

Company registration number: 04699895

Charity registration number: 1097222

NORTHERN LADIES ANNUITY SOCIETY

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Northern Ladies Annuity Society

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Northern Ladies Annuity Society

Reference and Administrative Details

| | |
|------------------------------------|--|
| Trustees | Mrs C Morgan, Chairman Mrs F E Emmerson Mrs A J Dickinson Mrs S W Crone Mrs A F Stephenson Mrs A L Bryant Mrs C M Wood Mrs D M Braithwaite Mrs D M A Barks Mrs U E Martell Mrs S E Armstrong |
| Key Management Personnel | J Ferry A Gray |
| Principal Office | MEA House Ellison Place Newcastle upon Tyne NE1 8XS |
| Company Registration Number | 04699895 |
| Charity Registration Number | 1097222 |
| Solicitors | Eversheds Central Square South Orchard Street Newcastle upon Tyne NE1 3XX |
| Bankers | Lloyds National Clubs & Charity Centre Sedgemoor House Deane Gate Avenue Somerset TA1 2UF |
| Auditor | MHA Tait Walker Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS |
| Investment Manager | Brewin Dolphin Time Central Gallowgate Newcastle upon Tyne NE1 4SR |

Northern Ladies Annuity Society

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2021.

Structure, governance and management

Nature of governing document

The Northern Ladies Annuity Society ("the Society" or "the Charity") is a company limited by guarantee. It was incorporated on 17th March 2003 and registered as a charity with the Charity Commission on 25th April 2003. Its memorandum and articles of association were last amended on 3rd June 2003.

The charitable company took over the operations, activities, assets and liabilities of Northern Ladies Annuity Society (formerly the Northern Counties Society for Granting Annuities to Governesses and Other Ladies in Reduced Circumstances), an unincorporated charity set up in 1868.

The trustees are the company directors for the purposes of the Companies Act 2006 and are also the sole members of the company. On retirement as a director, each trustee ceases to be a member.

Recruitment and appointment of trustees

In accordance with the Articles of Association, the trustees must be at least 5 and not more than 18 individuals and all must be directors. The trustees may at any time co-opt any person duly qualified to be appointed as a trustee to fill a vacancy in their number or as an additional trustee. Every trustee must sign a declaration of willingness to act as a charity trustee of the charity before they are eligible to vote at any meeting of the trustees. There are no persons external to the charitable company who are entitled to appoint new trustees. Prospective new trustees are identified by the existing trustees to fill vacancies or to bring special skills to the board. The prospective trustees are invited to attend a monthly meeting as a guest and are briefed by the existing trustees as to their roles and responsibilities with respect to the Society and their legal duties under the Companies Act and the Charities Act.

Organisational structure

The charitable company is administered by a board of trustees, numbering 12, which meets monthly. The board appoints two staff to run the day to day operations of the charitable company.

Northern Ladies Annuity Society

Trustees' Report

Memorial to all those who left legacies which helped create the Society's Funds

Ash 1874; Adamson 1875; Hutchinson 1875; Abbott 1882; Hodgson 1882; Sunderland 1882; Armstrong 1886; Lady Beatrice Armstrong (Jesmond) 1887; Jesmond 1887; Victoria Jubilee 1887; Mather 1888; Oak 1888; Margaret 1889; Ivy 1889; Singers 1889; Straker 1889; Fleming 1891; Betsy Jackson 1891; Elm 1892; Lady Margaret Armstrong 1893; Elizabeth Harrison 1893; Heartsease 1894; Rowan Tree 1894; John Coppin 1894; Blackett 1895; Diamond Jubilee 1897; Sarah Dale 1898; John Henry Burn 1899; Primrose 1899; Elizabeth Hood Henderson 1899; E. Kersey 1899; Mary S. Woods 1899;

Jane Dunford 1900; Appleby 1900; Lady Joicey 1900; Anne Mitchell 1900; Ralph Atkinson 1900; Margaret Agnes Bartram 1901; Lucy Henderson 1901; Queen Victoria Memorial 1901; Catherine Abbott 1902; Easton 1902; Hannah Ochiltree 1904; Norman Wilson 1904; Collingwood Wilson 1904; Scarborough Collingwood Wilson Memorial 1904; Durham 1905; George Handyside 1905; Elizabeth Buchanan Adamson 1907; Russell Brown 1907; Margaret Elizabeth Brown 1907; Adelaide Daglish 1907; Swanston 1907; Caroline 1908; Marguerite Joicey 1908; Ruffman 1908; Hugh Taylor 1908; Mary Jane Tennant 1910;

Dorothy Joicey 1911; Jane Sutherland 1911; Allison Johnstone Sutherland 1911; Edward Armorer and Margaret Hedley 1911; Lady Oliver 1912; Mrs. Agnes Black 1913; Mary Ann Pigg 1913; Ann Bartram 1914; Mary Lilburn 1915; Isabella Straker Memorial Bequest 1915; Isabella Straker Memorial 1915; Sarah Hall 1916; Anna and Eliza Cail 1916; Wolsingham 1916; Joseph 1917; St. George's 1917; Frederick Milburn 1917; Margaret Taylor 1917; Margaret Garbutt 1918; Major James Leadbitter Knott, D.S.O. 1918; Captain Basil Knott 1918; Lady Doxford 1919; Byethorn 1919; Eleanor Jane Garbutt 1919; Joseph Henry Straker 1920; Thompson 1920;

