

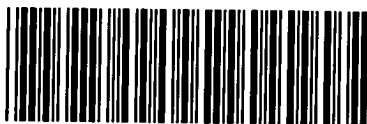
Registered number: 02677365  
Charity number: 1010701

## ACRE HOUSING

### TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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## **ACRE HOUSING**

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## **ACRE HOUSING**

### **REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023**

#### **Trustees**

A S Bryan  
J Linton (appointed 7 December 2022)  
J Pozzoni  
M Stoddart  
Lady J Thomson (resigned 22 February 2023)

No Trustees retired in accordance with the Articles of Association at the 2020 Annual General meeting. The Trustees retiring by rotation at the next AGM in accordance with the Articles of Association is Andrew Bryan, who is eligible to offer himself for re-election.

#### **Company registered number**

02677365

#### **Charity registered number**

1010701

#### **Registered office**

1 London Street  
Reading  
Berkshire  
RG1 4PN

#### **Company secretary**

S E Vandersteen

#### **Executive management and advice**

Christopher Ingram, Chief Executive of Style Acre  
Sarah Stuart, Finance Director of Style Acre

The trustees have engaged Style Acre to provide the day to day management of the Charity. As such, they have delegated the day to day management to Style Acre's executive directors from whom they take advice concerning the management of the charity.

#### **Independent auditor**

James Cowper Kreston Audit  
Chartered Accountants and Statutory Auditor  
Reading Bridge House  
George Street  
Reading  
Berkshire  
RG1 8LS

#### **Bankers**

National Westminster Bank Plc  
PO Box 13  
30 Market Place  
Newbury  
Berkshire  
RG14 5AJ

**ACRE HOUSING**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
(CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

**Solicitors**

Field Seymour Parkes  
The Old Coroner's Court  
No. 1 London Street  
PO Box 174  
Reading  
Berkshire  
RG1 4PN

## **ACRE HOUSING**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023**

The Trustees present their annual report together with the audited financial statements of Acre Housing for the year 1 April 2022 to 31 March 2023. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

#### **OBJECTIVES AND ACTIVITIES**

##### **Charitable objects**

The charity is established to relieve the needs of persons with learning disabilities by:

1. the provision, maintenance and management of residential accommodation specifically for those individuals;
2. the provision of advice and assistance in matters relating to their housing needs.

##### **Charitable activities**

Operating in Oxfordshire, Acre Housing has been providing specialised housing for adults with learning disabilities since 2004. Beneficiaries are able to approach us directly for help or via their care manager. At the year end, Acre Housing owned or rented 39 properties providing homes for 117 tenants, all of whom are adults with learning disabilities and a wide variety of conditions such as autism, cerebral palsy, dementia and Down's syndrome.

##### **Public benefit**

Acre Housing provides rented housing for adults aged over 18 years with a learning disability regardless of sex, financial means, sexual orientation or ethnic background. Potential tenants are able to ask the charity directly for housing or to approach us through their care manager.

Being able to live in their own home is a great benefit to the people we support as, historically, they have been a group of people for whom housing has been difficult to obtain. Acre Housing gives a new lease of life to its tenants, providing them with specially adapted accommodation to suit their individual needs and requirements.

The charity is only limited in its ability to provide housing by its income and donations. The provision of housing is also of great benefit to the families of the people we house as they may have been the main carers for many years and this enables them to feel reassured for the long term future of their relative. We also provide tangible benefits to local communities which gain from the overall experience of getting to know people with learning disabilities (who now live amongst them) and recognising that they have the same rights of access to the local community as every other member of society. If people with learning disabilities and other associated conditions were not supported to live in ordinary houses they would be at risk of being forced into more institutionalised forms of care.

In preparing these financial statements and their report, the Trustees confirm that they have had regard to the Charity Commission's guidance on public benefit and that they consider that the objectives and activities of Acre Housing have historically and continue to fall within the scope of that guidance.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Operating review**

The year end 31 March 2023 has been another successful year for Acre Housing with all of our tenants returning to their normal lives following the disruption the COVID-19 pandemic brought. Whilst able to be out and about lots and returning to activities they have also enjoyed the homely nature and specialist features of their homes.

