

MARSDEN MEMORIAL HOMES REPORT AND FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2023

REGISTERED CHARITY NUMBER 518431

REGULATOR OF SOCIAL HOUSING NUMBER A3822

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MARSDEN MEMORIAL HOMES

Year ended 31 March 2023

SECTION 1 – Reference and Administrative Details

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) (Resigned 16th December 2022)
54 North Homes Limited (Appointed 16th December 2022)

Registered Office

3rd Floor, White Rose House
8 Otley Road
Headingley
LS6 2AD

Bankers

National Westminster Bank Plc
8 Park Row
Leeds
LS1 5HD

Independent Accountants

Beever and Struthers
Statutory Auditor
One Express
1 George Leigh Street
Manchester
M4 5DL

MARSDEN MEMORIAL HOMES

Year ended 31 March 2023

SECTION 2 – Trustee Report

Trustee Report

The Trustee submits their report and the financial statements for the year ended 31st March 2023.

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.

Structure and governance

The managing trustee is 54 North Homes Limited of 2 Alpha Court, Monks Cross Drive, Huntington, York, YO32 9WN. The registered charity number is 16826R.

54 North Homes Limited is the corporate trustee, having taken over that role from Leeds and Yorkshire Housing Association on 16th December 2022 on the completion of a transfer of engagement of Leeds and Yorkshire Housing Association to York Housing Association who in turn on completion of the transfer of engagement renamed themselves 54 North Homes Limited which is a subsidiary of Karbon Homes Group. 54 North Homes Limited delegates the day-to-day management of the trust to its staff.

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 operation

A deficit of (£65,203) is reported compared to a surplus of £4,148 in the previous year. One property was empty on 31st March 2023 however this was occupied in April 2023.

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

MARSDEN MEMORIAL HOMES

Year ended 31 March 2023

SECTION 2 – Trustee Report

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 £126,855 as at 31 March 2023 (2022: £192,058). 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 15 smaller registered providers whose unit numbers range from 4 to 427 and have been obtained from their financial statements. The 2023 and 2024 targets refer to the agreed budgets for that period.

Metric	2023	2022	2023 Target	Variance to target	Benchmark	Variance to benchmark	2024 Target
1 - Reinvestment	13.33%	-	-	13.33%	4.00%	9.33%	26.65%
2a – New supply delivered (Social Housing)	-	-	-	-	-	-	-
2b – New supply delivered (Non-Social Housing)	-	-	-	-	-	-	-
3 – Gearing	-	-	-	-	-	-	-
4 – EBITDA (MRI) Interest Cover	-	-	-	-	-	-	-
5 -Headline Social Housing cost/unit	£16,588	£5,546	£10,727	(£5,861)	£4,105	(£12,483)	£10,727
6a – Operating Margin (Social Housing lettings only)	(169.88%)	(10.99%)	(83.58%)	(86.30%)	16.68%	(186.56%)	(85.91%)
6b – Operating Margin (Overall)	(169.88%)	(10.99%)	(83.58%)	(86.30%)	24.60%	(194.48%)	(85.91%)
7 – ROCE	(24.79%)	(1.21%)	(9.91%)	(14.88%)	2.48%	(27.27%)	(14.59%)

Metric 1 is higher than target as non budgeted capital works (roof replacement) on two properties was completed in the period. The target for 2024 is for roof replacements to the remaining four properties.

Metric 5 is higher than target due to increased non capitalised major repairs costs in the period, resulting from major improvement works being undertaken following the discovery of defects in one home.

Metrics 6 & 7 are lower than target due to increased non capitalised major repairs costs in the period.

The annual report was approved by the trustee of the charity on 18th July 2023 and signed on its behalf by:

DocuSigned by:

 E740C2D8135D410...

Board Member of 54 North Homes Limited,
the Trustee

DocuSigned by:

 A777DDEDC464C4...

Board Member of 54 North Homes Limited,
the Trustee

MARSDEN MEMORIAL HOMES

Year ended 31 March 2023

SECTION 3 – Statement of Trustee's Responsibilities

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 2022. 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 18th July 2023 and signed on its behalf by:

DocuSigned by:

 E740C2D8135D410...

