

Marsden Memorial Homes
managed by



Leeds & Yorkshire
Housing Association

REPORT AND FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2022

REGISTERED CHARITY NUMBER 518431

REGULATOR OF SOCIAL HOUSING NUMBER A3822

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REFERENCE AND ADMINISTRATIVE DETAILS

Charity Registration Number: 518431

Registration with the Regulator of Social Housing: A3822

Managing Trustee

Leeds and Yorkshire Housing Association Ltd (LYHA)

Board of Management

C Michael Gaskell

Elizabeth Sandwith CFIIA (retired March 2022)

Anne McMaster

Jon Prashar

Simon Edwards

Adele Rae

Steven Brook (resigned September 2021)

Anthony Brown

Ulfat Hussain

Carla Makepeace

Matthew Edgar

Haroon Rashid (appointed November 2021)

Jeremy Earnshaw (appointed November 2021)

Registered Office

3rd Floor, White Rose House

8 Otley Road

Headingley

LS6 2AD

Bankers

National Westminster Bank Plc

8 Park Row

Leeds

LS1 5HD

TRUSTEE REPORT

The Trustee submits their report and the financial statements for the year ended 31st March 2022.

GOVERNING INSTRUMENT

Marsden Memorial Homes, Farsley, was founded by a conveyance dated 26 February 1935 and on 9 October 1986 the Charity Commission established a Scheme for the regulation of the Charity.

Marsden Memorial Homes, Farsley, are used for the residence of those who qualify under the trust deed. Residents should be aged or infirm persons in need. The properties are six semi-detached, one-bedroom bungalows, suitable for couples or single persons.

Whenever vacancies occur these are advertised locally. When making decisions about applicants, the homes have been allocated as determined by the Governing Instrument.

The Charity recognises the need for reserves to maintain its future viability. The annual budget provides for setting aside an amount within the weekly maintenance charge to transfer to its Extraordinary Repair Fund and Cyclical Maintenance Fund.

Managing Trustee:	Leeds & Yorkshire Housing Association 3rd Floor, White Rose House 8 Otley Road Headingley LS6 2AD
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Board of Management and Governance

C Michael Gaskell
Elizabeth Sandwith CFIIA (retired March 2022)
Anne McMaster
Jon Prashar
Simon Edwards
Adele Rae
Steven Brook (resigned September 2021)
Anthony Brown
Ulfat Hussain
Carla Makepeace
Matthew Edgar
Haroon Rashid (appointed November 2021)
Jeremy Earnshaw (appointed November 2021)

The Charity is governed by a Trust Deed. Leeds & Yorkshire Housing Association is the corporate trustee, having taken over that role from Anchor Trust on 5 November 2012, but delegates most of the day-to-day management of the Alms-houses to its staff. The Leeds & Yorkshire Housing Association Board adopts the NHF code of governance 2020, and an annual appraisal and skills

assessment is completed to ensure that the Leeds and Yorkshire Association Board has the skills and experience to comply with the NHF Code of Governance and RSH Regulatory Standards.

OBJECTIVES AND PRINCIPAL ACTIVITIES

To provide accommodation for older people who are in need. The Trustee has considered the Charity Commission's guidance on public benefit and consider that the activities of the Alms-house meet its charitable objects and is a Public Benefit Entity as defined by FRS102.

REVIEW OF OPERATIONS

A surplus of £4,148 was generated compared to £25,078 in the previous year. Two properties were empty on 31st March 2022 however both were occupied in April 2022.

RESERVES

The Trustee has reviewed the Charity's needs for reserves in line with the guidance issued by the Charity Commission and consider it prudent that reserves should be sufficient to avoid the necessity to realise fixed assets. The Trustee continues to review whether future income will enable the Charity to meet its foreseeable needs on the basis of planned expenditure. The Charity had reserves of £192,058 as at 31 March 2022 (2021: £187,911). The Charity establishes designated reserves where reserves are earmarked for a particular purpose.

VALUE FOR MONEY

In the table below benchmark refers to the median of 16 smaller registered providers whose unit numbers range from 4 to 427 and have been obtained from their financial statements. The 2022 and 2023 targets refer to the agreed budgets for that period.