Miss Isabella Mordue 1921; Aline Doxford 1922; John Hunter Richardson 1922; Anne Adamson (Sunderland) 1923; Annie Catherine Burn 1923; Mabel Edwards 1923; Lady Stephenson 1923; Jane Eeles 1924; Mary Margaret Cooper 1924; Maude Forster 1924; Lady Sutherland 1925; Marion Loudon Constantine 1926; M. 1926; S. 1926; Frances Sybil Cochrane 1927; Elinor Frances Youll 1927; Mary Wilkinson McCartney 1928; Moor-Lee 1928; Mary Elizabeth Chalder 1929; Jane Hill Murray 1929; Lady Noble Of Kirkley 1929; Tynemouth 1929; L. V. Gray 1930; Lady Knott Fund 1930; Sir James Knott 1930; Alexander Laing 1930; Anne Mitcalfe 1930;

Georgina Isabella Cooper 1931; Emma Richardson 1931; Wallis Bequest 1931; John Winship 1931; A. C. 1932; F. M. Moore 1936; Ida Mcallum 1936; Ryder 1936; George VI Coronation 1937; Lindisfarne 1937; Theophilus Storey 1937; Elizabeth Sutherland 1937; Winship Trust 1937; Frances Isabella Duncan 1938; H. A. Kersey 1938; Todd 1938; Hunter 1939; Mona Taylor Fund 1939;

Emily Fielding 1941; Isabella Mary Reed 1941; William Robinson 1941; Mary H. Frazer and Frances Gibson 1942; Violet Short 1943; Thomas Burdon and Kate Ida Frazer 1943; Sarah Catherine Mather Bailey 1944; Helen Bell 1944; Mary Frazer 1944; Annie Ramsay 1944; William Dixon 1946; Gibson 1946; Charles and Annie Scott Humble 1946; George Hurst 1946; William Turnbull 1947; Alex Waugh and Margaret Dent Bequest 1947; Robert Watson Cooper 1948; William James and John Robinson 1948; J. E. Tully 1948;

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Trustees' Report

George A. Cowieson Bequest 1951; Josephine Agnes Hogg 1951; Lady Cochrane Fund 1952; Hornsby 1952; Mary Mitcalfe 1952; Elizabeth Hall Viney Fund 1952; Marion Angus 1954; Eleanor Scott Briggs 1954; Margaret and Patricia Forster 1954; Miss E. J. Stephenson Fund 1954; Mary Elwen 1955; Margaret Ellen Elwen 1955; Eliza Ellen Elwen 1955; Catherine Irwin 1955; Arthur 1956; Mary Cleland 1956; Ridley 1957; Jessie Whyte Archbold 1958; Gertrude Arthur 1958; Eaglescliffe Fund 1959; Freeman Fund 1960; Westoll Priston 1960;

Sir Cecil Cochrane 1961; Edna Hayton 1961; M. Eva Fledley 1961; Constance Eleanor Bird 1963; J. Beckworth Lauderdale & Edith M. Lauderdale 1963; Mrs. E. B. Thompson 1965; Walter Sacker Hill 1967; E. K. Devey 1970;

Sykes Bequest 1971; Mary Joicey 1972; Elizabeth and Gladys Margaret Tindle Fund 1972; Knavesmire 1973; J. H. Edwards Fund 1974; Axel Frederick Ericsson 1974; Straker Smith 1974; Miss E. C. Scott Christmas Fund 1976; Seymour Bell 1979; Agnes Bell 1979; Craig Bequest 1979;

Kitcat & Robson 1987; Nora Hogg Fund 1988; Granger Holiday Fund 1989; Northern Counties Ladies Work Society 2000; The Pybus Fund 2005; Miss Dawson 2006; Mrs G Larby 2005; Miss L Winckler 2008; Mrs D Benson; Mrs A Ellis 2010; Mrs Burgess 2009; W A Handley Trust; JFT Fenwick Settlement CM Charitable Trust; Mrs A Swallow 2011; Mrs N Hogg 2013 - 2021; Mrs J Holden 2015; Mrs Britton 2016; Mrs R C Speires 2019.

Objectives and activities

Objects and aims

The objective of the charity is the relief of poverty by giving assistance to governesses and other ladies who meet the Society's criteria.

There have been no significant changes in the principal activities of the company since last year which are those of providing annuities, grants and subsidised accommodation for ladies in reduced circumstances.

These are provided at the discretion of the trustees, in accordance with criteria which they set. The trustees set the criteria in order to take account of the minimum amount of money that the Government says, via the Department of Works and Pension, that a person must have each week taking account of specific circumstances. These criteria are as follows:

- Be a single lady, over the State Retirement Age, whether widow, spinster or divorced;
- Having an income of no more than £9,500 per annum;
- Reside in, or have resided in for many years, in the North of England; and
- Have savings of no more than £10,000.

Fundraising disclosures

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Northern Ladies Annuity Society

Trustees' Report

Grant making policies

In addition to the annuities that the charity pays out to beneficiaries, the trustees also consider applications for special grants from annuitants maintained by the charity. Applications are considered and measured against the charity's objectives at monthly trustee meetings. Successful applications are paid after approval. Grants are included in the accounts when the trustees have made an irrevocable commitment to pay.

Achievements and performance

Chairperson's statement

The year to 31 March 2021 has been dominated by the impact of the Covid-19 global pandemic. This has affected all organisations and many charities have found it difficult to raise funds and keep providing their services. Fortunately, the Society has strong financial reserves and has been able to weather the storm.

The year began with the UK Government imposing an immediate lock down with everyone advised to work from home. Jean and Ann, our secretary and administrative assistant rose to the challenge and provided a seamless service for the Board and the annuitants.

