

Company Registration No. 6801953
Registered Social Landlord No. A2948
Charity No. 1127772 (England and Wales)

THE SKINNERS' ALMSHOUSE CHARITY
DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2021

THE SKINNERS' ALMSHOUSE CHARITY

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THE SKINNERS' ALMSHOUSE CHARITY

DIRECTORS' REPORT AND ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2021

BOARD OF DIRECTORS

Miss M C Stallebrass	(Chairman)
Mr C J D Emms	(resigned 5 November 2020)
Dr C Anderson	
Miss C F Attenborough	(resigned 5 November 2020)
Cmdr James Cohen	
Mrs K J Coleman	
Mr A I B Lloyd	(resigned 4 November 2021)
Mrs L Lodge	
Mr N F Maltby	(resigned 5 November 2020)
Mr B Peat	(appointed 4 November 2021)
Mr E D L Price	
Mr E H O Price	(resigned 5 November 2020)
Dr C M Roe	
Mr H A C Tidbury	

BANKERS AND PROFESSIONAL ADVISERS

Bankers	Royal Bank of Scotland PLC 62/63 Threadneedle Street London EC2R 8LA
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Investment managers	Cazenove Capital 1 London Wall Place London EC2Y 5AU
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CCLA
85 Queen Street
London EC4V 4ET

Sarasin & Partners
100 St Paul's Churchyard
London EC4M 8BU

Surveyors and property advisers	Gerald Eve LLP 46 Bow Lane London EC4M 9DL
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Solicitors	Farrer & Co LLP 66 Lincoln's Inn Fields London WC2A 3LH
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Independent Auditors	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
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Insurance brokers	Marsh Brokers Limited 1-5 Perrymount Road Haywards Heath West Sussex RH16 3SY
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Scheme management (to 31 March 2021)	Anchor Hanover Group 22-24 Torrington Place London WC1E 7HJ
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THE SKINNERS' ALMSHOUSE CHARITY

DIRECTORS' REPORT AND ACCOUNTS (continued) FOR THE YEAR ENDED 30 JUNE 2021

INTRODUCTION AND HISTORY

Skinners' almshouses have been in existence since the mid-sixteenth century, having been founded by the Skinners' Company, one of the Great Twelve Livery Companies. First located in Great St Helen's in the City of London, they have developed in size and scope, thanks to the generosity of Skinners' Company benefactors as well as the prudent husbandry of successive generations of Trustees. The almshouses have re-located twice in their history, from the City to Mile End and thence to Palmers Green in North London. The Palmers Green site has been completely rebuilt three times, most recently in 2007, and is now named Skinners Court, while Percy Bilton Court, a sheltered housing scheme, was added in Hounslow in West London in the early 1980's and substantially modernised in 2018.

CONSTITUTION

The Skinners' Almshouse Charity ("the Charity") which was incorporated as a company by Companies House in January 2009 (company number 6801953) is a registered charity (Charity number 1127772) and is governed by a scheme of the Charity Commission dated 12 October 2009. The Skinners' Company is sole member of the incorporated Charity.

The endowment of the housing operation is held by two subsidiary charities – the Skinners' Almshouse Foundation (Charity number 210774-1) and the Percy Bilton Fund (Charity number 210774-8). These are both unincorporated charities whose sole trustee is the Skinners' Almshouse Charity and are accounted for here under a uniting direction from the Charity Commission. The principal activity of the Skinners' Almshouse Foundation is to retain the Skinners' Almshouse Charity's assets in trust for the benefit of current and future residents. The Percy Bilton Fund is applied exclusively for the benefit of maintaining Percy Bilton Court and for the benefit of its residents.

The Charity is a Registered Social Landlord (no A2948) with Homes England. The Charity's address and registered office is Skinners' Hall, 8 Dowgate Hill, London, EC4R 2SP.

OBJECTIVES AND ACTIVITIES

The Charity's object is the relief of poverty by the provision of almshouse accommodation to persons in need. It may appoint residents in the following order of preference:

- a) Freemen and Freewomen of the Skinners' Company and their widows and widowers;
- b) Dependents or former dependents of the said Freemen and Freewomen;
- c) Any other such person in need.

Currently all residents are members of the third category above and none are members of The Skinners' Company. Enfield and Hounslow local authorities have nomination rights to fill 75% and 50% of the flats respectively with the balance being identified by the Charity through various older person support agencies.

The Charity's housing comprises two schemes. Percy Bilton Court provides 38 one-bedroom sheltered housing flats in Hounslow, West London. Skinners Court is an Extra Care scheme in Palmers Green, North London and offers 37 one-bedroom and 12 two-bedroom flats and an array of communal facilities for frailer older people. The Charity provides a full housing management service with care and support services being available through external providers. It aims to support older people to be as independent as possible through the provision of accessible accommodation.

GOVERNANCE AND MANAGEMENT

The Charity is governed by its Board of Directors. The Skinners' Company, as sole member of the Charity, may elect or remove Directors.

THE SKINNERS' ALMSHOUSE CHARITY

DIRECTORS' REPORT AND ACCOUNTS (continued) FOR THE YEAR ENDED 30 JUNE 2021

Key management personnel and remuneration

The Skinners' Company Clerk leads on the strategic and operational activities of the Charity under the guidance of its Board of Directors. The Directors give their time freely and received no remuneration in the year. Those working on behalf of the Charity are all employees of the Skinners' Company (the sole member) whose employment costs are charged to the Charity under a paymaster arrangement. The Charity does not have any direct employees.

In April 2018 the charity entered into a contract with Hanover Housing Association, now Anchor Hanover (AH); for the full management of Skinners Court, including property maintenance and estate management. This arrangement has not proved satisfactory due to poor performance by AH and the contract was terminated as at 31 March 2021. Transition costs associated with the handover period are reflected in these accounts. All management is now undertaken in-house.

Recruitment and training of Directors

Directors are appointed by the Skinners' Company and shall hold office as specified by the Company on appointment. Directors hold office for a term of four years but are eligible for re-appointment following the expiration of one term. As part of the selection process, due consideration is given to the individual's personal and professional knowledge and the experience they bring to the Board. New Directors are inducted into the workings of the Charity via an organised programme.

