

John Horne Homes
Report and Financial Statements
for the year ended 31 December 2022
Charity number: 223912

Fortus North Limited
Business Advisors and Accountants
5 & 6 Manor Court
Manor Garth
Scarborough
North Yorkshire
YO11 3TU

John Horne Homes

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John Horne Homes

Reference and administrative information

Trustees: Mrs Joy Scales
Mr Richard Scales
Mrs Elizabeth Sleightholme
Mrs Jean Bates
Mrs Ann Turner

Principal officers: Chairman: Mr Richard Scales
Clerk to the Trustees: Mr Nicholas Tubbs
Treasurer: Mr Richard Scales

Charity Registration Number: 223912

Address: Londesborough Road
Scarborough
North Yorkshire
YO12 5AQ

Accountants: Fortus North Limited
Business Advisors and Accountants
5 & 6 Manor Court
Manor Garth
Scarborough
North Yorkshire
YO11 3TU

Bankers: Lloyds Bank
1 St Nicholas Street
Scarborough
North Yorkshire
YO11 2YY

Solicitors: Tubbs & Co
106 Victoria Road
Scarborough
North Yorkshire
YO11 1SL

John Horne Homes
Trustees' report
for the year ended 31 December 2022

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 December 2022.

Reference and administrative information as set out on page 1 forms part of this report. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019).

Structure, governance and management

Constitution:

John Horne Homes is an unincorporated trust which is registered with the Charity Commission, charity number 223912.

The charity was formed by Deed of Trust dated 19 June 1909 and a scheme of the Charity Commission of 10 November 1976.

The charity does not actively fundraise and seeks to continue its work through the careful stewardship of its existing resources.

Organisation:

The land comprises approximately 900 square yards, having a frontage to Londesborough Road, Scarborough. The John Horne Homes building comprises of 8 flats.

The trustees shall apply the income of the charity for the benefit of the residents of the charity in such a manner as the trustees think fit from time to time, after having paid the cost of repairs, insurance and all other charges and outgoings payable in respect of the property of the charity and all other proper costs incidental to the administration and management of the charity.

Investment powers:

These are governed by the Trustees Investment Act 1961.

The investment in the Extraordinary Repair Fund is specifically for the purposes of the extraordinary repairs to, improvement to or rebuilding of the flats.

Investment in the Extraordinary Repair Fund is £240 per annum or such greater sum as may be agreed by the trustees.

Trustees:

The body of trustees shall consist, when complete, of 7 competent persons being co-optative trustees.

The co-optative trustees shall be persons who through residence, occupation or employment, or otherwise, have a special knowledge of the area of benefit. The appointment is for a 5 year term by a resolution of the trustees passed at a special meeting.

Related party:

The charity is a member of the National Association of Almshouses.

Risk management:

The trustees have assessed the major risks to which the charity is exposed, which are health and safety, which is considered regularly at trustees' meetings and appropriate risk assessments undertaken; financial security for the charity and residents, which the trustees feel is managed through a low-risk investment policy and through internal control; and finally, there is a risk of property damage for which the trustees believe there is adequate insurance cover and the condition of the property is regularly reviewed.

John Horne Homes

Trustees' report for the year ended 31 December 2022

Objectives and activities

The object of the charity is to house persons of limited means resident in the borough of Scarborough, with a preference for persons who were born in the said borough.

In planning our activities, we have kept in mind the Charity Commission's guidance on public benefit. The policy is to continue to provide comfortable accommodation for qualifying persons, with constant review of maintenance and upgrading of the property.

Achievements and performance

There have been no material changes in the policies adopted in order to achieve the charity's objectives, which themselves remain unchanged. The letting of the flats remained at a high level with few vacant periods.

Financial review

The results for the year are as expected given that the charity is reliant on contributions from residents and income from investments.

The trustees consider that they are continuing to fulfil a need in the housing market and residents' contributions will continue to be received at a similar level to those shown in the financial statements. The trustees strive to achieve a high standard of accommodation and believe that they will continue to have resources to do so in the foreseeable future.

Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements each 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 the financial statements, the trustees are required to:

- 1 select suitable accounting policies and then apply them consistently;
- 2 observe the methods and principles in the applicable Charities SORP;
- 3 make judgements and estimates that are reasonable and prudent
- 4 state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 5 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 proper records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are 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.

John Horne Homes

**Trustees' report
for the year ended 31 December 2022**

Reserves policy:

As the main asset of the charity is the land and buildings, transfers are made annually to the Extraordinary Repair Fund which is designed to cover large-scale repairs, improvements or the rebuilding of the flats.

The trustees are always mindful that there are ongoing maintenance costs for which funds need to be readily available and, therefore, consider the General Fund reserves justified. This position is reviewed by the trustees regularly to ensure there will be funds available to operate the flats efficiently, given that it is periodically necessary to use some of these funds to finance the type of work they are designed to cover.

This report was approved by the trustees on 4.5.2023 and signed on their behalf by:



~~Mr Nicholas Tubbs
Clerk to the Trustees~~

John Horne Homes

Independent Examiner's report to the trustees of John Horne Homes

I report on the accounts of John Horne Homes for the year ended 31 December 2022 which are set out on pages 5 to 11.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 (2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair" view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that in any material respect the requirements: to keep proper accounting records in accordance with section 130 of the Charities Act 2011; and to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met; or

- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



**Mr Robert D Thorpe FCCA
5 & 6 Manor Court
Manor Garth
Scarborough
North Yorkshire
YO11 3TU**

Date 4 May 2023

John Horne Homes

Statement of financial activities
for the year ended 31 December 2022

	Notes	Unrestricted funds		Total	Total
		General	Designated	funds	funds
		£	£	2022	2021
				£	£
INCOME					
Income from charitable activities					
Residents' contributions		26,265	-	26,265	26,480
Voluntary income					
Donations		350	-	350	650
Investment income					
Dividends	2	117	-	117	114
Total income		26,732	-	26,732	27,244
EXPENDITURE					
Expenditure on charitable activities					
Electricity and gas		312	-	312	277
Repairs and maintenance		20,705	-	20,705	13,857
Garden maintenance		1,480	-	1,480	1,478
Insurance		1,461	-	1,461	778
Subscriptions		532	-	532	514
Sundry expenses		75	-	75	73
		24,565	-	24,565	16,977
Governance costs					
Accountancy fee		1,398	-	1,398	1,332
Professional fees		360	-	360	960
		1,758	-	1,758	2,292
Total expenditure		26,323	-	26,323	19,269
Net income		409	-	409	7,975

The notes on pages 9 to 11 form an integral part of these financial statements

John Horne Homes

Statement of financial activities
for the year ended 31 December 2022

	Notes	Unrestricted funds		Total funds 2022 £	Total funds 2021 £
		General £	Desig nated £		
Net income		409	-	409	7,975
Transfers between funds		-520	520	-	-
		-111	520	409	7,975
(Losses) / gains on investment assets		-12,468	-	-12,468	20,226
Net movement in funds		-12,580	520	-12,060	28,201
Reconciliation of funds					
Total funds brought forward		259,513	5,596	265,109	236,908
Total funds carried forward		246,933	6,116	253,049	265,109


The notes on pages 9 to 11 form an integral part of these financial statements.

John Horne Homes

Balance sheet
as at 31 December 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	4		55,672		55,672
Investments	5		124,800		137,269
			<u>180,472</u>		<u>192,941</u>
Current assets					
Cash at bank		<u>74,286</u>		<u>74,324</u>	
Current liabilities					
Accruals	6	<u>-1,709</u>		<u>-2,156</u>	
Net current assets			72,577		72,168
Net assets			<u><u>253,049</u></u>		<u><u>265,109</u></u>
The funds of the Charity					
Designated unrestricted funds	7		6,116		5,596
General unrestricted funds			246,933		259,513
Total charity funds			<u><u>253,049</u></u>		<u><u>265,109</u></u>

The financial statements were approved by the trustees on 4.5.2023 and signed on its behalf by:


Trustee


Trustee

The notes on pages 9 to 11 form an integral part of these financial statements.