All of the properties in our portfolio continue to be well maintained. The annual maintenance programme has continued throughout the year and remedial works and adaptations have been carried out as needed.

The charity has not conducted any fundraising activities during the year, as there were no major projects to support.

No properties were purchased during the year as Style Acre focused on maintaining the quality of the current services in light of pressures on the recruitment of staff; this was supported by development works at two of our properties, one in Didcot, the second in Carterton. The developments provided additional bedroom space to

## **ACRE HOUSING**

### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023**

better accommodate the needs of the tenant and the conversion of a garage into a sensory room. Both developments have resulted in the properties better meeting the needs of the tenants and improvements in the support able to be provided.

In addition, a new property was leased from families in Thame for two tenants and in Abingdon for four tenants both for those with low support needs. The tenants moved into Thame in April 2022 and two tenants moved into Abingdon in March 2023 with an additional two tenants due to join over the coming months.

As part of the Trustees annual review of the portfolio it was decided that a two bedroom property in Didcot was no longer required and as such it was sold. This property had become vacant due to the tenant moving out and as such has no impact on any tenants.

Feedback is given to the charity if there are any concerns about properties by the support providers who facilitate tenant groups. There has been no negative feedback to date. The properties are visited a minimum of three times per annum to check their condition and to establish a redecoration and refurbishment programme. With ever increasing utility costs and a focus on reducing environmental impact a programme has started during the year for the installation of smart meters and smart thermostats. This forms the start of our environmental policy that is due to be developed over the coming year.

#### **FINANCIAL REVIEW**

##### **Financial position**

The trustees are very happy that robust financial procedures are in place and that the charity is financially secure. Detailed financial information is made available at each trustee meeting, with performance against budget monitored closely.

The majority of the charity's income is derived from rental income from the properties which are let to people with learning disabilities. This year this has amounted to £1,072,871 and the remaining income has arisen from interest earned of £3,767. A property was disposed of during the year for cash of £157,000. Cash reserves have increased to £990,004 during the year.

Additionally, the charity recognises a continuing liability of £180,000 in Didcot. This is for a grant made by the Secretary of State for Health when the property was originally purchased, which is secured by a covenant and charge over the property. The covenant states that the grant is an interest free loan, which is repayable in the event that the property is sold, unless the purchaser continues to use the property for the purpose of providing supporting living. In these circumstances, the liability represented by the covenant and charge over the property can be transferred to a new owner.

##### **Reserves policy**

Total funds of Acre Housing stood at £11,898,226 at 31 March 2023.

The trustees have a policy of retaining unrestricted funds of £10,000 towards the cost of maintaining the organisation's properties. Restricted and designated funds are recorded and reported separately.

The free reserves of the charity are £900,238 at 31 March 2023. The trustees believe that this level of free reserves is appropriate for the charity and the level of operations.

#### **FUTURE PLANS**

During the year the Trustees reviewed their strategy for the next two years, recognising the financial pressures which the local authority and care providers operate under, and how this may impact housing demand, both in the nature of the properties required and their location.

The Trustees also reviewed the charity's overall property portfolio to consider how well individual properties are performing and how well they fit with housing demand from our target resident group. Part of our strategy is to incorporate self-contained annexes in our existing portfolio where such potential exists. This may be achieved by the conversion of existing spaces, such as lofts, garages or summerhouses, or by building separately where part of the garden provides enough space and suitable access. This helps provide single person accommodation, which would be unsustainable as an individual property.

## **ACRE HOUSING**

### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023**

Style Acre has informed Acre Housing that it will focus on the current services rather than growth in the coming year and the requirements for new properties will therefore be limited. Acre Housing expects to purchase a two bedroom bungalow for a tenant currently residing at a property with a 3rd party landlord that will be relocating in the next year and, in addition, redevelopment works at one of the bungalows in Didcot is planned to better meet the needs of tenants with lower mobility.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, a deed of trust and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

##### **Induction and training of new trustees**

New trustees are given a thorough induction in line with guidance from the Charity Commission. They are encouraged to meet tenants and to understand their particular needs. Training is organised as required and the trustees review their skills mix on an annual basis.

##### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees are responsible for undertaking an annual risk assessment of the charity. From this an annual development plan is drawn up and implemented. A maintenance and refurbishment schedule is set each year to ensure the housing stock remains in good condition.

## ACRE HOUSING

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Acre Housing for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

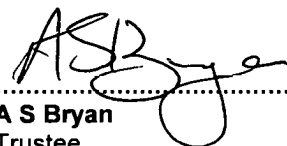
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### AUDITORS

James Cowper Kreston Audit will be proposed for re-appointment at the forthcoming Annual General Meeting.

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 order of the members of the board of Trustees and signed on their behalf by:

  
.....  
**A S Bryan**  
Trustee  
Date: 31 July 2023



## **ACRE HOUSING**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACRE HOUSING**

#### **Opinion**

We have audited the financial statements of Acre Housing (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of 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 state of the charitable company's affairs as at 31 March 2023 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 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 Trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. 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.

We have nothing to report in this regard.

## **ACRE HOUSING**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACRE HOUSING (CONTINUED)**

#### **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.
- 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 charitable 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 in relation to which 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

#### **Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors 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 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 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## ACRE HOUSING

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACRE HOUSING (CONTINUED)

#### 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of noncompliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

#### 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Darren O'Connor BSc (Hons) FCCA ACA (Senior statutory auditor)**

for and on behalf of

**James Cowper Kreston Audit**

Chartered Accountants and Statutory Auditor

Reading Bridge House

George Street

Reading

Berkshire

RG1 8LS

Date: 31 July 2023

# ACRE HOUSING

## STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2023

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>					
Charitable activities	3	-	1,072,871	1,072,871	1,063,350
Investment income		-	3,767	3,767	54
<b>Total income</b>		<b>-</b>	<b>1,076,638</b>	<b>1,076,638</b>	<b>1,063,404</b>
<b>Expenditure on:</b>					
Charitable activities		-	585,512	585,512	593,751
<b>Total expenditure</b>		<b>-</b>	<b>585,512</b>	<b>585,512</b>	<b>593,751</b>
<b>Net income</b>		<b>-</b>	<b>491,126</b>	<b>491,126</b>	<b>469,653</b>
Transfers between funds	10	(812)	812	-	-
<b>Net movement in funds</b>		<b>(812)</b>	<b>491,938</b>	<b>491,126</b>	<b>469,653</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		595,636	10,811,464	11,407,100	10,937,447
Net movement in funds		(812)	491,938	491,126	469,653
<b>Total funds carried forward</b>		<b>594,824</b>	<b>11,303,402</b>	<b>11,898,226</b>	<b>11,407,100</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

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

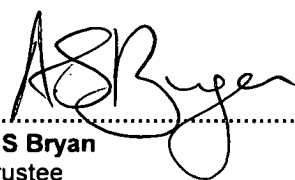
**ACRE HOUSING**  
**REGISTERED NUMBER: 02677365**

**BALANCE SHEET**  
**AS AT 31 MARCH 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	6	12,277,547	12,320,652
<b>Current assets</b>			
Debtors	7	87,786	70,598
Cash at bank and in hand		990,004	566,737
		<u>1,077,790</u>	<u>637,335</u>
Creditors: amounts falling due within one year	8	(294,385)	(269,398)
<b>Net current assets</b>		<u>783,405</u>	<u>367,937</u>
<b>Total assets less current liabilities</b>		<u>13,060,952</u>	<u>12,688,589</u>
Creditors: amounts falling due after more than one year	9	(1,162,726)	(1,281,489)
<b>Total net assets</b>		<u><u>11,898,226</u></u>	<u><u>11,407,100</u></u>
<b>Charity funds</b>			
Restricted funds	10	594,824	595,636
Unrestricted funds	10	11,303,402	10,811,464
<b>Total funds</b>		<u><u>11,898,226</u></u>	<u><u>11,407,100</u></u>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

