

CHARITY REGISTRATION NUMBER: 512195

Earsdon, Newburn and Shilbottle Almshouse Charity
Unaudited Financial Statements
31 December 2023

Earsdon, Newburn and Shilbottle Almshouse Charity

Financial Statements

Year ended 31 December 2023

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Earsdon, Newburn and Shilbottle Almshouse Charity

Trustee's Annual Report

Year ended 31 December 2023

The trustee presents his report and the unaudited financial statements of the association for the year ended 31 December 2023.

Reference and administrative details

Registered charity name Earsdon, Newburn and Shilbottle Almshouse Charity

Charity registration number 512195

The trustee

Ex-Officio:
Rev. A. Harding Chairman
J Robson

Co-opted:
N Bruce
A Taylor
W Shaw
W Tait

Independent examiner J E Freeman
Chartered Certified Accountants
58 Durham Road
Birtley
Co Durham
DH3 2QJ

Bankers Barclays Bank PLC
City Office
Percy Street
Newcastle upon Tyne
NE1 4QL

Fund Managers Black Rock Investment Management (UK) Ltd
33 King William Street
London
EC4R 9AS

Earsdon, Newburn and Shilbottle Almshouse Charity

Trustee's Annual Report *(continued)*

Year ended 31 December 2023

Structure, governance and management

Governing Document

The organisation is governed by a trust deed dated 7 January 1982.

Recruitment and Appointment of Trustees

The charity aims to maintain its functions by recruiting local business people and appropriate individuals from the locality who have the necessary skills and local knowledge to monitor the financial position of the charity, and to make the necessary provision of accommodation to the residents. The recruitment of new Trustees is a matter for the Board of Trustees, and when vacancies arise, in either numbers or skill coverage, the Chairman will be asked to approach suitable candidates from the combined contacts of all current Trustees. Such appointments will bear in mind the need to have a knowledge of the region, an understanding of and empathy with the charitable sector, coupled with a general recognition of the needs of the residents. None of the Trustees are entitled to, nor received, any remuneration for their services to the charity during the year. Additionally, no expenses have been paid to any Trustee.

Trustee Induction and Training

The Trustees are all familiar with the work of the charity, and new Trustees are encouraged to attend at the charity's registered office where they are briefed on the aims, objectives and other operational matters, in addition to their roles and responsibilities.

Risk Management

The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

Objectives and activities

Activities

Earsdon, Newburn and Shilbottle Almshouse Charity meets the definition of a public benefit entity under FRS 102. The principal activity of the Charity is to provide residential accommodation for the poor and needy residing in or near Earsdon, Newburn and Shilbottle. The Charity owns and maintains 12 adjacent properties in Newburn for which the residents contribute a nominal weekly sum to cover maintenance and running costs.

Achievements and performance

During the year, the charity achieved full occupancy, with no voids being experienced. Maintenance contributions have steadily increased in line with best practice and now represent adequate cover for ongoing and routine costs.

Financial review

The Statement of Financial Activities shows net incoming resources for the year (before movements in the market value of investments) of £9,719 and cumulative reserves to carry forward of £459,240. The Trustees have considered any major risks to which the charity might be exposed in the near future, and consider that the present level of funding is adequate to support the charity's current operations. The Trustees consider the current financial position of the charity to be good and continue to monitor the position to ensure the future financial position remains secure.

Earsdon, Newburn and Shilbottle Almshouse Charity

Trustee's Annual Report *(continued)*

Year ended 31 December 2023

Reserves Policy

The charity's sole purpose is to provide accommodation to qualifying Almshouse residents, and as such maintains sufficient liquid funds to defray routine maintenance and other running costs; whilst maintaining sufficient longer-term investments in approved funds to cover any major capital expenditure. The Trustees consider that operating reserves sufficient to cover these administrative costs for up to 9 months are sufficient in the context of the charity's current objectives.

Plans for future periods

There are no plans to expand the activities of the charity.

Independent Examiner

J E Freeman, Chartered Certified Accountant, who was appointed to carry out an independent examination, offers herself, and is recommended for, re-appointment.

