

Charity Registration Number: 248397

The Spencer Homes Charity

Annual Report and Financial Statements

for the Year Ended 28 December 2021

The Spencer Homes Charity

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The Spencer Homes Charity

Reference and Administrative Details

Charity Registration Number	248397
Almshouse Association Member Number	1022
Trustees	Mr G Carr (Chair) Mrs J Y Smith Rev G L Hall Mrs H R Marshall Mr D A Brown Mr K Narey Dr S Harrison
Secretary	Mr S Brown
Principal Office	Fold House, 6 The Fold Lothersdale Keighley West Yorkshire BD20 8HD
Bankers	Yorkshire Bank Plc 14 Broadway Bradford West Yorkshire BD1 1EZ
Independent Examiner	Selina J Armitage FCA Watson Buckle Limited Independent Examiner York House Cottingley Business Park Bradford BD16 1PE

The Spencer Homes Charity

Trustees' Report

The Trustees present the annual report together with the financial statements of the charity for the year ended 28 December 2021.

Structure, governance and management

The Charity is the owner of six houses and one flat at Rose-in-the Dale, Lothersdale. When there is a vacancy the Trustees try to find a resident of Lothersdale suitable for appointment as an almsperson, but because of the lack of transport and shopping facilities in the village, there are difficulties in finding suitable applicants. Consequently, in the absence of a suitable applicant, the Trustees make the properties available for letting to the general public and priority is given to someone in reduced circumstances or living in sub-standard accommodation or who has some connection to Lothersdale.

All new Trustees are given an introduction to the work of the Trust by the existing Trustees and are also provided with Charity Commission publication CC3 'The Essential Trustee; what you need to know' and CC10 'The Hallmarks of an Effective Charity'.

The Trustees of the Charity hold meetings every three months unless there are special circumstances that require additional meetings. There have been no changes to the Trustees this year. Maintaining the number of Trustees at seven is of great benefit and enables the Trustees to continue the responsibilities of property management and acting as responsible Social Landlord.

In setting and reviewing our aims the Trustees have given careful consideration to the Charity Commission's guidance on public benefit.

Objectives and activities

The Trustees review the rents annually in March after consideration of the Budget of income and expenditure. This year the Trustees decided to make no increase to the rents, they consider the current maintenance charge is achieving value for money.

The Trustees have continued to maintain the properties to a high standard of repair and seek to make improvements either when properties become vacant or when needs are identified. The Five Yearly Quinquennial Inspection to identify and implement planned maintenance and improvements was carried out in September 2019.

The Trust properties have a private water supply and ensuring that both the quality and quantity of the water is maintained is a constant concern. Water quality testing has been maintained and any remedial works identified dealt with.

Housing Property Assets

Details of changes to the charities assets are shown in note 11.

Post Balance Sheet Events

We consider that there have been no events since the year end that have had a significant effect on the trusts financial position.

Going Concern

After making enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, being a period of 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.

The Spencer Homes Charity

Trustees' Report

Reserves policy

The Trustees have reviewed the Charity's needs for the reserves in line with the guidance issued by the Charity Commission and consider it prudent that reserves should be sufficient to avoid the necessity to realise fixed assets. The Trustees are confident that future income will enable the Charity to meet its foreseeable needs on the basis of planned expenditure.

Total charity funds at 28 December 2021 were £398,560 (2020 - £374,488). The amount of reserves after making allowances for restricted funds and not tied up in tangible fixed assets or programme related investments amounted to £72,617 (2020 - £75,638).

Risk management

The Trustees give consideration to the major risks to which the Charity is exposed and systems which are designed to mitigate those risks on an ongoing basis.

Independent examiner

The re appointment of Watson Buckle Limited was agreed by the Trustees.

Public benefit

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

Value for money

The Trustees are mindful of the need to obtain value for money in all transactions entered into on behalf of the charity when major works are undertaken a competitive tender is carried out. The charity regularly reviews its investments performance to ensure they still achieve a good rate of return.

The annual report was approved by the Trustees of the charity on 13/06/22 and signed on its behalf by:



.....
Mr G Carr (Chair)
Trustee

The Spencer Homes Charity

Independent Examiner's Report to the trustees of The Spencer Homes Charity

I report to the charity trustees on my examination of the accounts of the charity for the year ended 28 December 2021 which are set out on pages 5 to 14.

Respective responsibilities of trustees and examiner

As the charity's trustees of The Spencer Homes Charity 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 Spencer Homes Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

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

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


.....
Selina J Armitage FCA
Independent Examiner
Watson Buckle Limited
Bradford

Date: 13/06/22.....