Organisational management

The Directors, as Trustees of the Charity, are legally responsible for the overall management and control of the Charity. They meet a minimum of four times per year to determine and monitor the Charity's performance and strategic direction. Sub-Committees of the Board of Directors include Property and Finance. The Finance Sub-Committee reviews the Charity's framework for financial accountability and its tasks include detailed scrutiny of charges to residents before they are presented to the Board, as well as ensuring the Charity complies with relevant financial regulations and good practice. This includes an annual meeting with the auditor prior to considering statutory accounts. Oversight of monitoring and planning for the maintenance of the two schemes is delegated to the Property Sub-Committee. The Charity has an Almshouse Charity Manager who is responsible for the day-to-day management of the Charity and its two Almshouses. The Manager and additional support services, such as administration, secretarial, finance, HR and IT, are supplied by the Skinners' Company. The Board has delegated the management of the Charity's investment portfolio to the Investment Committee of the Skinners' Company. The Investment Committee reports on performance, its findings and recommendations to the Finance Sub-Committee and the Board.

ACHIEVEMENTS AND PERFORMANCE

The Charity achieved a satisfactory operating surplus in the year, which will allow it to continue to support beneficiaries in the future. The Charity is proud to have continued to meet the costs of full time Estate managers at each of the schemes and Almshouse support staff based at Skinners' Hall. This is despite the current cost saving trend across the sector of reducing staff presence on site. Income from licence fees has suffered due to higher voids than usual during the year. This was due to a combination of Covid restrictions and a lack of nominations for vacancies being put forward.

New trustees undergo a thorough induction programme, all trustees have the opportunity to attend training seminars throughout the year and can access information and advice via the charity's membership of the Almshouse Association. Newsletters from each scheme are circulated to trustees on a monthly basis and resident feedback and consultation is used to inform trustee decision making. Social events during the year which facilitate engagement between Skinners and residents have been severely limited due to restrictions on social gatherings as a result of Covid-19. Reviewing the risk of Covid-19 and its impact on almshouse residents has been of prime importance to trustees. Board meetings have focused on measuring the impact of the pandemic on residents and working with local authorities and other statutory and voluntary sector partners to mitigate the impact on our beneficiaries. The charity will continue to adhere to government guidelines on how to best manage the covid-19 situation in order to ensure that our residents and staff feel safe and valued

THE SKINNERS' ALMSHOUSE CHARITY

DIRECTORS' REPORT AND ACCOUNTS (continued) FOR THE YEAR ENDED 30 JUNE 2021

The charity continues to monitor the effect of the pandemic on its beneficiaries and the risk it poses to the charity's operations.

A new flat was developed in the year by repurposing existing internal space. This was undertaken with the aid of a grant from GLA of £70,000 and the cost is shown in note 9.

Financial review

The Directors present their report and accounts for the year ended 30 June 2021. These have been prepared on a going concern basis in accordance with the accounting policies set out in note 1 to the accounts. In preparing these accounts the Directors have complied with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland, (FRS 102) and the second edition of the Statement of Recommended Practice for Charities.

The funds under the Directors' control consist of:

Unrestricted funds: The funds available to the Directors for the general purposes of the Charity.

Designated funds:

- The Almshouse Development Fund. A sum is set aside annually if surplus permits in order to fund future redevelopment of the properties.
- Repairs Reserves. This is the net accumulation of reserves designated for future repairs and replacements at each of the properties and are detailed in note 21.

Restricted funds: The Percy Bilton Court Fund. Accumulation of net income relating to this Scheme.

Endowment funds: The permanent endowment of the Charity.

The Statement of Financial Activities demonstrates that the objectives have been met and is summarised below.

	2021	2020
	£	£
Available income for the year		
Income from licence fees	955,170	1,033,535
Grants and donations	70,506	1,576
Investment income	140,689	135,948
	1,166,365	1,171,059
Housing costs	(863,463)	(749,202)
Support costs	(166,459)	(177,961)
	(1,029,922)	(927,163)
Net incoming resources for the year before transfers and gains	136,443	243,896

The Directors confirm that the assets of the various funds are available and adequate to fulfil the relevant obligations.

Value for money

The Regulator of Social Housing requires all registered providers to calculate value for money (VfM) metrics. The results are as follows:

Reinvestment: Investment in housing supply as a percentage of total housing property held: 5.4% (2020 nil).

New Housing Supply: New housing delivered as a percentage of housing stock held: 5.4% (2020 nil).

Gearing: Proportion of borrowing in relation to housing assets: 5.4% (2020 9%).

EBITDA: Earnings before interest, tax, depreciation and amortisation: interest cover 38 (2020 32 times).

Headline Social Housing cost: £9,925 per unit (2020 £8,711 per unit).

Operating Margin Social Housing Lettings: demonstrates the surplus compared to turnover: 9.6% (2020 27.5%).

Operating Margin Overall: Operating surplus compared to overall turnover: 8.2% (2020 20.8%).

Return on Capital Employed: Operating surplus compared to current net assets: 0.7% (2020 2.2%).

THE SKINNERS' ALMSHOUSE CHARITY

DIRECTORS' REPORT AND ACCOUNTS (continued) FOR THE YEAR ENDED 30 JUNE 2021

Future plans

The charity will continue to meet its aims and objectives by supporting elderly people in poor health and with limited resources to access high quality housing in a community setting. We aim to work with our residents to ensure that they have access to services and activities that will contribute towards enhancing their quality of life and reducing their social isolation. We anticipate a downturn in our finances and other resources during the financial year 2021/22 as a result of void properties and renovation work anticipated in the year at Skinners Court. The Board is also aware of developments in the energy market and will be keeping the matter under review. The Directors/Trustees will continue to regularly monitor and review the risks facing the charity and ensure that appropriate plans and policies are in place.

RESERVES POLICY

The Directors monitor and review the reserves policy annually. The Charity's sheltered and extra care housing operates in a highly regulated environment, which controls in particular the charges which may be levied in respect of residents. These charges represent the entire housing income. The most substantial costs to be met from this income are the upkeep of buildings and payment of staff costs via the paymaster arrangement.