Metric	2022	2021	2022 Target	Variance to target	Benchmark	Variance to benchmark	2023 Target
1 - Reinvestment	-	-	-	-	1.55%	-1.55%	-
2a – New supply delivered (Social Housing)	-	-	-	-	-	-	-
2b – New supply delivered (Non-Social Housing)	-	-	-	-	-	-	-
3 – Gearing	-	-53.69%	-	-	-	-	-
4 – EBITDA (MRI) Interest Cover	-	20,123%	-	-	-	-	-
5 -Headline Social Housing cost/unit	£5,546	£4,063	£3,754	-£1,792	£3,792	-£1,754	£10,727
6a – Operating Margin (Social Housing lettings only)	-10.99%	22.53%	25.95%	-36.94%	27.55%	-38.54%	-83.58%
6b – Operating Margin (Overall)	-10.99%	22.53%	25.95%	-36.94%	29.60%	-40.59%	-83.58%
7 – ROCE	-1.21%	2.50%	2.90%	-4-11%	2.84%	-4.05%	-9.91%

Metrics 3 and 4 are now zero as the loan was repaid by the Charity in 2020/21.

Metric 5 is higher than target due to increased repairs and maintenance costs in the period. The 2022 target has increased due to the agreed budget for substantial identified repairs and maintenance work being undertaken.

Metrics 6 & 7 are lower than target due to greater than budgeted maintenance costs in the period. The 2022 target is lower due to the agreed budget for substantial identified repairs and maintenance work being undertaken.

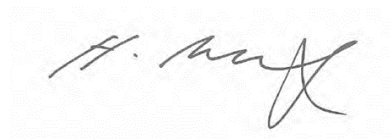
Covid 19

During the period, the coronavirus pandemic has had minimal adverse impact on the charity. There have been minimal empty homes and arrears have increased by £2,460 during the period. We have assured residents that no one will lose their home as a result of the coronavirus and encouraged early contact should residents find their finances affected by the lockdown.

The annual report was approved by the trustee of the charity on 21st July 2022 and signed on its behalf by:



Board Member of LYHA, the Trustee



Board Member of LYHA, the Trustee

STATEMENT OF TRUSTEE’S RESPONSIBILITIES

The Trustee is responsible for preparing the Trustee’s Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales and registered social housing legislation requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Statement of Recommended Practice for registered housing providers: Housing SORP 2018.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

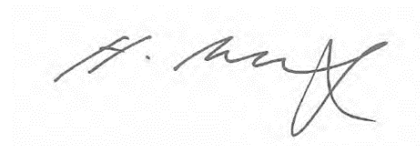
The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 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 the maintenance and integrity of the Charity and financial information included on the Charity’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustee of the charity on 21st July 2022 and signed on its behalf by:



Board Member of LYHA, the Trustee



Board Member of LYHA, the Trustee

INDEPENDENT EXAMINER'S REPORT to the Trustee of Marsden Memorial Homes, Farsley

I report to the trustee on my examination of the accounts of the charity for the year ended 31 March 2022 which are set out on pages 8 to 16.

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').

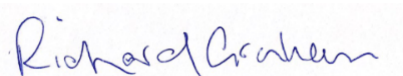
I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.

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



Richard Graham BA (Oxon), ACA
Independent Examiner

Beever and Struthers
Chartered Accountants
St. George's House
215-219 Chester Road
Manchester M15 4JE


Date: 02/09/2022

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST MARCH 2022

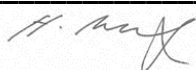
	Notes	2022 £	2021 £
TURNOVER			
Maintenance contributions receivable		32,181	33,554
Service charge income		1,584	-
Amortisation of government grants	10	4,596	4,596
Voids		(1,278)	(832)
Maintenance contributions from residents		37,083	37,318
OPERATING COSTS			
Service charge costs		6,303	6,508
Management		11,903	11,283
Routine maintenance		15,047	6,539
Bad debts		2,983	(366)
Depreciation of housing properties		4,900	4,900
Other costs		23	45
Total operating expenditure costs on social housing letting		41,159	28,909
OPERATING (DEFICIT)/SURPLUS ON SOCIAL HOUSING LETTING		(4,076)	8,409
Interest receivable and other income	5	2,596	2,757
Interest payable and similar charges	6	-	(57)
Movement in fair value of financial instruments	11	5,628	13,969
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION	7	4,148	25,078
Taxation on Surplus on Ordinary Activities	8	-	-
SURPLUS FOR THE YEAR		4,148	25,078
OTHER COMPREHENSIVE INCOME			
		-	-
TOTAL COMPREHENSIVE INCOME		4,148	25,078

Marsden Memorial Homes, Farsley have not acquired or discontinued any fundamental activities during the above two financial years.

These financial statements were approved and authorised for issue by the Trustee on 21st July 2022 and signed on its behalf by:



(Board Member of LYHA, the Trustee)



(Board Member of LYHA, the Trustee)

The attached notes on pages 10 to 16 form an integral part of these accounts.