  
A S Bryan  
Trustee

  
J Pozzoni  
Trustee

Date: 31 July 2023

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

# ACRE HOUSING

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash generated from operating activities	13	506,946	552,413
<b>Cash flows from investing activities</b>			
Proceeds from the sale of tangible fixed assets		157,000	-
Purchase of tangible fixed assets		(89,705)	(377,899)
Interest received		3,767	54
Bank charges		(1,788)	(1,747)
<b>Net cash provided by/(used in) investing activities</b>		69,274	(379,592)
<b>Cash flows from financing activities</b>			
Repayments of borrowing		(114,951)	(142,818)
Interest paid		(38,002)	(41,971)
<b>Net cash used in financing activities</b>		(152,953)	(184,789)
<b>Change in cash and cash equivalents in the year</b>		423,267	(11,968)
Cash and cash equivalents at the beginning of the year		566,737	578,705
<b>Cash and cash equivalents at the end of the year</b>	14	990,004	566,737

The notes on pages 13 to 26 form part of these financial statements

## **ACRE HOUSING**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **1. Accounting policies**

##### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Acre Housing meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### **1.2 Income**

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

Incoming resources represent income receivable from fund raising. Donations and gifts, interest received, rental income and housing benefits.

Grants and donations receivable are included in the year in which the offer is conveyed to the Charity, except in those cases where the offer has conditions, such as grants and donations being recognised as income when the conditions have been fulfilled. Grants and donations offered subject to conditions which have not been met at the year end are not included in the financial statements.

##### **1.3 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

##### **1.4 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

## ACRE HOUSING

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 1. Accounting policies (continued)

##### 1.5 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

The estimated useful lives are as follows:

Long-term leasehold property	- over the term of the lease
Fixtures and fittings	- 15% reducing balance

Depreciation has not been provided in respect of freehold property. The company adopts a policy of fully maintaining its buildings and as such the residual value is so high and the expected useful life is so long, that the depreciation charge would be immaterial both in terms of the depreciation charged for the year and the cumulative charge to the balance sheet.

The freehold and long leasehold buildings are reviewed annually for any signs of impairment by the trustees.

Items included in fixed assets are capitalised where the purchase cost exceeds £1,000, where the expenditure is deemed to add to the market value of the property. Where works are carried out specifically to meet the needs of current or incoming tenants the cost is written off when incurred.

##### 1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### 1.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 1.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

##### 1.9 Financial instruments

The Company 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.

##### 1.10 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.



## **ACRE HOUSING**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **1. Accounting policies (continued)**

##### **1.11 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

#### **2. Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

In the application of the Charity's accounting policies, the trustees are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The most significant estimates and assumptions which affect the carrying amount of each assets and liabilities in the accounts relates to:

Depreciation - The annual depreciation charge for property, plant and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended were necessary to reflect current circumstances.

## ACRE HOUSING

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 3. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Accommodation provision and related services	1,072,871	1,072,871	1,063,350
	<u>1,063,350</u>	<u>1,063,350</u>	
Total 2022	<u>1,063,350</u>	<u>1,063,350</u>	

#### 4. Analysis of expenditure on charitable activities

	Direct costs 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Accommodation provision and related services	479,252	99,060	7,200	585,512	593,751
	<u>487,932</u>	<u>98,999</u>	<u>6,820</u>	<u>593,751</u>	
Total 2022	<u>487,932</u>	<u>98,999</u>	<u>6,820</u>	<u>593,751</u>	

Of the £585,512 expended during the year £585,512 was unrestricted (2022: £593,751)

A grant of £99,060 was paid during the year to Style Acre (2022: £98,999).