The Charity maintains a repairs reserve to which annual transfers are made for maintenance, cyclical and extraordinary repairs of the housing properties, as recommended by the Almshouse Association. These reserves will be expended over the terms of the maintenance and repairs schedules.

The Charity also maintains a redevelopment reserve, which is the Charity's contribution to the redevelopment of housing properties in the future and is not regarded as distributable reserves. The current reserves policy is that £35,000 be transferred from revenue reserves to this fund each year subject to affordability.

The Percy Bilton Fund supports only the sheltered housing at Percy Bilton Court, Hounslow. The financial position of Percy Bilton Court is stable and can be supported by revenue reserves if necessary.

The undesignated reserves of £814,257 are used to support the operating activities of the Charity.

FUNDRAISING

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their fundraising activities. The charity undertakes specific fundraising activity to support the development of its work but is mainly focused on receiving such donations from grant giving trusts and Skinners as opposed to the general public. During the year to 30 June 2021, the charity received no complaints in relation to fundraising.

INVESTMENT POLICY AND PERFORMANCE

On 14 January 2014 the Board passed a resolution under s104(B) of the Charities Act 2011 to adopt a total return policy for the permanently endowed portion of the managed portfolio, having calculated the unapplied total return on those assets at that date of £142,766. All returns (both capital and income) on these investments subsequent to the resolution are credited to the Endowment Fund. The Board, in consultation with the Skinners' Company Investment Committee, has decided to transfer 2.5% of the asset value to unrestricted funds for application, and this is reviewed annually.

The managed portfolio was divided equally between Cazenove Capital, and Heartwood. During the year Heartwood was replaced with CCLA and Sarasin and by the year end all assets previously held with Heartwood had been realised. The Charity's revised investment objective is to maintain the real value of the endowment and to achieve a total return of RPI + 3.5% p.a. over the medium to long term. The performance of the managed portfolio, together with the property unit trust portfolio, in the year was closely monitored by the Skinners' Company Investment Committee, which reports regularly to the Board. The portfolio however is invested for the long term and the Investment Committee does not place undue weight on a single year's performance. The overall long term performance remains satisfactory and a recovery has taken place since the year end which it is hoped will be sustained.

THE SKINNERS' ALMSHOUSE CHARITY

DIRECTORS' REPORT AND ACCOUNTS (continued) FOR THE YEAR ENDED 30 JUNE 2021

RISK MANAGEMENT

The Directors have sought to identify the major risks to which the Charity is exposed and have established systems to ensure that these risks are reviewed and are minimised as far as possible. The Board closely monitors its risks under health and safety legislation. A full risk assessment of the impact of the Covid-19 pandemic is in place and is subject to regular review.

Following strong representations made by the Almshouse Association on behalf of its members, the Minister of State for Work & Pensions announced that almshouse charities that are registered providers will be exempt from the proposal to reduce Target Rent by 1% per annum over four years, and has deferred the transfer to LHA rates. The Board will continue to monitor housing policy developments very closely and in particular the impact of any income restrictions that may be placed on almshouses in the future.

PUBLIC BENEFIT

The Directors have complied with the duty in section 4 of the Charities Act 2011 to have due regard to all guidance published by the Charity Commission.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors (who are also the Trustees of The Skinners' Almshouse Charity for the purposes of company law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Auditing Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities' SORP;
- 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 within the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as the Directors are aware there is no relevant audit information of which the charitable company's auditor is unaware and the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board on 4 November 2021 and signed on behalf of the Directors by

 Mary Stallebrass

THE SKINNERS' ALMSHOUSE CHARITY

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS FOR THE YEAR ENDED 30 JUNE 2021

Opinion

We have audited the financial statements of The Skinners' Almshouse Charity for the year ended 30 June 2021 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including 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).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 30 June 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

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 are independent of the charitable company 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' 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 charitable company'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 Directors with respect to going concern are described in the relevant sections of this report.

Other information

The Directors are 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 and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

THE SKINNERS' ALMSHOUSE CHARITY

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS FOR THE YEAR ENDED 30 JUNE 2021

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Directors' Report.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the Directors (who are also Trustees of the charitable company for the purposes of company law) are 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 Directors determine 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 Directors are responsible for assessing the charitable company'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 Directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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.

THE SKINNERS' ALMSHOUSE CHARITY

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS FOR THE YEAR ENDED 30 JUNE 2021

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the Directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with Directors and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, guidance issued by the Charity Commission for England and Wales and the Accounts Direction for Social Housing (so far as it applies to this entity).

Further, the charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements; through a significant fine, litigation or restrictions on the charitable company's operations. We identified the most significant of such laws and regulations to be those issued by The Regulator of Social Housing.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above 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 would become aware of it. Also, 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 or intentional misrepresentations, or through collusion.

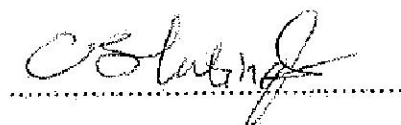
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

THE SKINNERS' ALMSHOUSE CHARITY

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS FOR THE YEAR ENDED 30 JUNE 2021

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Cara Turington (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Date 16 December 2021

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

THE SKINNERS' ALMSHOUSE CHARITY

STATEMENT OF FINANCIAL ACTIVITIES (incorporating the income and expenditure account) FOR THE YEAR ENDED 30 JUNE 2021

