

Charity Registration Number: 200397
Housing Corporation Number: A2840

ST JOHN'S HOMES TRUST

(A MEMBER OF THE NATIONAL ASSOCIATION OF ALMSHOUSES)

UNAUDITED REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

ST JOHN'S HOMES TRUST

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FOR THE YEAR ENDED 31 DECEMBER 2018

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ST JOHN'S HOMES TRUST
FOR THE YEAR ENDED 31 DECEMBER 2018

LEGAL AND ADMINISTRATIVE INFORMATION

TRUSTEES:

Mrs Gillian Cooper
Mrs Janet Fardell (Chair)
Revd Eric Lomax
Mrs Frances Leonard
Revd Simon Richardson

CLERK:

Miss Julia Eros

CHARITY NUMBER:

200397

INDEPENDENT EXAMINER:

Rawlinson Pryde Limited
Argent House
5 Goldington Road
Bedford
MK40 3JY

BANKERS:

NatWest
81 High Street
Bedford
MK40 1YN

INVESTMENT MANAGERS:

BlackRock Investment Management (UK) Ltd
PO Box 9036
Chelmsford
CM99 2XD

M & G Securities Limited
PO Box 9038
Chelmsford
CM99 2XF

ST JOHN'S HOMES TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2018

The trustees are pleased to present their annual report together with the Financial Statements for the year ended 31 December 2018. The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the accounts and comply with the Charities Act 2011 and Accounting & 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 2015).

Structure, governance and management

St John's Homes Trust is comprised in a deed of grant dated 19 December 1881 in the former Ecclesiastical Parish of All Saints with St. John and St. Stephen, Kempston and comprised in deeds of endowment dated 20 December 1881 and 30 July 1916 in the Anne Jane Charles-Williamson Endowment Fund and in the matter of the Charities Act, 1960. The charity is administered and managed by a body of trustees that consist of seven competent persons being two ex-officio trustees and five co-optative trustees. The ex-officio trustees shall be the Vicar of the Parish of All Saints, Kempston and the Priest in Charge of the Parish Church of the Transfiguration. The co-optative trustees shall be persons who are members of the Church of England and through residence, occupation or employment have special knowledge of the area of benefit of the charity. Co-optative trustees shall be appointed for a period of five years.

The trustees who served during the year are:

Mrs G Cooper	
Mrs J. Fardell (Chair)	
Mrs F. Leonard	
Mrs C. Palmer	- resigned 13.04.18
Revd. Eric Lomax	
Revd. Victoria Bryson	- resigned 11.10.18
Revd. Valerie Hollis	- resigned 26.09.18
Revd. Simon Richardson	- appointed 29.11.18

Risk assessment

The major risks to which the charity is exposed as identified by the trustees have been reviewed and systems have been established to mitigate these risks.

Objectives and activities

The almshouses belonging to the charity shall be used for the residence of almspeople. Almspeople under this scheme shall be needy persons of good character being members of the Church of England and who have resided in the parish of All Saints with St John & St Stephen, Kempston, for not less than 15 years, or if born there 10 years. The trustees shall insure and maintain the almshouses and establish and maintain repair funds for the repair, improvement and rebuilding of the almshouses. The trustees appoint a warden to superintend and care for the residents of the almshouses.

ST JOHN'S HOMES TRUST
REPORT OF THE TRUSTEES (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

Review of the year

The process of First Registration of Title commenced in August 2018 and was completed on 1 February 2019. Tollers Solicitors dealt with this on the trustees behalf.

In November 2018 The trustees accepted a proposal from Robinson & Hall to carry out a full Quinquennial inspection of St John's Homes. The internal inspections were carried out in February 2019 and the external inspection is imminent.

During the year the kitchens in flats 16 and 19 were refurbished and in flat 11 the boiler was replaced and the bathroom refurbished. Flat 9, 19 and the wardens flat were re-decorated during the year.

At the residents request the trustees agreed to the purchase and installation of a permanent gazebo. The purchase was made in the year and it was put up in April 2019 ready for the nice weather.

