

THE WILLIAM AND SARAH MIDGLEY ALMSHOUSES
TRUSTEES' REPORT AND UNAUDITED FINANCIAL STATEMENTS
5 APRIL 2024

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M W DENTON
CHARTERED ACCOUNTANT
KEIGHLEY

THE WILLIAM AND SARAH MIDGLEY ALMSHOUSES

Legal and Administrative Information

The trustees present their annual report together with the financial statements of the Charity for the year ended 5 April 2024.

Status:	Registered Charity No 260359 Housing Association No A0844
Trustees:	Mr Michael Bottomley (Chairman) Mrs Anne Arana (resigned 26.12.2023) Reverend Peter S Wilson Mr David Richardson Reverend Liz Moy Mrs Maralyn Becker Ms Heidi Barnard
Principal address:	9 Norbreck Drive Cross Roads Keighley West Yorkshire BD22 9DT
Clerk	Mrs Debra Butterfield Tel: (01535)957927 9 Norbreck Drive Cross Roads Keighley West Yorkshire BD22 9DT
Bankers	National Westminster Bank plc 63 North Street Keighley West Yorkshire BD21 3SB
Independent Examiner	M W Denton Tel: (01535) 690190 29 Devonshire Street Keighley West Yorkshire BD21 2BH
Solicitors	AWB Charlesworth Solicitor Limited 12-16 North Street Keighley West Yorkshire BD21 3SE

THE WILLIAM AND SARAH MIDGLEY ALMSHOUSES

Report of the Trustees for the year ended 5 April 2024

The Trustees of the William and Sarah Midgley Almshouses present their annual report and unaudited financial statements for the year ended 5 April 2024.

The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Charity. This is the treatment required by the Housing SORP 2018 for registered social landlords which are also almshouses. The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and 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 published in October 2019.

Structure, Governance and Management

Governing Document

The Charity is an unincorporated charitable trust registered with the Charity Commission number 260359. The William & Sarah Midgley Almshouses was founded by the Will of Joseph Midgley proved in the Principal Registry on 11 October 1935 and on 16 July 1974 the Charity Commission established a Scheme for the regulation of the Charity.

Organisation

The body of Trustees shall consist when complete of seven competent persons who through residence, occupation or employment or otherwise have special knowledge of the locality of Lees and the neighbourhood thereof. Every future Trustee shall be appointed for a term of five years by a resolution of the Trustees passed at a Special Meeting of which not less than twenty one days' notice has been given and may be so appointed not more than one month before the term of an existing Trustee expires with effect from the date of expiry but so that the latter shall not vote on the matter. Any Trustee who is absent from all meetings of the Trustees during a period of one year or who is adjudged bankrupt or makes a composition or arrangement with his or her creditors or who is incapacitated from acting or who communicates in writing to the Trustees a wish to resign shall cease thereupon to be a Trustee.

The Trustees have held two Special Meetings in this financial year. The charity is the owner of six Almshouses situated in Lees, Keighley, West Yorkshire. When there is a vacancy the Trustees try to find a resident of Lees cum Cross Roads suitable for appointment as an almsperson, the length of time of residence being at the discretion of the Trustees. In special cases persons who do not possess the prescribed qualification as to residence may be appointed if otherwise qualified.

Management

The day to day running of the Charity is delegated to the Clerk. The Clerk and the Chairperson meet up regularly to review progress against targets and discuss any issues that may have arisen.

Staff

The only paid staff is the Clerk who is on call 24 hours a day, 7 days a week and works from home.

THE WILLIAM AND SARAH MIDGLEY ALMSHOUSES

Report of the Trustees for the year ended 5 April 2024

Related Parties

The trustees consider The William and Sarah Midgley Charity to be a related party due to it being controlled by the same trustees as the Almshouses.

Trustees

At a Special Meeting of the Trustees held on 6 July 2023 it was unanimously resolved that Mr Michael Bottomley be appointed as Chairperson for the ensuing year.

