

# **THE HUNTER MEMORIAL HOMES TRUST**

## **TRUSTEES' ANNUAL REPORT AND ACCOUNTS**

**For the year ended**

**31 March 2023**

**Incorporating the accounts of**

**THOMAS PYE'S CHARITY**

**Charity Number 500818**

Registered Charity Number 500818

Registered Social Landlord Number A2635

If you would like additional information regarding any of the Charity's activities, policies, rules, complaints procedures etc, please contact the Association's Managing Agents:-

*The HUNTER Memorial homes TRUST  
Trustees' annual report and accounts  
Charity Number 500818*

Durham Aged Mineworkers' Homes Association  
The Grove  
PO Box 31  
168 Front Street  
Chester-le-Street  
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DH3 3YH

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## **Trustees and Advisors**

### **Trustees**

S Foley (Chairman)  
K McDonald  
C Livesy  
Cllr S Peacock  
J Gaunt

### **Advisors**

#### **Managing Agents**

Durham Aged Mineworkers' Homes Association  
P O Box 31  
The Grove  
168 Front Street  
Chester-le-Street  
Co. Durham  
DH3 3YH

Telephone: (0191) 3881111  
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Email: [info@damha.org.uk](mailto:info@damha.org.uk)  
Website: [www.damha.org.uk](http://www.damha.org.uk)

#### **Bankers**

TSB Bank plc  
Morpeth Branch  
Morpeth  
Northumberland  
NE61 1AN

#### **Auditors**

Wm. Fortune & Son  
Collingwood House  
Church Square  
Hartlepool  
TS24 7EN

## **Report of the Trustees**

This report has been prepared in accordance with relevant legislation including the Statement of Recommended Practice 'Accounting by Charities' issued by the Charity Commission and 'Internal Financial Control & Financial Reporting' issued by the former Tenant Services Authority.

The Trustees present their report together with audited financial statements for the period ended 31<sup>st</sup> March 2023.

## **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 Regulator of Social Housing.

## **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 persons who are Trustees are set out on page 2. The policy when recruiting new Trustees is to appoint those with relevant skills to carry out the business of the charity.

## **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 older people.

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

## Management

Durham Aged Mineworkers' Homes Association act as managing agents.

## Review of Activity

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

The trust had two void properties in the year, which were void for a total of 25 weeks at an average weekly maintenance contribution of £84.55.



## Value for Money Statement

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	2023	2022
Reinvestment	0.90%	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	£5,309	£4,291
Operating margin:		
a) Social lettings only	-38.17%	-22.30%
b) Overall	-39.90%	-22.30%
Return on capital employed	-1.74%	-0.96%

**Statement of Trustees' responsibilities in respect of the Trustees' Report and the financial statements**

Under charity law, the Trustees are responsible for preparing the Trustees's Annual Report and the financial statements in accordance with applicable law and regulations.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit for that period.

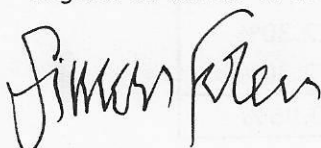
In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the association will continue in business.

The Trustees are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time and enable the Trustees to ensure that its financial statements comply with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing in England 2015. The Trustees have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Association and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Association's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed on behalf of the Trustees



S Foley

Chair

21<sup>st</sup> September 2023



## **Report of the Auditors**

We have audited the financial statements of The Hunter Memorial Homes Trust for the year ended 31<sup>st</sup> March 2023 on pages 9 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland".

This report is made solely to the association's members, as a body, in accordance with the Housing and Regeneration Act 2008, section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the association'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 association and the association's members, as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of the Board of Trustees and auditor**

As more fully explained in the Statement of Trustees' Responsibilities set out on page 6 the Board of Trustees is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Basis of Opinion**

We conducted the audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the Charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanation, which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

### **Opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of affairs of the association as at 31 March 2022 and of its incoming resources and application of those resources;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice including FRS 102; and

- have been properly prepared in accordance with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2015.


