

THE HUNTER MEMORIAL HOMES TRUST

FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2021

incorporating the accounts of

THOMAS PYE'S CHARITY

Charity number 500818

THE HUNTER MEMORIAL HOMES TRUST

TRUSTEES' REPORT

For The Year Ended 31st March 2021

The trustees submit their report and financial statements for the year ended 31st March 2021.

REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees:	Simon Foley Kate McDonald John Wearmouth Cynthia Livesay
Managing Agents and Principal Office:	Durham Aged Mineworkers' Homes Association PO Box 31 The Grove 168 Front Street Chester le Street County Durham DH3 3YH
Bankers:	TSB Bank plc Morpeth Branch Morpeth Northumberland NE61 1AN
Auditors:	MHA Tait Walker Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS
Charity Number:	500818
Registered Social Landlord number:	A2635

THE HUNTER MEMORIAL HOMES TRUST

TRUSTEES' REPORT (Continued)

For The Year Ended 31st March 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Status:

The Hunter Memorial Homes Trust is a Registered Charity, registered with the Charity Commission (number 500818) and a Registered Social Landlord (number A2635), registered with the Homes England (formerly the Homes and Community Agency).

Governing Document:

The trust was established under the will of William Hunter dated 6th June 1955 and is governed in accordance with the requirements of the Charity Commission Schemes dated 16th February 1970 and 2nd January 1974.

Board of Trustees:

The trustees have passed the day to day running of the trust to Durham Aged Mineworkers' Homes Association, the managing agents.

The trustees receive detailed management accounts (including cashflow projections) as well as reports on operational activities every month. They participate in the strategic planning process and have ultimate responsibility for approval of the strategic plan.

Recruitment of trustees, induction and training:

Any trustee vacancies which arise are filled by search with due regard to maintaining a proper balance of skills and experience within the board.

New trustees are provided with a proper induction process to ensure they receive all relevant papers and guidance to properly fulfil their duties.

OBJECTIVES AND ACTIVITIES

The trust was founded under the will of William Hunter, a man who lived most of his life in South Africa and who died there in 1955. However, the funds were transferred to England only over a long period between 1969 and 1986. During that time, both capital and income were received from South Africa. The trust's object, as provided in William Hunter's will, is to provide almshouses for elderly people in the town of Morpeth.

The trust provides eight flats for elderly people. Six were purpose built; four in Oldgate (1972) and two in Howard Road (1979). Two further units were created by the conversion of the former Council Cottage in Gas House Lane. In 2010 the trust bought a two bedroomed bungalow in St Aidans Crescent and in 2011 bought another bungalow in Merley Gate, also for old people.

The trust may not charge rent for dwellings, only a maintenance charge sufficient to manage them and keep them in good repair. The almspeople are legally tenants. Wherever the terms "rent" and "tenant" are used, it is for convenience only and has no other significance.

ACHIEVEMENTS AND PERFORMANCE

The trustees' met on four occasions during the financial year.

The trust had two empty properties during the year with a 9 and 7 week void respectively. There were no empty properties at year end.

PUBLIC BENEFIT STATEMENT

Our main activity and who we try to help are described earlier within our report at Objectives and Activities. Although the trust is small and provides only ten units, the charitable purpose provides a public benefit otherwise these elderly people would depend on the state purse.

THE HUNTER MEMORIAL HOMES TRUST

TRUSTEES' REPORT (Continued)

For The Year Ended 31st March 2021

FINANCIAL REVIEW

The financial statements now presented for the year, show a surplus of income over expenditure of £11,916.

The value of the investments during the year have risen again on last year as the stock market has made a recovery following the crash in March 2020 because of the Coronavirus outbreak.

The financial statements, which have been prepared in accordance with applicable Accounting Standards in the United Kingdom, the Charities Act 2011, the Statement of Recommended Practice: Accounting by Registered Social Landlords (update 2018), conform to current statutory requirements and comply with the trust's governing documents and with the Accounting Direction for Private Registered Providers of Social Housing 2019.

RESERVES POLICY

The trustees have established a policy to ensure that the trust's unrestricted revenue reserve funds, which are the free reserves of the trust, do not fall below the amount required to run the trust's activities for at least one year should there be any call on the funds of the trust. Unrestricted revenue reserves were maintained at a higher level than this throughout the year.

RISK POLICY

The trustees have examined the major risks which the trust faces and confirm that procedures have been established to lessen these risks.

VALUE FOR MONEY

The Registered Charity is committed to being an effective and efficient social business achieving Value for Money ("VFM") in all its activities.

As the charity only has 10 units to achieve VFM it benefits from the policies and procedures of DAMHA (the managing agent). Examples of this are where a new central heating boiler is required the costs are those negotiated by DAMHA who have in excess of 1700 units. This principle also applies for replacement windows, kitchens and bathrooms as required.

Quinquennial inspections are carried out to schedule planned maintenance, that said, many of the improvements are carried out during void periods due to the age and vulnerability of the residents.

Through the management agreement Hunter Homes have a cost effective process of managing day to day repairs and the collection of the weekly maintenance charge. Residents can also contact housing officers on a free phone number.

Additional VFM is achieved by using, where appropriate, local contractors, e.g. landscape maintenance.

Key areas of Performance for the Charity over time in relation to VFM are as follows:

Metric	2021	2020
Reinvestment	N/a	N/a
New Supply delivered:		
a) Social housing units	N/a	N/a
b) Non-social housing units	N/a	N/a
Gearing	0%	0%
Earnings before interest, taxation, depreciation and amortisation	0%	0%
Headline social housing cost per unit	£4,014	£4,117
Operating margin:		
a) Social lettings only	-21.5%	-26.3%
b) Overall	-21.5%	-26.3%
Return on capital employed	-0.93%	-1.28%

THE HUNTER MEMORIAL HOMES TRUST

TRUSTEES' REPORT *(Continued)*

For The Year Ended 31st March 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities and registered social landlords in England and Wales requires the trustees to prepare financial statements for each financial year which 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 trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the association and enable it to ensure that the financial statements comply with the Charities Act 2011, the Statement of Recommended Practice: Accounting by Registered Social Landlords (updated 2018) the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing in England 2019. It has general responsibility for taking reasonable steps to safeguard the assets of the association and to prevent and detect fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the Trust's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the trustees on 16/9/21

and signed on their behalf by:

S. Foley
Chairman



INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HUNTER MEMORIAL HOMES TRUST

For The Year Ended 31st March 2021

Opinion

We have audited the financial statements of Hunter Memorial Homes Trust ('RSL charity') for the year ended 31 March 2021 which comprise the Statement of; Comprehensive Income, Financial Position, Changes in Reserves, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including the Charities Act 2011, the Housing and Regeneration Act 2008, the Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice (SORP) accounting by Registered Social Housing Providers 2018 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

In our opinion, the financial statements:

- give a true and fair view of the state of the RSL charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, 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, Statement of Recommended Practice: Accounting by Registered Social Landlords (update 2018) and the Accounting Direction for Private Registered Providers of Social Housing 2019.