At a Special Meeting of the Trustees held on 16 November 2023 it was proposed by Heidi Bernard, seconded by Maralyn Becker that David Richardson be re-appointed as a trustee for a term of five years and he signed the declaration of acceptance and willingness to act in accordance with the trusts of the Charity's Scheme contained in the Minute Book.

Objects

Trustee confirmation - The Trustees acknowledge the guidance issued by the Charity Commission in respect of our commitment to public benefit and we declare our commitment to it.

The Charity was established to provide Almshouses for persons resident in the neighbourhood of Lees cum Cross Roads Keighley West Yorkshire. In order to be considered for accommodation applicants must meet certain criteria, which allows the Charity to assess their needs.

Achievements and Performance

During the year various general repairs and maintenance were carried out at the Almshouses.

Landlord's Annual Gas Service

The trustees decided to instruct an alternative gas safety engineer to carry out the annual gas safety checks and appointed Compass Mount Plumbing and Heating Ltd.

Following the inspection the company made a number of recommendations to rectify certain areas of non-compliance highlighted in their report. These works were carried out in a timely manner and all issues rectified and signed off by the inspecting engineer.

Re-valuation of the Almshouses

The Clerk had contacted Justin Robinson to carry out a valuation only survey. Justin valued the Almshouses at £85,000 per flat, a total of £510,000 in total. He had valued the property at £510,000 5 years ago. The trustees were a little disappointed with this valuation. Heidi consulted the internet to get a feel as to what one bedroom flats were on the market for it was concluded that the valuation was about right taking into consideration other factors in the nearby areas.

THE WILLIAM AND SARAH MIDGLEY ALMSHOUSES

Report of the Trustees for the year ended 5 April 2024

Residents Gas Bill

The Clerk informed the trustees that she had been approached by two residents who had expressed interest in paying their own gas bills. The trustees worked out a reduction of £22 per week. The Clerk spoke with the residents who expressed their satisfaction with the £22 per week reduction in the energy part of the WMC. Both residents started to pay their own gas bill from January 2023.

Yorkshire Water

The Clerk reported that she had contacted Yorkshire Water and was told because flats 5 & 6 was a joint supply they wasn't able to put water meters in. However, they could transfer flat 5 & 6 onto an 'assessed charge' which would be somewhat cheaper than the ordinary rateable value charges. The Clerk took up this offer and in doing so was able to get a refund of £184.93 for flat 5 and a refund of £205.92 for flat 6. The trustees were pleased with the result.

Flat 1

After the sad passing of the resident in flat 1, the flat underwent a full refurbishment. A new bathroom and kitchen, the plumbing was re-newed, the flat was completely re-wired and the whole flat was decorated and painted. The total cost amounted to £28,010.68. During this time of refurbishment the Charity lost 8 months of weekly maintenance contribution which was covered by the unrestricted funds.

Electric Meters

With the increase in energy costs the trustees decided to have individual electricity meters installed in each of the flats in order to monitor the usage with a view of passing the cost to the resident in the future. Anne asked if the energy part of the WMC covered the energy bills to which the Clerk answered no. The Charity had had to make up the difference of £754 during 22/23. The trustees will continue to monitor the energy usage.

Balustrades

The balustrades were brought back to their former glory having been refurbished by a Wilsden company.

Almshouse Insurance Policy

The insurance with Royal & Sun Alliance was renewed for three years commencing 30 June 2022. The buildings including the Charity's contents are insured for £1,800,000;

Accidental damage is not included nor is the Residents contents. The Policy does not include Terrorism. The Public Liability Indemnity Limit is £5million.

The Almshouse Policy is wide-ranging and provides an indemnity for Wrongful Acts by the Trustees. Where there is an allegation of negligence made by a third party the policy will pay for, subject of course to all policy terms and conditions being adhered to, defense costs and awards to a limit of £250,000 any one claim. The Policy must be current at the time of the allegation made against the Trustees or indeed the Charity. The policy premium including insurance premium tax totalled £1,596.07.