John Horne Homes

Notes to the financial statements for the year ended 31 December 2022

1 Accounting policies

1.1 Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Charities SORP (FRS 102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities Act 2011.

The trust constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

1.2 Income recognition

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations are recognised when they have been communicated in writing with notification of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that the conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

1.3 Housing properties and depreciation

The housing properties are shown at cost, plus improvements carried out since, which were funded by a Social Housing Grant, a mortgage loan from the Housing Corporation secured by a charge on housing, land and buildings, and from John Horne Homes own resources. As the properties are maintained in a state of repair such that their estimated residual value is not less than their improvement cost or carrying amount, the annual charge for depreciation would be nil.

1.4 Investments

Fixed asset investments are initially recognised at their transaction value and subsequently measured at their market value at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

1.5 Restricted and unrestricted funds

Where applicable, the accounts distinguish between restricted and unrestricted funds. Restricted funds are those which are subject to restrictions on the purposes for which they may be used.

Unrestricted funds are those where there are no externally imposed restrictions.

Currently there are no restricted funds.

1.6 Social housing grant

Social Housing Grant (SHG) is paid by the Housing Corporation to reduce the cost of development and is therefore shown as a deduction from the cost of housing properties on the balance sheet.

SHG is repayable under certain circumstances, primarily following the sale of a property, but will normally be restricted to net proceeds of sale.

John Horne Homes

Notes to the financial statements
for the year ended 31 December 2022

2	Investment income	2022	2021
		£	£
	Dividends	<u>117</u>	<u>114</u>
3	Employees	2022	2021
		Number	Number
	Number of employees		
	The average monthly number of employees (including the clerk to the trustees) during the year were:		
	Administration staff	<u>1</u>	<u>1</u>
	There were five trustees during the year and the clerk to the trustees. There was remuneration of £50 paid to the trustee Mr R Scales during the year (2021 £50).		
4	Tangible fixed assets - housing properties	2022	2021
		£	£
	Cost		
	As at 1 January 2022	105,077	105,077
	As at 31 December 2022	<u>105,077</u>	<u>105,077</u>
	Less Social Housing Grant		
	As at 1 January 2022	-49,405	-49,405
	As at 31 December 2022	<u>-49,405</u>	<u>-49,405</u>
	Net book values		
	As at 31 December 2022	<u>55,672</u>	<u>55,672</u>
5	Fixed asset investments	2022	2021
		£	£
	Movement in fixed asset investments		
	Market value brought forward at 1 January 2022	137,269	117,043
	Add net gain on revaluation	-	20,226
		<u>137,269</u>	<u>137,269</u>
	Deduct net loss on revaluation	-12,468	-
	Market value as at 31 December 2022	<u>124,801</u>	<u>137,269</u>
	Investment at market value	2022	2021
	Comprised:	£	£
	Unit trusts / OEICS	<u>124,801</u>	<u>137,269</u>

Holdings in common investment funds, unit trusts and open ended investment companies are at the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

John Horne Homes

Notes to the financial statements
for the year ended 31 December 2022

6	Creditors	2022	2021
	Amounts falling due within one year	£	£
	Rents in advance	-	510
	Trade creditors	1,709	1,645
		<u>1,709</u>	<u>2,155</u>
		<u><u>1,709</u></u>	<u><u>2,155</u></u>
7	Designated Unrestricted funds		Extraordinary repair fund
	As at 1 January 2022		£
	Transfers from general unrestricted funds		5,596
			520
	As at 31 December 2022		<u>6,116</u>
			<u><u>6,116</u></u>

Extraordinary repair fund

The extraordinary repair fund is to provide for potential future expenditure on exceptional items of repair or renewal. An amount determined by the trustees (currently £520 per annum) is transferred from general unrestricted funds.