STATEMENT OF FINANCIAL POSITION

AS AT 31ST MARCH 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Housing Properties	9	168,839	173,739
CURRENT ASSETS			
Investments	11	82,934	75,172
Debtors	12	4,435	4,911
Cash at Bank and in Hand		95,519	94,271
		<u>182,888</u>	<u>174,354</u>
Less:			
CREDITORS: Amounts falling due within one year	13	<u>(15,234)</u>	<u>(11,151)</u>
NET CURRENT ASSETS		<u>167,654</u>	<u>163,203</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>336,493</u>	<u>336,942</u>
CREDITORS: Amounts falling due in more than one year	14	144,435	149,031
TOTAL ASSETS		<u>192,058</u>	<u>187,911</u>
CAPITAL AND RESERVES			
Income and Expenditure Account		192,058	187,911
		<u>192,058</u>	<u>187,911</u>

These financial statements were approved and authorised for issue by the Trustee on 21st July 2022 and signed on its behalf by:



(Board Member of LYHA, the Trustee)



(Board Member of LYHA, the Trustee)

The attached notes on pages 10 to 16 form an integral part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The charity is registered with the Charity Commission registration number 518431 and with the Regulator of Social Housing, registration number A3822.

Registered Office
The Trustee of Marsden Memorial Homes
C/O 3rd Floor, White Rose House
8 Otley Road
Headingley
LS6 2AD

2. ACCOUNTING POLICIES

The Financial Statements are in accordance with applicable Accounting Standards.

Basis of Accounting and statement of compliance

The financial statements are prepared in accordance with UK Generally Accepted Accounting Practice (UKGAAP) including Financial Reporting Standard 102 (FRS102) and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2019.

The financial statements are prepared on the historical cost basis of accounting except as modified by the revaluation of investments and are presented in Sterling (£).

The financial statements have been prepared in compliance with FRS 102. In complying with FRS 102 the Charity meets the definition of a public benefit entity.

Going concern

The trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity has handled the coronavirus pandemic with minimal adverse impact.

Exemption from preparing a statement of cash flows

The charity has taken advantage of the exemption available to it under FRS102 whereby it is not required to publish a statement of cash flows.

Turnover

Turnover represents maintenance contributions receivable for the year, net of voids and amortisation of government grants as referred to below.

2. ACCOUNTING POLICIES (continued)***Housing Properties******Social Housing Grant***

Government grants include grants receivable from Homes England, local authorities, and other government organisations. Government grants received for housing properties are recognised in income over the useful life of the housing property structure under the accruals model.

Grants due from government organisations or received in advance are included as current assets or liabilities.

Government grants received for housing properties are subordinated to the repayment of loans by agreement with Homes England. Government grants released on sale of a property may be repayable but are normally available to be recycled and are credited to a Recycled Capital Grant Fund and included in the statement of financial position in creditors.

If there is no requirement to recycle or repay the grant on disposal of the asset, any unamortised grant remaining within creditors is released and recognised as income in income and expenditure.

Depreciation

Marsden Memorial Homes were constructed in 1935. There is no record of the original cost, and no value is attributed thereto. The Housing Properties costs relate to improvements conducted since 1990 which were funded by Homes England Grant, a mortgage loan from Orchardbrook Ltd secured by a charge on housing, land and buildings, and from Marsden Memorial Homes' own resources.

Component Accounting

The SORP requires registered Housing Associations to apply the rules relating to component accounting. The original value of the improvements as transferred into LYHA management in 2012 is assumed to be structural. Further assets were added in 2012/13.

The Trustees depreciate the components of the housing properties at the following annual rates:

Bathrooms	30 Years (3.3%)
Boilers	15 Years (6.7%)
Heating & Plumbing	30 Years (3.3%)
Electrics	40 Years (2.5%)
Kitchen	20 Years (5.0%)
Roof	70 Years (1.4%)
Structure	100 Years (1.0%)
Windows and doors	30 Years (3.3%)
Lifts	20 Years (5.0%)

Investments

2. ACCOUNTING POLICIES (continued)

Investments are carried at market value. Investments held for the long-term are included in fixed assets. Investments held as part of the short-term treasury management are included in current assets.

Value Added Tax

Marsden Memorial Homes, Farsley is not registered for Value Added Tax. In these Financial Statements, where applicable, expenditure is shown inclusive of VAT.

Significant judgements and estimates

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

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income, and expenses is provided below. Actual results may be substantially different.

Useful lives of depreciable assets

The Trustee reviews the estimate of the useful lives of depreciable assets at each reporting date, based on the expected economic life of the assets. Accumulated depreciation as at 31 March 2022 was £50,487.

Fair value measurements

The Trustee uses valuation techniques to determine the fair value of financial instruments and non-financial assets.

Financial instruments

Financial instruments which meet the criteria of a basic financial instrument as defined in Section 11 of FRS102 are accounted for under an amortised cost model.