THE WILLIAM AND SARAH MIDGLEY ALMSHOUSES

Report of the Trustees for the year ended 5 April 2024

Financial Review

The Trustees' aim is that income from the Weekly Maintenance Charge paid by the residents covers the everyday maintenance costs associated with running the Almshouses.

Investments

The results shown within these financial statements are in line with expectations of the Trustees taking into consideration the current economic climate and the Trustees' policy which is to invest in the range of low to medium risk investments which allows for both income generation and longer term capital growth.

Weekly Maintenance Contribution (WMC)

The Clerk was asked to monitor the energy spending so that by July 2024 the trustees would have a full years' worth of costs for the gas and electricity used by the residents. It was decided that the decision regarding the WMC was to be deferred to the meeting in July 2024.

Reserves Policy

The trustees reviewed the Charity's reserves Policy in November 2022. The trustees have decided that reserves in the range of £30,000 to £35,000 are required by the Charity. This level has been set to cover nine months of recurring expenditure, any unforeseen repairs and any rent voids between tenants. The balance on the unrestricted reserves stands at £44,943.

Contribution to The Extraordinary Repair Fund (ERF). It was agreed that because of the money yet to pay out there would be no contributed to the ERF this year.

Contribution to Cyclical Maintenance Fund (CMF). It was agreed that because of the money yet to pay out there would be no contributed to the CMF this year.

Plans for Future Periods

The Trustees will continue their policy of keeping the Almshouses in a good state of repair both internally and externally to meet the criterion referred to in the Decent Homes Standard and the Quinquennial Inspection Report carried out in February 2022 of providing modern facilities and services. The re-pointing of the front of the building is to be carried out in the next financial year then the whole building will have been re-pointed. The sunken garden is out of bounds at the moment so the trustees are looking at bringing that back into use by looking into Heidi's suggestion of contacting a horticultural college to see if they might want a project which would be beneficial to all parties.

Michael D Bottomley
Chairperson

Date

THE WILLIAM AND SARAH MIDGLEY ALMSHOUSES

Trustees' responsibilities

In respect of the preparation of financial statements

Under the trust deed and rules of the Charity, the Trustees are required to prepare accounts for each financial year which properly present the state of affairs of the Charity and of the excess of income over expenditure. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue its activities.

The Trustees are required to act in accordance with the Trust deed and rules of the Charity, within the framework of the Trust law. They are responsible for keeping proper accounting records. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE WILLIAM AND SARAH MIDGLEY ALMSHOUSES

Report of the Independent Examiner to the Trustees of The William and Sarah Midgley Almshouses

I report to the charity trustees on my examination of the accounts of The William and Sarah Midgley Almshouses for the year ended 5 April 2024, which are set out on pages 10 to 15.

Responsibilities and basis of report

As the Charity's Trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011.

I report in respect of my examination of the charity's accounts carried out under section 145 of the 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:

- accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the applicable requirements concerning the form and contents 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 to enable a proper understanding of the accounts to be reached

M W Denton
Chartered Accountant
29 Devonshire Street
KEIGHLEY
BD21 2BH

11 July 2024

THE WILLIAM AND SARAH MIDGLEY ALMSHOUSES
Statement of financial activities

Property Revenue account
for the year ended 5 April

	Unrest Ricted Funds	Endow ment fund £	Restric ted fund £	Total Funds 2024 £	Total Funds 2023 £
<u>Income</u>					
Contributions from residents (note 2)	32,729	-	-	32,729	30,482
NAACIF	1,011	-	-	1,011	908
Bank interest received	591	-	-	591	640
Total income	34,331	-	-	34,331	32,030
<u>Expenditure</u>					
<u>Charitable activities</u>					
Electricity	4,513	-	-	4,513	1,726
Gas	2,949	-	-	2,949	3,761
Rates	206	-	-	206	-
Water rates	1,364	-	-	1,364	1,054
Insurance	1,404	-	-	1,404	1,290
Refurbishment of No. 1	25,444	-	-	25,444	-
Repairs and improvements	15,365	-	-	15,365	3,278
Garden maintenance	3,384	-	-	3,384	1,760
Audit and accountancy	420	-	-	420	420
Subscriptions	268	-	-	268	236
Qinquennial survey	-	-	-	-	1,203
Valuation	-	-	-	-	810
Secretarial fee	4,860	-	-	4,860	4,320
Administration fees	549	-	-	549	248
Total expenditure	60,726	-	-	60,726	20,106
<u>Net income before investment gains or losses</u>	(26,395)	-	-	(26,395)	11,924
Gains on investments	-	-	-	-	-
Net income	(26,395)	-	-	(26,395)	11,924
Transfer between funds					
Net movement in funds	(26,395)	-	-	(26,395)	11,924
Reconciliation of funds					
Total funds brought forward	71,338	23,485	10,875	105,698	93,774
Total funds carried forward	44,943	23,485	10,875	79,303	105,698

