

# THE ST MICHAEL'S HOUSING TRUST

England & Wales · Charity number 504340

## Details

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**Status** Registered

**Legal form** Other

**Registered** 1975-06-24

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** 2 Central Avenue  
Leicester  
LE2 1TB

**Phone** 0116 270 7319

**Email** [admin@parklodgeproject.org](mailto:admin@parklodgeproject.org)

**Website** [www.parklodgeproject.org](http://www.parklodgeproject.org)

## Activities

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**Objects:** THE PROVISION OF A HOSTEL OF HOMELESS FAMILIES AND MEMBERS OF THE CLERGY OF THE CHURCH OF ENGLAND WHO HAVE NEED OF THE FACILITIES PROVIDED BY AND AT THE HOSTEL BY REASON OF THEIR AGE, YOUTH, INFIRMITY, DISABLEMENT, POVERTY OR SOCIAL OR ECONOMIC CIRCUMSTANCES.

**Activities:** Administers and manages several properties in Leicester accommodating homeless families.

## Classification

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- **How:** Provides Buildings/facilities/open Space
- **What:** Accommodation/housing
- **Who:** Children/young People, Elderly/old People, People With Disabilities

## Geography

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- **Area of benefit:** NOT DEFINED IN PRACTICE LEICESTER D
- Leicester City

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£85,012	£156,998	-	-
2024-03-31	£900	£0	-	-
2023-03-31	£37,308	£421	-	-
2022-03-31	£209,606	£151,202	-	-
2021-03-31	£208,212	£130,871	-	-

## Trustees

Name	Role	Appointed
Park Lodge Project		2023-04-01

**THE ST MICHAEL'S HOUSING TRUST**

England & Wales - Charity number 504340

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# Accounts

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# Financial Statements

For the year ended 31 March 2025

**The St. Michael's Housing Trust**

Charity Number: 504340

Regulator of Social Housing number: H1416

# Financial Statements

For the year ended 31 March 2025

The St. Michael's Housing Trust

Charity Number: 504340

Regulator of Social Housing number: H1416

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# Trustee, Professional Advisors and Registered Office

The sole corporate trustee of the charity is Park Lodge Project, another registered charity and a company Limited by Guarantee. The corporate trustee is managed by its Board of Directors which consists of non-executive directors. Members of the trust Board are not individual trustees under charity law but act as agents on behalf of the corporate trustee and fulfil the trustee's duties in accordance with the charitable objectives. The members of the Board of Directors of the corporate trustee who served during the financial year were as follows:

David Pollard  
Nigel Oldman  
Deborah Lockton  
Rod Moore  
Maureen Dover  
Sarah Oldman  
Malcolm Pell  
Sally Birch  
Jennifer Harding  
Hema Kotecha

## **Independent Examiners**

Celerica  
Accountants  
First Floor  
The Old Chapel  
9 Kempson Road  
Leicester  
LE2 8AN

## **Bankers**

National Westminster Bank plc  
2-8 Church Street  
Liverpool  
L1 3BG

## **Principal Office**

2 Central Avenue  
Leicester  
LE2 1TB

## **Registered Numbers**

Regulator of Social Housing number: H1416

## **Charity Number**

504340

## **Charity Commission Contact**

Gaynor Quilter

# Report of the Trustee

The trustee presents their annual report and unaudited financial statements for the year ended 31 March 2025.

## Principal activity

The charity is constituted by a Trust Deed and registered with the Charity Commissioners under charity number 504340 and the Regulator of Social Housing under H1416.

The principal object of the Trust is the provision of special needs accommodation for young single homeless people.

## Trustee

The trustee of the company, at the date of this report, is listed on page 3.

## Basis of preparation

St Michael's Housing Trust's financial position is strong and as such, the Directors continue to adopt the going concern basis.

## Business review

For the year ended 31 March 2025, the trust made a deficit of £71,986 (2024: Surplus £990). Total revenue reserves now stand at £423,764 (2024: £495,750).

## Donations

No charitable or political donations were made in the year.

## Public benefit statement

The trustee has conducted a comprehensive review of the stated objectives of the charity and is satisfied that all of these are capable of being delivered for the public benefit.

They have further reviewed all the activities of the charity tested against the charitable objectives of the charity, firstly to ensure that they fall within its charitable objectives and secondly to test each activity is being delivered in a manner which can be construed as being for the public benefit.

The trustee is satisfied that there are no activities conducted or promoted by the charity that are not open to all people falling within a defined class or category within the broad parameters or objectives of the charity and that each activity falls within the statutory definition of being for the public benefit.

## Review of activities and future benefits

The trustee confirms it has referred to the guidance contained in the Charity Commissions' general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities for the year.

The statement of financial activities for the year is set out on page 10 of the financial statements. A summary of the financial results and the work of the charity is set out below. The focus for the charity continues to be on supporting its tenants and discussions are ongoing as to how best to do this.

## Governance of the charity

The trustee of the charity is the Board of Park Lodge Project. During the period under review, the Board met regularly. Applications for Board membership of Park Lodge Project (the trustee of the charity) is generally sought by advertisement.

Board members of Park Lodge Project receive regular training and development in order to ensure that they maintain their skills and a high level of awareness concerning issues in the sector. A review of performance of the Board as a whole and of individual Board members takes place each year.

# Report of the Trustee (continued)

## Governance of the charity (continued)

The Board of Park Lodge Project (the trustee of the charity) meet regularly to review the strategy and performance and to agree operating plans and budgets. The Board of Park Lodge Project (the trustee of the charity) delegate certain functions to Committees operating under specific terms of reference. Minutes of all Committee meetings are presented at the following Board meeting.

The trustee delegates the day to day management of the charity to acting CEO Gaynor Quilter.

All governance costs (including independent examiner's fees, trustee expenses, trustee indemnity insurance and costs of producing statutory accounts) are currently borne by Park Lodge Project and are subsequently recharged to the charity.

## Statement of risk

The identification of major business risks and the appropriate response is ongoing through a bottom up risk management process that involves staff across Park Lodge Project. Risk maps are ultimately approved by the Board.

## Charity Governance Code

The Charity Governance Code is designed as a tool to support continuous improvement. The Board, having reviewed the Code's key principles, considers its governance structure and arrangements to be appropriate for the nature of its operations, and as such has decided not to formally adopt the Code. The Board does however regularly visit the Code's key principles to ensure that the highest standards of governance are maintained.

## Subsequent Events

The trustee confirms that there have been no events since the financial period end which have had a material effect on the financial position of the charity.

## Insurance

Insurance policies are maintained by Park Lodge Project for members of the Board against liabilities in relation to the Trust.

## Disclosure of information to independent examiner

The trustee who held office at the date of approval of this trustee report confirm that, so far as they are each aware, there is no relevant information of which the charity's independent examiner is unaware; and the trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant information and to establish that the charity's independent examiner is aware of that information.

## Statement of the trustee responsibilities in respect of the annual report of the trustee and the financial statements

The Trustee is responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

## Report of the Trustee (continued)

### Statement of the trustee responsibilities in respect of the annual report of the trustee and the financial statements (continued)

In preparing these financial statements, the Trustee is required to:

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

The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee is responsible for ensuring that the Report of the Trustee is prepared in accordance with the Statement of Recommended Practice: Accounting by registered Social Housing Providers 2018.

### Statements of compliance

The Park Lodge Project Board have reviewed the effectiveness of the system of internal control for the year ended 31 March 2025.

The Park Lodge Project have performed a self-assessment against the Regulator's value for money standard.

By order of the Trustee



Sarah Oldman  
Trustee of Park Lodge Project

Dated: 14<sup>th</sup> October 2025.

## INDEPENDENT EXAMINERS REPORT

to the members of The St. Michael's Housing Trust

We report to the charity trustee on my examination of the accounts of the charity for the year ended 31 March 2025 which are set out on pages 8 to 14

### Responsibilities and basis of report

As the charity's trustee you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

### Independent examiner's statement

We confirm that we are qualified to undertake the examination because we are members of the Association of Chartered Certified Accountants which is one of the listed bodies.

