

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

Contents

	Page
Report of the trustees	1 - 7
Report of the independent examiner	7
Statement of financial activities	8 - 9
Balance sheet	10
Statement of cash flows	11
Notes to the accounts	12 - 21
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

**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').

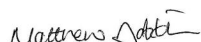
I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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				
	12	56,256	-	56,256
Total Expenditure		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
Cash and cash equivalents at the end of the reporting period		18,740	53,045

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

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

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.

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 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

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
	<u>57,491</u>	<u>21,127</u>	<u>78,618</u>

	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
	<u>41,379</u>	<u>-</u>	<u>41,379</u>

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	-	-	-
	<u>48,822</u>	<u>-</u>	<u>48,822</u>

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

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.

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