Debtors

Trade debtors are measured at transaction price, less any impairment.

Creditors

Trade creditors are measured at the transaction price. Other financial liabilities, including bank, local authority, and other loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

3. TRUSTEES' EMOLUMENTS AND KEY MANAGEMENT PERSONNEL

The Executive Board of Leeds & Yorkshire Housing Association is the Trustee. Leeds & Yorkshire Housing Association receives a management fee (see notes 7 and 15). The Trustee received no emoluments. No remuneration was paid to key management personnel.

4. EMPLOYEE INFORMATION

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

2022	2021
-	-

The charity operated using Leeds & Yorkshire Housing Association staff time, the cost of which is recharged.

5. INTEREST RECEIVABLE AND OTHER INCOME

	2022 £	2021 £
Investment income	<u>2,596</u>	<u>2,757</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2022 £	2021 £
Bank charges & loan interest	<u>-</u>	<u>57</u>

7. SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

	2022 £	2021 £
Surplus on ordinary activities before taxation is stated after charging/(crediting):		
Management fee	8,187	8,147
Independent examiner's remuneration (excluding VAT)	850	850
Amortisation of grant	(4,596)	(4,596)
Depreciation	4,900	4,900
Losses arising from voids and bad debts	<u>4,261</u>	<u>466</u>

8. TAXATION

Marsden Memorial Homes, Farsley is a registered Charity and is therefore outside the scope of liability to taxation on its Income and Capital Gains arising from its charitable activities.

9. FIXED ASSETS

HOUSING PROPERTIES	Total completed housing properties £
Cost:	
At 1 st April 2021	219,326
Additions in year	-
At 31 st March 2022	219,326
Depreciation:	
At 1 st April 2021	45,587
Depreciation charged in year	4,900
At 31 st March 2022	50,487
Net book value:	
At 31 st March 2022	168,839
At 31 st March 2021	173,739

The above cost of housing properties comprising six units related to improvements conducted since 1990 only. The original cost of the land and buildings is recorded as £Nil.

10. DEFERRED GRANT INCOME

	2022 £	2021 £
At 1 st April	153,627	158,223
Released to income during the year	(4,596)	(4,596)
At 31 st March	149,031	153,627
	2022 £	2021 £
Amounts to be released within one year	4,596	4,596
Amounts to be released in more than one year	144,435	149,031
	149,031	153,627

11. FIXED ASSETS - INVESTMENTS

	2022	2021
	£	£
Market Value:		
1 st April	75,172	58,937
Accumulated Income	2,134	2,266
Unrealised gain/ on investments	<u>5,627</u>	<u>13,969</u>
31 st March	<u><u>82,933</u></u>	<u><u>75,172</u></u>

The investments comprise income shares in the National Association of Alms-houses Common Investment Fund. The fair value is the market value of the shares as at the balance sheet date.

12. DEBTORS

	2022	2021
	£	£
Amounts falling due within one year:		
Trade Debtors	10,166	7,706
Less Bad Debt Provision	(9,348)	(6,365)
Due from Group Undertakings	2,376	2,374
Other Debtors	117	117
Prepayments	<u>1,124</u>	<u>1,079</u>
	<u><u>4,435</u></u>	<u><u>4,911</u></u>

13. CREDITORS

	2022	2021
	£	£
Amounts falling due within one year:		
Trade creditors	1,381	2,121
Due to Group Undertakings	995	988
Rents and Service charge in advance	832	300
Deferred Grant Income	4,596	4,596
Other Creditors and Accruals	7,430	3,146
	<u><u>15,234</u></u>	<u><u>11,151</u></u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR.

	2022	2021
	£	£
Local Authority Grant	144,435	149,031
	<hr/> 144,435	<hr/> 149,031

15. RELATED PARTY TRANSACTIONS

During the year, the Charity was charged management fees of £8,187 (2021: £8,147) by Leeds & Yorkshire Housing Association (LYHA) whose executive board function as Trustee of the Charity. These fees were charged under normal commercial terms and any year-end balance due is shown as a debtor within the accounts of Leeds & Yorkshire Housing Association.

During the year LYHA made payments on behalf of the Charity for ease of administration. Such payments were shortly afterwards repaid to LYHA in a single sum. The year-end balance due is shown as a creditor in the accounts of the Charity (2022: £995, 2021: £Nil) and as a debtor within the accounts of Leeds & Yorkshire Housing Association.

16. CAPITAL COMMITMENTS

	2022	2021
	£	£
Contracted less certified	Nil	Nil
Authorised not contracted	<hr/> Nil	<hr/> Nil

17. CONTINGENT LIABILITY

There were no contingent liabilities as at 31 March 2022 (2021 £Nil).