We have completed our examination. We confirm that no material matters have come to our attention in connection with the examination giving us cause to believe that in any material respect:

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

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



.....  
Celerica  
Chartered Association of Certified Accountants  
First Floor  
The Old Chapel  
9 Kempson Road  
Leicester  
LE2 8AN

Date 14 OCTOBER 2025

# Statement of Financial Activities

for the year ended 31 March 2025

	Note	2025 £	2024 £
Turnover		82,434	-
Operating costs		156,998	-
<b>Operating (deficit)</b>	<b>2</b>	<b>(74,564)</b>	<b>-</b>
Interest receivable and other income	4	2,578	990
<b>(Deficit) / Surplus for the year</b>		<b>(71,986)</b>	<b>990</b>

All amounts relate to continuing activities.

The notes on pages 11 to 14 form part of these financial statements.

The statement of financial activities contains all the gains and losses recognised in the year.

# Statement of movement on reserves

	2025 £	2024 £
Fund balances brought forward	495,750	494,760
(Deficit) Surplus for the year	(71,986)	990
<b>Sund balances carried forward</b>	<b>423,764</b>	<b>495,750</b>

The notes on pages 11 to 14 form part of these financial statements.

**Statement of Financial Position**  
as at 31 March 2025

	Note	2025 £	2024 £
<b>Tangible assets</b>			
Housing properties	7	93,198	94,381
		<u>94,381</u>	<u>94,381</u>
<b>Current assets</b>			
Cash and cash equivalents		394,021	391,448
Debtors	8	76,400	76,400
		<u>470,421</u>	<u>467,848</u>
Creditors: amounts falling due within one year	9	(76,061)	(895)
<b>Net current assets</b>		<u>394,360</u>	<u>466,953</u>
Creditors: amounts falling due after more than one year	11	(63,794)	(65,584)
<b>Net assets</b>		<u>423,764</u>	<u>495,750</u>
<b>Capital and Reserves</b>			
Income and Expenditure Reserve		<u>423,764</u>	<u>495,750</u>

The notes on pages 11 to 14 form part of these financial statements.

These financial statements were approved by the Trustee on 14/10/2025 and were signed on its behalf by:

  
Sarah Oldman  
Trustee of Park Lodge Project

# Notes to the Financial Statements

for the year ended 31 March 2025

## 1 Accounting policies

### Basis of accounting

The financial statements have been prepared in accordance with Statement of Recommended Practices Accounting by Registered Social Housing Providers 2018 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective 1 January 2019), Financial Reporting Standard applicable in UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and has applied the exemptions available under the Charities SORP.

### Basis of preparation

The charity's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review on page 4. The charity has considerable financial resources in relation to the activities to be performed. The trustee believes that the charity is well placed to manage its business risks successfully despite the current uncertain economic outlook. The trustees have a reasonable expectation that the charity has adequate resources to continue in operation existence for the foreseeable future.

The trustee, after reviewing the charity budgets and the fact that the charity have adequate resources to continue in business for the foreseeable future. The trustee therefore continues to adopt the going concern basis in preparing the annual financial statements.

### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Due to the nature of St Michael's Housing Trust and its operations, the estimation of uncertainty included in the accounts is low.

### Turnover

Turnover represents rent and service charges income generated by supported housing bed spaces. Service charge income is recognised on an accrual basis.

### Operating costs

Operating costs represent service charge expenditure and property maintenance costs. The managed agent operates a variable service charge in full consultation with residents. The charges will include an allowance for the surplus or deficit from prior years, with the surplus being returned to residents by a reduced charge and a deficit being recovered by a higher charge. Until these are returned or recovered, they are held as a creditor or debtor in the Statement of financial position.

### Fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and impairment. The cost of housing land and properties comprises purchase price together with incidental costs of acquisition and improvements, including related administration charges. Interest is capitalised during construction of the property up to the date of practical completion, by reference to the trust's cost of borrowings.

Housing properties are managed under the terms of the Tenant's Guarantee. Depreciation is charged on a straight-line basis over the estimated useful economic life of the asset of 100 years to their residual value.

### Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

# Notes to the Financial Statements (continued)

For the year ended 31 March 2025

## 1 Accounting policies (Continued)

### Social Housing Grant (SHG)

When developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income and recognised in Turnover over the estimated useful life of the associated asset under the accruals model. Social Housing Grant (SHG) received for items of cost written off in the statement of comprehensive income account is included as part of turnover.

When SHG in respect of housing properties in the course of construction, exceeds the total cost to date of those housing properties, the excess is shown as a current liability.

SHG must be recycled under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by the Homes England and Greater London Authority. However, SHG may have to be repaid if certain conditions are not met. If grant is not required to be recycled or repaid, any unamortised grant is recognised as turnover. In certain circumstances, SHG may be repayable, and, in that event, is a subordinated unsecured repayable debt.

### Value Added Tax

The St. Michael's Housing Trust is not registered for Value Added Tax (VAT). All amounts disclosed in the financial statements are inclusive of VAT where applicable.

## 2 Operating deficit

	<b>Total 2025 £</b>	<b>Total 2024 £</b>
Rental Income	80,644	-
Amortisation of Social Housing Grant	1,790	-
	<hr/>	<hr/>
<b>Total turnover</b>	<b>82,434</b>	-
	<hr/>	<hr/>
Resources expended		
Maintenance costs	113,017	-
Management recharges	29,453	-
Administration costs	13,345	-
Depreciation	1,183	-
	<hr/>	<hr/>
<b>Total operating costs</b>	<b>156,998</b>	-
	<hr/>	<hr/>
<b>Operating deficit</b>	<b>(74,564)</b>	-
	<hr/>	<hr/>

The above results relate wholly to support housing activities.

## 3 Employee information

The charity has no employees and paid no remuneration or benefits to trustees or connected persons.

# Notes to the Financial Statements (continued)

For the year ended 31 March 2025

## 4 Interest receivable

	2025 £	2024 £
Bank interest receivable	2,578	990
	<u>2,578</u>	<u>990</u>

## 5 Directors' emoluments

The trust has no employees and paid no remuneration or benefits to trustees or connected persons.

## 6 Independent Examiners Fees

The Independent Examiner's Fees was £1,800 (2024: £1,800).

## 7 Fixed asset housing properties

	£
<b>Cost</b>	
At 1 April 2024	118,395
<b>At 31 March 2025</b>	<u>118,395</u>
<b>Depreciation</b>	
At 1 April 2024	24,014
Charge for the year	1,183
<b>Accumulated Depreciation At 31 March 2025</b>	<u>25,197</u>
<b>Net book value at 31 March 2025</b>	<u>93,198</u>
Net book value at 31 March 2024	<u>94,381</u>

St. Michael's owns four properties consisting of 13 bed spaces.

All of the above properties are Freehold.

### Impairment Review

An impairment review of property was undertaken at 31 March 2022. No impairment provisions were required.

# Notes to the Financial Statements (continued)

For the year ended 31 March 2025

## 8 Debtors

	2025 £	2024 £
Other debtors	76,400	76,400
	<u>76,400</u>	<u>76,400</u>

## 9 Creditors amounts falling due within one year

	2025 £	2024 £
Accruals	2,695	895
Inter-company loan – Park Lodge Project	73,366	-
	<u>76,061</u>	<u>895</u>

## 10 Taxation

The Trust has charitable status with the H M Revenue & Customs and is therefore not liable to tax on its surpluses.

## 11 Amounts falling due after more than one year:

	2025 £	2024 £
Social housing grant	92,342	92,342
Amortisation of social housing grant b/f	(26,758)	(26,758)
Amount to be released in one year	(1,790)	-
	<u>63,794</u>	<u>65,584</u>

## 12 Related party disclosures

The trust has taken exemption under Section 28.4 Charities SORP.

Control is exercised through corporate trusteeship of Park Lodge Project (Limited by Guarantee).

