

Company registration number: IP22990R

# Gatesfield Quaker Housing Association Limited

(A Co-operative and Community Benefit Society limited by share capital)

Annual Report and Financial Statements

for the Year Ended 31 December 2020

Stables Thompson & Briscoe  
Reporting Accountants & Statutory Auditor  
Lowther House  
Lowther Street  
Kendal  
Cumbria  
LA9 4DX

# **Gatesfield Quaker Housing Association Limited**

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# Gatesfield Quaker Housing Association Limited

## Reference and Administrative Details

|   |   |
|---|---|
| <b>Chair</b>                            | Mary Robinson   |
| <b>Board Members</b>                    | David Beuzeval<br>Michael Carter (Treasurer)<br>Margaret Free (Tenant Board Member)<br>Joyce Hawthorn (Co-opted June 2019, appointed June 2020, First Vice-Chair from July 2020)<br>David Le Mare (First Vice-Chair to July 2020, second Vice-Chair from July 2020)<br>Marilyn Robinson (Second Vice-Chair to July 2020)<br>Bernard Rushton (appointed June 2020)<br>Keith Triplett (Tenant Board Member) |
| <b>Secretary</b>                        | David Aspinall  |
| <b>Senior Management Team</b>           | Joanne Busuttil, (Scheme Manager)<br>Martin Rouen, (Admin/IT support)   |
| <b>Principal Office</b>                 | Gatesfield House<br>New Road<br>Windermere<br>Cumbria<br>LA23 2LA<br>The Co-operative and Community Benefit Society is incorporated in England.   |
| <b>Company Registration Number</b>      | IP22990R  |
| <b>Bankers</b>                          | Santander UK plc<br>BBAM<br>Brindle Road<br>Bootle<br>Merseyside<br>L30 4GB   |
| <b>Independent Reporting Accountant</b> | Stables Thompson & Briscoe<br>Reporting Accountants & Statutory Auditor<br>Lowther House<br>Lowther Street<br>Kendal<br>Cumbria<br>LA9 4DX  |

# **Gatesfield Quaker Housing Association Limited**

## **Board Members' Report**

The Board Members, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2020.

### **Objectives and activities**

#### ***Objects and aims***

The Rules of the Association describe the objects of the Association (Rule A2) as follows:

Rule A2 The Association is formed for the benefit of the community. Its objects shall be to carry on for the benefit of the community:

A2.1 the business of providing housing, accommodation, and assistance to help house people and associated facilities and amenities for poor people or for the relief of aged, disabled, handicapped (whether physically or mentally) or chronically sick people.

A2.2 any other charitable object that can be carried out by an Industrial and Provident Society registered as a social landlord with the Corporation.

Clause 4(13) of the Lease between Friends Trust Ltd (Landlord) and Gatesfield Quaker Housing Association Ltd (Tenant) stipulates that The Tenant ... covenants with the landlord 'Not at any time during the Term to use or occupy the Premises or any part thereof for any other purposes than to fulfil the Charitable Trusts declared concerning the same in Clause 1(2) of the Codicil to the Will of the said Stanley Webb Davies dated the Sixteenth day of January One Thousand Nine Hundred and Seventy Eight'.

The Codicil to the Will of Stanley Webb Davies specifies the purpose as providing accommodation and care for elderly members of the [Religious] Society of Friends and others in need of such accommodation and in particular such persons as are in reduced or difficult circumstances through no fault of their own or in need of rest and spiritual renewal either as permanent or temporary residents.

#### ***Public benefit***

The Association provides high quality Sheltered Housing and, in collaboration with Care Agencies, is able to offer a support package effectively to Extra Care standards where required. It is located close to the centre of Windermere comprising twelve ground floor and ten first floor unfurnished flats, each with a separate external entrance. The ground floor of the main house is given over to communal space for meals, social activities, occasional meetings (and Windermere Quaker Meeting for Worship on Sundays) and other gatherings. The site is set in 2 acres of woodland garden, which our tenants can enjoy and, if they wish, help maintain. We also offer a craft room and a laundry. Guest accommodation is available for a nightly charge. The Scheme Manager is resident on the site. The Scheme Manager or an Assistant Warden is on duty from 9.00am to 5.00pm every day to provide or seek such help as may be necessary for tenants. Outside of these hours, emergency response is provided by our on-call staff team. The Scheme Manager or an Assistant Warden contacts each tenant every morning on the warden call system to make sure of their welfare.

We also offer a service called 'Gatesfield at Home'. This scheme is co-ordinated by Gatesfield and provides a community alarm service. Clients are also able to use Gatesfield facilities and attend Gatesfield events. Gatesfield at Home is available to older people in the Windermere and Bowness area.

The Board Members 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.

### **Commitment to Equality and Diversity**

#### ***Equality and Diversity Policy***

Gatesfield Quaker Housing Association is committed to eliminating discrimination and encouraging diversity in all its services, its business matters and amongst its staff and volunteers. The Association will not accept any form of unlawful or unfair discrimination on grounds of e.g. gender, sexual orientation, race, religion, ethnic origin, marital status or age.