The Spencer Homes Charity

Statement of Financial Activities for the Year Ended 28 December 2021 (Including Income and Expenditure Account)


		Unrestricted funds		Endowment funds	Total	Total
	Note	General	Revaluation reserve	Permanent	2021	2020
		£	£	£	£	£
Income and endowments from						
Investments	3	5,694	-	-	5,694	4,867
Charitable activities	4	31,004	-	-	31,004	31,764
Other income	5	19,062	-	-	19,062	1,414
Total income and endowments		<u>55,760</u>	<u>-</u>	<u>-</u>	<u>55,760</u>	<u>38,045</u>
Expenditure						
Charitable activities	6	(16,481)	-	-	(16,481)	(15,156)
Net income		39,279	-	-	39,279	22,889
Gains/losses on investment assets		-	(15,207)	-	(15,207)	(20,186)
Net movement in funds		<u>39,279</u>	<u>(15,207)</u>	<u>-</u>	<u>24,072</u>	<u>2,703</u>
Reconciliation of funds						
Total funds brought forward		333,053	30,281	11,154	374,488	371,785
Total funds carried forward		<u>372,332</u>	<u>15,074</u>	<u>11,154</u>	<u>398,560</u>	<u>374,488</u>

The funds breakdown for the current and prior year is shown in note 15.

The Spencer Homes Charity
(Registration number: 248397)
Balance Sheet as at 28 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	10	129,536	125,958
Investments	11	<u>87,978</u>	<u>167,465</u>
		<u>217,514</u>	<u>293,423</u>
Current assets			
Debtors	12	88,607	1,046
Cash at bank and in hand		<u>102,007</u>	<u>89,754</u>
		190,614	90,800
Creditors: Amounts falling due within one year	13	<u>(4,095)</u>	<u>(4,135)</u>
Net current assets		<u>186,519</u>	<u>86,665</u>
Total assets less current liabilities		404,033	380,088
Creditors: Amounts falling due after more than one year	14	<u>(5,473)</u>	<u>(5,600)</u>
Net assets		<u>398,560</u>	<u>374,488</u>
Funds of the charity:			
Reserves			
Unrestricted funds		372,332	333,053
Unrestricted revaluation reserve		15,074	30,281
Endowment funds		<u>11,154</u>	<u>11,154</u>
Total Reserves	15	<u>398,560</u>	<u>374,488</u>

The financial statements on pages 5 to 14 were approved by the trustees, and authorised for issue on 13/06/22 and signed on their behalf by:



 Mr G Carr (Chair)
 Trustee



 Mrs H R Marshall
 Trustee

The Spencer Homes Charity

Notes to the Financial Statements for the Year Ended 28 December 2021

1 General information

General information

The entity is an unincorporated registered charity governed by their constitution, registered in England and Wales.

The address of the registered office is:

Fold House, 6 The Fold
Lothersdale
Keighley
West Yorkshire
BD20 8HD

Charity registration number: 248397

2 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The charity constitutes a public benefit entity as defined by FRS102.

The charity's functional and presentation currency is pound sterling.

Income and endowments

Government grants

Government grants from The Housing Corporation are received in respect of the Spencer Homes Charity. These grants are recognised at the fair value of the asset received. Where the assets are accounted for using the cost model then the government grant is accounted for using the accruals model. The difference between the fair value of the asset and the consideration is recognised as a liability and amortised over the useful economic life of the asset. This amortisation is recognised within turnover.

Charitable activities

Weekly maintenance charges from housing properties is recognised on an accruals basis.

The Spencer Homes Charity

Notes to the Financial Statements for the Year Ended 28 December 2021

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income

Income is earned from holding fixed assets for investment purposes and is recognised when receivable and the amount can be measured reliably by the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

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

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £100.00 or more are initially recorded at cost.

The Spencer Homes Charity

Notes to the Financial Statements for the Year Ended 28 December 2021

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Original structure	50 years
Roofs	50 years
Doors and windows	30 years
Boilers	15 years
Bathroom	25 years
Kitchens	20 years
Electrical and heating installations	25 years

Major components of housing properties have been accounted for and depreciated separately from the connected housing property, over their expected useful economic lives. The cost of replacing these components is capitalised in full. The cost of partially replacing or repairing these components are charged to the charitable activities.

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgments and estimates have been made include:

Depreciation

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets; however, by their nature, component life cannot be determined with absolute certainty.

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Debtors

Debtors are recognised initially when they become due at the transaction price. They are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for impairment of debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the debtors.

Creditors

Creditors are obligations to pay for goods and services that have been acquired by the charity. Creditors are initially recognised at the transaction price and subsequently measured at amortised cost using the effective interest method.