**THE ST MICHAEL'S HOUSING TRUST**

England & Wales - Charity number 504340

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# Accounts

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# Financial Statements

For the year ended 31 March 2023

The St. Michael's Housing Trust

Charity Number: 504340

Regulator of Social Housing number: H1416

# Financial Statements

For the year ended 31 March 2023

The St. Michael's Housing Trust

Charity Number: 504340

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# Trustee, Professional Advisors and Registered Office

The sole corporate trustee of the charity is Park Lodge Project, another registered charity and a company Limited by Guarantee. The corporate trustee is managed by its Board of Directors which consists of non-executive directors. Members of the trust Board are not individual trustees under charity law but act as agents on behalf of the corporate trustee and fulfil the trustee's duties in accordance with the charitable objectives. The members of the Board of Directors of the corporate trustee who served during the financial year were as follows:

David Pollard  
Nigel Oldman  
Deborah Lockton  
Rod Moore  
Maureen Dover  
Sarah Oldman  
Malcolm Pell  
Guy Dalby

## **Independent Examiners**

Celerica  
Accountants  
First Floor  
The Old Chapel  
9 Kempson Road  
Leicester  
LE2 8AN

## **Bankers**

National Westminster Bank plc  
2-8 Church Street  
Liverpool  
L1 3BG

## **Principal Office**

2 Central Avenue  
Leicester  
LE2 1TB

## **Registered Numbers**

Regulator of Social Housing number: H1416

## **Charity Number**

504340

## **Charity Commission Contact**

Eddie Bailey

# Report of the Trustee

The trustee presents their annual report and unaudited financial statements for the year ended 31 March 2023.

## Principal activity

The charity is constituted by a Trust Deed and registered with the Charity Commissioners under charity number 504340 and the Regulator of Social Housing under H1416.

The principal object of the Trust is the provision of special needs accommodation for young single homeless people.

## Trustee

The trustee of the company, at the date of this report, is listed on page 3.

## Basis of preparation

St Michael's Housing Trust's financial position is strong and as such, the Directors continue to adopt the going concern basis.

## Business review

For the year ended 31 March 2023, the trust made a surplus of £36,460 (2022: £58,413). Total revenue reserves now stand at £494,760 (2022: £458,300).

## Donations

No charitable or political donations were made in the year.

## Public benefit statement

The trustee has conducted a comprehensive review of the stated objectives of the charity and is satisfied that all of these are capable of being delivered for the public benefit.

They have further reviewed all the activities of the charity tested against the charitable objectives of the charity, firstly to ensure that they fall within its charitable objectives and secondly to test each activity is being delivered in a manner which can be construed as being for the public benefit.

The trustee is satisfied that there are no activities conducted or promoted by the charity that are not open to all people falling within a defined class or category within the broad parameters or objectives of the charity and that each activity falls within the statutory definition of being for the public benefit.

## Review of activities and future benefits

The trustee confirms it has referred to the guidance contained in the Charity Commissions' general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities for the year.

The statement of financial activities for the year is set out on page 10 of the financial statements. A summary of the financial results and the work of the charity is set out below. The focus for the charity continues to be on supporting its tenants and discussions are ongoing as to how best to do this.

## Governance of the charity

The trustee of the charity is the Board Park Lodge Project. During the period under review, the Board met regularly. Applications for Board membership of Park Lodge Project (the trustee of the charity) is generally sought by advertisement.

Board members of Park Lodge Project receive regular training and development in order to ensure that they maintain their skills and a high level of awareness concerning issues in the sector. A review of performance of the Board as a whole and of individual Board members takes place each year.

# Report of the Trustee (continued)

## Governance of the charity (continued)

The Board of Park Lodge Project (the trustee of the charity) met regularly to review the strategy and performance and to agree operating plans and budgets. The Board of Park Lodge Project (the trustee of the charity) delegate certain functions to Committees operating under specific terms of reference. Minutes of all Committee meetings are presented at the following Board meeting.

The trustee delegates the day to day management of the charity to Eddie Bailey. He is the Centre manager of Park Lodge Project (Limited by Guarantee).

All governance costs (including independent examiner's fees, trustee expenses, trustee indemnity insurance and costs of producing statutory accounts) are currently borne by Park Lodge Project and are not recharged to the charity.

## Statement of risk

The identification of major business risks and the appropriate response is ongoing through a bottom up risk management process that involves staff across Park Lodge Project. Risk maps are ultimately approved by the Board.

## Charity Governance Code

The Charity Governance Code is designed as a tool to support continuous improvement. The Board, having reviewed the Code's key principles, considers its governance structure and arrangements to be appropriate for the nature of its operations, and as such has decided not to formally adopt the Code. The Board does however regularly visit the Code's key principles to ensure that the highest standards of governance are maintained.

## Subsequent Events

The trustee confirms that there have been no events since the financial period end which have had a material effect on the financial position of the charity.

## Insurance

Insurance policies are maintained by Park Lodge Project for members of the Board against liabilities in relation to the Trust.

## Disclosure of information to independent examiner

The trustee who held office at the date of approval of this trustee report confirm that, so far as they are each aware, there is no relevant information of which the charity's independent examiner is unaware; and the trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant information and to establish that the charity's independent examiner is aware of that information.

## Statement of the trustee responsibilities in respect of the annual report of the trustee and the financial statements

The Trustee is responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

# Report of the Trustee (continued)

## Statement of the trustee responsibilities in respect of the annual report of the trustee and the financial statements (continued)

In preparing these financial statements, the Trustee is required to:

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

The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee is responsible for ensuring that the Report of the Trustee is prepared in accordance with the Statement of Recommended Practice: Accounting by registered Social Housing Providers 2018.

### Statements of compliance

The Park Lodge Project Board have reviewed the effectiveness of the system of internal control for the year ended 31 March 2023.

The Park Lodge Project have performed a self-assessment against the Regulator's value for money standard.

By order of the Trustee



Mr D Pollard

**Trustees of Park Lodge Project**

31/10/2024

## **INDEPENDENT EXAMINERS REPORT**

**to the members of The St. Michael's Housing Trust**

We report to the charity trustee on my examination of the accounts of the charity for the year ended 31 March 2023 which are set out on pages 8 to 14

### **Responsibilities and basis of report**

As the charity's trustee you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

### **Independent examiner's statement**

We confirm that we are qualified to undertake the examination because we are members of the Association of Chartered Certified Accountants which is one of the listed bodies.

We have completed our examination. We confirm that no material matters have come to our attention in connection with the examination giving us cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
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We have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....  
Celerica  
Chartered Association of Certified Accountants  
First Floor  
The Old Chapel  
9 Kempson Road  
Leicester  
LE2 8AN

Date 31 October 2024

# Statement of Financial Activities

## for the year ended 31 March 2023

	Note	2023 £	2022 £
Turnover		36,887	209,606
Operating costs		(848)	(151,202)
<b>Operating surplus</b>	2	<b>36,039</b>	<b>58,404</b>
Interest receivable and other income	4	421	9
<b>Surplus for the year</b>		<b>36,460</b>	<b>58,413</b>

All amounts relate to continuing activities.

The notes on pages 11 to 14 form part of these financial statements.

The statement of financial activities contains all the gains and losses recognised in the year.

## Statement of movement on reserves

	2023 £	2022 £
Fund balances brought forward	458,300	399,887
Surplus for the year	36,460	58,413
<b>Fund balances carried forward</b>	<b>494,760</b>	<b>458,300</b>

The notes on pages 11 to 14 form part of these financial statements.

# Statement of Financial Position

as at 31 March 2023

	Note	2023 £	2022 £
<b>Tangible assets</b>			
Housing properties	7	94,381	95,184
		<u>94,381</u>	<u>95,184</u>
<b>Current assets</b>			
Cash and cash equivalents		390,458	353,195
Debtors	8	76,400	76,400
		<u>466,858</u>	<u>429,595</u>
Creditors: amounts falling due within one year	9	(895)	(895)
		<u>465,963</u>	<u>428,700</u>
<b>Net current assets</b>			
Creditors: amounts falling due after more than one year	11	(65,584)	(65,584)
		<u>494,760</u>	<u>458,300</u>
<b>Net assets</b>			
<b>Capital and Reserves</b>			
Income and Expenditure Reserve		<u>494,760</u>	<u>458,300</u>

The notes on pages 11 to 14 form part of these financial statements.

These financial statements were approved by the Trustee on 31 October 2024 and were signed on its behalf by:



.....  
Mr D Pollard  
Trustees of Park Lodge Project

# Notes to the Financial Statements

## for the year ended 31 March 2023

### 1 Accounting policies

#### Basis of accounting

The financial statements have been prepared in accordance with Statement of Recommended Practices Accounting by Registered Social Housing Providers 2018 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective 1 January 2019), Financial Reporting Standard applicable in UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and has applied the exemptions available under the Charities SORP.