Board Member of 54 North Homes Limited
the Trustee

DocuSigned by:

 A777DDEDCE464C4...

Board Member of 54 North Homes Limited
the Trustee

MARSDEN MEMORIAL HOMES

Year ended 31 March 2023

SECTION 4 – Independent Examiner's Report

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 2023 which are set out on pages 7 to 15.

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').

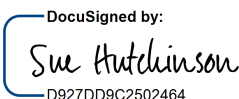
I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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.

DocuSigned by:

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Sue Hutchinson
Independent Examiner

Beever and Struthers
Statutory Auditor
One Express
1 George Leigh Street
Manchester
M4 5DL

Date 1/8/2023 | 05:29 PDT

MARSDEN MEMORIAL HOMES

Year ended 31 March 2023

SECTION 5 – Statement of Comprehensive Income


Statement of Comprehensive Income

FOR THE YEAR ENDED 31ST MARCH 2023

	Notes	2023 £	2022 £
TURNOVER			
Maintenance contributions receivable		33,509	32,181
Service charge income		1,940	1,584
Amortisation of government grants	9	4,596	4,596
Voids		(1,124)	(1,278)
Maintenance contributions from residents		38,921	37,083
OPERATING COSTS			
Service charge costs		5,528	6,303
Management		11,580	11,903
Routine maintenance and major repairs		82,419	15,047
Bad debts		583	2,983
Depreciation of housing properties		4,930	4,900
Other costs		-	23
Total operating expenditure costs on social housing letting		105,040	41,159
OPERATING (DEFICIT) ON SOCIAL HOUSING LETTING		(66,119)	(4,076)
Interest receivable and other income	5	3,030	2,596
Movement in fair value of financial instruments	10	(2,114)	5,628
(DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION			
	6	(65,203)	4,418
Taxation on Surplus on Ordinary Activities	7	-	-
(DEFICIT)/SURPLUS FOR THE YEAR		(65,203)	4,148
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME		(65,203)	4,148

Marsden Memorial Homes, Farsley has 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 18th July 2023 and signed on its behalf by:

DocuSigned by:

 E740C2D8135D410...
 DocuSigned by:
 Mark Pearson
 A777DDEDC464C4...

(Board Member of 54 North Homes Limited, the Trustee)

(Board Member of 54 North Homes Limited, the Trustee)

The attached notes on pages 9 to 15 form an integral part of these accounts.

MARSDEN MEMORIAL HOMES

Year ended 31 March 2023


SECTION 6 – Statement of Financial Position

Statement of Financial Position

AS AT 31ST MARCH 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Housing Properties	8	189,109	168,839
CURRENT ASSETS			
Investments	10	83,359	82,934
Debtors	11	4,240	4,435
Cash at Bank and in Hand		64,228	95,519
		<u>151,827</u>	<u>182,888</u>
Less:			
CREDITORS: Amounts falling due within one year	12	<u>(74,242)</u>	<u>(15,234)</u>
NET CURRENT ASSETS		<u>77,585</u>	<u>167,654</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>266,694</u>	<u>336,493</u>
CREDITORS: Amounts falling due in more than one year	13	(139,839)	(144,435)
TOTAL ASSETS		<u>126,855</u>	<u>192,058</u>
CAPITAL AND RESERVES			
Income and Expenditure Account		126,855	192,058
		<u>126,855</u>	<u>192,058</u>

These financial statements were approved and authorised for issue by the Trustee on 18th July 2023 and signed on its behalf by:

DocuSigned by:

 E740C2D8135D410...

**(Board Member of 54 North Homes Limited,
the Trustee)**

DocuSigned by:

 A777DDEDC464C4...

**(Board Member of 54 North Homes Limited,
the Trustee)**

The attached notes on pages 9 to 15 form an integral part of these accounts.

MARSDEN MEMORIAL HOMES

Year ended 31 March 2023

SECTION 7 – Notes to the Financial Statements

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
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 2022.

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.

MARSDEN MEMORIAL HOMES

Year ended 31 March 2023

SECTION 7 – Notes to the Financial Statements

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 Government 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 and to date.