With GDPR, safeguarding issues, the growing parking problems and the new procedures templates from the Almshouse Association the trustees have decided that the Residents Handbook be updated & revised in 2019.

Sadly, two of our long-term residents died, one in November 2018 and another in January 2019. We have since had another two flats become vacant due to residents needing to move into accommodation with more assistance. Therefore, further refurbishments will be required in 2019.

St John's Homes does have a waiting list with currently 17 applicants waiting for a vacancy. With each vacancy the Trustees go through all the applications on the waiting list prioritising in line with the Trusts criteria and the needs of the applicants.

After review the trustees agreed to increase the maintenance contributions by 2% to continue with the improvements and building up of the maintenance reserves.

The deregistration from the Regulator of Social Housing (Homes & Communities Agency) process remains outstanding. It is hoped to begin this before the end of 2019.

Financial review

For the year ended 31 December 2018 the charity had a surplus of £2,854 (2017: £20,150).
The market value of the Investments decreased in the year by £11,958 (2017: £3,456 increase).
The residents' contributions were increased from 1 January 2019 by 2%.

Additional units costing £2,500 in both the Cyclical Maintenance Funds and ERF will be purchased in 2019.

ST JOHN'S HOMES TRUST
REPORT OF THE TRUSTEES (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

Reserves policy

It is the policy of the trustees to hold reserve funds for the day-to-day maintenance, cyclical maintenance and for extraordinary repairs. The amount in these reserves at 31 December 2018 is £90,450 (2017: £78,984).

General reserves as at 31 December 2018 were £99,711 (2017: £84,899) and the total reserves (including revaluation reserves) amounted to £1,283,720 (2017: £1,269,400).

The trustees are satisfied that the charity's assets attributable to its individual funds are available and adequate to fulfil its obligations to those funds.

Plans for future periods

Amend the trust deed with the Charity Commission
Voluntarily register the land and buildings with the Land Registry
De-register as a Registered Social Landlord
Update and refurbish flats as and when they become vacant

Statement of trustees' responsibilities

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. The law applicable to charities in England and Wales and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 charity will continue

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are responsible for safeguarding the assets of the charity and hence for taking Reasonable steps for the prevention and detection of fraud or other irregularities.

On behalf of the board

J Fardell

G Cooper

Chair

Trustee

Dated

ST JOHN'S HOMES TRUST

**INDEPENDENT EXAMINER'S REPORT TO THE BOARD OF
ST JOHN'S HOMES TRUST**

I report on the accounts for the year ended 31 December 2018 set out on pages six to fourteen.

Respective responsibilities of the Board and examiner

The Board of the Registered Social Landlord (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The Board considers that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

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

Basis of the independent examiner's report

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

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the 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 2015)

have not been met; or

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

D J - Rawlinson Limited

David John Rawlinson
Rawlinson Pryde Limited
Chartered Accountants
Argent House
5 Goldington Road
Bedford
MK40 3JY

Date: 06/06/19

ST JOHN'S HOMES TRUST
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Unrestricted funds	Restricted funds	Total 2018	Total 2017
		£	£	£	£
INCOMING RESOURCES					
<i>Voluntary Income:</i>					
Contributions Receivable- Gross		97,424	-	97,424	95,120
Less: Voids		(3,100)	-	(3,100)	(5,709)
		<hr/>	<hr/>	<hr/>	<hr/>
Contributions Receivable (Net)		94,324	-	94,324	89,411
		<hr/>	<hr/>	<hr/>	<hr/>
Grants Received	2	-	-	-	-
Investment Income		6,098	-	6,098	5,719
Interest Receivable		31	-	31	6
Sundry Income		425	-	425	429
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL INCOMING RESOURCES		100,878	-	100,878	95,565
		<hr/>	<hr/>	<hr/>	<hr/>
RESOURCES EXPENDED					
Administrative Expenses	3	86,066	-	86,066	78,871
Interest Payable And Similar Charges		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL RESOURCES EXPENDED		86,066	-	86,066	78,871
		<hr/>	<hr/>	<hr/>	<hr/>
Change In Value Of Investments		(11,958)	-	(11,958)	3,456
		<hr/>	<hr/>	<hr/>	<hr/>
SURPLUS/(DEFICIT) FOR THE YEAR		2,854	-	2,854	20,150
		<hr/>	<hr/>	<hr/>	<hr/>
SURPLUS BROUGHT FORWARD		177,813	-	177,813	157,663
TRANSFERS		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
SURPLUS CARRIED FORWARD		180,667	-	180,667	177,813
		<hr/>	<hr/>	<hr/>	<hr/>