**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 and the Regeneration Act 2008 requires us to report to you if, in our opinion:

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

Under the Housing and Regeneration Act 2008, we are required to report to you if, in our opinion:

- proper accounting records of its transactions and its assets and liabilities in relation to its housing activities have not been kept, and
- a satisfactory system of control of those records, its cash holdings and its receipts and remittances in relation to those activities has not been maintained

  
Wm. Fortune & Son, Registered Auditors  
Collingwood House  
Church Square  
Hartlepool  
TS24 7EN

  
2023

## Statement of Comprehensive Income for the year ended 31<sup>st</sup> March 2023

	Notes	2023	2022
		£	£
<b>Turnover</b>	2	44,460	44,762
Operating Costs	2	(51,172)	(42,908)
Depreciation		(9,146)	(11,829)
<b>Operating (Deficit)/Surplus</b>	2	(15,858)	(9,975)
Loss on disposal of Fixed Assets		(803)	-
Interest receivable	4	24,300	20,855
<b>Total Comprehensive Income for the year</b>		7,639	10,880
Transfer from Designated Reserves			
Income and Expenditure Reserve at 1 April 22		505,860	494,980
<b>Income and Expenditure Reserve at 31 March 23</b>		513,499	505,860

All income and expenditure shown above relates to continuing activities.



**Statement of Changes in Reserves**  
**For the year ended 31 March 2023**

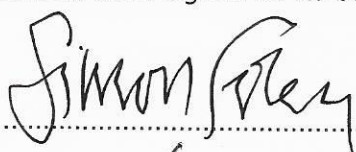
	<b>Permanent Reserve £</b>	<b>Investment Revaluation Reserve £</b>	<b>Designated Reserve £</b>	<b>Revenue Reserve £</b>	<b>Total Reserves £</b>
Balance as at 1 <sup>st</sup> April 2022	126,385	41,981	363,271	505,860	1,037,497
Total comprehensive income/(Deficit) for the year	-	-	-	7,639	7,639
Revaluation surplus arising during the year	(2,575)	(4,874)	(12,106)	-	(19,555)
Balance as at 31 <sup>st</sup> March 2023	<u>123,810</u>	<u>37,107</u>	<u>351,165</u>	<u>513,499</u>	<u>1,025,581</u>



**Statement of Financial Position  
as at 31<sup>st</sup> March 2023**

	Notes	2023	2023	2022	2022
		£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	6a		430,253		434,728
Investments	7		617,143		619,184
			<u>1,047,396</u>		<u>1,053,912</u>
<b>Current Assets</b>					
Debtors	8	1,430		1,473	
Cash at bank and in hand		<u>84,331</u>		<u>92,764</u>	
		85,761		94,237	
<b>Creditors:</b> Amounts falling due within one year	9	<u>(3,204)</u>		<u>(5,088)</u>	
<b>Net Current Assets</b>			<u>82,557</u>		<u>89,149</u>
<b>Total Assets</b>			<u>1,129,953</u>		<u>1,143,061</u>
<b>Creditors:</b> Amounts falling due after more than one year	6b		<u>(104,372)</u>		<u>(105,564)</u>
<b>Total Net Assets</b>			<u>1,025,581</u>		<u>1,037,497</u>
<b>Reserves</b>					
Permanent Endowments			123,810		126,385
Investment Revaluation Reserve			37,107		41,981
Designated Reserves:					
Cyclical Maintenance Fund			72,151		72,151
Extraordinary Repairs Fund			279,014		291,120
Revenue Reserve			<u>513,499</u>		<u>505,861</u>
			<u>1,025,581</u>		<u>1,037,497</u>

The financial statements shown on pages 9 to 18 were approved by the Trustees on 21<sup>st</sup> September 2023 and were signed on its behalf by:



Chair



Trustee

## Notes

### 1. Accounting Policies

#### ***Basis of accounting***

The financial statements of the Association are prepared under the historical cost convention, except for investments which are held at market value. This is in accordance with applicable accounting standards, namely, UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2014: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2015.