The Spencer Homes Charity

Notes to the Financial Statements for the Year Ended 28 December 2021

Cash and cash equivalents

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

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

3 Income from investments

	Unrestricted		
	General	Total	Total
	£	2021	2020
		£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	7	7	95
Other income from fixed asset investments	5,687	5,687	4,772
	<u>5,694</u>	<u>5,694</u>	<u>4,867</u>

4 Income from Charitable activities

	Unrestricted		
	General	Total	Total
	£	2021	2020
		£	£
Weekly maintenance charges	32,139	32,139	31,764
Voids	(1,135)	(1,135)	-
	<u>31,004</u>	<u>31,004</u>	<u>31,764</u>

5 Other income

	Unrestricted		
	General	Total	Total
	£	2021	2020
		£	£
Amortisation of goodwill	127	127	127
Gains on sale of program related assets for charity's own use	17,613	17,613	-
Other income	1,322	1,322	1,287
	<u>19,062</u>	<u>19,062</u>	<u>1,414</u>

The Spencer Homes Charity

Notes to the Financial Statements for the Year Ended 28 December 2021

6 Expenditure on Charitable Activities

	Unrestricted funds		
	General	Total	Total
	£	2021	2020
		£	£
Rates	1,577	1,577	1,731
Light, heat and power	1,001	1,001	1,206
Insurance	1,389	1,389	1,330
Repairs and renewals	5,210	5,210	3,217
Printing, postage and stationery	27	27	50
Trade subscriptions	197	197	179
Sundry expenses	-	-	63
Management charges payable	600	600	1,200
Independent examiner's fee	1,080	1,080	1,080
Depreciation of freehold property	836	836	836
Depreciation of fixtures and fittings	4,564	4,564	4,264
	<u>16,481</u>	<u>16,481</u>	<u>15,156</u>

7 Analysis of governance and support costs

Governance costs

	Unrestricted		
	General	Total	Total
	£	2021	2020
		£	£
Independent examiner's fee	<u>1,080</u>	<u>1,080</u>	<u>1,080</u>

8 Trustees remuneration and expenses

No trustees have received any remuneration or reimbursed expenses from the charity during the current or previous year.

9 Key management personnel

The charity considers its key management personnel comprise the trustees.

The total key management personnel remuneration benefits were £Nil (2020 - £Nil).

The Spencer Homes Charity

Notes to the Financial Statements for the Year Ended 28 December 2021

11 Fixed asset investments

	2020 £	2020 £
Listed investments	<u>87,978</u>	<u>167,465</u>
Other investments		
	Listed investments £	Total £
Cost or Valuation		
At 29 December 2020	167,465	167,465
Revaluation	(15,207)	(15,207)
Additions	5,687	5,687
Disposals	<u>(69,967)</u>	<u>(69,967)</u>
At 28 December 2021	<u>87,978</u>	<u>87,978</u>
Net book value		
At 28 December 2021	<u>87,978</u>	<u>87,978</u>
At 28 December 2020	<u>167,465</u>	<u>167,465</u>

The fair value of listed investments is determined by reference to the quoted price for identical assets in an active market at the balance sheet date. Historical costs of investments are £137,184 (2019 - £132,412).

12 Debtors

	2021 £	2020 £
Prepayments	1,027	1,046
Accrued income	<u>87,580</u>	<u>-</u>
	<u>88,607</u>	<u>1,046</u>

13 Creditors: amounts falling due within one year

	2021 £	2020 £
WMC in advance	-	383
Other creditors	1,763	1,355
Accruals	2,205	2,270
Grants	<u>127</u>	<u>127</u>
	<u>4,095</u>	<u>4,135</u>

The Spencer Homes Charity

Notes to the Financial Statements for the Year Ended 28 December 2021

14 Creditors: amounts falling due after one year

	2021 £	2020 £
Grants	<u>5,473</u>	<u>5,600</u>

Housing Association Grants totalling £6,362 have been received. This will be repaid if the properties are sold. The Housing Association Grants are being recognised in income on a systematic basis over the expected useful life of the structure (50 years).

15 Funds

	Balance at 29 December 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 28 December 2021 £
Unrestricted					
General	(333,053)	(38,147)	16,481	(17,613)	(372,332)
Other	<u>(30,281)</u>	<u>-</u>	<u>-</u>	<u>15,207</u>	<u>(15,074)</u>
Total unrestricted	(363,334)	(38,147)	16,481	(2,406)	(387,406)
Endowment					
Permanent	<u>(11,154)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,154)</u>
Total funds	<u>(374,488)</u>	<u>(38,147)</u>	<u>16,481</u>	<u>(2,406)</u>	<u>(398,560)</u>

15. Analysis of net assets between funds

	Unrestricted funds General funds £	Endowment funds Permanent funds £	Other funds £	Total funds £
Tangible fixed assets	129,536	-	-	129,536
Fixed asset investments	140,003	-	35,555	175,558
Current assets	91,880	11,154	-	103,034
Current liabilities	(4,095)	-	-	(4,095)
Creditors over 1 year	<u>(5,473)</u>	<u>-</u>	<u>-</u>	<u>(5,473)</u>
Total net assets	<u>351,851</u>	<u>11,154</u>	<u>35,555</u>	<u>398,560</u>