Mea House, the building where the Society has its office was closed and limited access only allowed by arrangement for office staff following social distancing rules. Jean and Ann used this time wisely to close the prior year end and to set up the paperwork to enable the audit to proceed.

The March and April Board meetings were conducted by email and the May meeting virtually through Microsoft Teams arranged by the society's auditors. For the remainder of the year the meetings were conducted via Zoom.

This enabled the business aspect of the society's affairs to continue to run smoothly, annuities were sent out as usual and general grants given as necessary. More importantly, Jean and Ann made sure they kept in touch with all the annuitants by telephone because all live alone and were only able to have limited time outdoors for essential shopping or exercise.

In view of the economic difficulties brought about by the pandemic, Jean and Ann requested the Board to freeze their salaries at the annual review which the Board did gratefully. A decision was also made not to increase the rents charged to those tenants who are also annuitants (being the majority of them).

A government grant of £10,000 was received which was a useful boost to the Society's finances at a time when the portfolio was losing value.

The office re-opened in July but had to close again on 5th November until 2nd December because of a second national lockdown and then again from 4th January for the third national lockdown which lasted to the end of the financial year. Jean and Ann between them continued to go into the office each Tuesday to deal with any matters which could not be dealt with by working from home. In addition, they once again kept in touch with the annuitants to make sure they each heard a friendly voice from time to time.

At the beginning of the year in April 2020 the Society was supporting 110 full annuitants, and 10 half annuitants. In addition, there were 39 suspended annuitants of whom 5 were in residential care. During the year the Society welcomed 5 new annuitants and by the end of March 2021, the Society was supporting 84 full annuitants, 14 half annuitants, with 53 suspended of whom 4 are in residential care.

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After the Annual Declaration Forms were analysed 14 ladies were suspended, 8 reduced to a half, and 1 lady was promoted from a half to a full annuity.

In addition to the annuities, the Society makes available holiday grants of £250 per annum per annuitant applying. This is a benefit which is much enjoyed by the annuitants but sadly because of the various lockdowns it was only possible to award 1 holiday grant during the year.

The Society also offers General Grants to help annuitants with unexpected expenditure. During the year of lockdown restriction 11 grants were requested. Those which were covered items such as a new vacuum cleaner, carpets, cooker, fridge freezer and decorating costs.

Our three Open Days were sadly unable to proceed but the twice-yearly Newsletter, issued in May and November was issued with anecdotes to amuse the ladies as well as giving useful information about how to contact the office etc.

The annuitants are offered the opportunity to receive a Christmas Hamper and this year 87 hampers were sourced and distributed and 2021 calendars were sent out to all annuitants including those suspended. The calendars continue to be purchased from the Mouth and Foot Painting Artists so that the society is helping to support another third sector organisation.

Many annuitants occupy property owned by the Society which is let to them at subsidised rents. The Society is committed to maintaining the properties to a high standard and to acting as a kind and considerate landlord. Expenditure in recent years to improve properties as they have become vacant has led to reduced expenditure on repairs in the year under report.

The significant property improvements planned are for new bathroom facilities in the apartments in Homeprior House and in 110 Village Court as well as a new kitchen at 28 Trewitt Road. The work has been delayed by the Covid-19 restrictions but two of the bathrooms have been completed much to the satisfaction of the annuitants who occupy the properties.

There is always a waiting list of annuitants keen to become tenants of the Society as properties become vacant. In the year to 31st March 2021 the Society's properties were fully let apart from one vacant property which is a flat in Homeprior House. This property is to be put on the market for sale once the bathroom has been refurbished. The flats in Homeprior House are not as popular as some of the Society's properties and a decision has been taken to sell the flats there as they become vacant to enable investment in more appropriate properties. This plan has been in abeyance during the year under report for obvious reasons. The Society became aware in late March that one of our ladies in North Shields was not coping in her 1st floor flat, and with her best interests in mind it was decided to offer her the newly vacant ground floor flat in Homeprior House.

This decision is also influenced by a dispute with the landlord over charges raised by the landlord which the Society is advised are not properly payable under the Leases. Steps have begun to issue proceedings for a declaration as to the proper meaning of the terms of the Leases but these proceedings are on hold since the landlord has withdrawn some charges but imposed others which are, at the time of writing, still unexplained despite a request for clarification. All payments due to the landlord, apart from the disputed amounts, have been paid. The proceedings have not been issued since it was hoped the landlord would provide an explanation of the amounts demanded. It is likely the proceedings will have to be issued in 2021.

The Society is indebted to our office staff, Jean and Ann, for their committed and loyal service to the Society and the annuitants. The latter often express their thanks for the help they receive from Jean and Ann and they are also a crucial part of the preparation for and welcome at the open days.

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Trustees' Report

The Trustees have noted the volatility in the stock markets around the world as a result of the Covid-19 pandemic. This has had an impact on the value of the Society's share portfolio but at the end of the financial year the value has rallied to a satisfactory level. The Society is well advised by Brewin Dolphin and does not see any material impact on the Society's ability to maintain payment of the annuities and the discretionary grants. They are therefore happy to confirm that the Society remains a going concern.