While the Association is an Unincorporated Charity and a member of the National Association of Almshouses, the Association is also a Registered Social Housing Provider. Therefore the financial statements have been prepared in compliance with the Housing SORP 2014 to enable consistency, ease and transparency in our reporting to the housing regulator.

#### ***Cash Flows***

As a small Registered Social Housing Provider The Hunter Memorial Homes Trust have elected to use their exemption to prepare a statement of cash flows.

#### ***Fixed Asset Investments***

Investments classified under fixed assets are stated at market value at the balance sheet date, where this is readily identifiable. All other investments are stated at cost.

#### ***Going Concern***

The Association's forecasts and projections show that the Association should be able to continue to operate within the level of its current facilities and no matters have been drawn to its attention to suggest that future funding may not be forthcoming on acceptable terms.

After making enquiries, the Trustees have a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

#### ***Housing Properties***

Housing properties are stated at cost, less accumulated depreciation.

Major components of housing properties, such as windows and heating components, have been accounted for and depreciated separately from the main fabric, over their expected economic lives.

Depreciation is charged at the rates applied below to write off the cost of the asset over their expected useful economic lives.

Land	- Not Depreciated
Main Fabric	- 100 years straight line
Roof	- 40 years straight line
Electricals	- 30 years straight line
Windows	- 25 years straight line
External Doors	- 25 years straight line
Bathroom	- 20 years straight line
Kitchen	- 15 years straight line



Boilers	- 15 years straight line
Heating Installations	- 30 years straight line

The Social Housing grant has been applied against the land in the first instance and then to the Main Fabric of the building. The grant is amortised over 100 years and released back into the Statement of Comprehensive Income.

Fixtures and fittings are depreciated over 10 years on a straight line basis.

### **Social Housing Grant**

Social Housing Grant (SHG) received as a capital contribution, in line with SORP2014 and the 'accruals method', is held separately as a creditor due after 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 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'.

### **Turnover**

Turnover represents all rental, service charge income receivable and amortised Social Housing Grant.

### **Value added tax**

The Homes are not registered for VAT and where applicable expenditure includes VAT.

### **Impairment**

Annually housing properties are assessed for impairment indicators. This is generally performed at scheme or cash-generating unit level. Where indicators are identified an assessment for impairment is undertaken comparing the scheme's carrying amount to its recoverable amount. Where the carrying amount of a scheme is deemed to exceed its recoverable amount, the scheme is written down to its recoverable amount. The resulting impairment loss is recognised as operating expenditure. Where a scheme is currently deemed not to be providing service potential to the Association, its recoverable amount is its fair value less costs to sell.

### **Debtors**

Debtors are measured at transaction price, less any impairment.

### **Creditors**

Creditors are measured at transaction price.

### **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.

### **Administration**

The management of the Association continues to be dealt with by Durham Aged Mineworkers' Homes Association (DAMHA) a separately registered housing association (5125). Rental income and administrative costs are received and paid by the agent association who make a management charge for acting as agent.



## 2. Turnover and Operating Surplus for the Year by Class of Business

	2023	2022
	£	£
<b>Turnover from lettings</b>		
Rents and service charges receivable	45,383	43,571
Amortised government grants	1,191	1,191
	<u>46,574</u>	<u>44,762</u>
<b>Operating Expenditure</b>		
Bad debts written off	-	-
Management	18,693	18,263
Day to day repairs & maintenance	28,354	18,830
Services (including Water Rates)	6,045	5,815
Depreciation	9,146	11,830
<b>Total Expenditure on Social Housing Lettings</b>	<u>62,238</u>	<u>54,738</u>
Void Losses	<u>(2,114)</u>	<u>-</u>