There are no recognised gains or losses other than the income for the year.

ST JOHN'S HOMES TRUST
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Notes	<u>2018</u>		<u>2017</u>	
		£	£	£	£
FIXED ASSETS:					
Tangible assets	4		1,102,261		1,099,637
Investments	5		130,129		135,087
			<u>1,232,390</u>		<u>1,234,724</u>
CURRENT ASSETS:					
Cash at bank and in hand		67,287		54,170	
Debtors	6	1,373		1,485	
		<u>68,660</u>		<u>55,655</u>	
CREDITORS: Amounts falling due within one year	7	(3,580)		(4,729)	
NET CURRENT (LIABILITIES) / ASSETS:			65,080		50,926
CREDITORS: Amounts falling due greater than one year	7		(13,750)		(16,250)
NET ASSETS:			1,283,720		1,269,400
FUNDS:					
Accumulated surplus	12	99,711		84,899	
Investment revaluation reserve	13	80,956		92,914	
Surplus carried forward			<u>180,667</u>		<u>177,813</u>
Restricted funds	14		-		-
Maintenance reserves	8		90,450		78,984
Property equity reserve	15		1,012,603		1,012,603
			<u>1,283,720</u>		<u>1,269,400</u>

The financial statements were approved by the Board of Trustees on..... and signed on its behalf by:

.....
Chair

.....
Trustee

ST JOHN'S HOMES TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018

	<u>2018</u>	<u>2017</u>
	<u>£</u>	<u>£</u>
Cashflow from operating activities		
Surplus for the year	2,854	20,150
Adjustments for non-cash items:		
Depreciation of tangible fixed assets	5,535	3,565
Decrease/(increase) in debtors	112	(198)
Increase/(decrease) in creditors	(1,149)	2,225
Increase/(decrease) in maintenance reserve	11,466	12,377
	<hr/>	<hr/>
Net cash generated from operating activities	18,818	38,119
Cash flow from investing activities:		
Purchase of tangible fixed assets	(8,159)	(28,691)
Purchase of investments	(7,000)	(6,000)
Decrease/(increase) in investment value	11,958	(3,456)
Cash flow from financing activities		
Repayments of borrowings	(2,500)	(2,500)
	<hr/>	<hr/>
Net change in cash and cash equivalents	13,117	(2,528)
	<hr/> <hr/>	<hr/> <hr/>
Cash and cash equivalents at beginning of the year	54,170	56,698
Cash and cash equivalents at end of the year	67,287	54,170

ST JOHN'S HOMES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES

Accounting convention

These accounts, which are prepared under the historical cost convention, modified to include investments at their market value, have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

The format of the financial statements complies with the Accounting Requirements of the Housing SORP 2014, Statement of Recommended Practice for Registered Social Housing Providers and the Accounting Direction for Private Registered Providers of Social Housing 2015.

Contributions receivable

Contributions receivable are stated at the maximum amount that would be due if full occupancy were achieved, less an allowance for voids during the financial period.

Finance

The accounts have been prepared on the basis that the capital expenditure will be grant aided, funded by loan or met out of reserves.

Mortgages

Mortgage loans are advanced by local authorities under the terms of individual mortgage deeds for each property.

Social Housing Grants & Property Valuation

Social Housing Grants as shown in the accounts are paid direct by the lending authority and reflected in the accounts of the Association only when payment has been received. The properties are stated at historical cost less Social Housing Grants, in accordance with the SORP. No depreciation is charged on the properties, which is a departure from the SORP.