Claire Morgan, Chair of the Board

Northern Ladies Annuity Society

Trustees' Report

Annuities

During the year, the society supported 98 (2020 - 120) annuitants with full or half annuities of £1,300 and £650 as follows:

| | 2021 | | 2020 | |
|------|------|---------|------|---------|
| | No. | £ | No. | £ |
| Full | 391 | 127,025 | 443 | 143,975 |
| Half | 48 | 7,800 | 35 | 5,688 |

Grants

During the year, the Society made additional discretionary grants as follows:

| | 2021 | | 2020 | |
|---------|------|-------|------|--------|
| | No. | £ | No. | £ |
| General | 11 | 3,660 | 20 | 5,815 |
| Holiday | 1 | 250 | 56 | 13,850 |
| Hampers | 87 | 3,980 | 102 | 4,667 |

Accommodation

The society made available 32 (2020 - 31) properties as subsidised accommodation to ladies of reduced circumstances. In total, 34 (2020 - 35) people were tenants of the Society of whom 22 (2020 - 22) were annuitants and subsidised tenants.

Financial review

The financial activities of the charitable company are set out in the attached financial statements. The Trustees consider that the results were satisfactory given the activities performed.

Core activities focus on the provision of annuities, grants and accommodation for ladies in reduced circumstances. Funding for these activities comes from an investment portfolio managed by the charitable company and from rental contributions from tenants, including annuitants, who occupy the accommodation.

Key Management Personnel

The board, who give their time freely and no trustees received remuneration in the year, have considered who the key management personnel (KMP) of the charitable company are, as noted in the Reference and Administration section. Together with the board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis.

The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with budget and forecast information, ensuring that the charitable company can afford any proposed increases. The board then agree any uplift to remuneration.

Northern Ladies Annuity Society

Trustees' Report

Policy on reserves

It is the policy of the Society to maintain a level of funds sufficient to meet the ongoing annual obligations of the charity to existing and future annuitants and to ensure that the properties can be maintained to the highest order.

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charitable company to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. This exercise considered both the normal requirements for working capital and the loss of income of a hypothetical but reasonable reduction in the scale of operations. Accordingly, the trustees consider that free reserves of around £300,000 will allow the Society to pay the annuitants and administrative overheads for one year.

At the year end, free reserves were £58,572 (2020:£46,747), an increase of £11,825 in the year. The trustees acknowledge availability of being able to easily realise further cash as required from cashing in some of the investments which were stated at a market value of £4,284,253. Whilst the board would ideally aim for a breakeven budget each year, they acknowledge that refurbishment of existing properties as they become available for re-let can give rise to additional expenditure. The provision of the property inline with the charitable objectives and the board accept that short term deficits are ultimately supported by the capital growth of other investments.

Going concern

Whilst the year started after significant falls in the value of the investment, caused by the COVID19 outbreak, these falls have largely recovered during the year in line with stock markets across the world. In the view of the Trustees, there are no uncertainties about the Trust's ability to continue as a going concern because of the high level of reserves.

Investment policy and objectives

The trustees have delegated discretionary management of the investment portfolio to the investment managers. The terms of this delegated authority are that the portfolio should aim to provide both an income and capital growth from a diversity of investments across suitable asset classes in conjunction with the Charity's risk profile. The objectives should have a slight bias towards providing a good income and relative security of capital so as to meet the Charity's own objectives and activities.

Northern Ladies Annuity Society

Trustees' Report

Investment manager's report

As Charles Dickens immortalised, "it was the best of times, it was the worst of times."

During the year to 31st March 2021, the investment portfolio produced a total return of 24.9%. Over the same period the benchmark, Brewin Dolphin's Risk Category 5, produced a total return of 21.2%. The outperformance is clearly very welcome after a torrid previous year but, as I look back, the biggest surprise has been the extent and speed of the recovery in global markets.

12 months ago, global equity markets fell from all-time highs into a bear market in a few dramatic days and weeks as a result of the extraordinary debilitating effects of the global pandemic caused by COVID-19. Readers may recall this virus dominated the content of last year's investment report. Little did we expect that a few months later we would see the re-emergence of a bull market with the US stock market recording its largest rise since the final quarter of 1998. This remarkable market recovery was underpinned by the exceptional actions taken by policymakers across the globe.

Equity markets' winners and losers were markedly pronounced in the aftermath of the market crash. Those lockdown winners were spurred on by enforced lockdown trends such as working from home and the rapid technology adoption rate to both work and play from home such as Amazon or Zoom. On the other side, the lockdown losers were those stymied by the economic lockdown with their business activities completely suspended such as travel and leisure stocks.

As the year progressed, the markets followed the course of Governments' actions as they tried to strike the right balance between suppressing the virus but supporting economic activity. This was handled differently across regions with varying degrees of success on the road to economic recovery. Many Asian countries such as China tackled the virus aggressively and returned society and the economy to a more normal state faster than many across Europe who saw significant second waves of infections. Equity markets as a result mirrored this uneven economic recovery.

Heading into the final quarter of 2020, several major political events threatened to further complicate markets as the US Presidential Election and Brexit denouement arrived. Simultaneously November saw a further resurgence of COVID cases and the reintroduction of strict lockdowns across Europe. Markets were relatively unperturbed by the uncertainty surrounding Brexit and the election and instead reacted triumphantly on the approval of 2 vaccines. This hope saw a sharp improvement in investor sentiment with equity markets rallying with economically sensitive stocks, or the lockdown laggards, outperforming.

With the ever-increasing number of effective vaccines and impressive roll-out programmes combined with continued fiscal and monetary stimuli, markets began 2021 brightly around 6% higher across global equities in January. More broadly, in the latter weeks of the first quarter of 2021, fear of higher inflation (and higher interest rates) drove down bond prices.

While most equities will have some ability to reflect rising prices in their own rising profits, the interest payments on bonds do not - they remain the same regardless. That means they tend to react poorly to inflationary environments.