## 3. Senior Executives

The Senior Executives are defined as the Trustees, who received no emoluments during the year (2022: £nil)

## 4. Interest receivable and similar income

	2023	2022
	£	£
Investment income	<u>24,300</u>	<u>20,855</u>

## 5. Surplus on Ordinary Activities

	2023	2022
	£	£
The Surplus on ordinary activities is stated after charging:		
Auditor's remuneration	<u>3,176</u>	<u>3,424</u>

**6a. Tangible Assets**

	<b>Housing Properties 2023 £</b>	<b>Housing Properties 2022 £</b>
<b>Cost:</b>		
At 1st April 2022	609,371	609,371
Additions	5,475	-
Disposals	(4,013)	-
At 31st March 2023	<u>610,833</u>	<u>609,371</u>
<b>Less: Depreciation</b>		
At 1 <sup>st</sup> April 2022	174,643	162,814
Charge for the year	9,146	11,829
Disposals	(3,209)	-
At 31 <sup>st</sup> March 2023	<u>180,580</u>	<u>174,643</u>
<b>Net Book Value:</b>		
31 <sup>st</sup> March 2023	£ 430,253	£ 434,728

**6b. Social Housing Assistance – Creditors falling due after more than one year**

	<b>2023 £</b>	<b>2022 £</b>
Total accumulated social housing grant received at 31 March 22	119,112	119,112
Recognised in the statement of comprehensive income	(14,740)	(13,548)
Held as deferred income	<u>104,372</u>	<u>105,564</u>

**Notes (continued)**

**7. Fixed Asset Investments**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Valuation at 1 <sup>st</sup> April 2021	619,184	562,316
Additions	17,514	14,720
Disposals	-	-
Surplus arising on revaluation	(19,555)	42,148
At 31 March 2022	<u>617,143</u>	<u>619,184</u>

**7a Restricted or Designated Fund Investments**

- *Endowment Funds*

	<b>Nominal Holding</b>	<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
Thomas Pye's Charity, (Incorporating Charles Anderson's Bequest)			
Special Range Unit Trust NAACIF, Income Units	1,836	1,640	1,686
Market Value		<u>1,640</u>	<u>1,686</u>

The Hunter Memorial Homes Trust			
Special Range Unit Trust NAACIF, Income Units	24,750	22,107	22,740
Charifund Income Units	1,962	29,100	30,994
Market Value		<u>51,207</u>	<u>53,734</u>

- *Designated Funds – Extraordinary Repairs Fund*

	<b>Nominal Holding</b>		
Special Range Unit Trust NAACIF, Accumulation Units	4,539	488,671	483,264
Market Value		<u>488,671</u>	<u>483,264</u>

**7b Unrestricted Fund Investments**

- Surplus Income

	<b>Nominal Holding</b>		
National Savings Account		740	740
Charifund Income Units	5,049	74,885	79,760
Market Value		<u>75,625</u>	<u>80,500</u>
<b>Total Market Value at End of Year (As Above)</b>		<u><b>617,143</b></u>	<u><b>619,184</b></u>
<i>Historic Cost</i>			
As at 1 <sup>st</sup> April		290,983	290,983
Additions		-	-
Disposals		-	-
As at 31 <sup>st</sup> March		<u>290,983</u>	<u>290,983</u>

**8. Debtors**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Rental debtors	449	439
Prepayments and accrued income	981	1,034
	<u>1,430</u>	<u>1,473</u>

**9. Creditors: Amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Prepaid rents	698	193
Trade creditors and accruals	1,172	1,558
Other creditors	1,334	3,337
	<u>3,204</u>	<u>5,088</u>



**Notes** (continued)

**10. Creditors: Amounts falling due after more than one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Social Housing Grant	104,371	105,563
	<u>104,371</u>	<u>105,563</u>

**11. Capital Commitments and Contingent Liabilities**

As at 31<sup>st</sup> March 2023 there were no capital commitments.