The trustee's annual report was approved on and signed on behalf of the board of trustees by:



J Robson
Trustee

Earsdon, Newburn and Shilbottle Almshouse Charity

Independent Examiner's Report to the Trustee of Earsdon, Newburn and Shilbottle Almshouse Charity

Year ended 31 December 2023

I report to the trustee on my examination of the financial statements of Earsdon, Newburn and Shilbottle Almshouse Charity ('the association') for the year ended 31 December 2023.

Responsibilities and basis of report

As the trustee of the association, you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the association's financial statements carried out under section 145 of the 2011 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 giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the association as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements 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.

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.

J E Freeman
FCCA
Independent Examiner
58 Durham Road
Birtley
Co Durham
DH3 2QJ

Earsdon, Newburn and Shilbottle Almshouse Charity

Statement of Financial Activities

Year ended 31 December 2023

| | | 2023 | | 2022 |
|--|------|-------------------------|------------------|------------------|
| | Note | Unrestricted funds £ | Total funds £ | Total funds £ |
| Income | | | | |
| Maintenance contributions from residents | | 39,806 | 39,806 | 40,161 |
| Investment income | 4 | 5,030 | 5,030 | 4,677 |
| Total income | | <u>44,836</u> | <u>44,836</u> | <u>44,838</u> |
| Expenditure | | | | |
| Expenditure on raising funds: | | | | |
| Property management expenses | 5 | 35,518 | 35,518 | 36,889 |
| Expenditure on charitable activities | 6 | 660 | 660 | 630 |
| Total expenditure | | <u>36,178</u> | <u>36,178</u> | <u>37,519</u> |
| Net income | | <u>8,658</u> | <u>8,658</u> | <u>7,319</u> |
| Other recognised gains and losses | | | | |
| Growth/(diminution) from revaluation of fixed assets | | 18,165 | 18,165 | (38,782) |
| Net movement in funds | | 26,823 | 26,823 | (31,463) |
| Reconciliation of funds | | | | |
| Total funds brought forward | | 431,356 | 431,356 | 462,819 |
| Total funds carried forward | | <u>458,179</u> | <u>458,179</u> | <u>431,356</u> |
| Fund balances are analysed | | | | |
| Revenue Reserve | | | 160,382 | 163,724 |
| Revaluation Reserve | | | 110,888 | 98,888 |
| Capital Reserve | | | 186,909 | 168,744 |
| | | | <u>458,179</u> | <u>431,356</u> |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 7 to 11 form part of these financial statements.

Earsdon, Newburn and Shilbottle Almshouse Charity

Statement of Financial Position

31 December 2023

| | Note | 2023 £ | 2022 £ |
|---|------|----------------|----------------|
| Fixed assets | | | |
| Tangible fixed assets | 9 | 109,893 | 111,162 |
| Investments | 10 | 261,556 | 243,391 |
| | | <u>371,449</u> | <u>354,553</u> |
| Current assets | | | |
| Debtors | 11 | 2,207 | 1,751 |
| Cash at bank and in hand | | 86,347 | 79,138 |
| | | <u>88,554</u> | <u>80,889</u> |
| Creditors: amounts falling due within one year | 12 | <u>(1,824)</u> | <u>(4,086)</u> |
| Net current assets | | <u>86,730</u> | <u>76,803</u> |
| Total assets less current liabilities | | <u>458,179</u> | <u>431,356</u> |
| Net assets | | <u>458,179</u> | <u>431,356</u> |
| Funds of the charity | | | |
| Unrestricted funds: | | | |
| Revenue reserve | | 160,382 | 163,724 |
| Revaluation reserve | | 110,888 | 98,888 |
| Other unrestricted income funds | | 186,909 | 168,744 |
| Total unrestricted funds | | <u>458,179</u> | <u>431,356</u> |
| Total charity funds | 13 | <u>458,179</u> | <u>431,356</u> |

These financial statements were approved by the board of trustees and authorised for issue on, and are signed on behalf of the board by:



J Robson
Trustee

The notes on pages 7 to 11 form part of these financial statements.

Earsdon, Newburn and Shilbottle Almshouse Charity

Notes to the Financial Statements

Year ended 31 December 2023

1. General information

The association is a public benefit entity and a registered charity in England and Wales and is unincorporated. The format of the financial statement complies with the Accounting Requirements of the Housing SORP 2014: Statement of Recommended Practice for Registered Social Housing Providers and in Accounting Direction for Private Registered Providers of Social Housing 2015.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustee for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Earsdon, Newburn and Shilbottle Almshouse Charity

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Incoming resources

Maintenance contributions and investment income are shown when receivable.