# **Gatesfield Quaker Housing Association Limited**

## **Board Members' Report**

### **Eligibility of prospective tenants**

Gatesfield Quaker Housing Association provides high quality Sheltered Housing and, in collaboration with Care Agencies, is able to offer a support package effectively to Extra Care standards where required. Our tenants are usually over sixty and capable of independent living, but benefit from the reassurance of an on-site Scheme Manager and the availability of emergency help 24 hours a day, 365 days a year. Under the terms of Stanley Davies' will, which led to its establishment, Gatesfield provides accommodation and support ".....for elderly members of the Society (of Friends - Quakers) and others in need of such accommodation and in particular such persons who are in reduced circumstances ....."

While Gatesfield was established by Quakers and encourages Quakers to apply, we welcome applications from the whole community. In assessing potential tenants, we do not discriminate on the grounds of race, ethnic origin, culture, gender, marital status, age, sexual orientation or religion. The basic principle is to offer accommodation to those people most in need and whose needs can best be met by the accommodation, environment and services that Gatesfield can offer. If necessary, for the functioning of Gatesfield, account may also be taken of the overall balance of need in the Gatesfield community at the time.

While Gatesfield's natural catchment area is South Lakeland, and we expect the substantial majority of tenants to come from the area, we are also open to welcoming some tenants from further afield. We welcome suggestions from Cumbria County Council (CCC) and South Lakeland District Council (SLDC) of possible tenants and the Joint Working Protocol agreed with CCC and SLDC will be followed from 2020 following the completion of the funding agreements with the two Councils in relation to the Craft Cottage Project. To conform with the terms of the planning permission granted by LDNPA for the conversion of Craft Cottage, we will ensure that there are always at least two tenancies which meet the LDNPA definition of "local" (and we expect that usually there will be many more than that).

New tenants are expected to be able to live independently and have the capacity to look after themselves, which means in the simplest terms that they should be able to:

- Manage their own financial affairs (or engage external help)
- Keep their flat clean (or engage external help)
- Manage their personal care (or engage external help)
- Cope with their laundry (or engage external help)
- Manage their medication (or engage external help).

Tenants are expected to furnish their own flat, which is to be kept in good decorative order at their own expense.

Gatesfield prioritises accommodation for people who are assessed to be most in need and whose needs can be best met by Gatesfield. The following will be taken into account when selecting a tenant:

- The suitability of their present accommodation
- Social and cultural needs
- Support network
- Vulnerability to risk, abuse or neglect
- Physical and mental health needs
- Functional ability
- Attitude towards living independently
- How the applicant feels about living in a small community and willingness to contribute to the overall sense of community

# **Gatesfield Quaker Housing Association Limited**

## **Board Members' Report**

### **Achievements and performance**

#### *A Report by our Chair, Mary Robinson*

##### ***Coronavirus***

In last year's report, I described some of the preparatory measures that had been put in place in early 2020 to ensure Gatesfield functioned in accordance with the Government Guidelines regarding Coronavirus. Since then, everyone associated with Gatesfield has been updated whenever the guidelines have changed. The pandemic has affected on every aspect of the life and work of Gatesfield.

The staff team have continued to demonstrate their commitment to ensuring the life of Gatesfield goes on with the minimum of disruption. The fact remains, however, that tenants have been unable to meet in one another's homes unless they have formed a 'support bubble' and most have felt the effect of being unable to have visits from family and friends during the periods of lockdown. Efforts to enable people to meet in small groups when the regulations allowed have been made, such as the provision of a gazebo to enable people to meet outside.

The Common Room has been completely closed for periods during lockdown, and while seating has been arranged and screens installed to ensure everyone abides by social distancing rules when it was possible to use the room, the number of people allowed to meet together has been limited. The meals service has, however, continued through the provision of a home delivery service. Tenants have expressed their pleasure at the standard of service and quality of meals that has continued to be provided by our Cook, Janet Garlick, with support from other staff. Indeed, tenants have expressed their appreciation for the overall care and attention received from the staff team.

Using Zoom as a means of communication has enabled many tenants to share virtual coffee mornings and Tenants' meetings and while it cannot replace the actual face to face meeting of people it has been a useful tool to continue to provide some contact. Tenants have been supported in learning new skills in relation to the use of Zoom. A tablet and other devices have been made available for those who did not have them and it's good to know they are being used.

Through the summer months tenants were able to enjoy the garden and sit outside their flats while maintaining the social distancing rules, which enabled them to have some contact with one another. During the winter months this was more difficult, and there was a danger of people feeling isolated, especially for those who were unable to meet with family members. The staff were very aware of this and endeavoured to do all they could to minimise that possibility.