Tangible fixed assets

Tangible fixed assets, excepting freehold land, are stated at cost, less accumulated depreciation and Housing Association grant. Depreciation is provided to write off the cost of the fixed assets over their useful life at the following rates:-

Fixtures & fittings	10%, 20% and 25% reducing balance
Freehold improvements	10% on reducing balance

Taxation

The charity is exempt from corporation tax on its charitable activities.

Provision for future repairs and maintenance

The Trust sets aside reserves for future maintenance costs of its property. Provision is made at the Trustees' best estimate of maintenance costs of the property in the foreseeable future, to cover day to day, cyclical and extraordinary maintenance costs.

Works to properties

Any works which result in enhanced economic benefit, (i.e. increased net rental stream) are capitalised.

Investments

All investments are stated at their market value at the balance sheet date. Any revaluation is credited to the investment revaluation reserve.

ST JOHN'S HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. GRANTS RECEIVED

No restricted grants were set aside in the year (2017: £nil).

3. ADMINISTRATIVE EXPENSES

Administrative expenses include the following:

	Total 2018 £	Total 2017 £
Housing management expenses:		
Clerks salary and clerical assistance	6,902	6,596
Insurance	1,875	1,839
Subscriptions	556	401
General expenses	1,478	1,315
Accountancy fees	960	972
AA administration fee	125	125
	<hr/>	<hr/>
	11,896	11,248
	<hr/>	<hr/>
Service costs:		
Warden's salary	14,285	13,787
Employer's NIC	183	175
Care-link and mobile warden costs	7,694	4,736
Rates	5,190	5,751
Light and heat	2,999	2,616
Telephone	552	484
Gardening	1,276	1,494
Cleaning	506	455
Television licences	170	161
	<hr/>	<hr/>
	32,855	29,659
	<hr/>	<hr/>
Property provisions:		
Repairs and maintenance provisions	35,780	34,400
Depreciation	5,535	3,564
	<hr/>	<hr/>
	41,315	37,964
	<hr/>	<hr/>
Total administrative expenses	86,066	78,871

ST JOHN'S HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

4. TANGIBLE FIXED ASSETS

	Freehold Housing £	Freehold Improvements £	Fixtures and Fittings £	Total £
COST:				
At 1 January 2018	1,384,377	45,361	42,816	1,472,554
Additions	-	6,884	1,275	8,159
Revaluation	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2018	1,384,377	52,245	44,091	1,480,713
	<hr/>	<hr/>	<hr/>	<hr/>
LESS HOUSING ASSOCIATION GRANT				
At 1 January 2018 and 31 December 2018	334,377	-	-	334,377
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION:				
At 1 January 2018	-	4,100	34,440	38,540
Charge for year	-	4,470	1,065	5,535
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2018	-	8,570	35,505	44,075
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE:				
At 31 December 2018	1,050,000	43,675	8,586	1,102,261
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	1,050,000	41,261	8,376	1,099,637
	<hr/>	<hr/>	<hr/>	<hr/>

No depreciation has been provided in respect of Housing Properties because the residual value exceeds the cost less the Housing Association Grant. During 2015, the freehold housing was assessed and valued at £1,050,000 by Robinson & Hall. Value of freehold housing pre-valuation was £379,531.

5. INVESTMENTS

	Cost		Market Value	
	<u>2018</u> £	<u>2017</u> £	<u>2018</u> £	<u>2017</u> £
National Association of Almshouses Common Investment Fund 567 (567) Income shares	144	144	451	505
3,829 (3,615) units- Charifund	21,000	17,500	54,538	59,375
38,929 (38,548) shares in Charinco Income Fund	28,032	24,532	75,440	75,207
	<hr/>	<hr/>	<hr/>	<hr/>
	49,176	42,176	130,129	135,087
	<hr/>	<hr/>	<hr/>	<hr/>

The investments are managed and valued by the Official Custodian for Charities.