THE WILLIAM AND SARAH MIDGLEY ALMSHOUSES

<u>Balance sheet as at 5 April</u>			<u>2024</u>		<u>2023</u>	
	<u>Note</u>	£	£	£	£	
<u>Tangible fixed assets</u>						
Freehold property at cost	5					
6 Almshouses at Lees, Keighley			8,553		8,553	
Investments at cost	6		40,264		40,264	
			<u>48,817</u>		<u>48,817</u>	
<u>Current assets</u>						
Debtors	7	789		487		
Bank current account		25,857		26,073		
Cash in hand		48		49		
COIF Charities deposit fund		5,108		32,108		
			<u>31,802</u>	<u>58,717</u>		
<u>Creditors: amounts falling due</u>						
<u>Within one year</u>	8	1,316		1,836		
				<u>56,881</u>		
<u>Net current assets</u>			<u>30,486</u>		<u>56,881</u>	
<u>Net assets</u>			<u>79,303</u>		<u>105,698</u>	
<u>The Funds of the Charity</u>						
Endowment Funds	9		23,485		23,485	
Restricted Funds	9		10,875		10,875	
Unrestricted funds	9		44,943		71,338	
			<u>79,303</u>		<u>105,698</u>	
<u>Total Charity Funds</u>						

These financial statements were approved by the Board of Trustees on 11 July 2024 and were signed on their behalf by:

M Bottomley

Trustee

THE WILLIAM AND SARAH MIDGLEY ALMSHOUSES

Notes to the financial statements (forming part of the financial statements)

1.Accounting policies

a) Basis of accounting

The William and Sarah Midgley Almshouses is an unincorporated Charity registered in England and Wales. The address of the principal offices is given in the Officers and Professional Advisers information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are detailed within the Trustees' Annual Report.

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 issued in October 2019, applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Accounting Direction for private registered providers of social housing 2019 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a "true and fair" view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a "true and fair" view. This departure has involved following the 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) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity meets the definition of a public benefit entity under FRS 102. The accounts are prepared in accordance with the historical cost basis of accounting.

b) Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure are sufficient with the level of reserves for the charity to be able to continue as a going concern. The trustees have considered the potential ongoing impact of the Covid - 19 pandemic and have concluded that this will not affect the going concern status of the charity.

c) Income

All income is recognised once the Charity has entitlement to the income, there is sufficient certainty of receipt, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income represents letting income and other service charges receivable from social housing lettings included at their invoice value net of voids.

Donations or Grants are recognised when there is evidence of entitlement to the gift, receipt is probable and the amount can be measured reliably. All income is considered unrestricted unless specifically restricted by the donor or raised in an appeal for a specific purpose.

Investment income is earned through holding assets for investment purposes such as shares and land. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs.

THE WILLIAM AND SARAH MIDGLEY ALMSHOUSES

Notes to the financial statements (forming part of the financial statements)

It is included when the amount can be measured reliably. Interest, dividend and rent income are recognised once the Charity's right to receive payment is established.

No amount is included in the financial statements for volunteer time in line with SORP FRS (102)

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The William and Sarah Midgley Almshouses is not registered for Value Added Tax (VAT). In these financial statements, where applicable, expenditure is shown inclusive of VAT.