	Notes	£ Unrestricted	£ Percy Bilton Fund	£ Repairs Fund	£ Almshouse Development	£ Endowment Fund	£ Total 2021	£ Total 2020
Income from:								
Charitable activities – licence fees	2	567,333	387,837	-	-	-	955,170	1,033,535
Grants and donations		70,506	-	-	-	-	70,506	1,576
Investments	5	69,229	12,149	-	-	59,311	140,689	135,948
Total income		<u>707,068</u>	<u>399,986</u>	<u>-</u>	<u>-</u>	<u>59,311</u>	<u>1,116,365</u>	<u>1,171,059</u>
Expenditure on:								
Charitable activities - housing costs	7	516,955	346,508	-	-	-	863,463	749,202
Charitable activities – other support and governance	7	119,773	46,686	-	-	-	166,459	177,961
Generating funds - fundraising		-	-	-	-	-	-	-
Total expenditure		<u>636,728</u>	<u>393,194</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,029,922</u>	<u>927,163</u>
Net gains on investments	14	-	24,444	-	-	119,344	143,788	280,860
Movement in fair value of investments	11+12	-	76,358	-	-	461,329	537,687	(377,359)
Net income		<u>70,340</u>	<u>107,594</u>	<u>-</u>	<u>-</u>	<u>639,984</u>	<u>817,918</u>	<u>147,397</u>
Transfers between funds -	20	96,300	-	-	-	(96,300)	-	-
- allocation to repairs fund	21	(13,924)	(99,743)	113,667	-	-	-	-
- Almshouse development fund		(35,000)	-	-	35,000	-	-	-
Net movement in funds		<u>117,716</u>	<u>7,851</u>	<u>113,667</u>	<u>35,000</u>	<u>543,684</u>	<u>817,918</u>	<u>147,397</u>
Funds brought forward		<u>696,541</u>	<u>690,658</u>	<u>926,874</u>	<u>70,000</u>	<u>8,478,263</u>	<u>10,862,336</u>	<u>10,714,939</u>
Funds carried forward		<u>814,257</u>	<u>698,509</u>	<u>1,040,541</u>	<u>105,000</u>	<u>9,021,947</u>	<u>11,680,254</u>	<u>10,862,336</u>

The Charity's turnover and expenses all relate to continuing operations.

Approved by the Directors on 4 November 2021.

Director 

Director 

Clerk to the Member 

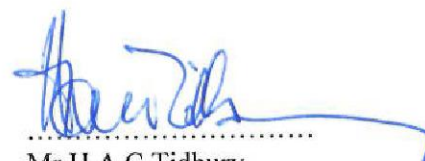
THE SKINNERS' ALMSHOUSE CHARITY

BALANCE SHEET AS AT 30 JUNE 2021

		30 June 2021		30 June 2020	
	Notes	£	£	£	£
Fixed assets					
Freehold housing properties, at cost less depreciation	9	3,498,322		3,383,555	
Equipment	10	-		-	
Freehold investment properties at valuation	11	347,000		318,000	
Investments at valuation	12	6,528,878		5,574,227	
Cash in transit for investment		-		287,916	
			10,374,200		9,563,698
Current assets					
Debtors	15	84,491		435,507	
Cash		1,618,136		1,446,766	
			1,702,627		1,882,273
Creditors					
Amounts falling due within one year	16	(171,618)		(352,607)	
Net current assets			1,531,009		1,529,666
Total assets less current liabilities			11,835,209		11,093,364
Creditors					
Amounts falling due after more than one year	17		(224,955)		(231,028)
Total net assets			11,680,254		10,862,336
The funds of the charity					
General Endowment Capital	19		9,021,947		8,478,263
Percy Bilton Fund			698,509		690,658
Designated reserve - Almshouse Development			105,000		70,000
Designated reserve - Repairs	21		1,040,541		926,874
Revenue reserve			814,257		696,541
Total charity funds			11,680,254		10,862,336

Approved by the Directors on


Ms M Stallebrass
Director


Mr H A C Tidbury
Director

The notes on pages 13 to 26 form part of these financial statements.
Company number 6801953

THE SKINNERS' ALMSHOUSE CHARITY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	25	341,136	73,266
Cash flows from investing activities			
Dividends, interest and rents from investments		140,689	135,948
Proceeds from the sale of property		-	100,846
Purchase of property plant and equipment		(221,794)	(8,947)
Proceeds from sale of investments		1,549,563	3,350,793
Purchase of investments		(1,563,823)	(3,322,863)
Net cash provided by (used in) investing activities		(95,365)	255,777
Cash flows from financing activities			
Repayment of borrowing		(74,401)	(92,216)
New borrowing		-	-
Net cash provided by (used in) financing activities		(74,401)	(92,216)
Change in cash and cash equivalents in the reporting period		171,370	236,827
Cash and cash equivalents at the beginning of the reporting period		1,446,766	1,209,939
Cash and cash equivalents at the end of the reporting period		1,618,136	1,446,766

THE SKINNERS' ALMSHOUSE CHARITY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2021

1. Accounting policies

1.1 Accounting basis

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets and investments (detailed below), and in accordance with the memorandum and articles of association.

The financial statements have been prepared in accordance with the accounting policies set out below, the Companies Act 2006, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the second edition of the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102). The accruals basis is followed throughout.

The Charity constitutes a public benefit entity as defined by FRS102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

In March 2020 the World Health Organisation declared COVID-19 a pandemic. The main impact of the pandemic on the charity has been on the investment valuations and on expected future investment income. Investment values have recovered, but the impact on investment income into the future is more uncertain. After reviewing the Charity's forecasts and projections, the Directors have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its accounts.

1.3 Investments

Securities held as investments are stated at market value at the year end. Investment property, in which the Charity has a freehold interest, is stated in the accounts at market value. The valuation of the commercial property was undertaken by Gerald Eve, Chartered Surveyors, in accordance with the Appraisal and Valuation Standards published by the Royal Institution of Chartered Surveyors.

Profit and loss on disposals is calculated as the difference between the sales proceeds and the market value at the beginning of the year (purchase date if later).

1.4 Income

Donations and legacies are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the charity is considered probable.

Property rentals and interest on short term deposits are recognised when they arise. Dividends and interest on investments are recognised when they become due and payable.

1.5 Expenditure

Expenditure is accrued as soon as a liability is considered probable.

1.6 Housing land and buildings and depreciation

Percy Bilton Court, Hounslow, is included in the accounts at net book value transferred from Hunt and Almshouse Charity plus additions at cost. The land was originally donated by the Percy Bilton Charity and its market value at the date of acquisition is treated as cost.