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 are independent of the association in accordance with the ethical requirements that are 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating 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 RSL charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements were 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 other information comprises the information included in the Trustees' Report other than the financial statements and our auditor's report thereon. The board is responsible for the other information. 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.

In connection with our audit of the financial statements, 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HUNTER MEMORIAL HOMES TRUST
(Continued)
For The Year Ended 31st March 2021

Matters on which we are required to report by exception

In light of the knowledge and understanding of the society and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where we are required to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- adequate accounting records have not been kept by the association;
- the association's 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.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 required us to report to you if, in our opinion:

- a satisfactory system of control over transaction has not been maintained.

Responsibilities of the board

As explained more fully in the Statement of Trustees' responsibilities, 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 board 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 association'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 intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and section 136 of the Housing and Regeneration Act 2008 and report in accordance with regulations made under section 154 of the Charities Act 2011 and section 137 of the Housing and Regeneration Act 2008.

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.

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:

- Enquiries with management, about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HUNTER MEMORIAL HOMES TRUST (Continued)

For The Year Ended 31st March 2021

Auditor's responsibilities for the audit of the financial statements (Continued)

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; and compliance with both the UK Charities Act 2011 and the Housing and Regeneration Act 2008.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of Report

This report is made solely to the trust's members, as a body, in accordance with the Charities Act 2011 and the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the trust's members 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 trust and the trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

Simon Brown BA ACA DChA (Senior Statutory Auditor)

For and on behalf of:



MHA Tait Walker
Chartered Accountants and Statutory Auditors
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 17-9-2021

MHA Tait Walker is a trading name of Tait Walker LLP.

THE HUNTER MEMORIAL HOMES TRUST

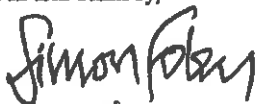

STATEMENT OF COMPREHENSIVE INCOME
For The Year Ended 31st March 2021

		2021	2020
		£	£
	Notes		
TURNOVER			
Maintenance Charges	3(A)	41,596	40,928
Dividends and Interest Receivable	3(A)	21,100	23,317
Amortisation of Social Housing Grant	3(A)	1,191	1,191
		<u>63,887</u>	<u>65,436</u>
OPERATING COSTS			
Auditor's Remuneration		3,060	3,080
Alarms		-	34
Depreciation of Properties		11,829	12,027
Heat and Light		618	1,346
Insurances		2,357	2,146
Management		14,259	13,884
Maintenance		16,575	17,722
Subscriptions		501	485
Sundry		240	30
Water		2,532	2,442
	3(B)	<u>(51,971)</u>	<u>(53,196)</u>
NET SURPLUS FOR YEAR	2	<u>11,916</u>	<u>12,240</u>
OTHER RECOGNISED GAINS/(DEFICITS)			
IN THE YEAR	6	104,625	(101,926)
TOTAL COMPREHENSIVE INCOME		<u>116,541</u>	<u>(89,686)</u>
FOR THE YEAR			

The result for the year relates wholly to continuing activities.

The financial statements were approved by the trustees on 16/9/21

and signed on their behalf by;

S. Foley		}	Chairman
K. McDonald		}	Trustee

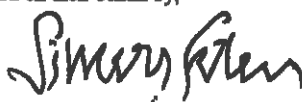
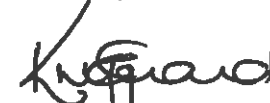
THE HUNTER MEMORIAL HOMES TRUST

STATEMENT OF FINANCIAL POSITION
At 31st March 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Housing Properties - at Cost	5	446,557	458,386
		<u>446,557</u>	<u>458,386</u>
Investments	6	562,316	442,044
		<u>1,008,873</u>	<u>900,430</u>
CURRENT ASSETS			
Debtors	7	1,655	841
Cash at Bank		84,758	79,952
		<u>86,413</u>	<u>80,793</u>
CREDITORS: Amounts falling due within one year	8	<u>(4,062)</u>	<u>(5,349)</u>
NET CURRENT ASSETS		82,351	75,444
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,091,224</u>	<u>975,874</u>
CREDITORS: Amounts falling due after one year	9	(106,755)	(107,946)
TOTAL NET ASSETS		<u>984,469</u>	<u>867,928</u>
RESERVES			
Permanent Endowments	11	194,007	113,027
Investment Revaluation Reserve	11	36,563	22,581
Designated Reserves:			
Cyclical Maintenance Fund	12	72,151	72,151
Extraordinary Repairs Fund	12	186,757	177,094
Revenue Reserve	13	494,991	483,075
		<u>984,469</u>	<u>867,928</u>

The financial statements were approved by the trustees on 16/9/21 2021.

and signed on their behalf by;

S. Foley		}	Chairman
K. McDonald		}	Trustee

THE HUNTER MEMORIAL HOMES TRUST

STATEMENT OF CHANGES IN RESERVES / EQUITY
For The Year Ended 31st March 2021

	Permanent	Unrestricted Investment Revaluation Reserve	Designated	Revenue	Total
BALANCE AT 31 MARCH 2019	123,795	39,926	323,058	470,835	957,614
Surplus from statement of comprehensive income year ended 31 March 2020 – Total Comprehensive Income	-	-	-	12,240	12,240
Unrealised revaluation (deficit)	(10,768)	(17,345)	(73,813)	-	(101,926)
BALANCE AT 31 MARCH 2020	113,027	22,581	249,245	483,075	867,928
Surplus from statement of comprehensive income year ended 31 March 2021 – Total Comprehensive Income	-	-	-	11,916	11,916
Unrealised revaluation surplus	80,980	13,982	9,663	-	104,625
BALANCE AT 31 MARCH 2021	194,007	36,563	258,908	494,991	984,469

THE HUNTER MEMORIAL HOMES TRUST

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 31st March 2021

1. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom, Financial Reporting Standard 102 (FRS102), the Charities Act 2011, the Accounting Directions for Private Registered Providers of Social Housing 2019 and the Statement of Recommended Practice Accounting by Registered Social Landlords (update 2018).

In accordance with FRS102 PBE3.3A the Trustees confirm that this Registered Social Housing Provider is a Public Benefit Entity (PBE).

The Trustees have chosen to utilise the exemptions available under paragraph 1.11 of FRS102, and have therefore chosen not to prepare a cashflow statement and supporting notes.

A summary of the more important accounting policies are set out below:-

-Basis of Accounting-

The financial statements have been prepared under the historical cost convention, except for investments which are shown at fair value.

The financial statements are prepared in sterling, which is the functional currency of the entity.

-Turnover-

Turnover represents rental income and maintenance charges receivable net of rent and maintenance charge losses from voids. Turnover is recognised as the period of rent is due.

-Housing Properties and Depreciation-

Tangible fixed assets are stated at cost, less accumulated depreciation.