#### Basis of preparation

The charity's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review on page 4. The charity has considerable financial resources in relation to the activities to be performed. The trustee believes that the charity is well placed to manage its business risks successfully despite the current uncertain economic outlook. The trustees have a reasonable expectation that the charity has adequate resources to continue in operation existence for the foreseeable future.

The trustees, after reviewing the charity budgets and the fact that the charity have adequate resources to continue in business for the foreseeable future. The trustees therefore continue to adopt the going concern basis in preparing the annual financial statements.

#### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Due to the nature of St Michael's Housing Trust and its operations, the estimation of uncertainty included in the accounts is low.

#### Turnover

Turnover represents rent and service charges income generated by supported housing bed spaces. Service charge income is recognised on an accrual basis.

#### Operating costs

Operating costs represent service charge expenditure and property maintenance costs. The managed agent operates a variable service charge in full consultation with residents. The charges will include an allowance for the surplus or deficit from prior years, with the surplus being returned to residents by a reduced charge and a deficit being recovered by a higher charge. Until these are returned or recovered, they are held as a creditor or debtor in the Statement of financial position.

#### Fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and impairment. The cost of housing land and properties comprises purchase price together with incidental costs of acquisition and improvements, including related administration charges. Interest is capitalised during construction of the property up to the date of practical completion, by reference to the trust's cost of borrowings.

Housing properties are managed under the terms of the Tenant's Guarantee. Depreciation is charged on a straight-line basis over the estimated useful economic life of the asset of 100 years to their residual value.

#### Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

# Notes to the Financial Statements (continued)

For the year ended 31 March 2023

## 1 Accounting policies (Continued)

### Social Housing Grant (SHG)

When developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income and recognised in Turnover over the estimated useful life of the associated asset under the accruals model. Social Housing Grant (SHG) received for items of cost written off in the statement of comprehensive income account is included as part of turnover.

When SHG in respect of housing properties in the course of construction, exceeds the total cost to date of those housing properties, the excess is shown as a current liability.

SHG must be recycled under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by the Homes England and Greater London Authority. However, SHG may have to be repaid if certain conditions are not met. If grant is not required to be recycled or repaid, any unamortised grant is recognised as turnover. In certain circumstances, SHG may be repayable, and, in that event, is a subordinated unsecured repayable debt.

### Value Added Tax

The St. Michael's Housing Trust is not registered for Value Added Tax (VAT). All amounts disclosed in the financial statements are inclusive of VAT where applicable.

## 2 Operating surplus

	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Rental Income	36,887	50,679
Service charges	-	158,032
Amortisation of Social Housing Grant	-	895
<b>Total turnover</b>	<b>36,887</b>	<b>209,606</b>
Resources expended		
Maintenance costs	-	150,339
Administration costs	45	60
Depreciation	803	803
<b>Total operating costs</b>	<b>848</b>	<b>151,202</b>
<b>Operating surplus</b>	<b>36,039</b>	<b>58,404</b>

The above results relate wholly to support housing activities.

## 3 Employee information

The charity has no employees and paid no remuneration or benefits to trustees or connected persons.

# Notes to the Financial Statements (continued)

For the year ended 31 March 2023

## 4 Interest receivable

	2023	2022
	£	£
Bank interest receivable	421	9
	<u>415</u>	<u>9</u>

## 5 Directors' emoluments

The trust has no employees and paid no remuneration or benefits to trustees or connected persons.

## 6 Independent Examiners Fees

The Independent Examiner's Fees was £3,000 (2022: £6,000).

## 7 Fixed asset housing properties

	£
<b>Cost</b>	
At 1 April 2022	118,395
<b>At 31 March 2023</b>	<u>118,395</u>
<b>Depreciation</b>	
At 1 April 2022	23,211
Charge for the year	803
<b>Accumulated Depreciation At 31 March 2022</b>	<u>23,211</u>
<b>Net book value at 31 March 2023</b>	<u>94,381</u>
Net book value at 31 March 2022	<u>95,184</u>

St. Michael's owns four properties consisting of 13 bed spaces.

All of the above properties are Freehold. Park Lodge Project bear the costs of the components and the depreciation.

### Impairment Review

An impairment review of property was undertaken at 31 March 2022. No impairment provisions were required.

# Notes to the Financial Statements (continued)

For the year ended 31 March 2022

## 8 Debtors

	2023 £	2022 £
Amounts owed by Group undertakings	76,400	76,400
	<u>76,400</u>	<u>76,400</u>

## 9 Creditors amounts falling due within one year

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Amortisation of social housing grant	895	895
	<u>895</u>	<u>895</u>

## 10 Taxation

The Trust has charitable status with the HM Revenue & Customs and is therefore not liable to tax on its surpluses.

## 11 Amounts falling due after more than one year:

	2023 £	2022 £
Social housing grant	92,342	92,342
Amortisation of social housing grant b/f	(26,758)	(24,863)
Amount to be released in one year	-	(895)
	<u>65,584</u>	<u>65,584</u>

## 12 Related party disclosures

The trust has taken exemption under Section 28.4 Charities SORP.

Control is exercised through corporate trusteeship of Park Lodge Project (Limited by Guarantee).

**THE ST MICHAEL'S HOUSING TRUST**

England & Wales - Charity number 504340

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# Accounts

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# Financial Statements

For the year ended 31 March 2022

The St. Michael's Housing Trust

Charity Number: 504340

Regulator of Social Housing number: H1416

# Financial Statements

For the year ended 31 March 2022

The St. Michael's Housing Trust

Charity Number: 504340

Regulator of Social Housing number: H1416

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# Trustee, Professional Advisors and Registered Office

The sole corporate trustee of the charity is The Riverside Group Limited. The corporate trustee is managed by its Board of Directors which consists of non-executive directors. Members of the trust Board are not individual trustees under charity law but act as agents on behalf of the corporate trustee and fulfil the trustee's duties in accordance with the charitable objectives. The members of the Board of Directors of the corporate trustee who served during the financial year were as follows:

Terrie Alafat  
Caroline Corby (appointed 1 December 2021)  
Pauline Davis  
Ingrid Fife  
Peter White (resigned 31 December 2021)  
Sandra Murray  
Goi Ashmore  
Lisa Tennant (resigned 3 October 2021)  
Clarine Stenfert (resigned 19 June 2021)  
Erfana Mahmood  
Rommel Pereira (appointed 1 December 2021)  
Olwen Lintott (appointed 1 January 2022)  
Stewart Davenport (appointed 1 December 2021)  
Sam Scott (appointed 11 October 2021)  
Carol Matthews\*

\* Co-opted Board Member

## Registered Auditors

BDO LLP  
5 Temple Square  
Temple St  
Liverpool  
L2 5RH

## Bankers

National Westminster Bank plc  
2-8 Church Street  
Liverpool  
L1 3BG

## Principal Office

2 Estuary Boulevard  
Estuary Commerce Park  
Liverpool  
L24 8RF

## Registered Numbers

Regulator of Social Housing number: H1416

## Charity Number

504340

## Charity Commission Contact

Sara Shanab

# Report of the Trustee

The trustees present their annual report and the audited financial statements for the year ended 31 March 2022.

## Principal activity

The charity is constituted by a Trust Deed and registered with the Charity Commissioners under charity number 504340 and the Regulator of Social Housing under H1416.

The principal object of the Trust is the provision of special needs accommodation for young single homeless people.

## Trustees

The trustees of the company, at the date of this report, is listed on page 3.

## Basis of preparation

The Trustees have considered the potential impact of COVID-19 and the ongoing conflict between Russia and Ukraine and determined that neither factor it is likely to have a material impact on the company's Going Concern assessment. St Michael's Housing Trust and The Riverside Group Limited have no exposure to Russia within the supply chain, customer base or investments. The business plan of the Riverside Group is stress tested to assess the ability of the Group and its subsidiaries to withstand financial challenges arising from macro-economic factors. Riverside's financial position is strong, and it has a number of mitigating actions available if required to protect operational and financial resources. As such, the Directors continue to adopt the going concern basis.

## Business review

For the year ended 31 March 2022, the trust made a surplus of £58,413 (2021: £77,569). Total revenue reserves now stand at £458,300 (2021: £399,887).

## Donations

No charitable or political donations were made in the year.