Skinner's Court is shown in the accounts at net book value at date of transfer from the Hunt and Almshouse Charity.

THE SKINNERS' ALMSHOUSE CHARITY

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 30 JUNE 2021

Housing properties are depreciated on a straight line basis over the estimated useful economic lives of component categories. The minibus is fully depreciated. Useful economic lives for component categories for identified components are as follows:

Structure	75 years	Roof	40 years
Bathrooms & mechanical	30 years	Windows	25 years
Lifts & additions at PBC	25 years	Painting and fascias	25 years
Kitchens	20 years	Boilers	15 years

1.7 Charitable activities

Costs of charitable activities comprise direct costs attributable to each activity which include provision of housing and directly attributable overhead and support costs, including governance costs, as shown in Note 7.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits at call with banks and bank overdrafts.

1.9 Financial instruments

The Charitable Fund only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. The charity has selected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

1.10 Unrestricted funds: The funds available to the Directors for the general purposes of the Charity.

1.10 Restricted fund: The Percy Bilton Fund. Accumulation of net income relating to the Scheme at Hounslow.

1.11 Designated funds:

- The Almshouse Development Fund. A sum is set aside annually if surplus permits in order to fund future redevelopment of the properties.
- Repairs Reserves. This is the net accumulation of reserves designated for future repairs and replacements at each of the properties and are detailed in note 21.

1.12 Endowment funds: The permanent endowment of the Charity.

2. Income from lettings	2021	2020
£		£
Licence fees	636,810	632,775
Service charges and utilities	370,334	409,019
Losses from void licence fees	(51,974)	(8,259)
	<u>955,170</u>	<u>1,033,535</u>

THE SKINNERS' ALMSHOUSE CHARITY

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 30 JUNE 2021

3. Staff costs

The average headcount of persons employed by the Charity during the year was nil (2020: nil). Those working on behalf of the Charity are employed by The Skinners' Company and the costs are recharged to the Charity at cost under a paymaster arrangement (and by Anchor Hanover during the period to 31 March 2021). The Charity bore a share of overall employment costs in this manner of £198,349 (2020:£228,456) shown under staff costs and £161,323 (2020:£52,800) shown under management costs & fees.

The Company contributes towards pension arrangements for employees by way of a group personal pension plan, managed by Standard Life. The employer contributes 15% of gross annual salary and the employee 3%. Directors receive no remuneration, nor does the Member. No share of paymaster salary recharged to the Charity exceeded £60,000.

4. Auditors' remuneration

	2021 £	2020 £
Audit	9,840	10,800

5. Investment income

	2021 £	2020 £
Income from investment properties		
Rental income	200	200
Management and legal costs	(5,283)	(9,483)
Net income	(5,083)	(9,283)
Property unit trust income	66,969	66,407
Investment income	62,330	63,179
Deposit interest	4,324	3,648
	128,540	123,951
Percy Bilton Fund Investment income	12,149	11,997
	140,689	135,948

6. Interest payable

Interest of £24,008 (2020:£29,938) was payable in respect of the loans from Fresh plc (formerly Orchardbrook Limited) and Allied Irish Bank (see note 18).

7. Charitable activities

	Other charitable support and governance		Housing Activities	
	2021	2020	2021	2020
Resident Welfare and support	16,096	32,838	1,453	-
Staff costs	99,773	97,884	98,576	130,572
Building repairs	-	-	203,624	203,128
Garden and equipment	-	-	23,056	25,578
Utilities	-	-	92,950	67,985
Cleaning	-	-	49,613	36,086
Administration (incl. professional fees)	37,124	32,492	12,749	4,998
Scheme management staff costs and fees	-	-	234,673	127,175
Insurance	3,625	3,947	15,734	16,715
Depreciation	-	-	107,027	107,027
Audit	9,840	10,800	-	-
Interest	-	-	24,008	29,938
Total charitable costs	166,459	177,961	863,463	749,202

THE SKINNERS' ALMSHOUSE CHARITY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2021

8. Allocation of surplus for year

	Percy Bilton Fund £	Alms house Development Fund £	Repairs Reserves £	Endowment Fund £	Revenue Reserves £	Total £
2021						
Housing activities: Surplus	41,329	-	-	-	50,378	91,707
Non-housing activities:						
Resident welfare	(9,095)	-	-	-	(7,001)	(16,096)
Other operating costs*	(37,591)	-	-	-	(112,772)	(150,363)
Fundraising	-	-	-	-	-	-
Income from property units	-	-	-	-	66,969	66,969
Investment income net of costs	12,149	-	-	59,311	2,260	73,720
Donations received	-	-	-	-	70,506	70,506
Realised gain on investments	24,444	-	-	119,344	-	143,788
Unrealised gain on investments	76,358	-	-	432,329	-	508,687
Unrealised gain on inv. property	-	-	-	29,000	-	29,000
Transfers to Repairs Reserve:						
Renewals reserve	(16,177)	-	13,039	-	(3,138)	-
Cyclical repairs	(20,642)	-	7,604	-	13,038	-
Extraordinary repairs	(62,924)	-	93,024	-	(30,100)	-
Transfer to development fund	-	35,000	-	-	(35,000)	-
	<u>7,851</u>	<u>35,000</u>	<u>113,667</u>	<u>639,984</u>	<u>21,416</u>	<u>817,918</u>
2020						
Housing activities: Surplus	93,215	-	-	-	191,118	284,333
Non-housing activities:						
Resident welfare	(13,434)	-	-	-	(19,404)	(32,838)
Other operating costs*	(36,281)	-	-	-	(108,842)	(145,123)
Fundraising	-	-	-	-	-	-
Income from property units	-	-	-	-	66,407	66,407
Investment income	11,997	-	-	58,573	(1,029)	69,541
Donations received	-	-	-	-	1,576	1,576
Realised gain on investments	30,602	-	-	250,258	-	280,860
Unrealised gain on investments	(46,152)	-	-	(331,207)	-	(377,359)
Transfers to Repairs Reserve:						
Renewals reserve	(9,164)	-	26,598	-	(17,434)	-
Cyclical repairs	(22,780)	-	14,520	-	8,260	-
Extraordinary repairs	(40,558)	-	69,858	-	(29,300)	-
Transfer to development fund	-	35,000	-	-	(35,000)	-
	<u>(32,555)</u>	<u>35,000</u>	<u>110,976</u>	<u>(22,376)</u>	<u>56,352</u>	<u>147,397</u>