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates.

Charitable expenditure comprises those costs incurred by the charity in relation to the properties. It includes both costs that can be allocated directly and those costs of an indirect nature necessary to support them. All repairs are charged to revenue unless they represent a significant improvement to the property.

Governance costs includes those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees and costs linked to the strategic management of the charity.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property - 1% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Housing properties

The Almshouses were constructed in the late Nineteenth Century and there is no record of the original cost and no value is attributed thereto. The Housing Property costs relate to improvements carried out since 1960 which were funded by a Housing Corporation Grant, a mortgage loan from Housing Corporation secured by a charge on housing, land and buildings and from the Almshouses own resources. Whilst 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, an annual charge for depreciation of 1% straight line has been provided in line with the previous year

Housing association grant

Housing Association Grant (HAG) 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. HAG is repayable under certain circumstances, primarily following the sale of the property, but will normally be restricted to net proceeds of sale.

Earsdon, Newburn and Shilbottle Almshouse Charity

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

4. Investment income

| | Unrestricted Funds £ | Total Funds 2023 £ | Unrestricted Funds £ | Total Funds 2022 £ |
|--------------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Income from listed investments | 4,657 | 4,657 | 4,639 | 4,639 |
| Bank interest receivable | 373 | 373 | 38 | 38 |
| | <u>5,030</u> | <u>5,030</u> | <u>4,677</u> | <u>4,677</u> |

5. Property management expenses

| | Unrestricted Funds £ | Total Funds 2023 £ | Unrestricted Funds £ | Total Funds 2022 £ |
|--------------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Water rates | 4,992 | 4,992 | 2,358 | 2,358 |
| Professional charges | 8,161 | 8,161 | 7,632 | 7,632 |
| Repairs and renovations | 18,758 | 18,758 | 23,284 | 23,284 |
| Building insurance | 2,218 | 2,218 | 1,955 | 1,955 |
| Property depreciation | 1,269 | 1,269 | 1,269 | 1,269 |
| Subscriptions | 120 | 120 | 381 | 381 |
| Printing, postage & stationery | — | — | 10 | 10 |
| | <u>35,518</u> | <u>35,518</u> | <u>36,889</u> | <u>36,889</u> |

6. Governance costs

| | Unrestricted Funds £ | Total Funds 2023 £ | Unrestricted Funds £ | Total Funds 2022 £ |
|----------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Independent examiner's fee | 660 | 660 | 630 | 630 |

7. Taxation

The Almshouse is a registered Charity and is therefore exempt from liability to taxation on its Income and Capital Gains.

8. Staff costs

The charity has no employees and no payments have been made to any of the trustees during the year

Earsdon, Newburn and Shilbottle Almshouse Charity

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

9. Tangible fixed assets

| | Freehold property £ |
|----------------------------|---------------------------|
| Cost | |
| At 1 January 2023 | 882,035 |
| Housing Association Grant | (255,137) |
| Your Homes Newcastle Grant | (500,000) |
| At 31 December 2023 | <u>126,898</u> |
| Depreciation | |
| At 1 January 2023 | 15,736 |
| Charge for the year | 1,269 |
| At 31 December 2023 | <u>17,005</u> |
| Carrying amount | |
| At 31 December 2023 | <u>109,893</u> |
| At 31 December 2022 | <u>111,162</u> |

10. Investments

| | 2023 £ | 2022 £ |
|--|----------------|----------------|
| Trust Fund | | |
| The Charity's Official Investment Fund (COIF) 8,548.050 Income Shares (2022 - 8,548.050 shares) | 169,636 | 155,360 |
| Extra-Ordinary Repair Fund | | |
| Chairnco Common Investment Fund 2,008.505 Accumulation Shares (2022 - 2,008.505 shares) | 91,920 | 88,031 |
| | <u>261,556</u> | <u>243,391</u> |

The increase in fixed asset investments is due to the unrealised growth on revaluation of £18,165 (2022 - £38,782 diminution).