Impairment of freehold property

Reviews for impairment are carried out annually at the reporting date.

Impairment is recognised when the carrying value of an asset exceeds its recoverable amount. Examples of indicators of impairment are a significant decrease in the market value of the property or significant physical damage.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Investments

Investments are stated at cost at the balance sheet date.

Investments are held within fixed assets on the basis that they are held to generate income in the longer term.

Cash

Cash at bank and in hand includes cash held in deposit accounts.

Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount to settle the obligation can be measured reliably.

Contingent Liabilities

A contingent liability will be disclosed if:

A possible obligation arising from a past event whose existence will be confirmed only by some uncertain future event that is not wholly in control of the Charity

A present obligation arising from a past event but where the transfer of funds is not probable or the amount of the obligation cannot be measured reliably.

Financial instruments

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. These are cash, creditors, and debtors other than prepayments. Basic financial instruments are initially measured at transaction value and subsequently measured at their settlement rate.

THE WILLIAM AND SARAH MIDGLEY ALMSHOUSES

Notes to the financial statements (forming part of the financial statements)

Reserves

Unrestricted Reserves are funds available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted Reserves are funds for which the donor has specifically restricted the purpose for which they can be used. The amounts in the funds represent the monies still remaining for future expenditure
Endowment Reserves are a type of restricted fund and represent those assets which must be held permanently by the Charity. Income arising on the endowment funds can be used in accordance with the objectives of the Charity. Any capital gain or loss arising on the endowments form part of the Endowment Reserves.

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 charity 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 Part 11, chapter 3 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.

<u>2. Income from residents</u>	<u>2024</u>	<u>2023</u>
	<u>£</u>	<u>£</u>
Gross income receivable from lettings	35,152	30,862
Less: losses from voids	2,423	380
	<u>32,729</u>	<u>30,482</u>

3. Employee information

The average weekly number of persons employed during the year was:

Trustees	<u>7</u>	<u>7</u>
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The remuneration and expenses paid to the Trustees during the two years was nil.

THE WILLIAM AND SARAH MIDGLEY ALMSHOUSES

Notes to the financial statements continued
(forming part of the financial statements)

	<u>2024</u>	<u>2023</u>
<u>4. Surplus on ordinary activities</u>		
This is stated after charging:		
Independent Examiners remuneration	420	420
Depreciation	—	—
<u>5. Fixed asset property at cost</u>		
Almshouses at Lees, Keighley	8,553	8,553
On 7 December 2022 a valuation of the properties was carried out giving a market value of £510,000.		
<u>6. Fixed asset investments at cost</u>		
Charities Official Investment Fund - 546.35 units (2013 - 546.35 units)	11,245	11,245
M & G Charity Multi Asset Fund Income Units (25,930.706 units)	15,725	15,725
Charities Official Investment Fund - 22.42 units (December 2012 - 22.42 units)	2,000	2,000
Charities Official Investment Fund - 26.15 units (January 2015 - 26.15 units)	3,000	3,000
Charities Official Investment Fund - 25.32 units (December 2015 - 25.32 units)	3,000	3,000
Charities Official Investment Fund - 11.00 units (August 2019 - 11.00 units)	2,000	2,000
Charities Official Investment Fund - 676.43 units (August 2022 - 676.43 units)	3,294	3,294
	<u>40,264</u>	<u>40,264</u>
Aggregate market value	<u>186,156</u>	<u>169,311</u>
<u>7. Debtors: amounts falling due within one year</u>		
Prepayments	<u>789</u>	<u>487</u>
<u>8. Creditors: amounts falling due within one year</u>		
Accruals	<u>1,316</u>	<u>1,836</u>

9. Reserves

	Endowment Funds £	Restricted Funds £	Unrestric- ted Funds £	Total £
At 5 April 2023	23,485	10,875	71,338	105,698
Deficit for year	—	—	(26,395)	(26,395)
At 5 April 2024	<u>23,485</u>	<u>10,875</u>	<u>44,943</u>	<u>79,303</u>