* 25% of operating costs are associated with Percy Bilton Court

THE SKINNERS' ALMSHOUSE CHARITY

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 30 JUNE 2021

9. Freehold housing properties

Sheltered and Extra Care Housing

	Skinnners Court Palmers Green	Percy Bilton Court Hounslow	Total
	£	£	£
Cost brought forward 1 July 2020	2,427,974	1,653,302	4,081,276
Additions	221,794	-	221,794
Gross cost at 30 June 2021	<u>2,649,768</u>	<u>1,653,302</u>	<u>4,303,070</u>
Analysis of cost			
Buildings	2,649,768	1,503,302	4,153,070
Freehold land	-	150,000	150,000
	<u>2,649,768</u>	<u>1,653,302</u>	<u>4,303,070</u>
Depreciation			
Accumulated depreciation at 1 July 2020	532,696	165,025	697,721
Charge for year	49,553	57,474	107,027
Accumulated depreciation at 30 June 2021	<u>582,249</u>	<u>222,499</u>	<u>804,748</u>
Net book value at 30 June 2021	<u>2,067,519</u>	<u>1,430,803</u>	<u>3,498,322</u>
Net book value at 30 June 2020	<u>1,895,278</u>	<u>1,488,277</u>	<u>3,383,555</u>
The number of units of accommodation in management at 30 June 2021 was:			
- accommodation let at market rent	<u>49</u>	<u>38</u>	<u>87</u>

The freehold value of Percy Bilton Court is considered to be in excess of the book cost disclosed above. The value of the freehold land at Skinnners Court is not included on the balance sheet.

An additional flat was developed in the year at Skinnners Court by repurposing existing internal space. A grant was received from GLA of £70,000 shown on page 11.

10. Equipment

	£	
Cost at 30 June 2020	29,805	29,805
Cost at 30 June 2021	<u>29,805</u>	<u>29,805</u>
Accumulated Depreciation at 30 June 2020	29,805	29,805
Depreciation – charge for year	-	-
Accumulated Depreciation at 30 June 2021	<u>29,805</u>	<u>29,805</u>
Net Book Value 30 June 2020	-	-
Net Book Value 30 June 2021	<u>-</u>	<u>-</u>

THE SKINNERS' ALMSHOUSE CHARITY

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 30 JUNE 2021

11. Freehold investment properties

	2021 £	2020 £
Valuation 1 July 2020	318,000	318,000
Increase in value	29,000	-
Valuation 30 June 2021	<u>347,000</u>	<u>318,000</u>

This investment relates to the freehold interest in two blocks of flats in Pellipar Close, Palmers Green. The freehold interest was valued at 30 June 2021 by Gerald Eve. There were no leases extended during the year (2020 net disposal proceeds £100,845 shown in note 20 under investment returns).

THE SKINNERS' ALMSHOUSE CHARITY

NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 30 JUNE 2021

12. Investments held as fixed assets

	Market value 30 June 2021 £	Cost 30 June 2021 £	Market value 30 June 2020 £	Cost 30 June 2020 £
General Funds				
Cazenove Portfolio	2,071,394	1,663,261	1,837,188	1,602,049
CCLA	1,017,348	862,201	485,805	477,838
Heartwood Portfolio	-	-	523,018	484,841
Sarsin & Partners	985,110	887,256	484,884	477,838
Property Unit Trusts	1,535,610	1,131,374	1,490,066	1,131,374
Charifund	85,013	58,989	71,034	58,989
	5,694,475	4,603,081	4,891,995	4,232,929
Percy Bilton Fund				
Cazenove Portfolio	424,261	340,668	376,292	328,131
CCLA	208,373	176,595	99,502	97,870
Heartwood Portfolio	-	-	107,124	99,305
Sarsin & Partners	201,769	181,727	99,314	97,870
	834,403	698,990	682,232	623,176
	6,528,878	5,302,071	5,574,227	4,856,105

Charifund is a fund designed for charities and invests primarily in listed securities.

At the year end trading on property unit trusts was suspended for reasons of material uncertainty due to the Covid 19 pandemic.

THE SKINNERS' ALMSHOUSE CHARITY

NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 30 JUNE 2021

12. Investments held as fixed assets (continued)

	Cazenove/CCLA/ Heartwood/Sarasin		Property unit trusts	Charfund	Cazenove/CCLA/ Heartwood/Sarasin		Property unit trusts	Charfund
	Total	Portfolio	30.6.21	30.6.21	Total	portfolio	30.6.20	30.6.20
	£	£	£	£	£	£	£	£
Surplus on revaluation								
Market value at 1 July 2020	5,574,227	4,013,127	1,490,066	71,034	6,087,418	4,420,440	1,578,816	88,162
Purchases	1,851,739	1,851,739	-	-	3,034,947	3,034,947	-	-
Disposal proceeds	(1,549,563)	(1,549,563)	-	-	(3,350,793)	(3,350,793)	-	-
Realised gain/(loss) on disposal	40,373	40,373	-	-	(71,537)	(71,537)	-	-
Unrealised gain/(loss) in year	612,102	552,579	45,544	13,979	(125,807)	(19,930)	(88,749)	(17,128)
Market value at 30 June 2021	6,528,878	4,908,255	1,535,610	85,013	5,574,227	4,013,127	1,490,066	71,034
Unrealised gains at 1 July 2020	718,118	347,380	358,693	12,045	1,095,477	618,862	447,442	29,173
Unrealised gain/(loss) in year	612,102	552,579	45,544	13,979	(125,807)	(19,930)	(88,749)	(17,128)
Less realised transferred to Income and expenditure	(103,415)	(103,415)	-	-	(251,552)	(251,552)	-	-
Movement in year	508,687	449,164	45,544	13,979	(377,359)	(271,482)	(88,749)	(17,128)
Unrealised gain at 30 June 2021	1,226,805	796,544	404,237	26,024	718,118	347,380	358,693	12,045
*General fund (83%)								
Percy Bilton Fund (17%)								
		372,806			(225,330)			
		76,358			(46,152)			
		<u>449,164</u>			<u>(271,482)</u>			

* The funds were rebalanced at 1 July 2018 to 83%/17% split to reflect investment withdrawals made to fund improvements in the building at Percy Bilton Court.