Major components of housing properties, such as internal fittings and heating components, have been accounted for and depreciated separately from the housing structure, over their expected useful economic lives.

Depreciation is charged on a straight line basis at rates anticipated to write off the cost of the asset, over the expected useful economic lives of the assets as follows:

Land	- Not depreciated
Housing Properties:	
Building	- 100 years straight line
Roof	- 40 years straight line
Wiring	- 30 years straight line
Windows & Doors	- 25 years straight line
Bathroom	- 20 years straight line
Kitchen	- 15 years straight line
Heating	- 15 years straight line
Stair Lift	- 10 years straight line

None of the RSHP's housing properties are considered to be investment properties.

-Social Housing Grant-

Social Housing Grant (SHG) received as a capital contribution, in line with SORP2018 and the 'accruals method', is held separately as a creditor due more than one year, unless part of the SHG relates to a disposal of property and becomes recycled or repayable, in which case it is apportioned to creditors due less than one year accordingly. The 'accruals method' is applied as the RSHP holds all social housing properties at their historic cost.

The SHG is then amortised in line with the depreciation of the 'structure' component of the housing properties and released over 100 years (1%). The amortisation released in respect of the SHG is recognised in the Statement of Comprehensive Income as 'income'.

THE HUNTER MEMORIAL HOMES TRUST

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 31st March 2021

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

-Social Housing Grant- (Continued)

SHG received towards revenue expenditure is matched against that expenditure by being included in turnover in the Statement of Comprehensive Income. The related expenditure is included under operating costs. SHG is recognised in the same period as the related expenditure provided the conditions for its receipt have been satisfied and there is reasonable assurance that the grant will be received.

SHG received and not matched by development expenditure or relevant expenditure in the Statement of Comprehensive Income is included in current liabilities. The amount of SHG in advance is calculated by reference to the aggregate of all schemes in the SHG funded development programme.

-Capitalisation of Interest-

Interest on the mortgage loan which finances a development is capitalised up to the date of practical completion of the scheme.

-Investments -

Investments are stated at fair value as at 31st March 2021 in order to comply with the SORP.

-Employees and Administration Costs-

The charity has no employees. It is governed by trustees who may not receive remuneration, in any form, from the charity.

-Designated Reserves-

Designated reserves are part of unrestricted reserves which have been earmarked by the Board for a particular purpose. Such designations may be reversed by future Board decisions. Expenditure cannot be directly set against designated reserves but is taken through the Statement of Comprehensive Income. A transfer is then made from designated reserves as appropriate.

The RSHP designates those reserves set aside for future major repairs on all of its housing properties. The amounts set aside are based on a stock condition survey of the RSHP's housing properties and represents the expenditure that cannot be met from the RSHP's future rental income stream. The designated reserve is the amount that the Board estimates is required for future major repairs.

-Financial Instruments-

A financial instrument is a contract that gives rise to a financial asset or liability within the financial statements of the RSHP. The Trustees have reviewed the financial instruments held within the RSHP's financial statements and consider them to be 'basic' and as such are recognised at their transactional value.

-Rent Arrears and Advances-

In accordance with the Accounting Direction 2019, rent arrears and advances are not net-off and are presented as part of debtors and creditors respectively. Where a payment plan has been entered into for rent arrears, which is considered to be material, then the rent arrears debtor is adjusted to its net present value.

-Going Concern-

The trustees have considered the financial position in light of the ongoing situation in relation to the Covid-19 virus and on conclusion of this work, given the strong cash and investment balance, consider that there are no material uncertainties about the trusts ability to continue as a going concern.

THE HUNTER MEMORIAL HOMES TRUST

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31st March 2021

2. SURPLUS FOR THE YEAR

	2021	2020
	£	£
The surplus for the year is after charging:		
Depreciation on Tangible Owned Assets	11,829	12,027
Amortisation of Social Housing Grant	(1,191)	(1,191)
Auditor's Remuneration:		
In their capacity as auditors	2,600	2,550

**3(A). PARTICULARS OF TURNOVER, OPERATING COSTS
AND OPERATING SURPLUS**

YEAR END 2021	Turnover £	Operating Costs £	Operating (Deficit) / Surplus £
INCOME FROM LETTINGS			
Housing Accommodation	41,596	(51,971)	(10,375)
Amortisation of Social Housing Grant	1,191	-	1,191
	<u>42,787</u>	<u>(51,971)</u>	<u>(9,184)</u>
OTHER INCOME AND EXPENDITURE			
Dividends and Interest Receivable	21,100	-	21,100
TOTAL	<u>63,887</u>	<u>(51,971)</u>	<u>11,916</u>

YEAR END 2020	Turnover £	Operating Costs £	Operating (Deficit) / Surplus £
INCOME FROM LETTINGS			
Housing Accommodation	40,928	(53,196)	(12,268)
Amortisation of Social Housing Grant	1,191	-	1,191
	<u>42,119</u>	<u>(53,196)</u>	<u>(11,077)</u>
OTHER INCOME AND EXPENDITURE			
Dividends and Interest Receivable	23,317	-	23,317
TOTAL	<u>65,436</u>	<u>(53,196)</u>	<u>12,240</u>

THE HUNTER MEMORIAL HOMES TRUST

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31st March 2021

3(B). INCOME FROM LETTINGS	2021	2020
	£	£
Service Charges Receivable net of voids	41,596	40,928
Amortisation of Social Housing Grant	1,191	1,191
Net Rents Receivable	42,787	42,119
Total Income from Lettings	42,787	42,119
Expenditure On Letting Activities:		
Auditor's Remuneration	3,060	3,080
Depreciation	11,829	12,027
Management	14,259	13,884
Major Repairs	16,575	17,722
Services	5,747	5,998
Subscriptions	501	485
Total Expenditure on Lettings	(51,971)	(53,196)
Operating Deficit On Letting Activities	(9,184)	(11,077)
Void Losses	(1,255)	(1,534)
(being rental income lost as a result of property not being let, although it is available for letting)		

4. STAFF, KEY MANAGEMENT PERSONNEL, DIRECTORS' EMOLUMENTS AND RELATED PARTIES

Total staff costs were as follows:

	2021	2020
	£	£
Wages and salaries	-	-
Social security costs	-	-
	-	-

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2021	2020
	£	£
	-	-

No employee earned more than £60,000. As the RSHP has no employees, it has no Key Management Personnel. The trustees are defined as the Board of Management and therefore could be classed as Key Management Personnel. None of the Board of Management received any emoluments during 2021 (2020: £Nil). The RSHP has no other paid Executive Officers.

The total expenses reimbursed to the Board of Management not chargeable for UK income tax during 2021 were £Nil (2020: £Nil).