## Public benefit statement

The trustee has conducted a comprehensive review of the stated objectives of the charity and is satisfied that all of these are capable of being delivered for the public benefit.

They have further reviewed all the activities of the charity tested against the charitable objectives of the charity, firstly to ensure that they fall within its charitable objectives and secondly to test each activity is being delivered in a manner which can be construed as being for the public benefit.

The trustee is satisfied that there are no activities conducted or promoted by the charity that are not open to all people falling within a defined class or category within the broad parameters or objectives of the charity and that each activity falls within the statutory definition of being for the public benefit.

## Review of activities and future benefits

The trustee confirms it has referred to the guidance contained in the Charity Commissions' general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities for the year.

The statement of financial activities for the year is set out on page 10 of the financial statements. A summary of the financial results and the work of the charity is set out below. The focus for the charity continues to be on supporting its tenants and discussions are ongoing as to how best to do this.

## Governance of the charity

The trustee of the charity is the Board of The Riverside Group Limited. During the period under review, the Board met regularly. Applications for Board membership of The Riverside Group Limited (the trustee of the charity) is generally sought by advertisement.

Board members of The Riverside Group Limited receive regular training and development in order to ensure that they maintain their skills and a high level of awareness concerning issues in the sector. A review of performance of the Board as a whole and of individual Board members takes place each year.

# Report of the Trustee (continued)

## Governance of the charity (continued)

The Board of The Riverside Group Limited (the trustee of the charity) met regularly to review the strategy and performance and to agree operating plans and budgets. The Board of The Riverside Group Limited (the trustee of the charity) delegate certain functions to Committees operating under specific terms of reference. Minutes of all Committee meetings are presented at the following Board meeting.

The trustee delegates the day to day management of the charity to the Riverside Executive Director, Care and Support.

All governance costs (including external audit, internal audit, trustees' expenses, trustees' indemnity insurance and costs of producing statutory accounts) are currently borne by The Riverside Group Limited and are not recharged to the charity.

## Statement of risk

The identification of major business risks and the appropriate response is ongoing through a bottom up risk management process that involves staff across the Riverside Group Limited. Risk maps are ultimately approved by the Board.

The trustee has considered the impact of COVID-19 on page 4

## Charity Governance Code

The Charity Governance Code is designed as a tool to support continuous improvement. The Board, having reviewed the Code's key principles, considers its governance structure and arrangements to be appropriate for the nature of its operations, and as such has decided not to formally adopt the Code. The Board does however regularly visit the Code's key principles to ensure that the highest standards of governance are maintained.

## Subsequent Events

The trustee confirms that there have been no events since the financial period end which have had a material effect on the financial position of the charity.

## Committees

The Board of the Riverside Group Limited (the trustee of the charity) is supported by Riverside's Group Audit Committee.

## Insurance

Insurance policies are maintained by The Riverside Group Limited for members of the Board against liabilities in relation to the Trust.

## Disclosure of information to auditor

The trustees who held office at the date of approval of this trustee report confirm that, so far as they are each aware, there is no relevant audit information of which the charity's auditor is unaware; and the trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

## Statement of the trustee responsibilities in respect of the annual report of the trustee and the financial statements

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

# Report of the Trustee (continued)

## Statement of the trustee responsibilities in respect of the annual report of the trustee and the financial statements (continued)

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that the report of the Trustees is prepared in accordance with the Statement of Recommended Practice: Accounting by registered Social Housing Providers 2018.

### Statements of compliance

The Riverside Group Limited Board have reviewed the effectiveness of the system of internal control for the year ended 31 March 2022. Full details of this review are available in the consolidated financial statements of the Group. The Riverside Group Limited has complied with the Regulators Governance and Financial Viability standard. This is explained more fully in the consolidated financial statements of the Group.

The Riverside Group Limited have performed a self-assessment against the Regulator's value for money standard. This is explained more fully in the consolidated financial statements of the Group.

By order of the Trustees



SShanab (Aug 31, 2022 11:11 GMT+1)

**Sara Shanab**  
**Company secretary of The Riverside Group Limited**

31/08/2022

# Report of The Independent Auditor

to the members of The St. Michael's Housing Trust

## Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2022 and of the Association's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

We have audited the financial statements of The St Michael's Housing Trust ("the Association") for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Statement of movement in reserves, the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

## 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

We remain 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.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee 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 Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

## Other information

The trustee is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information including the Report of the trustee 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.

# Report of The Independent Auditor (continued)

to the members of The St. Michael's Housing Trust

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

We have nothing to report in respect of the following matters where we are required by the Charities Act 2011 or the Housing and Regeneration Act 2008 to report to you if, in our opinion:

- the information given in the Report of the Trustee for the financial year for which the financial statements are prepared is not consistent with the financial statements;
- adequate accounting records have not been kept by the Association, or returns adequate for our audit have not been received from branches not visited by us; or
- the Association financial statements are not in agreement with the accounting records and returns; or
- a satisfactory system of control has not been maintained over transactions; or
- certain disclosures of the trustee remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of the Trustee

As explained more fully in the Statement of Trustee responsibilities set out on page 5, the trustee is 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 trustee 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 trustee is 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 trustee either intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

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.

### *Extent to which the audit was capable of detecting irregularities, including fraud*

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:

Based on our understanding of the association and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the reporting framework (Housing SORP 2018, Charities SORP 2019, FRS 102 and the Charities Act 2011) and we considered the extent to which non-compliance might have a direct impact and material effect on the association's financial statements or their continued operation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to the posting of inappropriate journal entries, revenue being recognised in the correct period around the year end and management bias in accounting estimates.

The audit procedures to address the risk identified included:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Identifying and testing journal entries posted to the financial statements;
- Discussions with management and trustee, including consideration of known or suspected instances of non-compliance with laws and regulations;
- Testing of income around year end to determine if they have been recorded in the correct financial year; and
- Reading minutes of meetings of those charged with governance and reviewing any correspondence with the Charity Commission or Regulator of Social Housing.

# Report of The Independent Auditor (continued)

to the members of The St. Michael's Housing Trust

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

This report is made solely to the members of the Association, as a body, in accordance with in accordance with the Housing and Regeneration Act and to the charities trustee, as a body, in accordance with the Charities Act 2011. 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
829727ECC12041D...

**Hamid Ghafoor**  
BDO LLP  
Statutory Auditor  
Liverpool, UK

31 August 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Statement of Financial Activities

for the year ended 31 March 2022

	Note	2022 £	2021 £
Turnover		209,606	208,212
Operating costs		(151,202)	(130,871)
<b>Operating surplus</b>	2	<b>58,404</b>	<b>77,341</b>
Interest receivable and other income	4	9	228
<b>Surplus for the year</b>		<b>58,413</b>	<b>77,569</b>

All amounts relate to continuing activities.

The notes on pages 13 to 16 form part of these financial statements.

The statement of financial activities contains all the gains and losses recognised in the year.

## Statement of movement on reserves

	<b>2022</b> £	<b>2021</b> £
Fund balances brought forward	399,887	322,218
Surplus for the year	58,413	77,569
<b>Fund balances carried forward</b>	<b>458,300</b>	<b>399,887</b>

The notes on pages 13 to 16 form part of these financial statements.

# Statement of Financial Position

as at 31 March 2022

	Note	2022 £	2021 £
<b>Tangible assets</b>			
Housing properties	7	95,184	95,987
		<hr/>	<hr/>
		<b>95,184</b>	<b>95,987</b>
		<hr/>	<hr/>
<b>Current assets</b>			
Cash and cash equivalents		353,195	122,430
Debtors	8	76,400	248,844
		<hr/>	<hr/>
		<b>429,595</b>	<b>371,274</b>
		<hr/>	<hr/>
Creditors: amounts falling due within one year	9	(895)	(250)
		<hr/>	<hr/>
<b>Net current assets</b>		<b>428,700</b>	<b>371,024</b>
		<hr/>	<hr/>
Creditors: amounts falling due after more than one year	11	(65,584)	(67,124)
		<hr/>	<hr/>
<b>Net assets</b>		<b>458,300</b>	<b>399,887</b>
		<hr/>	<hr/>
<b>Capital and Reserves</b>			
Income and Expenditure Reserve		<b>458,300</b>	<b>399,887</b>
		<hr/>	<hr/>

The notes on pages 13 to 16 form part of these financial statements.