THE SKINNERS' ALMSHOUSE CHARITY

NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 30 JUNE 2021

13. Material Investments

As at 30 June 2021 the Charity held three material investments. These were:

- The Charities Property Fund with a market value of £853,382 (2020: £830,070).
- Sarasin Climate Active Endowments Fund £1,186,879 (2020: £584,198)
- CCLA accumulation units £1,225,721 (2020: £585,307)

The Directors consider material for these purposes to be investments valued over £653,000, being in excess of 10% of the value of the portfolio.

14. Realised gain on investments

	General fund £	Percy Bilton fund £	2021 Total £
Historic cost gain realised in year	119,344	24,444	143,788
Adjustment for gain recognised in previous years	(85,834)	(17,581)	(103,415)
Gain recognised in year	<u>33,510</u>	<u>6,863</u>	<u>40,373</u>
			2020
Historic cost gain realised in year	149,413	30,602	180,015
Adjustment for gain recognised in previous years	(208,788)	(42,764)	(251,552)
Loss recognised in prior year	<u>(59,375)</u>	<u>(12,162)</u>	<u>(71,537)</u>

15. Debtors

	2021 £	2020 £
Arrears of residents' rent	31,876	26,195
Accrued investment income and interest	14,795	16,401
Trade debtors and prepayments	37,820	392,911
	<u>84,491</u>	<u>435,507</u>

16. Creditors

Amounts falling due within one year

	2021 £	2020 £
Audit	9,840	9,600
Trade creditors, etc	155,705	268,606
Loans (note 18)	6,073	74,401
	<u>171,618</u>	<u>352,607</u>

17. Creditors

Amounts falling due after more than one year

	2021 £	2020 £
Loans (note 18)	<u>224,955</u>	<u>231,028</u>

THE SKINNERS' ALMSHOUSE CHARITY

NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 30 JUNE 2021

18. Loans

	(1*) £	(2*) £	(3*) £	Total £
Brought forward 1 July 2019	206,929	155,016	35,700	397,645
New loan drawn	-	-	-	-
Loan repaid during period	(1,516)	(86,500)	(4,200)	(92,216)
Total creditors 30 June 2020	205,413	68,516	31,500	305,429
New loan drawn	-	-	-	-
Loan repaid during period	(1,685)	(68,516)	(4,200)	(74,401)
Total creditors 30 June 2021	203,728	-	27,300	231,028
Due within 1 year	1,873	-	4,200	6,073
Due after 1 year	201,855	-	23,100	224,955

(1*) This loan, originally from the Housing Corporation, was assigned by the Corporation to Fresh plc (formerly Orchardbrook Ltd) on 26 March 1997. The terms are unchanged. The loan is repayable by instalments over 60 years from July 1985 and is secured by a charge on freehold housing property at Hounslow. The amount repayable in the period to 30 June 2021 will be £1,685. The loan carried interest during the period at 10.875% per annum.

(2*) This loan from Allied Irish Bank was to fund the development of Skinnners Court. The balance was paid off in full during the year.

(3*) This loan is from the Almshouse Association to help fund major refurbishment at Percy Bilton Court. It is interest free and repayable over 10 years.

THE SKINNERS' ALMSHOUSE CHARITY

NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 30 JUNE 2021

19. Reconciliation of movements in funds

	Notes	Endowment capital £	Almshouse Development Fund £	Percy Bilton Fund £	Repairs Reserve £	Revenue Reserves £	Total £
Balance 1 July 2020	8	8,478,263	70,000	690,658	926,874	696,541	10,862,336
Surplus for the year		639,984	35,000	7,851	113,667	21,416	817,918
Transfer from total return for application		(96,300)	-	-	-	96,300	-
Balance at 30 June 2021		9,021,947	105,000	698,509	1,040,541	814,257	11,680,254
Represented by:-	11/12						
Investment property and fixed asset investments		6,043,218	-	832,660	-	-	6,875,878
Other net assets/liabilities		(167,738)	105,000	(261,051)	1,040,541	814,257	1,531,009
Housing properties		3,348,322	-	150,000	-	-	3,498,322
Long term loan		(201,855)	-	(23,100)	-	-	(224,955)
		9,021,947	105,000	698,509	1,040,541	814,257	11,680,254
Revaluation Reserves							
Included within the funds above are revaluation reserves with the following values:							
Quoted securities		1,150,447	-	76,358	-	-	1,226,805

Included within the revenue reserves for the year is a grant of £70,000 from GLA. Whilst restricted in nature, this has been fully spent in the year and there are no ongoing restrictions on its use, and therefore the Trustees did not consider it necessary to disclose this amount in a separate fund.

THE SKINNERS' ALMSHOUSE CHARITY

NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 30 JUNE 2021

Reconciliation of movements in funds 2020

	Notes	Endowment capital £	Almshouse Development Fund £	Percy Bilton Fund £	Repairs Reserve £	Revenue Reserves £	Total £
Balance 1 July 2019		8,609,039	35,000	723,213	815,898	531,789	10,714,939
Surplus for the year	8	(22,376)	35,000	(32,555)	110,976	56,352	147,397
Transfer from total return for application		(108,400)	-	-	-	108,400	-
Balance at 30 June 2020		8,478,263	70,000	690,658	926,874	696,541	10,862,336
Represented by:-							
Investment property and fixed asset investments	11/12	5,497,911	-	682,232	-	-	6,180,143
Other net assets/liabilities		(49,475)	70,000	(114,274)	926,874	696,541	1,529,666
Housing properties		3,233,555	-	150,000	-	-	3,383,555
Long term loan		(203,728)	-	(27,300)	-	-	(231,028)
Revaluation Reserves		8,478,263	70,000	690,658	926,874	696,541	10,862,336
Included within the funds above are revaluation reserves with the following values:							
Quoted securities		659,066	-	59,056	-	-	718,122