THE HUNTER MEMORIAL HOMES TRUST

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31st March 2021

5. TANGIBLE ASSETS

	2021 £	2020 £
	Housing Land and Buildings £	Housing Land and Buildings £
Cost		
As at 1st April	609,371	609,371
Additions	-	-
Disposals	-	-
As at 31st March	609,371	609,371
Depreciation		
As at 1st April	150,985	138,958
Charge for the year	11,829	12,027
Released on Disposal	-	-
As at 31st March	162,814	150,985
Net Book Value as at 31st March	446,557	458,386

6. INVESTMENTS

	2021 £	2020 £
Market Value :		
As at 1st April	442,044	527,438
Additions	15,647	16,532
Disposals at opening book value	-	-
Investment Revaluation	104,625	(101,926)
As at 31st March	562,316	442,044

THE HUNTER MEMORIAL HOMES TRUST

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31st March 2021

6. INVESTMENTS (Continued)

		2021 £	2020 £
(a) RESTRICTED OR DESIGNATED FUND INVESTMENTS			
- Endowment Funds			
	Nominal Holding		
Thomas Pye's Charity, (Incorporating Charles Alderson's Bequest)			
Special Range Unit Trust NAACIF, Income Units	1,836	1,577	1,285
Market Value		1,577	1,285
The Hunter Memorial Homes Trust,			
Special Range Unit Trust NAACIF, Income Units	24,750	21,260	17,323
Charifund Income Units	1,962	28,889	23,455
Market Value		50,149	40,778
Designated Funds: - Extraordinary Repairs Fund			
	Nominal Holding		
Special Range Unit Trust			
NAACIF, Accumulation Units	4,539	435,508	338,893
Market Value		435,508	338,893
(b) UNRESTRICTED FUND INVESTMENTS			
-Surplus Income:			
	Nominal Holding		
National Savings Account		740	729
Charifund Income Units	5,049	74,342	60,359
Market Value		75,082	61,088
Total Market Value at End of Year (As Above)		562,316	442,044
Historic Cost:			
As at 1st April		290,972	290,972
Additions		11	-
Disposals		-	-
As at 31st March		290,983	290,972

THE HUNTER MEMORIAL HOMES TRUST

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31st March 2021

7. DEBTORS: Amounts falling due within one year

	2021	2020
	£	£
Service Charges Receivable	640	146
Other Debtors	-	-
Prepayments	1,015	695
	<u>1,655</u>	<u>841</u>

8. CREDITORS: Amounts falling due within one year

	2021	2020
	£	£
Service Charges Prepaid	190	89
Trade Creditors	488	1,688
Other Creditors	3,384	3,572
	<u>4,062</u>	<u>5,349</u>

The average number of days between receipt and payment of purchase invoices was 30 days (2020: 30 days).

9. CREDITORS: Amounts falling after more than one year

The Social Housing Grant is amortised in line with the life of the 'structure' component, at a rate of 1%, and released as 'income' to the Statement of Comprehensive Income on that basis.

SOCIAL HOUSING GRANT

	2021	2020
	£	£
Cost		
As at 1st April	119,112	119,112
Additions in year	-	-
Disposals	-	-
As at 31st March	<u>119,112</u>	<u>119,112</u>
Amortisation		
As at 1st April	11,166	9,975
Charge in year	1,191	1,191
As at 31st March	<u>12,357</u>	<u>11,166</u>
As at 31st March	<u>106,755</u>	<u>107,946</u>

THE HUNTER MEMORIAL HOMES TRUST

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31st March 2021

10. FINANCIAL INSTRUMENTS

The RSHP considers that its financial instruments include the Social Housing Grant (SHG), included as liabilities within the financial statements. As the RSHP has no intention to dispose of its housing properties the SHG will not become repayable. As a result the total balance of the SHG creditor is presented as falling due in five years or more. The financial instruments are repayable as follows:

	2021 £	2020 £
In five years or more	106,755	107,946

11. ENDOWMENT AND REVALUATION RESERVES

	Permanent Endowments £	Unrestricted Revaluation Reserve £	2021 Total £	2020 Total £
As at 1st April	113,027	22,581	135,608	163,721
Transfer to Designated Reserves	-	-	-	-
Transfer to Restricted Reserves	-	-	-	-
Transfer from (to) Revenue Reserves	-	-	-	-
Investment Revaluation	80,980	13,982	94,962	(28,113)
As at 31st March	194,007	36,563	230,570	135,608

Permanent Endowments are represented by various investments from the estate of the late William Hunter and the funds of Thomas Pye's Charity and Charles Alderson's Bequest.

The revaluation reserve represents the change in market value of investments held within the Unrestricted Funds.

12. DESIGNATED RESERVES

	Extraordinary Repairs Fund £	Cyclical Repairs and Maintenance £	2021 Total £	2020 Total £
As at 1st April	177,094	72,151	249,245	323,058
Transfer to Revenue Reserve	-	-	-	-
Investment Revaluation	9,663	-	9,663	(73,813)
As at 31st March	186,757	72,151	258,908	249,245

THE HUNTER MEMORIAL HOMES TRUST

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31st March 2021

13. REVENUE RESERVES

	2021 Total £	2020 Total £
As at 1st April	483,075	470,835
Transfer from designated Reserves	-	-
Surplus for the year	11,916	12,240
As at 31st March	<u>494,991</u>	<u>483,075</u>

14. ACCOMMODATION IN MANAGEMENT

	2021 Units	2020 Units
General needs housing	10	10

15. TAXATION

The trust is a registered charity and is, therefore, exempt from liability to taxation on its income and capital gains.

16. CONTINGENCIES

The trustees have confirmed there were no contingent liabilities which should have been disclosed at 31st March 2021.

THE HUNTER MEMORIAL HOMES TRUST

FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2021

incorporating the accounts of

THOMAS PYE'S CHARITY

Charity number 500818

THE HUNTER MEMORIAL HOMES TRUST

TRUSTEES' REPORT

For The Year Ended 31st March 2021

The trustees submit their report and financial statements for the year ended 31st March 2021.

REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees:	Simon Foley Kate McDonald John Wearmouth Cynthia Livesay
Managing Agents and Principal Office:	Durham Aged Mineworkers' Homes Association PO Box 31 The Grove 168 Front Street Chester le Street County Durham DH3 3YH
Bankers:	TSB Bank plc Morpeth Branch Morpeth Northumberland NE61 1AN
Auditors:	MHA Tait Walker Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS
Charity Number:	500818
Registered Social Landlord number:	A2635

THE HUNTER MEMORIAL HOMES TRUST

TRUSTEES' REPORT (Continued)

For The Year Ended 31st March 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Status:

The Hunter Memorial Homes Trust is a Registered Charity, registered with the Charity Commission (number 500818) and a Registered Social Landlord (number A2635), registered with the Homes England (formerly the Homes and Community Agency).

Governing Document:

The trust was established under the will of William Hunter dated 6th June 1955 and is governed in accordance with the requirements of the Charity Commission Schemes dated 16th February 1970 and 2nd January 1974.