These financial statements were approved by the Trustee on 14 July 2022 and were signed on its behalf by:

*Terrie Alafat*

Terrie Alafat (Aug 31, 2022 13:38 GMT+1)

**Terrie Alafat**  
**Chair of the Trustee**

31/08/2022

*SShanab*

SShanab (Aug 31, 2022 11:11 GMT+1)

**Sara Shanab**  
**Secretary**

31/08/2022

**Charity number: 504340**

# Notes to the Financial Statements

## for the year ended 31 March 2022

### 1 Accounting policies

#### Basis of accounting

The financial statements have been prepared in accordance with Statement of Recommended Practices Accounting by Registered Social Housing Providers 2018 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective 1 January 2019), Financial Reporting Standard applicable in UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and has applied the exemptions available under the Charities SORP.

#### Basis of preparation

The charity's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review on page 4. The charity has considerable financial resources in relation to the activities to be performed. The trustee believes that the charity is well placed to manage its business risks successfully despite the current uncertain economic outlook. The trustees have a reasonable expectation that the charity has adequate resources to continue in operation existence for the foreseeable future.

The trustees, after reviewing the charity budgets for 2022/23 and the group's medium term financial position as detailed in the 30-year business plan including changes arising from the ongoing COVID-19 pandemic, is of the opinion that, taking account of severe but plausible downsides, the group and charity have adequate resources to continue in business for the foreseeable future. The trustees therefore continue to adopt the going concern basis in preparing the annual financial statements.

#### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Due to the nature of St Michael's Housing Trust and its operations, the estimation of uncertainty included in the accounts is low.

#### Turnover

Turnover represents rent and service charges income generated by supported housing bed spaces. Service charge income is recognised on an accrual basis.

#### Operating costs

Operating costs represent service charge expenditure and property maintenance costs. The managed agent operates a variable service charge in full consultation with residents. The charges will include an allowance for the surplus or deficit from prior years, with the surplus being returned to residents by a reduced charge and a deficit being recovered by a higher charge. Until these are returned or recovered, they are held as a creditor or debtor in the Statement of financial position.

#### Fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and impairment. The cost of housing land and properties comprises purchase price together with incidental costs of acquisition and improvements, including related administration charges. Interest is capitalised during construction of the property up to the date of practical completion, by reference to the trust's cost of borrowings.

Housing properties are managed under the terms of the Tenant's Guarantee. Depreciation is charged on a straight-line basis over the estimated useful economic life of the asset of 100 years to their residual value.

#### Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

# Notes to the Financial Statements (continued)

For the year ended 31 March 2022

## 1 Accounting policies (Continued)

### Social Housing Grant (SHG)

When developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income and recognised in Turnover over the estimated useful life of the associated asset under the accruals model. Social Housing Grant (SHG) received for items of cost written off in the statement of comprehensive income account is included as part of turnover.

When SHG in respect of housing properties in the course of construction, exceeds the total cost to date of those housing properties, the excess is shown as a current liability.

SHG must be recycled by the Group under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by the Homes England and Greater London Authority. However, SHG may have to be repaid if certain conditions are not met. If grant is not required to be recycled or repaid, any unamortised grant is recognised as turnover. In certain circumstances, SHG may be repayable, and, in that event, is a subordinated unsecured repayable debt.

### Value Added Tax

The St. Michael's Housing Trust is not registered for Value Added Tax (VAT). All amounts disclosed in the financial statements are inclusive of VAT where applicable.

## 2 Operating surplus

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Rental Income	50,679	49,930
Service charges	158,032	158,032
Amortisation of Social Housing Grant	895	250
	<hr/>	<hr/>
<b>Total turnover</b>	<b>209,606</b>	<b>208,212</b>
	<hr/>	<hr/>
Resources expended		
Maintenance costs	150,339	130,595
Administration costs	60	60
Depreciation	803	216
	<hr/>	<hr/>
<b>Total operating costs</b>	<b>151,202</b>	<b>130,871</b>
	<hr/>	<hr/>
<b>Operating surplus</b>	<b>58,404</b>	<b>77,341</b>

The above results relate wholly to support housing activities.

## 3 Employee information

The charity has no employees and paid no remuneration or benefits to trustees or connected persons.

# Notes to the Financial Statements (continued)

For the year ended 31 March 2022

## 4 Interest receivable

	2022	2021
	£	£
Bank interest receivable	9	228
	<hr/>	<hr/>
	<b>9</b>	<b>228</b>
	<hr/>	<hr/>

## 5 Directors' emoluments

The trust has no employees and paid no remuneration or benefits to trustees or connected persons.

## 6 Auditors' remuneration

Auditor's remuneration comprises the audit fee. The audit fee of £6,000 (2021: £650) was paid by the parent company, The Riverside Group Limited.

## 7 Fixed asset housing properties

	£
<b>Cost</b>	
At 1 April 2021	118,395
<b>At 31 March 2022</b>	<hr/> <b>118,395</b>
<b>Depreciation</b>	
At 1 April 2021	22,408
Charge for the year	803
<b>Accumulated Depreciation At 31 March 2022</b>	<hr/> <b>23,211</b>
<b>Net book value at 31 March 2022</b>	<hr/> <b>95,184</b>
Net book value at 31 March 2021	<hr/> <b>95,987</b>
	<hr/>

St. Michael's owns four properties consisting of 13 bed spaces.

All of the above properties are Freehold. Riverside bear the costs of the components and the depreciation.

### Impairment Review

An impairment review of property was undertaken at 31 March 2022. No impairment provisions were required.

# Notes to the Financial Statements (continued)

For the year ended 31 March 2022

## 8 Debtors

	2022 £	2021 £
Amounts owed by Group undertakings	76,400	248,844
	<u>76,400</u>	<u>248,844</u>

## 9 Creditors amounts falling due within one year

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Amortisation of social housing grant	895	250
	<u>895</u>	<u>250</u>

## 10 Taxation

The Trust has charitable status with the Inland Revenue and is therefore not liable to tax on its surpluses.

## 11 Amounts falling due after more than one year:

	2022 £	2021 £
Social housing grant	92,342	92,342
Amortisation of social housing grant b/f	(25,863)	(24,968)
Amount to be released in one year	(895)	(250)
	<u>65,584</u>	<u>67,124</u>

## 12 Parent company and related party disclosures

The trust has taken exemption under Section 28.4 Charities SORP from the requirement for disclosure of related party transactions on the grounds it is a wholly owned subsidiary of The Riverside Group Limited (incorporated in the UK). The consolidated financial statements of the Group are available to the public and may be obtained from the company's registered office at 2 Estuary Boulevard, Estuary Commerce Park, Liverpool L24 8RF.

The Riverside Group Limited is registered under the Co-operative Community Benefit Societies Act 2014 and is registered with the Regulator and Homes England as a Private Registered Provider of Social Housing, registered number L4552.

Control is exercised through corporate trusteeship.

**THE ST MICHAEL'S HOUSING TRUST**

England & Wales - Charity number 504340

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# Accounts

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# Financial Statements

For the year ended 31 March 2021

The St. Michael's Housing Trust

Charity Number: 504340

# Financial Statements

For the year ended 31 March 2021

The St. Michael's Housing Trust

Charity Number: 504340

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# Trustee, Professional Advisors and Registered Office

The sole corporate trustee of the charity is The Riverside Group Limited. The corporate trustee is managed by its Board of Directors which consists of non-executive directors. Members of the trust Board are not individual trustees under charity law, but act as agents on behalf of the corporate trustee and fulfil the trustee's duties in accordance with the charitable objectives. The members of the Board of Directors of the corporate trustee who served during the financial year were as follows:

- Terrie Alafat (appointed 1 April 2020)
- Carlos Gregorio Ashmore (appointed 19 June 2020)
- Tim Croston (resigned 9 July 2020)
- Pauline Davis
- Ingrid Fife
- Erfana Mahmood (appointed Co-Optee 19 June 2020, Board Member 2 June 2021)
- Carol Matthews\*
- Sandy Murray
- Clarine Stenfert\* (appointed 19 June 2020, resigned 19 June 2021)
- Lisa Tennant (appointed 19 June 2020)
- Sally Trueman
- Peter White

\* Co-opted Board Member

## **Auditors**

KPMG LLP  
1 Sovereign Street  
Leeds  
LS1 4DA

## **Bankers**

National Westminster Bank plc  
2-8 Church Street  
Liverpool  
L1 3BG

## **Principal Office**

2 Estuary Boulevard  
Estuary Commerce Park  
Liverpool  
L24 8RF

## **Registered Numbers**

Regulator of Social Housing number: H1416

## **Charity Number**

504340

## **Charity Commission Contact**

Sara Shanab

# Report of the Trustee

The trustees presents their annual report and the audited financial statements for the year ended 31 March 2021.