THE SKINNERS' ALMSHOUSE CHARITY

NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 30 JUNE 2021

20. Total Return	Endowment	Unapplied Total Return	Total 2021	Endowment	Unapplied Total Return	Total 2020
Permanent endowment at start of reporting period	£ 7,960,148	£ 518,115	£ 8,478,263	7,965,180	643,859	8,609,039
Movements in the reporting period						
Add: Investment returns dividends and interest	-	67,822	67,822	-	74,370	74,370
Investment returns gains	-	119,344	119,344	100,845	149,413	250,258
Investment returns unrealised gain/(losses)	88,523	372,806	461,329	(105,877)	(225,330)	(331,207)
Investment management cost	-	(8,511)	(8,511)	-	(15,797)	(15,797)
Total	88,523	551,461	639,984	(5,032)	(17,344)	(22,376)
Less: Unapplied total return applied	-	(96,300)	(96,300)	-	(108,400)	(108,400)
Net movement in reporting period	88,523	455,161	543,684	(5,032)	(125,744)	(130,776)
At end of reporting period	8,048,671	973,276	9,021,947	7,960,148	518,115	8,478,263

The Percy Bilton Fund is expendable endowment and therefore not subject to the total return policy.

THE SKINNERS' ALMSHOUSE CHARITY

NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 30 JUNE 2021

21. Repairs reserve

An annual allocation is made to Repairs Reserve, in order to set funds aside for future extraordinary and cyclical repairs at Skinners Court and Percy Bilton Court. This procedure is recommended by the AlmsHouse Association. The following were the movements on Repairs Reserve in the period to 30 June 2021:

	Renewals	Skinners Court Extraordinary	Cyclical	Renewals	Percy Bilton Court Extraordinary	Cyclical	Total
	£	£	£	£	£	£	£
Balance 1 July 2019	233,274	146,397	148,973	95,499	125,284	66,471	815,898
Allocation in period	28,249	29,300	24,400	27,043	67,200	25,000	201,192
Expended in period	(10,815)	-	(32,660)	(17,879)	(26,642)	(2,220)	(90,216)
Balance at 30 June 2020	250,708	175,697	140,713	104,663	165,842	89,251	926,874
Allocation in period	-	30,100	25,100	27,043	69,000	25,700	176,943
Expended in period	(3,138)	-	(38,138)	(10,866)	(6,076)	(5,058)	(63,276)
Balance at 30 June 2021	247,570	205,797	127,675	120,840	228,766	109,893	1,040,541

THE SKINNERS' ALMSHOUSE CHARITY

NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 30 JUNE 2021

	Notes	£	£	£	£	£	£	£	£
		Unrestricted	Percy Bilton Fund	Repairs Fund	Almshouse Development	Endowment Fund	Total 2020	Total 2019	
Income from:									
Charitable activities – licence fees	2	620,866	412,669	-	-	-	1,033,535	1,000,609	
Donations		1,576	-	-	-	-	1,576	2,269	
Investments	5	65,378	11,997	-	-	58,573	135,948	156,183	
Total income		687,820	424,666	-	-	58,573	1,171,059	1,159,061	
Expenditure on:									
Charitable activities – housing costs	7	429,748	319,454	-	-	-	749,202	785,255	
Charitable activities – other support and governance	7	128,246	49,715	-	-	-	177,961	193,003	
Generating funds – fundraising		-	-	-	-	-	-	-	
Total expenditure		557,994	369,169	-	-	-	927,163	978,258	
Net gains on investments	11+14	-	30,602	-	-	250,258	280,860	233,987	
Movement in fair value of investments	12	-	(46,152)	-	-	(331,207)	(377,359)	(174,810)	
Net income		129,826	39,947	-	-	(22,376)	147,397	239,980	
Transfers between funds – total return for application	20	108,400	-	-	-	(108,400)	-	-	
allocation to repairs fund	21	(38,474)	(72,502)	110,976	-	-	-	-	
Almshouse development fund		(35,000)	-	-	35,000	-	-	-	
Net movement in funds		164,752	(32,555)	110,976	35,000	(130,776)	147,397	239,980	
Funds brought forward		531,789	723,213	815,898	35,000	8,609,039	10,714,939	10,474,959	
Funds carried forward		696,541	690,658	926,874	70,000	8,478,263	10,862,336	10,714,939	

The Charity's turnover and expenses all relate to continuing operations.

22. Comparative year statement of financial activities

THE SKINNERS' ALMSHOUSE CHARITY

NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 30 JUNE 2021

23. Related party transactions

During the course of the period £26,231 (2020:£41,625) excluding VAT was paid to Pellipar Services Company Limited, a company wholly owned by the sole member, in respect of recharges for rent and other costs. All such recharges were made on an arm's length basis.

24. Taxation

The Skinners' Almshouse Charity is a registered charity and its income is not liable to direct taxation as it is applied to wholly charitable purposes.

25. Reconciliation of net movement in funds to net cash flow from operating activities

	2021	2020
	£	£
Net income for the reporting period (as per SOFA)	817,918	147,397
Adjustments for:		
Depreciation charges	107,027	107,027
(Gains)/losses on investments	(681,475)	96,499
Dividends, interest and rents from investments	(140,689)	(135,948)
Decrease/(Increase) in debtors	351,016	(197,617)
(Decrease)/Increase in creditors	(112,661)	55,908
Net cash provided by operating activities	<u>341,136</u>	<u>73,266</u>

26. Analysis of changes in net debt

	At 1 July 2020	Cash flow	Non-cash movements	At 30 June 2021
Cash	1,446,766	171,370	-	1,618,136
Loans falling due within 1 year	(74,401)	74,401	(6,073)	(6,073)
Loans falling due after more than 1 year	(231,028)	-	6,073	(224,955)
Total	1,141,337	245,771	-	1,387,108