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The pace with which the bond market fell was enough to give the technology sector a wobble. It is unintuitive to imagine that bonds would be driven by similar forces to many growth equities. Bonds, with their fixed income payments, provide little more than a return of capital and stand in contrast to the technology sector, with its anticipated profits growing over time and its potential for high returns. However, in spite of this, they can each be resilient to short term economic setbacks, and for both, the majority of the cash flow return will come in the distant future. These features mean they are both at risk when inflation rises, particularly if the prospect of interest rate increases were to loom. For now though, that seems a distant prospect. The Federal Reserve Chairman, Jay Powell, has been at pains to stress that all of these sources of inflation are transitory. That means that prices may rise fast during 2021, but the rate of increase will wane again thereafter and as such he does not view the Federal Reserve as needing to act.

Crucially he seems aligned in that view with his predecessor Janet Yellen, who is now serving as President Biden's Treasury Secretary. The new administration has passed an enormous \$1.9 trillion stimulus package which it intends to follow up with further spending to address the potential economic scarring from Covid-19, inequality, climate change and the state of America's creaking infrastructure. The increase in spending will mean more demand and that means more inflation. The extent to which that inflationary impact lingers in the longer term will depend upon the extent to which the additional spending increases the supply capacity of the economy. This means that if investing in infrastructure lowers costs (by reducing transport times for example) then it can ultimately bring prices down, rather than pushing them up. That will be the ambition of the American economic strategy.

It has certainly been an unforgettable year with dramatic market movements underlying the requirement for both patience as well as demonstrating the absolute need for balance across the portfolio.

Plans for future periods

The Chairperson's statement covers the future plans of the charity.

Risk Management

The trustees have assessed the major risks to which the charitable company is exposed, in particular those related to stock market fluctuations and the maintenance of the company's properties to let. The trustees are satisfied that there are systems in place to mitigate exposure to the major risks.

The properties are continually maintained to a high standard to avoid any fall in value, random visits are carried out to ensure this is the case. In addition, there is an annual roof inspection for all properties.

The trustees are advised on a regular basis by the Charity's fund managers on the various procedures to follow to ensure the investment portfolio is maintained to mitigate any losses due to stock market fluctuations.

There have been significant falls in the value of the investment during the year because of falls in stock markets across the world caused by the coronavirus outbreak. Although it is not possible to quantify the level of any future losses due to the fluctuations of the stock market performance, the Society has sufficient levels of funds to support current and future annuitants.

Northern Ladies Annuity Society

Trustees' Report

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Northern Ladies Annuity Society for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of MHA Tait Walker as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 6th September 2021 and signed on its behalf by:



Mrs C Morgan
Trustee

Northern Ladies Annuity Society

Independent Auditor's Report to the Members of Northern Ladies Annuity Society

Opinion

We have audited the financial statements of Northern Ladies Annuity Society (the 'charity') for the year ended 31 March 2021, which comprise the Statement of Financial Activities, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 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 requirements of 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 charity 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 trustees' 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Northern Ladies Annuity Society

Independent Auditor's Report to the Members of Northern Ladies Annuity Society

Other information

The trustees 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

We have nothing to report in this regard.

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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 trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 12], the trustees 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 trustees 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 trustees are responsible for assessing the charity'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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Northern Ladies Annuity Society

Independent Auditor's Report to the Members of Northern Ladies Annuity Society

Auditor's responsibilities for the audit of the financial statements

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.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with management, about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment law (including the Working Time Directive); and compliance with the UK Companies Act and Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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.

Northern Ladies Annuity Society

Independent Auditor's Report to the Members of Northern Ladies Annuity Society

Use of our report

This report is made solely to the charitable company's trustees, 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 charity's trustees 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Brown BA ACA DChA (Senior Statutory Auditor)
For and on behalf of MHA Tait Walker
Chartered Accountants
Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 8 9 2021

MHA Tait Walker is a trading name of Tait Walker LLP.

Northern Ladies Annuity Society

Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted funds £ | Total 2021 £ | Total 2020 £ |
|------------------------------------|------|-------------------------|--------------------|--------------------|
| Income and Endowments from: | | | | |
| Donations and legacies | 3 | 16,913 | 16,913 | 5,986 |
| Charitable activities | 4 | 152,922 | 152,922 | 152,638 |
| Investment income | 5 | 93,603 | 93,603 | 103,126 |
| Total Income | | <u>263,438</u> | <u>263,438</u> | <u>261,750</u> |
| Expenditure on: | | | | |
| Raising funds | 6 | (21,137) | (21,137) | (22,357) |
| Charitable activities | 7 | (313,064) | (313,064) | (349,868) |
| Total Expenditure | | <u>(334,201)</u> | <u>(334,201)</u> | <u>(372,225)</u> |
| Gains/losses on investment assets | | <u>718,140</u> | <u>718,140</u> | <u>(364,510)</u> |
| Net income/(expenditure) | | <u>647,377</u> | <u>647,377</u> | <u>(474,985)</u> |
| Net movement in funds | | 647,377 | 647,377 | (474,985) |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>5,176,484</u> | <u>5,176,484</u> | <u>5,651,469</u> |
| Total funds carried forward | 18 | <u>5,823,861</u> | <u>5,823,861</u> | <u>5,176,484</u> |

All of the charity's activities derive from continuing operations during the above two periods.