## ACRE HOUSING

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 4. Analysis of expenditure on charitable activities (continued)

##### Analysis of direct costs

	Total funds 2023 £	Total funds 2022 £
Rates and water	45,711	38,898
Insurance	13,847	12,613
Housing rent paid	26,842	25,764
Leasehold service charges	26,551	26,953
Repairs and renewals	280,965	240,806
Administration and housing management fees	65,275	65,261
Legal and professional fees	4,461	12,522
Depreciation	21,252	21,397
(Gain)/loss on sale of tangible fixed assets	(45,442)	-
Bank charges	1,788	1,747
Loan interest	38,002	41,971
	<u>479,252</u>	<u>487,932</u>

##### Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Auditors' remuneration	7,200	6,300
General expenses	-	520
	<u>7,200</u>	<u>6,820</u>

#### 5. Trustees' remuneration and expenses

During the year ended 31 March 2023, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

## ACRE HOUSING

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 6. Tangible fixed assets

	Freehold property £	Long leasehold £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>				
At 1 April 2022	11,071,213	1,423,303	41,361	12,535,877
Additions	87,552	-	2,153	89,705
Disposals	-	(132,500)	-	(132,500)
At 31 March 2023	<u>11,158,765</u>	<u>1,290,803</u>	<u>43,514</u>	<u>12,493,082</u>
<b>Depreciation</b>				
At 1 April 2022	-	201,430	13,795	215,225
Charge for the year	-	16,848	4,404	21,252
On disposals	-	(20,942)	-	(20,942)
At 31 March 2023	<u>-</u>	<u>197,336</u>	<u>18,199</u>	<u>215,535</u>
<b>Net book value</b>				
At 31 March 2023	<u>11,158,765</u>	<u>1,093,467</u>	<u>25,315</u>	<u>12,277,547</u>
At 31 March 2022	<u>11,071,213</u>	<u>1,221,873</u>	<u>27,566</u>	<u>12,320,652</u>

The net book value represents fixed assets used for direct charitable purposes.

The trustees are of the opinion that freehold properties with a net book value of £11,158,765 have a market value greater than or equal to this as at 31 March 2023. The freehold properties are held at historic cost.

The trustees are of the opinion that long leasehold properties with a net book value of £1,093,467 have a market value greater than or equal to this as at 31 March 2023. The long leasehold properties are held at historic cost.

The Directors have considered the basis on which the properties owned by the Charity should be accounted for under FRS 102. Having reviewed the rental income paid by the tenants, the Directors have concluded that the properties are held for the provision of social benefit and that they qualify as Property (Tangible Fixed Assets) rather than as investment Properties; accordingly the building's carrying value is stated at historic cost.

## ACRE HOUSING

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 7. Debtors

	2023 £	2022 £
Trade debtors	23,040	7,266
Other debtors	10,633	1,615
Prepayments and accrued income	54,113	61,717
	<u>87,786</u>	<u>70,598</u>

#### 8. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans	116,833	113,021
Trade creditors	24,822	14,341
Other creditors	138,966	124,285
Accruals and deferred income	13,764	17,751
	<u>294,385</u>	<u>269,398</u>

The bank loans are secured against the freehold properties of the charity.

## ACRE HOUSING

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 9. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Bank loans	982,726	1,101,489
Other loans	180,000	180,000
	<u>1,162,726</u>	<u>1,281,489</u>

Included within the above are amounts falling due as follows:

	2023 £	2022 £
<b>Between one and two years</b>		
Bank loans	<u>116,833</u>	<u>113,021</u>
<b>Between two and five years</b>		
Bank loans	<u>350,500</u>	<u>339,065</u>
<b>Over five years</b>		
Bank loans	<u>515,393</u>	<u>649,403</u>
Other loans	<u>180,000</u>	<u>180,000</u>

The bank loans are secured against the freehold properties of the charity.

Other loans relate to a continuing liability of £180,000 in Didcot, see page 4 of the Trustees' Report for further details.