ST JOHN'S HOMES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

6. DEBTORS:	<u>2018</u>	<u>2017</u>
	<u>£</u>	<u>£</u>
Other debtors	68	200
Prepayments and accrued income	1,305	1,285
	<hr/>	<hr/>
	1,373	1,485
	<hr/>	<hr/>
7. CREDITORS:		
Amounts falling due within one year:	<u>2018</u>	<u>2017</u>
	<u>£</u>	<u>£</u>
Trade creditors and accruals	2,606	3,680
Deferred income	405	496
Social security	569	553
	<hr/>	<hr/>
	3,580	4,729
	<hr/>	<hr/>
Amounts fall due greater than one year:		
Loans	13,750	16,250
	<hr/>	<hr/>

The Almshouse Association loan is interest-free and repayable over a 10 year period, and includes an arrangement fee of 5% of the loan amount of £25,000.

8. MAINTENANCE RESERVE:	<u>Day to Day</u>	<u>Cyclical</u>	<u>Extraordinary</u>	<u>Total</u>
	<u>Maintenance</u>	<u>Maintenance</u>	<u>Repairs</u>	<u>£</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Provision at 1 st January 2018	(1,805)	44,150	36,639	78,984
Expenditure in the year	(7,819)	(16,495)	-	(24,314)
	<hr/>	<hr/>	<hr/>	<hr/>
	(9,624)	27,655	36,639	54,670
	<hr/>	<hr/>	<hr/>	<hr/>
Charged to income & expenditure account	10,740	15,540	9,500	35,780
	<hr/>	<hr/>	<hr/>	<hr/>
Provision at 31st December 2018	1,116	43,195	46,139	90,450
	<hr/>	<hr/>	<hr/>	<hr/>

Provisions made for day to day, cyclical maintenance and extraordinary repairs are based on levels recommended by the Almshouse Association.

ST JOHN'S HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

9. CAPITAL COMMITMENTS

The repair and replacement of red porch tiles has been committed to be carried out. Two vacant flats are to be redecorated.

The commitment at 31st December 2018 amounted to £5,000 (2017: £13,000).

10. HOUSING STOCK:

	<u>2018</u> £	<u>2017</u> £
Number of housing units in management:	20	20

11. EMPLOYEES AND TRUSTEE REMUNERATION/BENEFITS

The average number of employees is 1 (2017: 1). No employee received emoluments in excess of £60,000.

There were no trustees' remuneration or other benefits for the year ended 31 December 2018 nor for the preceding year.

There were no trustees' expenses paid for the year ended 31 December 2018 nor for the preceding year.

12. ACCUMULATED SURPLUS:

	<u>2018</u> £	<u>2017</u> £
Brought forward at 1 st January 2018	84,899	68,205
Surplus for year	14,812	16,694
Transfer (to)/from restricted fund	-	-
	<hr/>	<hr/>
Carried forward at 31 st December 2018	99,711	84,899

13. INVESTMENT REVALUATION RESERVE:

	<u>2018</u> £	<u>2017</u> £
Brought forward at 1 st January 2018	92,914	89,458
Investment revaluation in year	(11,958)	3,456
	<hr/>	<hr/>
Carried forward at 31 st December 2018	80,956	92,914

ST JOHN'S HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

14. RESTRICTED RESERVES:

	<u>2018</u>	<u>2017</u>
	<u>£</u>	<u>£</u>
Brought forward at 1 st January 2018	-	-
Surplus for year	-	-
Transfer from/(to) accumulated surplus	-	-
	-	-
Carried forward at 31 st December 2018	-	-

15. PROPERTY EQUITY RESERVE:

	<u>2018</u>	<u>2017</u>
	<u>£</u>	<u>£</u>
Brought forward at 1 st January 2018	1,012,603	1,012,603
Revaluation of freehold property	-	-
	-	-
Carried forward at 31 st December 2018	1,012,603	1,012,603

In 2015 the freehold housing was assessed and valued at £1,050,000 by Robinson & Hall and has been revalued accordingly. The trustees consider that there has been no material change in value since then.