Northern Ladies Annuity Society

Comparative Statement of Financial Activities for the Year Ended 31 March 2020

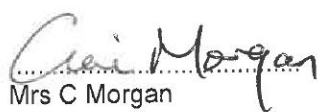
(Including Income and Expenditure Account and Statement of Total
Recognised Gains and Losses)


| | Note | Unrestricted funds £ | Total 2020 £ |
|------------------------------------|------|----------------------------|--------------------|
| Income and Endowments from: | | | |
| Donations and legacies | 3 | 5,986 | 5,986 |
| Charitable activities | 4 | 152,638 | 152,638 |
| Investment income | 5 | 103,126 | 103,126 |
| Total income | | <u>261,750</u> | <u>261,750</u> |
| Expenditure on: | | | |
| Raising funds | 6 | (22,357) | (22,357) |
| Charitable activities | 7 | (349,868) | (349,868) |
| Total expenditure | | <u>(372,225)</u> | <u>(372,225)</u> |
| Gains/losses on investment assets | | <u>(364,510)</u> | <u>(364,510)</u> |
| Net expenditure | | <u>(474,985)</u> | <u>(474,985)</u> |
| Net movement in funds | | (474,985) | (474,985) |
| Reconciliation of funds | | | |
| Total funds brought forward | | <u>5,651,469</u> | <u>5,651,469</u> |
| Total funds carried forward | 18 | <u>5,176,484</u> | <u>5,176,484</u> |

Northern Ladies Annuity Society
(Registration number: 04699895)
Balance Sheet as at 31 March 2021

| | Note | 2021 £ | 2020 £ |
|---|------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 13 | 1,397,834 | 1,439,043 |
| Investments | 14 | <u>4,367,455</u> | <u>3,690,694</u> |
| | | <u>5,765,289</u> | <u>5,129,737</u> |
| Current assets | | | |
| Debtors | 15 | 27,202 | 26,181 |
| Cash at bank and in hand | | <u>53,692</u> | <u>39,179</u> |
| | | 80,894 | 65,360 |
| Creditors: Amounts falling due within one year | 16 | <u>(22,322)</u> | <u>(18,613)</u> |
| Net current assets | | <u>58,572</u> | <u>46,747</u> |
| Net assets | | <u>5,823,861</u> | <u>5,176,484</u> |
| Funds of the charity: | | | |
| Unrestricted income funds | | | |
| Unrestricted funds | | <u>5,823,861</u> | <u>5,176,484</u> |
| Total funds | 18 | <u>5,823,861</u> | <u>5,176,484</u> |

The financial statements on pages 17 to 33 were approved by the trustees, and authorised for issue on 24.4.21 and signed on their behalf by:


 Mrs C Morgan
 Chairman


 Mrs F E Emmerson
 Trustee

Northern Ladies Annuity Society

Notes to the Financial Statements for the Year Ended 31 March 2021

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is: MEA House, Ellison Place, Newcastle upon Tyne, NE1 8XS

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

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

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

Northern Ladies Annuity Society meets the definition of a public benefit entity under FRS 102.

Going concern

The trustees have considered the financial position in light of the ongoing situation in relation to the Covid-19 virus and on conclusion of this work, given the strong cash and investment balance, consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Exemption from preparing a cash flow statement

The charity opted to adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Northern Ladies Annuity Society

Notes to the Financial Statements for the Year Ended 31 March 2021

2 Accounting policies (continued)

Estimation uncertainty and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported.

Management have approved depreciation, prepayments, accruals and other cut-off adjustments. Whilst management believe that these estimates and judgements are accurate, there is every likelihood that they will not be exact.

The trustees include an investment portfolio at market value and annually consider the market value.

These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income and endowments

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity 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 these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Charitable activities

Rental income is recognised for the period the rent is due and properly receivable.

Northern Ladies Annuity Society

Notes to the Financial Statements for the Year Ended 31 March 2021

2 Accounting policies (continued)

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Rents Receivable

Rents are recognised on a monthly basis and are billed to clients based on their agreed rental terms.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Northern Ladies Annuity Society

Notes to the Financial Statements for the Year Ended 31 March 2021

2 Accounting policies (continued)

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

All fixed assets are initially recorded at cost.

Freehold and leasehold properties held by the charity in the course of achieving its aims and objectives are not considered to be investment properties and are held at historic cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| Asset class | Depreciation method and rate |
|--------------------------------|------------------------------|
| Freehold Property | 2% straight line |
| Leasehold Property | 2% straight line |
| Fixtures, Fittings & Equipment | 10% - 25% straight line |

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Trade debtors

Trade and other debtors are amounts due to the charity in the ordinary course of its charitable business. Trade debtors are recognised initially at the transaction price.

Northern Ladies Annuity Society

Notes to the Financial Statements for the Year Ended 31 March 2021

2 Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

3 Income from donations and legacies

| | Unrestricted funds | Total 2021 | Total 2020 |
|-------------------|--------------------|---------------|--------------|
| | General £ | £ | £ |
| Donations | 2,750 | 2,750 | 3,150 |
| Legacies | 4,163 | 4,163 | 2,836 |
| Government grants | 10,000 | 10,000 | - |
| | <u>16,913</u> | <u>16,913</u> | <u>5,986</u> |

4 Income from charitable activities

| | Unrestricted funds | Total 2021 | Total 2020 |
|--|--------------------|------------|------------|
| | General £ | £ | £ |
| Income from non-investment property in furtherance of the charity's objectives | 152,922 | 152,922 | 152,638 |