# ACRE HOUSING

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 10. Statement of funds

#### Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Designated funds	7,087,877	-	-	610,655	7,698,532
Designated funds - donated properties	3,713,587	-	-	(118,717)	3,594,870
	<u>10,801,464</u>	<u>-</u>	<u>-</u>	<u>491,938</u>	<u>11,293,402</u>
<b>General funds</b>					
General fund	10,000	1,076,638	(585,512)	(491,126)	10,000
	<u>10,811,464</u>	<u>1,076,638</u>	<u>(585,512)</u>	<u>812</u>	<u>11,303,402</u>
<b>Total Unrestricted funds</b>					
<b>Restricted funds</b>					
Charles Road	201,470	-	-	(129)	201,341
Hagbourne Road	71,083	-	-	-	71,083
Fir Tree Avenue	25,000	-	-	-	25,000
Bradstocks Way	82,299	-	-	-	82,299
Slade Road	41,500	-	-	-	41,500
Bryan Way	155,500	-	-	-	155,500
Steventon Road	429	-	-	-	429
Virginia Way	13,800	-	-	-	13,800
Ashfield Road	4,555	-	-	(683)	3,872
	<u>595,636</u>	<u>-</u>	<u>-</u>	<u>(812)</u>	<u>594,824</u>
<b>Total of funds</b>	<u>11,407,100</u>	<u>1,076,638</u>	<u>(585,512)</u>	<u>-</u>	<u>11,898,226</u>

# ACRE HOUSING

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 10. Statement of funds (continued)

#### Statement of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Designated funds	6,609,250	-	-	478,627	7,087,877
Designated funds - donated properties	3,721,605	-	-	(8,018)	3,713,587
	<u>10,330,855</u>	<u>-</u>	<u>-</u>	<u>470,609</u>	<u>10,801,464</u>
<b>General funds</b>					
General fund	<u>10,000</u>	<u>1,062,869</u>	<u>(593,216)</u>	<u>(469,653)</u>	<u>10,000</u>
<b>Total Unrestricted funds</b>	<u>10,340,855</u>	<u>1,062,869</u>	<u>(593,216)</u>	<u>956</u>	<u>10,811,464</u>
<b>Restricted funds</b>					
Charles Road	201,622	-	-	(152)	201,470
Hagbourne Road	71,083	-	-	-	71,083
Fir Tree Avenue	25,000	-	-	-	25,000
Bradstocks Way	82,299	-	-	-	82,299
Slade Road	41,500	-	-	-	41,500
Bryan Way	155,500	-	-	-	155,500
Steventon Road	429	-	-	-	429
Virginia Way	13,800	-	-	-	13,800
Ashfield Road	5,359	-	-	(804)	4,555
	<u>596,592</u>	<u>-</u>	<u>-</u>	<u>(956)</u>	<u>595,636</u>
<b>Total of funds</b>	<u>10,937,447</u>	<u>1,062,869</u>	<u>(593,216)</u>	<u>-</u>	<u>11,407,100</u>



## ACRE HOUSING

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 10. Statement of funds (continued)

##### **Purpose of restricted funds:**

##### **Charles Road:**

The funds received in respect of Charles Road have been utilised and then capitalised within tangible fixed assets under freehold property.

Included within restricted funds in respect of Charles Road is a donation for the purchase of fixtures and fittings of £7,040. These funds are being amortised to match the depreciation being charged in the financial statements of £129 (2022: £152).

##### **Hagbourne Road:**

The funds received in respect of Hagbourne Road have been utilised and then capitalised within tangible fixed assets under freehold property.

##### **Fir Tree Avenue:**

The funds received in respect of Fir Tree Avenue have been utilised and then capitalised within tangible fixed assets under freehold property.

##### **Bradstocks Way:**

The funds received in respect of Bradstocks Way have been utilised and then capitalised within tangible fixed assets under freehold property.

##### **Slade Road:**

The funds received in respect of Slade Road have been utilised and then capitalised within tangible fixed assets under freehold property.

##### **Bryan Way:**

The funds received in respect of Bryan Way have been utilised and then capitalised within tangible fixed assets under freehold property.

##### **Steventon Road:**

The funds received in respect of Steventon Road have been utilised and then capitalised within tangible fixed assets under freehold property.