Board of Trustees:

The trustees have passed the day to day running of the trust to Durham Aged Mineworkers' Homes Association, the managing agents.

The trustees receive detailed management accounts (including cashflow projections) as well as reports on operational activities every month. They participate in the strategic planning process and have ultimate responsibility for approval of the strategic plan.

Recruitment of trustees, induction and training:

Any trustee vacancies which arise are filled by search with due regard to maintaining a proper balance of skills and experience within the board.

New trustees are provided with a proper induction process to ensure they receive all relevant papers and guidance to properly fulfil their duties.

OBJECTIVES AND ACTIVITIES

The trust was founded under the will of William Hunter, a man who lived most of his life in South Africa and who died there in 1955. However, the funds were transferred to England only over a long period between 1969 and 1986. During that time, both capital and income were received from South Africa. The trust's object, as provided in William Hunter's will, is to provide almshouses for elderly people in the town of Morpeth.

The trust provides eight flats for elderly people. Six were purpose built; four in Oldgate (1972) and two in Howard Road (1979). Two further units were created by the conversion of the former Council Cottage in Gas House Lane. In 2010 the trust bought a two bedroomed bungalow in St Aidans Crescent and in 2011 bought another bungalow in Merley Gate, also for old people.

The trust may not charge rent for dwellings, only a maintenance charge sufficient to manage them and keep them in good repair. The almspeople are legally tenants. Wherever the terms "rent" and "tenant" are used, it is for convenience only and has no other significance.

ACHIEVEMENTS AND PERFORMANCE

The trustees' met on four occasions during the financial year.

The trust had two empty properties during the year with a 9 and 7 week void respectively. There were no empty properties at year end.

PUBLIC BENEFIT STATEMENT

Our main activity and who we try to help are described earlier within our report at Objectives and Activities. Although the trust is small and provides only ten units, the charitable purpose provides a public benefit otherwise these elderly people would depend on the state purse.

THE HUNTER MEMORIAL HOMES TRUST

TRUSTEES' REPORT (Continued)

For The Year Ended 31st March 2021

FINANCIAL REVIEW

The financial statements now presented for the year, show a surplus of income over expenditure of £11,916.

The value of the investments during the year have risen again on last year as the stock market has made a recovery following the crash in March 2020 because of the Coronavirus outbreak.

The financial statements, which have been prepared in accordance with applicable Accounting Standards in the United Kingdom, the Charities Act 2011, the Statement of Recommended Practice: Accounting by Registered Social Landlords (update 2018), conform to current statutory requirements and comply with the trust's governing documents and with the Accounting Direction for Private Registered Providers of Social Housing 2019.

RESERVES POLICY

The trustees have established a policy to ensure that the trust's unrestricted revenue reserve funds, which are the free reserves of the trust, do not fall below the amount required to run the trust's activities for at least one year should there be any call on the funds of the trust. Unrestricted revenue reserves were maintained at a higher level than this throughout the year.

RISK POLICY

The trustees have examined the major risks which the trust faces and confirm that procedures have been established to lessen these risks.

VALUE FOR MONEY

The Registered Charity is committed to being an effective and efficient social business achieving Value for Money ("VFM") in all its activities.

As the charity only has 10 units to achieve VFM it benefits from the policies and procedures of DAMHA (the managing agent). Examples of this are where a new central heating boiler is required the costs are those negotiated by DAMHA who have in excess of 1700 units. This principle also applies for replacement windows, kitchens and bathrooms as required.

Quinquennial inspections are carried out to schedule planned maintenance, that said, many of the improvements are carried out during void periods due to the age and vulnerability of the residents.

Through the management agreement Hunter Homes have a cost effective process of managing day to day repairs and the collection of the weekly maintenance charge. Residents can also contact housing officers on a free phone number.

Additional VFM is achieved by using, where appropriate, local contractors, e.g. landscape maintenance.

Key areas of Performance for the Charity over time in relation to VFM are as follows:

Metric	2021	2020
Reinvestment	N/a	N/a
New Supply delivered:		
a) Social housing units	N/a	N/a
b) Non-social housing units	N/a	N/a
Gearing	0%	0%
Earnings before interest, taxation, depreciation and amortisation	0%	0%
Headline social housing cost per unit	£4,014	£4,117
Operating margin:		
a) Social lettings only	-21.5%	-26.3%
b) Overall	-21.5%	-26.3%
Return on capital employed	-0.93%	-1.28%

THE HUNTER MEMORIAL HOMES TRUST

TRUSTEES' REPORT *(Continued)*

For The Year Ended 31st March 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities and registered social landlords in England and Wales requires the trustees to prepare financial statements for each financial year which 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 trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the association and enable it to ensure that the financial statements comply with the Charities Act 2011, the Statement of Recommended Practice: Accounting by Registered Social Landlords (updated 2018) the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing in England 2019. It has general responsibility for taking reasonable steps to safeguard the assets of the association and to prevent and detect fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the Trust's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the trustees on 16/9/21

and signed on their behalf by:

S. Foley
Chairman



INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HUNTER MEMORIAL HOMES TRUST

For The Year Ended 31st March 2021

Opinion

We have audited the financial statements of Hunter Memorial Homes Trust ('RSL charity') for the year ended 31 March 2021 which comprise the Statement of; Comprehensive Income, Financial Position, Changes in Reserves, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including the Charities Act 2011, the Housing and Regeneration Act 2008, the Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice (SORP) accounting by Registered Social Housing Providers 2018 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

In our opinion, the financial statements:

- give a true and fair view of the state of the RSL charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, 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, Statement of Recommended Practice: Accounting by Registered Social Landlords (update 2018) and the Accounting Direction for Private Registered Providers of Social Housing 2019.

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 are independent of the association in accordance with the ethical requirements that are 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating 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 RSL charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements were 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 other information comprises the information included in the Trustees' Report other than the financial statements and our auditor's report thereon. The board is responsible for the other information. 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.

In connection with our audit of the financial statements, 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HUNTER MEMORIAL HOMES TRUST
(Continued)
For The Year Ended 31st March 2021

Matters on which we are required to report by exception

In light of the knowledge and understanding of the society and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where we are required to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- adequate accounting records have not been kept by the association;
- the association's 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.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 required us to report to you if, in our opinion:

- a satisfactory system of control over transaction has not been maintained.

Responsibilities of the board

As explained more fully in the Statement of Trustees' responsibilities, 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 board 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 association'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 intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and section 136 of the Housing and Regeneration Act 2008 and report in accordance with regulations made under section 154 of the Charities Act 2011 and section 137 of the Housing and Regeneration Act 2008.

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.

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:

- Enquiries with management, about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HUNTER MEMORIAL HOMES TRUST (Continued)

For The Year Ended 31st March 2021

Auditor's responsibilities for the audit of the financial statements (Continued)

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; and compliance with both the UK Charities Act 2011 and the Housing and Regeneration Act 2008.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of Report

This report is made solely to the trust's members, as a body, in accordance with the Charities Act 2011 and the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the trust's members 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 trust and the trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

Simon Brown BA ACA DChA (Senior Statutory Auditor)

For and on behalf of:



MHA Tait Walker
Chartered Accountants and Statutory Auditors
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 17-9-2021

MHA Tait Walker is a trading name of Tait Walker LLP.