Northern Ladies Annuity Society

Notes to the Financial Statements for the Year Ended 31 March 2021

5 Investment income

| | Unrestricted funds | | |
|---|--------------------|---------------|----------------|
| | General | Total | Total |
| | £ | 2021 | 2020 |
| | | £ | £ |
| Interest receivable on bank deposits | 25 | 25 | 414 |
| Other income from fixed asset investments | 93,578 | 93,578 | 102,712 |
| | <u>93,603</u> | <u>93,603</u> | <u>103,126</u> |

6 Expenditure on raising funds

a) Investment management costs

| | Unrestricted funds | | |
|----------------------|--------------------|---------------|---------------|
| | General | Total | Total |
| | £ | 2021 | 2020 |
| | | £ | £ |
| Portfolio management | 21,137 | 21,137 | 22,357 |
| | <u>21,137</u> | <u>21,137</u> | <u>22,357</u> |

7 Expenditure on charitable activities

| | | Unrestricted funds | | |
|---------------------------------|------|--------------------|----------------|----------------|
| | | General | Total | Total |
| | Note | £ | 2021 | 2020 |
| | | | £ | £ |
| Annuities for relief of poverty | | 134,875 | 134,875 | 150,963 |
| Subsidised accommodation | | 82,890 | 82,890 | 90,789 |
| Grant funding of activities | | 8,393 | 8,393 | 24,332 |
| Staff costs | | 68,349 | 68,349 | 63,886 |
| Allocated support costs | 8 | 14,057 | 14,057 | 15,518 |
| Governance costs | 8 | 4,500 | 4,500 | 4,380 |
| | | <u>313,064</u> | <u>313,064</u> | <u>349,868</u> |

Northern Ladies Annuity Society

Notes to the Financial Statements for the Year Ended 31 March 2021

7 Expenditure on charitable activities (continued)

| | Activity undertaken directly £ | Grant funding of activity £ | Activity support costs £ | Total 2021 £ | Total 2020 £ |
|------------------------------------|---|--------------------------------------|-----------------------------------|--------------------|--------------------|
| Annuities for relief of poverty | - | 134,875 | 41,397 | 176,272 | 192,035 |
| Special grants | - | 8,393 | - | 8,393 | 24,332 |
| Subsidised accommodation | 82,890 | - | 41,009 | 123,899 | 129,121 |
| Governance costs | - | - | 4,500 | 4,500 | 4,380 |
| | <u>82,890</u> | <u>143,268</u> | <u>86,906</u> | <u>313,064</u> | <u>349,868</u> |

Northern Ladies Annuity Society

Notes to the Financial Statements for the Year Ended 31 March 2021

8 Analysis of governance and support costs

Support costs allocated to charitable activities

| | Annuities for the relief of poverty £ | Subsidised accommodation £ | Total 2021 £ | Total 2020 £ |
|-----------------------|--|----------------------------------|--------------------|--------------------|
| Staff costs | 27,340 | 41,009 | 68,349 | 63,886 |
| Premises | 10,203 | - | 10,203 | 8,721 |
| Communications and IT | 1,090 | - | 1,090 | 1,086 |
| Travel costs | - | - | - | 94 |
| Office costs | 1,774 | - | 1,774 | 3,863 |
| Sundry expenses | 990 | - | 990 | 1,754 |
| Audit fees | 4,500 | - | 4,500 | 4,380 |
| | <u>45,897</u> | <u>41,009</u> | <u>86,906</u> | <u>83,784</u> |

Governance costs

| | Unrestricted funds General £ | Total 2021 £ | Total 2020 £ |
|-----------------------------------|---------------------------------------|--------------------|--------------------|
| Audit fees | | | |
| Audit of the financial statements | <u>4,500</u> | <u>4,500</u> | <u>4,380</u> |
| | <u>4,500</u> | <u>4,500</u> | <u>4,380</u> |

Northern Ladies Annuity Society

Notes to the Financial Statements for the Year Ended 31 March 2021

9 Net incoming/outgoing resources

Net outgoing resources for the year include:

| | 2021 £ | 2020 £ |
|---|--------------|--------------|
| Depreciation of fixed assets | 45,753 | 43,880 |
| Employer contributions to pension plans | <u>1,695</u> | <u>1,665</u> |

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

| | 2021 £ | 2020 £ |
|--|---------------|---------------|
| Staff costs during the year were: | | |
| Wages and salaries | 64,978 | 59,517 |
| Social security costs | 1,676 | 2,704 |
| Pension costs | <u>1,695</u> | <u>1,665</u> |
| | <u>68,349</u> | <u>63,886</u> |

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

| | 2021 No | 2020 No |
|-----------------|------------|------------|
| Number of staff | <u>2</u> | <u>2</u> |

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £66,673 (2020 - £61,182).

Northern Ladies Annuity Society

Notes to the Financial Statements for the Year Ended 31 March 2021

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

| | Land and buildings £ | Furniture and equipment £ | Total £ |
|-----------------------|----------------------------|------------------------------------|------------|
| Cost | | | |
| At 1 April 2020 | 1,749,603 | 203,377 | 1,952,980 |
| Additions | - | 4,544 | 4,544 |
| At 31 March 2021 | 1,749,603 | 207,921 | 1,957,524 |
| Depreciation | | | |
| At 1 April 2020 | 380,146 | 133,791 | 513,937 |
| Charge for the year | 34,992 | 10,761 | 45,753 |
| At 31 March 2021 | 415,138 | 144,552 | 559,690 |
| Net book value | | | |
| At 31 March 2021 | 1,334,465 | 63,369 | 1,397,834 |
| At 31 March 2020 | 1,369,457 | 69,586 | 1,439,043 |

Included within the net book value of land and buildings above is £484,673 (2020 - £497,049) in respect of freehold land and buildings and £849,792 (2020 - £872,408) in respect of leaseholds.