## Principal activity

The charity is constituted by a Trust Deed and registered with the Charity Commissioners under charity number 504340.

The principal object of the Trust is the provision of special needs accommodation for young single homeless people.

## Trustees

The trustees of the company, at the date of this report, is listed on page 3.

## Basis of preparation

The trustee has considered the ongoing impact of COVID-19 and determined that it is unlikely to have a material impact on the charity's Going Concern assessment. Despite the current situation in relation to COVID-19, The Riverside Group, of which the charity is part, maintains a strong financial position and has a number of mitigating actions available to it if required to protect operational and financial resources. As such, it is expected that Riverside and the charity will not be adversely impacted by COVID-19. As such the trustees continue to adopt the going concern basis

## Business review

For the year ended 31 March 2021, the trust made a surplus of £77,569 (2020: £30,949). Total revenue reserves now stand at £399,887 (2020: £322,318).

## Donations

No charitable or political donations were made in the year.

## Public benefit statement

The trustee has conducted a comprehensive review of the stated objectives of the charity and is satisfied that all of these are capable of being delivered for the public benefit.

They have further reviewed all the activities of the charity tested against the charitable objectives of the charity, firstly to ensure that they fall within its charitable objectives and secondly to test each activity is being delivered in a manner which can be construed as being for the public benefit.

The trustee is satisfied that there are no activities conducted or promoted by the charity that are not open to all people falling within a defined class or category within the broad parameters or objectives of the charity and that each activity falls within the statutory definition of being for the public benefit.

## Review of activities and future benefits

The trustee confirms it has referred to the guidance contained in the Charity Commissions' general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities for the year.

The statement of financial activities for the year is set out on page 10 of the financial statements. A summary of the financial results and the work of the charity is set out below. The focus for the charity continues to be on supporting its tenants and discussions are ongoing as to how best to do this.

## Governance of the charity

The trustee of the charity is the Board of The Riverside Group Limited. During the period under review, the Board met regularly. Applications for Board membership of The Riverside Group Limited (the trustee of the charity) is generally sought by advertisement.

Board members of The Riverside Group Limited receive regular training and development in order to ensure that they maintain their skills and a high level of awareness concerning issues in the sector. A review of performance of the Board as a whole and of individual Board members takes place each year.

# Report of the Trustee (continued)

The Board of The Riverside Group Limited (the trustee of the charity) met regularly to review the strategy and performance and to agree operating plans and budgets. The Board of The Riverside Group Limited (the trustee of the charity) delegate certain functions to Committees operating under specific terms of reference. Minutes of all Committee meetings are presented at the following Board meeting.

The trustee delegates the day to day management of the charity to the Riverside Executive Director, Care and Support.

All governance costs (including external audit, internal audit, trustees expenses, trustees indemnity insurance and costs of producing statutory accounts) are currently borne by The Riverside Group Limited and are not recharged to the charity.

## Statement of risk

The identification of major business risks and the appropriate response is ongoing through a bottom up risk management process that involves staff across the Riverside Group Limited. Risk maps are ultimately approved by the Board.

The trustee has considered the impact of COVID-19 on page 4

## Subsequent Events

The trustee confirms that there have been no events since the financial period end which have had a material effect on the financial position of the charity.

## Committees

The Board of the Riverside Group Limited (the trustee of the charity) is supported by Riverside's Group Audit Committee.

## Insurance

Insurance policies are maintained by The Riverside Group Limited for members of the Board against liabilities in relation to the Trust.

## Disclosure of information to auditor

The trustees who held office at the date of approval of this trustee report confirm that, so far as they are each aware, there is no relevant audit information of which the charity's auditor is unaware; and the trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

## Statement of the trustee responsibilities in respect of the annual report of the trustee and the financial statements

Under the trust deed of the charity and charity law, the Board of Trustees is responsible for preparing the Board of Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The trustees are required to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the association and of the income and expenditure for that period.

In preparing these financial statements, the Board of 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 UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- assess the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless it either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

# Report of the Trustee (continued)

The Board of Trustees is required to act in accordance with the trust deed of the association, within the framework of trust law. The Board of Trustees is responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the association at that time and to enable the Board of Trustees to ensure that its financial statements comply with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. It is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the association and to prevent and detect fraud and other irregularities.

## Statements of compliance

The Riverside Group Limited Board have reviewed the effectiveness of the system of internal control for the year ended 31 March 2021. Full details of this review are available in the consolidated financial statements of the Group. The Riverside Group Limited has complied with the Regulators Governance and Financial Viability standard. This is explained more fully in the consolidated financial statements of the Group.

The Riverside Group Limited have performed a self-assessment against the Regulator's value for money standard. This is explained more fully in the consolidated financial statements of the Group.

*SShanab*

SShanab (Jul 16, 2021 14:14 GMT+1)

Jul 16, 2021

By order of the Trustees

**Sara Shanab**

**Company secretary of The Riverside Group Limited**

# Report of the independent auditor

to the members of The St. Michael's Housing Trust

## Opinion

We have audited the financial statements of The St Michael's Housing Trust ("the Association") for the year ended 31 March 2021 which comprise the statement of financial activities, the statement of financial position and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of affairs of the Association as at 31 March 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

## Basis for opinion

We have been appointed as auditor under section 145 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the association in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

## Going concern

The Board of Trustees has prepared the financial statements on the going concern basis as they do not intend to liquidate the association or to cease its operations, and as they have concluded that the association's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Board's conclusions, we considered the inherent risks to the association's business model and analysed how those risks might affect the association's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Board's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the association's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the association will continue in operation.

## Fraud and breaches of laws and regulations – ability to detect

### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of trustees, the Group audit committee, internal audit, Legal Director and Head of Legal as to the Association's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and Group audit committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

# Report of the independent auditor (continued)

to the members of The St. Michael's Housing Trust

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because rental and service charge income is recorded and collected on a regular and consistent basis comprising high volume low value transactions.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management, those posted by irregular posters and those posted to unusual accounts.

## *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Association is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related charities legislation), taxation legislation and specific disclosures required by housing legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Association is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified the following areas as those most likely to have such an effect: anti-bribery and certain aspects of charity legislation recognising the nature of the Association's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

## *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

## **Other information**

The Board of Trustees is responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

# Report of the independent auditor (continued)

to the members of The St. Michael's Housing Trust

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

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

Under the Charities Act 2011 and the Housing and Regeneration Act 2008 we are required to report to you if, in our opinion:

- the association has not kept sufficient and proper accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

## Board of Trustees' responsibilities

As explained more fully in their statement set out on page five, the Board of Trustees is responsible for: the preparation of financial statements which give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 it either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

## Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

## The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the association's trustees, as a body, in accordance with section 145 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act, and section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the association's trustees 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Clare Partridge (Jul 19, 2021 16:13 GMT+1)

Jul 19, 2021

**Clare Partridge**  
for and on behalf of KPMG LLP, Statutory Auditor  
**Chartered Accountants**  
**1 Sovereign Square**  
**Sovereign Street**  
**Leeds**  
**LS1 4DA**

*KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006*

# Statement of Financial Activities

## for the year ended 31 March 2021

	Note	2021 £	2020 £
Turnover		208,212	222,248
Operating costs		(130,871)	(191,741)
<b>Operating surplus</b>	2	<b>77,341</b>	<b>30,507</b>
Interest receivable and other income	4	228	442
<b>Surplus on ordinary activities</b>		<b>77,569</b>	<b>30,949</b>

All amounts relate to continuing activities.

The notes on pages 12 to 16 form part of these financial statements.

The statement of financial activities contains all the gains and losses recognised in the year.

## Statement of movement on reserves

	2021 £	2020 £
Opening reserves	322,318	291,369
Surplus for financial year	77,569	30,949
<b>Revenue reserve carried forward</b>	<b>339,887</b>	<b>322,318</b>

The notes on pages 12 to 16 form part of these financial statements.