THE HUNTER MEMORIAL HOMES TRUST

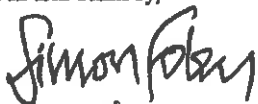

STATEMENT OF COMPREHENSIVE INCOME
For The Year Ended 31st March 2021

		2021	2020
		£	£
	Notes		
TURNOVER			
Maintenance Charges	3(A)	41,596	40,928
Dividends and Interest Receivable	3(A)	21,100	23,317
Amortisation of Social Housing Grant	3(A)	1,191	1,191
		<u>63,887</u>	<u>65,436</u>
OPERATING COSTS			
Auditor's Remuneration		3,060	3,080
Alarms		-	34
Depreciation of Properties		11,829	12,027
Heat and Light		618	1,346
Insurances		2,357	2,146
Management		14,259	13,884
Maintenance		16,575	17,722
Subscriptions		501	485
Sundry		240	30
Water		2,532	2,442
	3(B)	<u>(51,971)</u>	<u>(53,196)</u>
NET SURPLUS FOR YEAR	2	<u>11,916</u>	<u>12,240</u>
OTHER RECOGNISED GAINS/(DEFICITS)			
IN THE YEAR	6	104,625	(101,926)
TOTAL COMPREHENSIVE INCOME		<u>116,541</u>	<u>(89,686)</u>
FOR THE YEAR			

The result for the year relates wholly to continuing activities.

The financial statements were approved by the trustees on 16/9/21

and signed on their behalf by;

S. Foley		}	Chairman
		}	
K. McDonald		}	Trustee
		}	

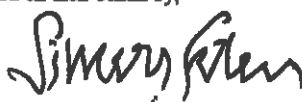
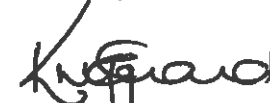
THE HUNTER MEMORIAL HOMES TRUST

STATEMENT OF FINANCIAL POSITION
At 31st March 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Housing Properties - at Cost	5	446,557	458,386
		<u>446,557</u>	<u>458,386</u>
Investments	6	562,316	442,044
		<u>1,008,873</u>	<u>900,430</u>
CURRENT ASSETS			
Debtors	7	1,655	841
Cash at Bank		84,758	79,952
		<u>86,413</u>	<u>80,793</u>
CREDITORS: Amounts falling due within one year	8	<u>(4,062)</u>	<u>(5,349)</u>
NET CURRENT ASSETS		82,351	75,444
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,091,224</u>	<u>975,874</u>
CREDITORS: Amounts falling due after one year	9	(106,755)	(107,946)
TOTAL NET ASSETS		<u>984,469</u>	<u>867,928</u>
RESERVES			
Permanent Endowments	11	194,007	113,027
Investment Revaluation Reserve	11	36,563	22,581
Designated Reserves:			
Cyclical Maintenance Fund	12	72,151	72,151
Extraordinary Repairs Fund	12	186,757	177,094
Revenue Reserve	13	494,991	483,075
		<u>984,469</u>	<u>867,928</u>

The financial statements were approved by the trustees on 16/9/21 2021.

and signed on their behalf by;

S. Foley		}	Chairman
K. McDonald		}	Trustee

THE HUNTER MEMORIAL HOMES TRUST

STATEMENT OF CHANGES IN RESERVES / EQUITY
For The Year Ended 31st March 2021

	Permanent	Unrestricted Investment Revaluation Reserve	Designated	Revenue	Total
BALANCE AT 31 MARCH 2019	123,795	39,926	323,058	470,835	957,614
Surplus from statement of comprehensive income year ended 31 March 2020 – Total Comprehensive Income	-	-	-	12,240	12,240
Unrealised revaluation (deficit)	(10,768)	(17,345)	(73,813)	-	(101,926)
BALANCE AT 31 MARCH 2020	113,027	22,581	249,245	483,075	867,928
Surplus from statement of comprehensive income year ended 31 March 2021 – Total Comprehensive Income	-	-	-	11,916	11,916
Unrealised revaluation surplus	80,980	13,982	9,663	-	104,625
BALANCE AT 31 MARCH 2021	194,007	36,563	258,908	494,991	984,469

THE HUNTER MEMORIAL HOMES TRUST

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 31st March 2021

1. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom, Financial Reporting Standard 102 (FRS102), the Charities Act 2011, the Accounting Directions for Private Registered Providers of Social Housing 2019 and the Statement of Recommended Practice Accounting by Registered Social Landlords (update 2018).

In accordance with FRS102 PBE3.3A the Trustees confirm that this Registered Social Housing Provider is a Public Benefit Entity (PBE).

The Trustees have chosen to utilise the exemptions available under paragraph 1.11 of FRS102, and have therefore chosen not to prepare a cashflow statement and supporting notes.

A summary of the more important accounting policies are set out below:-

-Basis of Accounting-

The financial statements have been prepared under the historical cost convention, except for investments which are shown at fair value.

The financial statements are prepared in sterling, which is the functional currency of the entity.

-Turnover-

Turnover represents rental income and maintenance charges receivable net of rent and maintenance charge losses from voids. Turnover is recognised as the period of rent is due.

-Housing Properties and Depreciation-

Tangible fixed assets are stated at cost, less accumulated depreciation.

Major components of housing properties, such as internal fittings and heating components, have been accounted for and depreciated separately from the housing structure, over their expected useful economic lives.

Depreciation is charged on a straight line basis at rates anticipated to write off the cost of the asset, over the expected useful economic lives of the assets as follows:

Land	- Not depreciated
Housing Properties:	
Building	- 100 years straight line
Roof	- 40 years straight line
Wiring	- 30 years straight line
Windows & Doors	- 25 years straight line
Bathroom	- 20 years straight line
Kitchen	- 15 years straight line
Heating	- 15 years straight line
Stair Lift	- 10 years straight line

None of the RSHP's housing properties are considered to be investment properties.

-Social Housing Grant-

Social Housing Grant (SHG) received as a capital contribution, in line with SORP2018 and the 'accruals method', is held separately as a creditor due more than one year, unless part of the SHG relates to a disposal of property and becomes recycled or repayable, in which case it is apportioned to creditors due less than one year accordingly. The 'accruals method' is applied as the RSHP holds all social housing properties at their historic cost.

The SHG is then amortised in line with the depreciation of the 'structure' component of the housing properties and released over 100 years (1%). The amortisation released in respect of the SHG is recognised in the Statement of Comprehensive Income as 'income'.