11. Debtors

| | 2023 £ | 2022 £ |
|--------------------------------|--------------|--------------|
| Trade debtors | 1,008 | 731 |
| Prepayments and accrued income | 1,199 | 1,020 |
| | <u>2,207</u> | <u>1,751</u> |

Earsdon, Newburn and Shilbottle Almshouse Charity

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

12. Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|------------------------------|--------------|--------------|
| Trade creditors | 1,284 | 315 |
| Accruals and deferred income | 540 | 3,771 |
| | <u>1,824</u> | <u>4,086</u> |

13. Analysis of charitable funds

Unrestricted funds

| | At 1 Jan 2023 £ | Income £ | Expenditure £ | Transfers £ | Gains and losses £ | At 31 Dec 2023 £ |
|------------------------|-----------------------|---------------|------------------|----------------|--------------------------|------------------------|
| General funds | 163,724 | 44,836 | (36,178) | (12,000) | - | 160,382 |
| Revaluation reserve | 168,744 | - | - | - | 18,165 | 186,909 |
| Revaluation reserve | 98,888 | - | - | 12,000 | - | 110,888 |
| | <u>431,356</u> | <u>44,836</u> | <u>(36,178)</u> | <u>-</u> | <u>18,165</u> | <u>458,179</u> |

| | At 1 Jan 2022 £ | Income £ | Expenditure £ | Transfers £ | Gains and losses £ | At 31 Dec 2022 £ |
|------------------------|-----------------------|---------------|------------------|----------------|--------------------------|------------------------|
| General funds | 168,405 | 44,838 | (37,519) | (12,000) | - | 163,724 |
| Revaluation reserve | 207,526 | - | - | - | (38,782) | 168,744 |
| Revaluation reserve | 86,888 | - | - | 12,000 | - | 98,888 |
| | <u>462,819</u> | <u>44,838</u> | <u>(37,519)</u> | <u>-</u> | <u>(38,782)</u> | <u>431,356</u> |

14. Analysis of net assets between funds

| | Unrestricted Funds £ | Total Funds 2023 £ |
|----------------------------|----------------------------|--------------------------|
| Tangible fixed assets | 109,893 | 109,893 |
| Investments | 261,556 | 261,556 |
| Current Assets | 88,554 | 88,554 |
| Creditors less than 1 year | (1,824) | (1,824) |
| Net assets | <u>458,179</u> | <u>458,179</u> |

| | Unrestricted Funds £ | Total Funds 2022 £ |
|----------------------------|----------------------------|--------------------------|
| Tangible fixed assets | 111,162 | 111,162 |
| Investments | 243,391 | 243,391 |
| Current Assets | 80,889 | 80,889 |
| Creditors less than 1 year | (4,086) | (4,086) |
| Net assets | <u>431,356</u> | <u>431,356</u> |

Earsdon, Newburn and Shilbottle Almshouse Charity

Management Information

Year ended 31 December 2023

The following pages do not form part of the financial statements.

Earsdon, Newburn and Shilbottle Almshouse Charity

Detailed Statement of Financial Activities

Year ended 31 December 2023

| | 2023 £ | 2022 £ |
|---|---------------|---------------|
| Income | | |
| Maintenance contributions from residents | | |
| Net income from rents and service charges | 39,806 | 40,161 |
| Investment income | | |
| Income from listed investments | 4,657 | 4,639 |
| Bank interest receivable | 373 | 38 |
| | <u>5,030</u> | <u>4,677</u> |
| Total income | <u>44,836</u> | <u>44,838</u> |
| Expenditure | | |
| Costs of raising maintenance contributions | | |
| Rates and water | 4,992 | 2,358 |
| Property management | 8,162 | 7,632 |
| Repairs and maintenance | 18,758 | 23,284 |
| Insurance | 2,218 | 1,955 |
| Printing, postage & stationery | – | 10 |
| Depreciation of property | 1,269 | 1,269 |
| Subscriptions | 120 | 381 |
| | <u>35,519</u> | <u>36,889</u> |
| Expenditure on charitable activities | | |
| Independent examiner's fee | 660 | 630 |
| Total expenditure | <u>36,178</u> | <u>37,519</u> |
| Net income | <u>8,658</u> | <u>7,319</u> |