##### ***Craft Cottage development***

The progress of the Craft Cottage development was also severely affected by Covid19/Coronavirus. This occurred after work had already been disrupted when a structural fault was discovered, which could not have been identified until the commencement of work. When the Coronavirus regulations allowed the work to recommence, work was halted again when it became evident that the builders were in financial difficulty. They were replaced by alternative builders in August 2020 finally resulting in the work being completed in October 2020 - a year later than had been first anticipated. All the flats are now occupied, the first tenant taking possession in November 2020. However, given the disruption, the extra work involved and hence extra cost in correcting the structural fault and the loss of potentially a year's rental income, the financial effect on Gatesfield is significant. The extra cost has been covered from the Reserves and some donations for which we are very grateful, but it has caused our Reserves to be severely depleted.

Despite all the difficulties we are grateful to members of the Board of Management who addressed the challenges and worked to ensure the completion of the three flats which are now being enjoyed by the new occupants.

# **Gatesfield Quaker Housing Association Limited**

## **Board Members' Report**

### ***Fire Risk Assessment***

A Fire Risk Assessment was undertaken by an independent Fire Risk Assessor in February 2020 at the request of the Board of Management. One of the issues of concern for the Board was whether the present precautions remained suitable given the increasing frailty of a small number of tenants. Key questions were whether Gatesfield should consider the feasibility of moving to a 'Stay Put' policy or continue with the present 'Simultaneous Evacuation' policy and whether our fire precautions continue to meet current regulations? The Risk assessment highlighted a number of other areas which required attention, many of which have either been addressed or are in the process of being addressed. A Health and Safety Advisory group (HSAG) consisting of 3 Board members with Martin Rouen and Joanne Busuttil (Scheme Manager) have been working through the Assessment. Professional advice has been sought from a Chartered Surveyor on how to implement some of the detailed recommendations.

### ***Lifts***

The installation of the lifts has also been affected by Coronavirus. We were also required to consider the findings from the Fire Risk Assessment and a report from the Fire Officer to ensure that the proposed lift installations did not create a new fire risk or compromise our fire evacuation strategy. The grant agreement with South Lakeland District Council (SLDC) was signed in April 2020 and planning permission was granted on 8th June 2020.

While the lifts themselves will be funded under the Disabled Facilities Grant Scheme, Gatesfield is required to pay for other costs which include building the foundation on which the lifts will be placed, all electrical installation and connection to the alarm system, and any VAT. In order to ensure safe evacuation for tenants in case of a fire a platform will need to be constructed from the lifts to the balcony walkways to enable the lifts to be set back from the walkways.

We have been fortunate to receive some donations towards those costs from the Lakeland Disability Support CIO, The Roseland Trust and private donations for which we are very grateful.

However other costs which need to be factored in are the annual running costs, inspections, insurance, and maintenance.

We have made good progress working our way through all these different requirements and expect to be able to proceed with the lift installation in 2021.

### ***Tenants***

We were sad to hear of the death of Mary Mooney who died on 5th July 2020 after a short stay in residential care, following a period in hospital. We were pleased to welcome Sandra Leaver, Gina Dennison, and Raymond Hibbs and glad that Margaret Roberts was able to transfer from her current Gatesfield flat into one of the new Craft Cottage ground floor flats. We hope our new tenants will enjoy living at Gatesfield and feel the benefit of being part of the community. Due to the Coronavirus restrictions, Sandra, Gina and Raymond have yet to experience the full life of Gatesfield but we hope that this will soon be rectified.

### ***Staff***

Under the leadership of Joanne Busuttil, the staff team has continued to provide a high level of care throughout a very difficult period and recognised by tenants by having a special clap for them, similar to the weekly national applause for frontline staff. Board members similarly recognise the additional level of commitment this period required and extend their gratitude to all staff for meeting the changing level of need at Gatesfield through the year. Our thanks also go to Martin Rouen, who has kept everyone up to date on the Coronavirus regulations and guided tenants, staff and Board Members through the measures we are all required to take.

Our monthly newsletter ('the Bulletin') has developed over the past year from being primarily information sheets into colourful and glossy circulars, which have included contributions such as poetry, photographs and puzzles from tenants and friends, reflecting the creativity and interesting commentaries from all the contributors. It has also served as a vehicle for keeping people in touch with the life of Gatesfield.

# **Gatesfield Quaker Housing Association Limited**

## **Board Members' Report**

The tenant support service is now well used by tenants and recently has been taken up by a potential tenant who lives in Windermere who does not feel he is ready to move from his home just yet. This may be a service that can be offered to others living locally. It is an additional service to that offered by Gatesfield at Home.

The efficient functioning of Gatesfield is dependent on the administrative and technical expertise of Dave Aspinall and Martin Rouen. Both provide invaluable support to the Board of Management and the Scheme Manager in their different roles. Martin's long involvement and knowledge of the history and development of Gatesfield is particularly helpful. He is able to provide support and guidance with regard to the development of policies and practices and keep us aware of any legislative changes, which may affect tenants and staff. This has been particularly evident by his response in taking a lead role in putting safety measures in place during the pandemic, and updating everyone on the relevance and meaning of the changes of the government regulations for all living at and associated with Gatesfield.