# Statement of Financial Position

## as at 31 March 2021

	Note	2021 £	2020 £
<b>Tangible assets</b>			
Housing properties	7	95,987	96,203
		<hr/>	<hr/>
		<b>95,987</b>	<b>96,203</b>
		<hr/>	<hr/>
<b>Current assets</b>			
Cash and cash equivalents		122,430	86,611
Debtors	8	248,844	207,119
		<hr/>	<hr/>
		<b>371,274</b>	<b>293,730</b>
		<hr/>	<hr/>
Creditors: amounts falling due within one year	9	(250)	(923)
		<hr/>	<hr/>
<b>Net current assets</b>		<b>467,011</b>	<b>389,010</b>
		<hr/>	<hr/>
Creditors: amounts falling due after more than one year	11	(67,124)	(66,692)
		<hr/>	<hr/>
<b>Net assets</b>		<b>399,887</b>	<b>322,318</b>
		<hr/>	<hr/>
<b>Capital and Reserves</b>			
Income and Expenditure Reserve		<b>399,887</b>	<b>322,318</b>
		<hr/>	<hr/>

The notes on pages 12 to 16 form part of these financial statements.

These financial statements were approved by the Trustee on 15 July 2021 and were signed on its behalf by:

*Terrie Alafat*

Terrie Alafat (Jul 16, 2021 14:11 GMT+1)

Jul 16, 2021

**Terrie Alafat**  
**Chair of the Trustee**

*SShanab*

SShanab (Jul 16, 2021 14:14 GMT+1)

Jul 16, 2021

**Sara Shanab**  
**Company Secretary**

**Charity number: 504340**

# Notes to the Financial Statements

## for the year ended 31 March 2021

### 1 Accounting policies

#### Basis of accounting

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

#### Basis of preparation

The charity's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review on page 4. The charity has considerable financial resources in relation to the activities to be performed. The trustee believes that the charity is well placed to manage its business risks successfully despite the current uncertain economic outlook. The trustees have a reasonable expectation that the charity has adequate resources to continue in operation existence for the foreseeable future.

The trustees, after reviewing the charity budgets for 2021/22 and the group's medium term financial position as detailed in the 30-year business plan including changes arising from the ongoing COVID-19 pandemic, is of the opinion that, taking account of severe but plausible downsides, the group and charity have adequate resources to continue in business for the foreseeable future. The trustees therefore continues to adopt the going concern basis in preparing the annual financial statements.

#### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Due to the nature of St Michael's Housing Trust and its operations, the estimation of uncertainty included in the accounts is low.

#### Turnover

Turnover represents rent and service charges income generated by supported housing bed spaces. Service charge income is recognised on an accrual basis

#### Operating costs

Operating costs represent service charge expenditure and property maintenance costs. The managed agent operates a variable service charge in full consultation with residents. The charges will include an allowance for the surplus or deficit from prior years, with the surplus being returned to residents by a reduced charge and a deficit being recovered by a higher charge. Until these are returned or recovered they are held as a creditor or debtor in the Statement of financial position.

#### Fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and impairment. The cost of housing land and properties comprises purchase price together with incidental costs of acquisition and improvements, including related administration charges. Interest is capitalised during construction of the property up to the date of practical completion, by reference to the trust's cost of borrowings.

Housing properties are managed under the terms of the Tenant's Guarantee. Depreciation is charged on a straight-line basis over the estimated useful economic life of the asset of 100 years to their residual value.

#### Debtors

Debtors and creditors are measured at amortised cost less impairment. Group debtors relate to trading amounts and are repayable on demand.

# Notes to the Financial Statements (continued)

For the year ended 31 March 2021

## Social Housing Grant (SHG)

When developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income and recognised in Turnover over the estimated useful life of the associated asset under the accruals model. Social Housing Grant (SHG) received for items of cost written off in the statement of comprehensive income account is included as part of turnover.

When SHG in respect of housing properties in the course of construction, exceeds the total cost to date of those housing properties, the excess is shown as a current liability.

SHG must be recycled by the Group under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by the Homes England and Greater London Authority. However, SHG may have to be repaid if certain conditions are not met. If grant is not required to be recycled or repaid, any unamortised grant is recognised as turnover. In certain circumstances, SHG may be repayable, and, in that event, is a subordinated unsecured repayable debt.

## Value Added Tax

The St. Michael's Housing Trust is not registered for Value Added Tax (VAT). All amounts disclosed in the financial statements are inclusive of VAT where applicable.

## 2 Turnover, operating costs and operating surplus

	Total 2021 £	Total 2020 £
Rental Income	49,930	49,550
Service charges	158,032	171,775
Amortisation of Social Housing Grant	250	923
<b>Total turnover</b>	<b>208,212</b>	<b>222,248</b>
Operating costs		
Maintenance costs	130,595	190,852
Administration costs	60	60
Depreciation	216	829
<b>Total operating costs</b>	<b>130,871</b>	<b>191,741</b>
<b>Operating surplus on letting activities</b>	<b>77,341</b>	<b>30,507</b>

The above results relate wholly to supported housing activities.

## 3 Employee information

The charity has no employees and paid no remuneration or benefits to trustees or connected persons.

# Notes to the Financial Statements (continued)

For the year ended 31 March 2021

## 4 Interest receivable

	2021 £	2020 £
Bank interest receivable	228	442
	<hr/>	<hr/>
	<b>228</b>	<b>442</b>
	<hr/>	<hr/>

## 5 Directors' emoluments

The trust has no employees and paid no remuneration or benefits to trustees or connected persons.

## 6 Auditors' remuneration

Auditor's remuneration comprises the audit fee. The audit fee of £650 (2020: £603) was paid by the parent company, The Riverside Group Limited.

## 7 Fixed asset housing properties

	£
<b>Cost</b>	
At 1 April 2020	118,395
Additions	-
Disposals	-
	<hr/>
<b>At 31 March 2021</b>	<b>118,395</b>
	<hr/>
<b>Depreciation</b>	
At 1 April 2020	22,192
Charge for the year	216
Disposals	-
	<hr/>
<b>At 31 March 2021</b>	<b>22,408</b>
	<hr/>
<b>Net book value at 31 March 2021</b>	<b>95,987</b>
	<hr/>
Net book value at 31 March 2020	96,203
	<hr/>

St. Michael's owns four properties consisting of 13 bed spaces.

All of the above properties are Freehold. Riverside bear the costs of the components and the depreciation.

### Impairment Review

An impairment review of property was undertaken at 31 March 2021. No impairment provisions were required.

# Notes to the Financial Statements (continued)

For the year ended 31 March 2021

## 8 Debtors

	2021 £	2020 £
Amounts owed by Group undertakings	248,844	207,119
	<u>248,844</u>	<u>207,119</u>

## 9 Creditors amounts falling due within one year

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Amortisation of social housing grant	250	923
	<u>250</u>	<u>923</u>

## 10 Taxation

The Trust has charitable status with the Inland Revenue and is therefore not liable to tax on its surpluses.

## 11 Amounts falling due after more than one year:

	2021 £	2020 £
Social housing grant	92,342	92,342
Amortisation of social housing grant b/f	(24,968)	(24,727)
Amount to be released in one year	(250)	(923)
	<u>67,124</u>	<u>66,692</u>

## 12 Capital commitments

There were no capital commitments at 31 March 2021 (2020: nil).

## 13 Contingent liabilities

There were no contingent liabilities at 31 March 2021 (2020: nil).

# Notes to the Financial Statements (continued)

For the year ended 31 March 2021

## 14 Parent company and related party disclosures

The trust has taken exemption under Section 28.4 Charities SORP from the requirement for disclosure of related party transactions on the grounds it is a wholly owned subsidiary of The Riverside Group Limited (incorporated in the UK). The consolidated financial statements of the Group are available to the public and may be obtained from the company's registered office at 2 Estuary Boulevard, Estuary Commerce Park, Liverpool L24 8RF.

The Riverside Group Limited is registered under the Co-operative Community Benefit Societies Act 2014 and is registered with the Regulator and Homes England as a Private Registered Provider of Social Housing, registered number L4552.

Control is exercised through corporate trusteeship.