THE HUNTER MEMORIAL HOMES TRUST

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 31st March 2021

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

-Social Housing Grant- (Continued)

SHG received towards revenue expenditure is matched against that expenditure by being included in turnover in the Statement of Comprehensive Income. The related expenditure is included under operating costs. SHG is recognised in the same period as the related expenditure provided the conditions for its receipt have been satisfied and there is reasonable assurance that the grant will be received.

SHG received and not matched by development expenditure or relevant expenditure in the Statement of Comprehensive Income is included in current liabilities. The amount of SHG in advance is calculated by reference to the aggregate of all schemes in the SHG funded development programme.

-Capitalisation of Interest-

Interest on the mortgage loan which finances a development is capitalised up to the date of practical completion of the scheme.

-Investments -

Investments are stated at fair value as at 31st March 2021 in order to comply with the SORP.

-Employees and Administration Costs-

The charity has no employees. It is governed by trustees who may not receive remuneration, in any form, from the charity.

-Designated Reserves-

Designated reserves are part of unrestricted reserves which have been earmarked by the Board for a particular purpose. Such designations may be reversed by future Board decisions. Expenditure cannot be directly set against designated reserves but is taken through the Statement of Comprehensive Income. A transfer is then made from designated reserves as appropriate.

The RSHP designates those reserves set aside for future major repairs on all of its housing properties. The amounts set aside are based on a stock condition survey of the RSHP's housing properties and represents the expenditure that cannot be met from the RSHP's future rental income stream. The designated reserve is the amount that the Board estimates is required for future major repairs.

-Financial Instruments-

A financial instrument is a contract that gives rise to a financial asset or liability within the financial statements of the RSHP. The Trustees have reviewed the financial instruments held within the RSHP's financial statements and consider them to be 'basic' and as such are recognised at their transactional value.

-Rent Arrears and Advances-

In accordance with the Accounting Direction 2019, rent arrears and advances are not net-off and are presented as part of debtors and creditors respectively. Where a payment plan has been entered into for rent arrears, which is considered to be material, then the rent arrears debtor is adjusted to its net present value.

-Going Concern-

The trustees have considered the financial position in light of the ongoing situation in relation to the Covid-19 virus and on conclusion of this work, given the strong cash and investment balance, consider that there are no material uncertainties about the trusts ability to continue as a going concern.

THE HUNTER MEMORIAL HOMES TRUST

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31st March 2021

2. SURPLUS FOR THE YEAR

	2021	2020
	£	£
The surplus for the year is after charging:		
Depreciation on Tangible Owned Assets	11,829	12,027
Amortisation of Social Housing Grant	(1,191)	(1,191)
Auditor's Remuneration:		
In their capacity as auditors	2,600	2,550

3(A). PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

YEAR END 2021		Turnover £	Operating Costs £	Operating (Deficit) / Surplus £
INCOME FROM LETTINGS				
Housing Accommodation	Note 3(B)	41,596	(51,971)	(10,375)
Amortisation of Social Housing Grant		1,191	-	1,191
		<u>42,787</u>	<u>(51,971)</u>	<u>(9,184)</u>
OTHER INCOME AND EXPENDITURE				
Dividends and Interest Receivable		21,100	-	21,100
TOTAL		<u>63,887</u>	<u>(51,971)</u>	<u>11,916</u>
YEAR END 2020		Turnover £	Operating Costs £	Operating (Deficit) / Surplus £
INCOME FROM LETTINGS				
Housing Accommodation	Note 3(B)	40,928	(53,196)	(12,268)
Amortisation of Social Housing Grant		1,191	-	1,191
		<u>42,119</u>	<u>(53,196)</u>	<u>(11,077)</u>
OTHER INCOME AND EXPENDITURE				
Dividends and Interest Receivable		23,317	-	23,317
TOTAL		<u>65,436</u>	<u>(53,196)</u>	<u>12,240</u>

THE HUNTER MEMORIAL HOMES TRUST

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31st March 2021

3(B). INCOME FROM LETTINGS	2021	2020
	£	£
Service Charges Receivable net of voids	41,596	40,928
Amortisation of Social Housing Grant	1,191	1,191
Net Rents Receivable	42,787	42,119
Total Income from Lettings	42,787	42,119
Expenditure On Letting Activities:		
Auditor's Remuneration	3,060	3,080
Depreciation	11,829	12,027
Management	14,259	13,884
Major Repairs	16,575	17,722
Services	5,747	5,998
Subscriptions	501	485
Total Expenditure on Lettings	(51,971)	(53,196)
Operating Deficit On Letting Activities	(9,184)	(11,077)
Void Losses	(1,255)	(1,534)
(being rental income lost as a result of property not being let, although it is available for letting)		

4. STAFF, KEY MANAGEMENT PERSONNEL, DIRECTORS' EMOLUMENTS AND RELATED PARTIES

Total staff costs were as follows:

	2021	2020
	£	£
Wages and salaries	-	-
Social security costs	-	-
	-	-

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

2021	2020
£	£
-	-

No employee earned more than £60,000. As the RSHP has no employees, it has no Key Management Personnel. The trustees are defined as the Board of Management and therefore could be classed as Key Management Personnel. None of the Board of Management received any emoluments during 2021 (2020: £Nil). The RSHP has no other paid Executive Officers.

The total expenses reimbursed to the Board of Management not chargeable for UK income tax during 2021 were £Nil (2020: £Nil).

THE HUNTER MEMORIAL HOMES TRUST

**NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31st March 2021**

5. TANGIBLE ASSETS

	2021 £	2020 £
	Housing Land and Buildings £	Housing Land and Buildings £
Cost		
As at 1st April	609,371	609,371
Additions	-	-
Disposals	-	-
As at 31st March	609,371	609,371
Depreciation		
As at 1st April	150,985	138,958
Charge for the year	11,829	12,027
Released on Disposal	-	-
As at 31st March	162,814	150,985
Net Book Value as at 31st March	446,557	458,386

6. INVESTMENTS

	2021 £	2020 £
Market Value :		
As at 1st April	442,044	527,438
Additions	15,647	16,532
Disposals at opening book value	-	-
Investment Revaluation	104,625	(101,926)
As at 31st March	562,316	442,044

THE HUNTER MEMORIAL HOMES TRUST

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31st March 2021

6. INVESTMENTS (Continued)

	2021	2020
	£	£
(a) RESTRICTED OR DESIGNATED FUND INVESTMENTS		
- Endowment Funds		
	Nominal Holding	
Thomas Pye's Charity, (Incorporating Charles Alderson's Bequest)		
Special Range Unit Trust NAACIF, Income Units	1,836	1,577
		1,285
Market Value	1,577	1,285
The Hunter Memorial Homes Trust,		
Special Range Unit Trust NAACIF, Income Units	24,750	21,260
Charifund Income Units	1,962	28,889
		23,455
Market Value	50,149	40,778
Designated Funds: - Extraordinary Repairs Fund		
	Nominal Holding	
Special Range Unit Trust		
NAACIF, Accumulation Units	4,539	435,508
		338,893
Market Value	435,508	338,893
(b) UNRESTRICTED FUND INVESTMENTS		
-Surplus Income:		
	Nominal Holding	
National Savings Account	740	729
Charifund Income Units	5,049	74,342
		60,359
Market Value	75,082	61,088
Total Market Value at End of Year (As Above)	562,316	442,044
Historic Cost:		
As at 1st April	290,972	290,972
Additions	11	-
Disposals	-	-
As at 31st March	290,983	290,972