### ***Volunteers***

Each year we say that without the support of volunteers the life and environment of Gatesfield would not be the same and it is evident that those activities that had to be postponed were missed. The Craft Room has not been the usual hive of activity for the creation of items such as jewellery and cards which we have been used to seeing for sale, in the Gatesfield entrance hall or at events. Also groups organised by tenants themselves such as the Bible Study and Keep Fit have been cancelled.

Throughout this difficult year the gardens have continued to be lovingly cared for and developed. An exciting new installation of raised beds, where vegetables will be grown, the building of walls by our very skilled stone waller, Jean Savage, and the redevelopment of a new garden around Craft Cottage are all to be enjoyed in spite of the pandemic. Hopefully, they will contribute towards a healing environment for the benefit of us all. Without the beautiful gardens tenants would not have had a special place for gentle walking, solitude, meeting other neighbours and friends, even if socially distanced, during this potentially isolating and lonely time.

Thanks go to all the garden volunteers for the time they give to making the Gatesfield environment so attractive yet also functional and accessible.

### ***Board of Management***

All Board meetings and Advisory Group meetings since March 2020 have been undertaken via Zoom. This alternative form of communication has proved to be invaluable and most people connected with Gatesfield have become used to this.

Joyce Hawthorn took on the role of 1st Vice-Chair, replacing David Le Mare who is now 2nd Vice Chair. This role was formerly undertaken by Marilyn Robinson, but she has decided to step down from the Board after being unwell for some time. She has served on the Board for 30 years and has played a significant role in the life and development of Gatesfield. She will be missed by all of us at Gatesfield.

Margaret Free and Keith Triplett have continued as active Tenant Board Members and have made a significant contribution to the decision making of the Board. As mentioned in previous reports their presence on the Board ensures other Board Members are kept aware of the reality of life at Gatesfield and are able to bring the comments and wishes of their neighbours to the table. We also continue to appreciate the help provided by Tim Bartlett, John Studholme and Sarah Watson as advisers when particular areas of policy and practice require special expertise.

### ***Future plans***

Gatesfield was established 40 years ago and was formally registered as an Industrial & Provident Society on 8th September 1980, with our first tenants moving in two years later in the autumn of 1982. We plan to celebrate these anniversaries with a number of events in 2021 and 2022.



## **Gatesfield Quaker Housing Association Limited**

### **Board Members' Report**

The day-to-day task of maintaining and developing the Gatesfield we all know and love will of course continue to be our main focus. One area for future development may include extending the tenant support service into the local community for people who are not yet quite ready to move from their home. A key short-term aim for the Board will be on ensuring the financial security of Gatesfield by rebuilding its reserves, thereby securing the future of the great enterprise that is Gatesfield.

# Gatesfield Quaker Housing Association Limited

## Board Members' Report

### Financial Performance

#### *A report by our Treasurer, Michael Carter*

Overall income from Gatesfield's charitable activities increased significantly to £206,545 in 2020, compared to £176,893 in 2019, reflecting increases in rental, catering and tenant support income, as well as a one-off grant of £10,000 from South Lakeland District Council related to the Coronavirus crisis. Excluding depreciation and non-recurrent maintenance expenditures, but including a notional contribution to the Non-recurrent Maintenance Fund of £21,400 (based on £20,000 per annum at 2016 prices), operating expenses also increased significantly, from £194,182 in 2019 to £218,745 in 2020. As a result, the operating deficit (before depreciation and non-recurrent maintenance expenditure, but after the notional contribution to the Non-recurrent Maintenance Fund) declined, from £17,289 in 2019 to £12,200 in 2020. With the completion of the Craft Cottage project in late 2020 (see below) we expect an increase in rental income in 2021 which should further reduce or eliminate this deficit.

Non-recurrent maintenance costs amounted to £16,979 in 2020, compared to £23,541 in the previous year. During the year, we were obliged to transfer £38,800 from the Non-recurrent Maintenance Fund to help meet a significant cost overrun on the Craft Cottage project. Consequently, the balance on the Non-recurrent Maintenance Fund declined to £6,942 by the end of 2020.

During the year, Gatesfield received grants and donations totalling £170,004. The largest part of this amount was the balance of the £90,000 grant from Cumbria County Council, as well as the full amount of a grant of the same amount from South Lakeland District Council, both towards the Craft Cottage project. Gatesfield also continued to benefit from donations from tenants as well as a number of donations from individuals.

Gatesfield participates in the Social Housing Pension Scheme under a defined benefit option. During the year, despite a positive performance of the underlying assets and a number of recovery plans to which Gatesfield has had to contribute to, the overall deficit attributable to Gatesfield increased from £55,000 to £70,000 during the year. This is of some concern, and trustees will need to keep this matter under review.