##### **Virginia Way:**

The funds received in respect of Virginia Way have been utilised and then capitalised within tangible fixed assets under freehold property.

##### **Ashfield Road:**

Included within restricted funds in respect of Ashfield Road is a donation for the purchase of fixtures and fittings of £5,496. These funds are being amortised to match the depreciation being charged in the financial statements of £683 (2022: £804).

## ACRE HOUSING

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 11. Summary of funds

##### Summary of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Designated funds	10,801,464	-	-	491,938	11,293,402
General funds	10,000	1,076,638	(585,512)	(491,126)	10,000
Restricted funds	595,636	-	-	(812)	594,824
	<u>11,407,100</u>	<u>1,076,638</u>	<u>(585,512)</u>	<u>-</u>	<u>11,898,226</u>

##### Summary of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Designated funds	10,330,855	-	-	470,609	10,801,464
General funds	10,000	1,062,869	(593,216)	(469,653)	10,000
Restricted funds	596,592	-	-	(956)	595,636
	<u>10,937,447</u>	<u>1,062,869</u>	<u>(593,216)</u>	<u>-</u>	<u>11,407,100</u>

#### 12. Analysis of net assets between funds

##### Analysis of net assets between funds - current year

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	594,824	11,682,723	12,277,547
Current assets	-	1,077,790	1,077,790
Creditors due within one year	-	(294,385)	(294,385)
Creditors due in more than one year	-	(1,162,726)	(1,162,726)
<b>Total</b>	<u>594,824</u>	<u>11,303,402</u>	<u>11,898,226</u>

## ACRE HOUSING

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 12. Analysis of net assets between funds (continued)

##### Analysis of net assets between funds - prior year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	595,636	11,725,016	12,320,652
Current assets	-	637,335	637,335
Creditors due within one year	-	(269,398)	(269,398)
Creditors due in more than one year	-	(1,281,489)	(1,281,489)
<b>Total</b>	<b>595,636</b>	<b>10,811,464</b>	<b>11,407,100</b>

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

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	491,126	469,653
<b>Adjustments for:</b>		
Depreciation charges	21,252	21,397
(Profit) on disposal	(45,442)	-
Increase in debtors	(17,188)	(7,847)
Increase in creditors	21,175	25,546
Interest received	(3,767)	(54)
Interest paid	38,002	41,971
Bank charges	1,788	1,747
<b>Net cash provided by operating activities</b>	<b>506,946</b>	<b>552,413</b>

#### 14. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	990,004	566,737
<b>Total cash and cash equivalents</b>	<b>990,004</b>	<b>566,737</b>

## ACRE HOUSING

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 15. Analysis of changes in net debt

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	566,737	423,267	990,004
Debt due within 1 year	(113,021)	(3,812)	(116,833)
Debt due after 1 year	(1,281,489)	118,763	(1,162,726)
	<u>(827,773)</u>	<u>538,218</u>	<u>(289,555)</u>

#### 16. Operating lease commitments

At 31 March 2023 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	31,636	25,911
Later than 1 year and not later than 5 years	42,510	38,247
Later than 5 years	91,743	93,198
	<u>165,889</u>	<u>157,356</u>

#### 17. Related party transactions

Style Acre, a charitable company, provide day to day executive management for Acre Housing and are deemed to be a related party.

During the year the following transactions took place with Style Acre:

Administration charges totalling £65,275 (2022: £65,275) were charged by Style Acre in respect of general administration costs, including housing and property management.

During the year Acre Housing made an unrestricted grant to Style Acre of £99,060 (2022: £98,999).

As at 31 March 2023 an amount of £Nil was owed to Style Acre (2022: £250).

Style Acre Trading is a wholly owned trading subsidiary of Style Acre. Style Acre Trading Limited have granted a tenancy to Acre Housing for part of a building it owns, which Acre Housing in turn sublets to service users in supported housing.

During the year the following transactions took place with Style Acre Trading Limited:

Housing rent and leasehold service charges totalling £31,292 (2022: £30,964) were charged by Style Acre Trading Limited.