Northern Ladies Annuity Society

Notes to the Financial Statements for the Year Ended 31 March 2021

14 Fixed asset investments

| | 2021 £ | 2020 £ |
|-------------|------------------|------------------|
| Investments | <u>4,367,455</u> | <u>3,690,694</u> |

Investments

| | Listed investments £ | Cash or cash equivalents £ | Total £ |
|--------------------------|----------------------------|-------------------------------------|------------------|
| Cost or Valuation | | | |
| At 1 April 2020 | 3,654,293 | 36,401 | 3,690,694 |
| Additions | 268,075 | 46,801 | 314,876 |
| Disposals | (325,250) | - | (325,250) |
| Revaluation | <u>687,135</u> | <u>-</u> | <u>687,135</u> |
| At 31 March 2021 | <u>4,284,253</u> | <u>83,202</u> | <u>4,367,455</u> |
| Net book value | | | |
| At 31 March 2021 | <u>4,284,253</u> | <u>83,202</u> | <u>4,367,455</u> |
| At 31 March 2020 | <u>3,654,293</u> | <u>36,401</u> | <u>3,690,694</u> |

The market value of the listed investments at 31 March 2021 was £4,284,253 (2020 - £3,654,293).

With cash held by the broker totalling £83,202 (2020 - £36,401).

All investments shown above are held at valuation.

The movement in cash or cash equivalents is recognised within additions.

The historical cost of the investments as at the balance sheet date was £3,321,291 (2020: £3,409,688)

At the year end, the following investments represented more than 5% of the total value of the investment portfolio:

Vanguard Inv Ser UK Government Bond - £215,042 (2020: £270,341).

Northern Ladies Annuity Society

Notes to the Financial Statements for the Year Ended 31 March 2021

15 Debtors

| | 2021 £ | 2020 £ |
|----------------|---------------|---------------|
| Trade debtors | 6,097 | 5,752 |
| Prepayments | 16,764 | 16,618 |
| Accrued income | 4,341 | 3,811 |
| | <u>27,202</u> | <u>26,181</u> |

16 Creditors: amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------------|---------------|---------------|
| Trade creditors | 4,509 | 6,189 |
| Other taxation and social security | 1,291 | 1,629 |
| Other creditors | 894 | - |
| Accruals | 15,628 | 10,795 |
| | <u>22,322</u> | <u>18,613</u> |

17 Commitments

Capital commitments

The charity is undergoing the refurbishment of a number of properties, including replacing 3 bathrooms and 1 kitchen.

The total amount contracted for but not provided in the financial statements was £28,445 (2020 - £29,200).

Other financial commitments

The total amount of other financial commitments not provided in the financial statements was £3,213 (2020 - £3,753).

Northern Ladies Annuity Society

Notes to the Financial Statements for the Year Ended 31 March 2021

18 Funds

| | Balance at 1 April 2020 £ | Incoming resources £ | Resources expended £ | Other recognised gains/(losses) £ | Balance at 31 March 2021 £ |
|---------------------------|------------------------------------|----------------------------|----------------------------|--|-------------------------------------|
| Unrestricted funds | | | | | |
| General | <u>5,176,484</u> | <u>263,438</u> | <u>(334,201)</u> | <u>718,140</u> | <u>5,823,861</u> |
| | Balance at 1 April 2019 £ | Incoming resources £ | Resources expended £ | Other recognised gains/(losses) £ | Balance at 31 March 2020 £ |
| Unrestricted funds | | | | | |
| General | <u>5,651,469</u> | <u>261,750</u> | <u>(372,225)</u> | <u>(364,510)</u> | <u>5,176,484</u> |

19 Analysis of net assets between funds

| | Unrestricted funds General £ | Total funds £ |
|-------------------------|---------------------------------------|------------------|
| Tangible fixed assets | 1,397,834 | 1,397,834 |
| Fixed asset investments | 4,367,455 | 4,367,455 |
| Current assets | 80,894 | 80,894 |
| Current liabilities | <u>(22,322)</u> | <u>(22,322)</u> |
| Total net assets | <u>5,823,861</u> | <u>5,823,861</u> |
| | Unrestricted funds General £ | Total funds £ |
| Tangible fixed assets | 1,439,043 | 1,439,043 |
| Fixed asset investments | 3,690,694 | 3,690,694 |
| Current assets | 65,360 | 65,360 |
| Current liabilities | <u>(18,613)</u> | <u>(18,613)</u> |
| Total net assets | <u>5,176,484</u> | <u>5,176,484</u> |

Northern Ladies Annuity Society

Notes to the Financial Statements for the Year Ended 31 March 2021

20 Analysis of net funds

| | At 1 April 2020 £ | Cash flow £ | At 31 March 2021 £ |
|--------------------------|----------------------|----------------|--------------------------|
| Cash at bank and in hand | 39,179 | 14,513 | 53,692 |
| Net debt | <u>39,179</u> | <u>14,513</u> | <u>53,692</u> |

| | At 1 April 2019 £ | Cash flow £ | At 31 March 2020 £ |
|--------------------------|----------------------|----------------|--------------------------|
| Cash at bank and in hand | 36,076 | 3,103 | 39,179 |
| Net debt | <u>36,076</u> | <u>3,103</u> | <u>39,179</u> |

21 Related party transactions

There were no related party transactions in the year.