Towards the end of 2020, the Craft Cottage project was finally completed. Unfortunately, the delays recorded in last year's report were compounded when the contractor failed to return to site as the Coronavirus situation eased, and subsequently went out of business. As a result, Gatesfield was obliged to find and employ new contractors to complete the work. As a result of the delays, of additional work required when structural problems were uncovered and of the withdrawal of the contractor, costs to completion exceeded estimates by a substantial margin. Most of this cost overrun had to be financed by a significant drawdown of Gatesfield's reserves. However, the first tenant at Craft Cottage moved in in November 2020, and the other two new flats have subsequently also been let. As a result of the completion of the Craft Cottage project, Gatesfield's recurrent position will be significantly better than it would otherwise have been; at the same time, we will need to focus on ways to rebuild reserves to a higher level over the next few years, so that we can be assured that Gatesfield has the necessary resources to meet long-term maintenance needs as well as any unforeseen emergency.

It has taken some time to mobilise the necessary resources for the construction of lifts to the upper floors of Gatesfield's three blocks of flats, and to complete the preparatory technical work. However, this process is almost complete, and construction should take place in 2021.

#### ***Policy on reserves***

Gatesfield's financial reserves are broken down into a series of designated and restricted 'Funds'. Restricted Funds contain resources which can only be used for the purpose of the Fund (usually because the donors have so specified); whereas Designated Funds contain resources that have been allocated by decision of the Board, and, therefore, are available for re-allocation by further Board decision if ever judged appropriate.

# Gatesfield Quaker Housing Association Limited

## Board Members' Report

These funds are:

- a) a Recurrent Fund, which reflects the levels of recurrent income and expenditure with any resulting surplus being transferred to the Free Reserve immediately at year-end;
- b) a Designated Non-Recurrent Maintenance Fund, from which non-routine maintenance is funded. We set aside resources each year. When periodic maintenance expenditures are low, the fund builds in value, so that we also should not need to react drastically if actual periodic maintenance expenditures reach a high level in any particular year because of a particularly expensive major replacement or repair;
- c) a Designated Emergency Reserve Fund, which has been set at six months operating expenditure excluding depreciation, and is set aside to provide interim resources to Gatesfield to meet exceptional expenditure or in the event that Gatesfield's income flow were suddenly interrupted;
- d) a Restricted and Designated Garden Funds, which provide funding for development of the garden at Gatesfield, mainly acquisition of planting material and equipment. (Normal maintenance of the garden is included in the recurrent budget, while any structural repairs - for example for fencing - would be covered by the Non-Recurrent Maintenance Fund). The restricted fund holds donations given specifically for the upkeep and development of the garden, whereas the designated fund holds funds set aside by the Association for the same purpose;
- e) a Designated Development Fund, which contains amounts set aside by Gatesfield's Board to finance new developments at the Gatesfield site;
- f) a Restricted Development Fund holds donations towards new development work;
- g) a Restricted Craft Cottage Development Fund, holds any grants and donations awarded/given expressly for the purpose of carrying out this specific project;
- h) a Restricted Tenants Welfare Fund, to fund specific care and welfare needs outside the normal social housing provision and;
- i) the Revaluation Reserve, which shows the increase (or decrease) in the market value of financial assets held by Gatesfield; and
- j) the Free Reserve (i.e. the uncommitted financial capital reserve).

### *Investment policy and objectives*

Brewin Dolphin are instructed by Gatesfield to invest ethically and to ensure that the risk category for the portfolio is low to medium. Grants received into restricted funds (e.g. for development projects) are held in bank/building society accounts or other instruments that protect their capital value.

The Instructions to Brewin Dolphin, who manage our Investment Portfolio regarding ethical investments are as follows:

We wish to avoid investment in companies that:

- i. have convictions for serious or persistent pollution offences;
- ii. deny employees rights of association;
- iii. have a poor health and safety record;
- iv. contravene international human rights standards;
- v. consistently promote products in contravention of regulatory guidelines, or have incurred significant fines;
- vi. are involved in the irresponsible marketing of alcohol;
- vii. carry out animal testing for non-medical purposes.

# **Gatesfield Quaker Housing Association Limited**

## **Board Members' Report**

We also wish to avoid investment in companies that have significant activity in:

- i. manufacture of persistent or artificial pesticides, herbicides or fertilisers;
- ii. food production using intensive farming methods;
- iii. production or use of timber from non-sustainable sources;
- iv. intensive livestock farming;
- v. retail of fur products;
- vi. manufacture or sale of weapons, combat platforms or ordnance;
- vii. operation of betting or gaming facilities;
- viii. production, sale or distribution of sexually explicit material;
- ix. production of cigarettes and tobacco products.

### **Structure, governance and management**

#### ***Nature of governing document***

Gatesfield Quaker Housing Association Limited is registered under the Co-operative and Community Benefit Societies Act 2014 (formerly the Industrial and Provident Societies Act 1965) with the Financial Conduct Authority (registration number 22990R).

The Rules of the Association are based on the Model Rules 2005 (revised) published by the National Housing Federation, with amendments to rules C28, C29, C30 and C32 relating to voting in meetings (to allow the Quaker practice to be followed, where the Chair takes the 'sense of the meeting').