THE HUNTER MEMORIAL HOMES TRUST

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31st March 2021

7. DEBTORS: Amounts falling due within one year

	2021	2020
	£	£
Service Charges Receivable	640	146
Other Debtors	-	-
Prepayments	1,015	695
	<u>1,655</u>	<u>841</u>

8. CREDITORS: Amounts falling due within one year

	2021	2020
	£	£
Service Charges Prepaid	190	89
Trade Creditors	488	1,688
Other Creditors	3,384	3,572
	<u>4,062</u>	<u>5,349</u>

The average number of days between receipt and payment of purchase invoices was 30 days (2020: 30 days).

9. CREDITORS: Amounts falling after more than one year

The Social Housing Grant is amortised in line with the life of the 'structure' component, at a rate of 1%, and released as 'income' to the Statement of Comprehensive Income on that basis.

SOCIAL HOUSING GRANT

	2021	2020
	£	£
Cost		
As at 1st April	119,112	119,112
Additions in year	-	-
Disposals	-	-
As at 31st March	<u>119,112</u>	<u>119,112</u>
Amortisation		
As at 1st April	11,166	9,975
Charge in year	1,191	1,191
As at 31st March	<u>12,357</u>	<u>11,166</u>
As at 31st March	<u>106,755</u>	<u>107,946</u>

THE HUNTER MEMORIAL HOMES TRUST

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31st March 2021

10. FINANCIAL INSTRUMENTS

The RSHP considers that its financial instruments include the Social Housing Grant (SHG), included as liabilities within the financial statements. As the RSHP has no intention to dispose of its housing properties the SHG will not become repayable. As a result the total balance of the SHG creditor is presented as falling due in five years or more. The financial instruments are repayable as follows:

	2021 £	2020 £
In five years or more	106,755	107,946

11. ENDOWMENT AND REVALUATION RESERVES

	Permanent Endowments £	Unrestricted Revaluation Reserve £	2021 Total £	2020 Total £
As at 1st April	113,027	22,581	135,608	163,721
Transfer to Designated Reserves	-	-	-	-
Transfer to Restricted Reserves	-	-	-	-
Transfer from (to) Revenue Reserves	-	-	-	-
Investment Revaluation	80,980	13,982	94,962	(28,113)
As at 31st March	194,007	36,563	230,570	135,608

Permanent Endowments are represented by various investments from the estate of the late William Hunter and the funds of Thomas Pye's Charity and Charles Alderson's Bequest.

The revaluation reserve represents the change in market value of investments held within the Unrestricted Funds.

12. DESIGNATED RESERVES

	Extraordinary Repairs Fund £	Cyclical Repairs and Maintenance £	2021 Total £	2020 Total £
As at 1st April	177,094	72,151	249,245	323,058
Transfer to Revenue Reserve	-	-	-	-
Investment Revaluation	9,663	-	9,663	(73,813)
As at 31st March	186,757	72,151	258,908	249,245

THE HUNTER MEMORIAL HOMES TRUST

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31st March 2021

13. REVENUE RESERVES

	2021 Total £	2020 Total £
As at 1st April	483,075	470,835
Transfer from designated Reserves	-	-
Surplus for the year	11,916	12,240
As at 31st March	<u>494,991</u>	<u>483,075</u>

14. ACCOMMODATION IN MANAGEMENT

	2021 Units	2020 Units
General needs housing	10	10

15. TAXATION

The trust is a registered charity and is, therefore, exempt from liability to taxation on its income and capital gains.

16. CONTINGENCIES

The trustees have confirmed there were no contingent liabilities which should have been disclosed at 31st March 2021.

The Trustees
Hunter Memorial Homes Trust
Durham Aged Mineworkers' Homes Association
PO Box 31
The Grove
168 Front Street
Chester le Street
County Durham
DH3 3YH

Our Ref: SMJB/DR/02563

Date: 17 September 2021

Dear Sirs,

**THE HUNTER MEMORIAL HOMES TRUST
YEAR ENDED 31ST MARCH 2021**

In accordance with recommended practice, we are writing to draw your attention to various matters which have arisen during the course of our audit of the trust's financial statements for the year ended 31st March 2021.

(a) Auditor's report

There are no expected modifications to the auditor's report.

(b) Accounting adjustments

There are no accounting adjustments which are required to be made within your financial statements.

No unadjusted misstatements have been identified during the audit testing.

(c) Significant weaknesses in your accounting and internal control systems

Our audit procedures were directed towards testing the accounting systems in operation upon which we have based our assessment of the financial statements. We did not note anything during the course of our audit, which we believe should be brought to your attention.

(d) Suitability of your accounting practices and financial reporting

We believe that your accounting records are appropriate for your financial reporting purposes.

(e) Other relevant matters relating to the audit and other matters required by Auditing Standards to be communicated

We would like to draw to your attention the following matters:-

As part of the audit planning process, we identify any potential risks to our independence as auditors and document the safeguards we adopt to fully mitigate any such risks. We have considered these risks, which are included in the appendix attached and confirm that the safeguards adopted are satisfactory.



From our Land Registry searches we have noticed that the properties known as Flats 1-4 Hunter Homes (at Oldgate, Morpeth, NE61 1QZ) and Flats 12/12A (Howard Road, Morpeth, NE61 1JD) do not appear to be registered at all. We recommend that you ensure all properties are correctly registered at the Land Registry.

We would like to take this opportunity of expressing our thanks to the staff of Durham Aged Mineworkers' Homes Association for their assistance during the course of our audit.

Please note that this report has been prepared for the sole use of The Hunter Memorial Homes Trust. It must not be disclosed to third parties, quoted or referred to, without our prior written consent. No responsibility is assumed by us to any other person.

If we can be of any further assistance please do not hesitate to contact Simon Brown or David Richardson.

Yours faithfully,

MHA Tait Walker
Chartered Accountants &
Statutory Auditors



THE HUNTER MEMORIAL HOMES TRUST
YEAR ENDED 31ST MARCH 2021

RISKS TO INDEPENDENCE AND MITIGATING FACTORS

Potential Independence Risks:	Safeguards:
Assisting with the preparation of the financial statements	<p>The statutory accounts are prepared by a qualified member of MHA Tait Walker staff from the clients' management figures and trial balance and are reviewed by the manager. These provide the basis for the audit work.</p> <p>There are not normally any contentious disclosure issues; however where these arise the relevant notes are approved by the trustees prior to the draft accounts being submitted to the board.</p>