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%)

MARSDEN MEMORIAL HOMES

Year ended 31 March 2023

SECTION 7 – Notes to the Financial Statements

2. Accounting policies (continued)**Investments**

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 2023 was £55,417.

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.

MARSDEN MEMORIAL HOMES

Year ended 31 March 2023

SECTION 7 – Notes to the Financial Statements

3. Trustee's emoluments and key management personnel

The Executive Board of 54 North Homes Limited is the Trustee. 54 North Homes Limited receives a management fee (see notes 6 and 14). 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:

2023	2022
-	-

The charity operated using Leeds and Yorkshire Housing and 54 North Homes Limited staff time, the cost of which is recharged.

5. Interest receivable and other income

	2023 £	2022 £
Investment income	<u>3,030</u>	<u>2,596</u>

6. Surplus on ordinary activities before taxation

	2023 £	2022 £
Surplus on ordinary activities before taxation is stated after charging/(crediting):		
Management fee	8,441	8,187
Independent examiner's remuneration (excluding VAT)	1,080	850
Amortisation of grant	(4,596)	(4,596)
Depreciation	4,930	4,900
Losses arising from voids and bad debts	<u>1,707</u>	<u>4,261</u>

7. 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.

MARSDEN MEMORIAL HOMES

Year ended 31 March 2023

SECTION 7 – Notes to the Financial Statements

8. Fixed assets

HOUSING PROPERTIES	Total completed housing properties £
Cost:	
At 1 st April 2022	219,326
Additions in year	25,200
At 31 st March 2023	<u>244,526</u>
Depreciation:	
At 1 st April 2022	50,487
Depreciation charged in year	4,930
At 31 st March 2023	<u>55,417</u>
Net book value:	
At 31 st March 2023	<u>189,109</u>
At 31 st March 2022	<u>168,839</u>

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.

9. Deferred grant income

	Total
Total grant received:	
At 1 st April 2022	196,266
Additions in Year	-
At 31 st March 2023	<u>196,266</u>
Amortisation:	
At 1 st April 2022	47,235
Amortisation in year	4,596
At 31 st March 2023	<u>51,831</u>
Net Book Value:	
At 31 st March 2023	144,435
At 31 st March 2022	149,031

MARSDEN MEMORIAL HOMES

Year ended 31 March 2023

SECTION 7 – Notes to the Financial Statements

10. Fixed assets - investments

	2023	2022
	£	£
Market Value:		
1 st April	82,933	75,172
Accumulated Income	2,540	2,134
Unrealised (loss)/gain on investments	(2,114)	5,627
31 st March	<u>83,359</u>	<u>82,933</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.

11. Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade Debtors	10,672	10,166
Less Bad Debt Provision	<u>(9,931)</u>	<u>(9,348)</u>
	741	818
Due from Group Undertakings	2,173	2,376
Other Debtors	117	117
Prepayments	<u>1,209</u>	<u>1,124</u>
	<u>4,240</u>	<u>4,435</u>

12. Creditors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade creditors	36,343	1,381
Due to Group Undertakings	944	995
Rents and Service charge in advance	842	832
Deferred Grant Income	4,596	4,596
Other Creditors and Accruals	31,517	7,430
	<u>74,242</u>	<u>15,234</u>

MARSDEN MEMORIAL HOMES

Year ended 31 March 2023

SECTION 7 – Notes to the Financial Statements

13. Creditors: amounts falling due after more than one year

	2023 £	2022 £
Local Authority Grant	139,839	144,435
	<u>139,839</u>	<u>144,435</u>

14. Related party transactions

During the year, the Charity was charged management fees of £8,441 (2022: £8,187) by Leeds & Yorkshire Housing Association (LYHA) and 54 North Homes Limited 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 54 North Homes Limited.

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 (2023: Nil, 2022: £995) and as a debtor within the accounts of 54 North Homes Limited.

15. Capital commitments

	2023 £	2022 £
Contracted less certified	Nil	Nil
Authorised not contracted	<u>50,400</u>	<u>Nil</u>

16. Contingent liability

There were no contingent liabilities as at 31 March 2023 (2022 £Nil).