#### ***Recruitment and appointment of Board Members***

Members of the Board of Management are appointed by the AGM normally to serve until required to stand down under Rule D12. Anyone standing for appointment to the Board must already be a member of the Association (i.e. a shareholder). The Board may at its discretion admit to membership of the Association (Rules C11, C12 and C13) any individual persons (including nominees of unincorporated bodies), Societies, Companies and Local Authorities (being bodies corporate).

Under the rules, the maximum number of persons appointed to the Board of Management is twelve (including Tenant and co-opted members). Board meetings are normally also attended by the Scheme Manager, Admin/IT support and Business Support Contractor.

Up to two Tenant Board Members may sit on the Board of Management. They are elected by the Tenants.

#### ***Induction and training of Board Members***

New members of the Board of Management receive a copy of the Rules of the Association, the Governing documents and the Association's Policy Statements as well as various other items of background information on the Association.

Officers of the Board of Management are appointed by the Board, normally at its first meeting after the AGM.

# Gatesfield Quaker Housing Association Limited

## Board Members' Report

### *Organisational structure*

The Board of Management normally meets twelve times per year and fulfils the following roles:

#### Review

1. Sets/reviews policies and procedures (e.g. operations, human resources, health & safety, security)
2. Monitors/reviews service delivery (including a periodic satisfaction survey)
3. Monitors/reviews financial status (including running costs, income, investments)
4. Maintains awareness of developments in the social housing sector

#### Strategic Planning

1. Carries out forward financial planning
2. Determines service provision/future direction
3. Agrees annual budgets and set rents
4. Agrees staff conditions of service (including remuneration), staff contracts, staff recruitment

#### Other

1. Initiates and approves funding of special projects
2. Undertakes fundraising

We aim to have a Board that reflects the diversity of the local community and our users.

The Board has appointed Advisory Groups to focus on particular matters, as follows:

1. Operational Support Advisory Group
2. Property and Development Advisory Group
3. Finance and Business Planning Advisory Group

Personnel for these groups are usually decided at the first Board Meeting after the Annual General Meeting each year and otherwise by the Board as required.

A review of the Skills, Qualities and Experience required by the Board of Management amongst its members is carried out periodically. The criteria listed below were agreed by the Board, based on a template from National Council for Voluntary Organisations.

1. Awareness of the Sector - knowledge of modern approaches to services for Older People and Supported Housing.
2. Customer Care - bench marking our service with other comparators in the sector.
3. Fundraising - raising money for service developments.
4. Governance - responsibility of the Board to ensure the business of Gatesfield QHA is conducted in a manner that adheres to relevant statutory rules and laws and the Quaker principles under which the Association was established.
5. Human Resources - the recruitment and management of staff that work for the Gatesfield QHA.
6. IT and Business - ensuring best business practice and efficient use of Information Technology.
7. Knowledge of the Community - links with Windermere and wider communities.
8. Legal - ensuring the Association complies with all necessary legislation.
9. Property Management - good repair of the property that belongs to the Association.
10. Strategic planning - maintaining an overview of the longer term direction of the Association.
11. Media/Communications - communicating Gatesfield services and values.

# **Gatesfield Quaker Housing Association Limited**

## **Board Members' Report**

### **Membership of the Association**

Section C of the Rules of the Association set out rules relating to membership of the Association. Subject to the limitations set out in the rules, membership is normally open to anyone providing they support the Association's aims and ethos. All applications for membership will, however, be considered by the Board of Management, which reserves the right to refuse membership.

Members of the Association (also referred to as Shareholders) are responsible for electing the Association's Board which, in turn, is responsible for ensuring the effective management of the Association. The Board appoints the Chair and other Officers of the Association.

All members are invited to the Association's Annual General Meeting, held in May or June each year. The AGM appoints the Board, and may consider any other matters where decisions are made by the membership. If members wish to play a more active role in the Association, they can stand for election to the Board.

The Association is keen to increase the number of Members of the Association and welcomes applications from those who support our aims and wish to contribute to our work.

### **Tenant Representation on the Board**

Tenants have the right to elect up to two Tenant Board Members or Tenant Representatives. Tenant Board Members are full Board Members with equal status to and the same responsibilities as other Board Members, except in the specific circumstances described in the Association's Rules. We recognise that some Tenants might prefer to join the Board as a Tenant Representative instead, still to take part in Board meetings and bring matters of concern to Tenants to the Board, but who do not share the full responsibilities as a Trustee. Any Tenant wishing to be appointed to join the Board may decide whether he/she would prefer to do so as a Tenant Board Member or Tenant Representative.

