

9 Tangible fixed assets

	Freehold housing properties £	Fixtures and fittings £	Total £
Cost			
At 1 April 2020	538,364	8,332	546,696
Additions	5,820	-	5,820
At 31 March 2021	544,184	8,332	552,516
Depreciation			
At 1 April 2020	(208,111)	(7,980)	(216,091)
Charge for the year	(13,598)	(352)	(13,950)
At 31 March 2021	(221,709)	(8,332)	(230,041)
Net book value			
At 31 March 2021	322,475	-	322,475
At 31 March 2020	330,253	352	330,605

The Charity was established in the late nineteenth century. There is no record of the original cost of the almshouses and no value is attributed thereto. The above details relate to improvements carried out since 1982, some of which were funded by what was then called the Housing Corporation and London Borough of Greenwich Grants of £433,992. The Charity holds the freehold to the land on which these properties and improvements are situated. The housing properties consist of 10 dwellings in the Ancient Parish of Greenwich.

Penn and Widow Smith Almshouses

Notes to the Financial Statements

For the year ended 31 March 2021

10 Debtors

	2021 £	2020 £
Amounts receivable within one year:		
Rent and service charge arrears	2,345	1,262
Less: Bad debt provision	(1,909)	-
	<u>436</u>	<u>1,262</u>
Anchor Hanover Group	-	-
Service charge deficits	393	-
Other debtors, prepayments and accrued income	-	509
	<u>829</u>	<u>1,771</u>
Amounts receivable after more than one year:		
Service charge deficits	1,081	-
	<u>1,910</u>	<u>1,771</u>

11 Current asset investments

	2021 £	2020 £
Short term deposits	132,037	106,874
Listed investments:		
Charity Investment Funds	388,893	332,287
Value at 31 March	<u>520,930</u>	<u>439,161</u>
Cost of listed investments	<u>301,603</u>	<u>301,605</u>

Analysis of movement of listed investments

	2021 £	2020 £
Value at 1 April	332,287	346,616
Additions at cost	-	-
Retained / (distributed) interest	-	-
Net surplus / (deficit) on revaluation	56,606	(14,329)
Value 31 March	<u>388,893</u>	<u>332,287</u>

Notes to the Financial Statements

For the year ended 31 March 2021

12 Creditors: amounts falling due within one year

	2021	2020
	£	£
Rents and service charges received in advance	672	653
Anchor Hanover Group	2,089	4,721
Other creditors, accruals and deferred income	12,439	12,499
Deferred social housing grant income	8,680	8,680
	<u>23,880</u>	<u>26,553</u>

13 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Service charge surplus	-	1,359
Deferred social housing grant income	269,075	277,755
	<u>269,075</u>	<u>279,114</u>

14 Deferred grant income

	2021	2020
	£	£
Grant received		
At 1 April and 31 March	<u>433,992</u>	<u>433,992</u>
Amortisation of grant		
At 1 April	(147,557)	(138,877)
Charge for the year	(8,680)	(8,680)
At 31 March	<u>(156,237)</u>	<u>(147,557)</u>
Net value of grant		
At 1 April	<u>286,435</u>	<u>295,115</u>
At 31 March	<u>277,755</u>	<u>286,435</u>
Analysis of unamortised grant		
Amounts due within one year	8,680	8,680
Amounts due after more than one year	269,075	277,755
	<u>277,755</u>	<u>286,435</u>

Notes to the Financial Statements

For the year ended 31 March 2021

15 Capital commitments

The Charity had no capital commitments at 31 March 2021 (2020: Nil).

16 Contingent liabilities

Contingent liabilities arising from amortisation of Government grants

The Charity has received financial assistance from Homes England (formerly the Housing Corporation) and these government grants are accounted for as deferred income as long term liabilities in the Statement of Financial Position and are amortised annually to the Statement of Comprehensive Income based on the life of the asset to which it relates. The amount amortised represents a contingent liability to the Charity and will be recognised as a liability when the properties funded by the relevant Government grant are disposed of or when the property ceases to be used for social housing purposes.

Note 14 above sets out the amount of grant received and the amount that has been amortised.

The Trustees are not aware of any other contingent liabilities.

17 Related party transactions

No related party transactions have been disclosed by the Trustees.

18 Legislative provisions

The Charity is an unincorporated charity registered with the Charity Commission.

19 Payments to creditors

The Charity's policy is to pay all invoices within 28 days or in accordance with agreed terms.