While Tenant representation through elected Tenant Board Members or Tenant Representatives is welcomed, it is not obligatory. Tenants may choose to elect two, one or no Tenant Board Members or Tenant Representatives. Tenant Board Members/Tenant Representatives are elected by the Tenants each year prior to the AGM through secret ballot conducted according to a modified Alternative Vote system (also known as Preference Voting). The modification is that the option not to elect a Tenant Board Member or Tenant Representative appears as a 'candidate'. A prospective Tenant Board Member or Tenant Representative can therefore only be elected if his/her support exceeds the preference votes cast for the option not to have representation. All tenants are eligible to vote. The arrangements for holding the election will be made by the Tenants' meeting. One Tenant Board Member/Tenant Representative shall normally be elected by the Tenants annually to serve for a period of two years (from the date of the AGM following their election), so that generally two Tenant Board Members will serve at any time. Should a Tenant Board Member stand down before the end of his/her 2-year term an election will be held to fill the vacancy for the remainder of term of the Tenant Board Member who stood down. Tenants wishing to stand for appointment as a Tenant Board Member or Tenant Representative may be nominated by any tenant (including himself/herself), but in all cases the nominees must give their approval to go forward to stand for election. Any tenant standing for appointment as a Tenant Board Member or Tenant Representative should decide on which basis they seek election to the Board.

### **Staffing**

The Scheme Manager has responsibility for the day-to-day operation of the Scheme. She line manages five part-time and casual staff comprising two part-time Assistant Wardens, a casual Relief Warden, a part-time Catering Manager and a part-time Tenant Support Worker. She also monitors and directs the work of the Maintenance/Gardening contractor. The casual IT/Admin support post and Business Support contractor work in close liaison with the Scheme Manager but report directly to the Board.

We expect to carry out a further skills audit shortly.

# Gatesfield Quaker Housing Association Limited

## Board Members' Report

### Financial instruments

#### *Objectives and policies*

The Association's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The charity does not use derivative financial instruments.

#### *Cash flow risk*

The Association's activities expose it primarily to the financial risks of sharp changes in operating costs.

#### *Credit risk*

The Association's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The Association's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Association has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

#### *Liquidity risk*

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

### Statement of Responsibilities

The Board Members (who are also the directors of Gatesfield Quaker Housing Association Limited for the purposes of company law) are responsible for preparing the Board Members' 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 Board Members to prepare financial statements for each financial year. Under company law the Board Members 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 Board Members 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.

# **Gatesfield Quaker Housing Association Limited**

## **Board Members' Report**

### **Statement of Board Members' Responsibilities**

The Board Members 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 Co-operative and Community Benefit Societies Act 2014. 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.

The annual report was approved by the Board Members of the Co-operative and Community Benefit Society on 12 May 2021 and signed on its behalf by:

.....  
Mary Robinson  
Chair



## **Gatesfield Quaker Housing Association Limited**

### **Independent Reporting Accountant's Report to the members on the unaudited accounts of Gatesfield Quaker Housing Association Limited**

We report on the accounts for the year ended 31 December 2020 which are set out on pages 16 to 40.

#### **Respective responsibilities of the Board Members and the independent reporting accountant**

The association's board is responsible for the preparation of the accounts, and they consider that the society is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

#### **Basis of opinion**

Our procedures consisted of comparing the accounts with the books of account kept by the society and making such limited enquiries of the officers of the society as we considered necessary for the purpose of this report. These procedures provide the only assurance expressed in our opinion.

#### **Opinion**

In our opinion:

- the revenue accounts (statement of financial activities) and balance sheet for the year ended 31 December 2020 are in agreement with the books of account kept by the Registered Society under section 75 of the Co-operative and Community Benefit Societies Act 2014;
- having regard only to, and on the basis of the information contained in the books of account, the revenue account and balance sheet for the year ended 31 December 2020 comply with the requirements of the Co-operative and Community Benefit Societies Act 2014; and
- the society met the financial criteria enabling it to disapply the requirement to have an audit of the accounts for the year specified in section 84 of the Co-operative Benefit Societies Act 2014.

.....  
Stables Thompson & Briscoe  
Reporting Accountants & Statutory Auditor

Lowther House  
Lowther Street  
Kendal  
Cumbria  
LA9 4DX

Date:.....

## Gatesfield Quaker Housing Association Limited

### Statement of Financial Activities for the Year Ended 31 December 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

|  | Note | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2020<br>£    |
|--|------|----------------------------|--------------------------|-----------------------|
| <b>Income and Endowments from:</b>                 |      |                            |                          |                       |
| Donations and legacies                             | 2    | 12,384                     | 157,620                  | 170,004               |
| Charitable activities                              | 3    | 206,545                    | -                        | 206,545               |
| Investment income                                  | 4    | <u>2,261</u>               | <u>-</u>                 | <u>2,261</u>          |
| <b>Total Income</b>                                |      | <u>221,190</u>             | <u>157,620</u>           | <u>378,810</u>        |
| <b>Expenditure on:</b>                             |      |                            |                          |                       |
| Raising funds                                      | 5    | (1,500)                    | -                        | (1,500)               |
| Charitable activities                              | 6    | (257,985)                  | (327)                    | (258,312)             |
| Other expenditure                                  | 7    | <u>(3,000)</u>             | <u>-</u>                 | <u>(3,000)</u>        |
| <b>Total Expenditure</b>                           |      | <u>(262,485)</u>           | <u>(327)</u>             | <u>(262,812)</u>      |
| Gains/losses on investment assets                  |      | <u>2,182</u>               | <u>-</u>                 | <u>2,182</u>          |
| Net (expenditure)/income                           |      | (39,113)                   | 157,293                  | 118,180               |
| Transfers between funds                            |      | 117,195                    | (117,195)                | -                     |
| <b>Other recognised gains and losses</b>           |      |                            |                          |                       |
| Actuarial gains on defined benefit pension schemes |      | <u>(23,000)</u>            | <u>-</u>                 | <u>(23,000)</u>       |
| Net movement in funds                              |      | 55,082                     | 40,098                   | 95,180                |
| <b>Reconciliation of funds</b>                     |      |                            |                          |                       |
| Total funds brought forward                        |      | <u>860,011</u>             | <u>(31,979)</u>          | <u>828,032</u>        |
| Total funds carried forward                        | 22   | <u><u>915,093</u></u>      | <u><u>8,119</u></u>      | <u><u>923,212</u></u> |

The notes on pages 19 to 37 form an integral part of these financial statements.

## Gatesfield Quaker Housing Association Limited

### Statement of Financial Activities for the Year Ended 31 December 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

|  | Note | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2019<br>£ |
|--|------|----------------------------|--------------------------|--------------------|
| <b>Income and Endowments from:</b>                 |      |                            |                          |                    |
| Donations and legacies                             | 2    | 4,674                      | 50,360                   | 55,034             |
| Charitable activities                              | 3    | 176,893                    | -                        | 176,893            |
| Investment income                                  | 4    | 7,912                      | -                        | 7,912              |
| <b>Total Income</b>                                |      | <b>189,479</b>             | <b>50,360</b>            | <b>239,839</b>     |
| <b>Expenditure on:</b>                             |      |                            |                          |                    |
| Raising funds                                      | 5    | (2,060)                    | -                        | (2,060)            |
| Charitable activities                              | 6    | (230,416)                  | (226)                    | (230,642)          |
| Other expenditure                                  | 7    | (4,000)                    | -                        | (4,000)            |
| <b>Total Expenditure</b>                           |      | <b>(236,476)</b>           | <b>(226)</b>             | <b>(236,702)</b>   |
| Gains/losses on investment assets                  |      | 35,076                     | -                        | 35,076             |
| <b>Net (expenditure)/income</b>                    |      | <b>(11,921)</b>            | <b>50,134</b>            | <b>38,213</b>      |
| Transfers between funds                            |      | 183,761                    | (183,761)                | -                  |
| <b>Other recognised gains and losses</b>           |      |                            |                          |                    |
| Actuarial gains on defined benefit pension schemes |      | 7,287                      | -                        | 7,287              |
| <b>Net movement in funds</b>                       |      | <b>179,127</b>             | <b>(133,627)</b>         | <b>45,500</b>      |
| <b>Reconciliation of funds</b>                     |      |                            |                          |                    |
| Total funds brought forward                        |      | 680,884                    | 101,648                  | 782,532            |
| Total funds carried forward                        | 22   | <b>860,011</b>             | <b>(31,979)</b>          | <b>828,032</b>     |

All of the Co-operative and Community Benefit Society's activities derive from continuing operations during the above two periods.

The funds breakdown for 2019 is shown in note 22.

# Gatesfield Quaker Housing Association Limited

## (Registration number: IP22990R) Balance Sheet as at 31 December 2020

|   | Note | 2020<br>£        | 2019<br>£ (As restated) |
|---|------|------------------|-------------------------|
| <b>Fixed assets</b>   |      |                  |                         |
| Tangible assets   | 13   | 1,020,847        | 858,018                 |
| Investments   | 14   | <u>99,294</u>    | <u>147,588</u>          |
|   |      | <u>1,120,141</u> | <u>1,005,606</u>        |
| <b>Current assets</b>   |      |                  |                         |
| Stocks  | 15   | 250              | 250                     |
| Debtors   | 16   | 6,123            | 4,176                   |
| Cash at bank and in hand  | 17   | <u>19,852</u>    | <u>36,469</u>           |
|   |      | 26,225           | 40,895                  |
| <b>Creditors: Amounts falling due within one year</b>           | 18   | <u>(6,610)</u>   | <u>(7,704)</u>          |
| <b>Net current assets</b>                                       |      | <u>19,615</u>    | <u>33,191</u>           |
| <b>Total assets less current liabilities</b>                    |      | 1,139,756        | 1,038,797               |
| <b>Creditors: Amounts falling due after more than one year</b>  | 19   | <u>(146,497)</u> | <u>(155,718)</u>        |
| <b>Net assets excluding pension liability</b>                   |      | 993,259          | 883,079                 |
| <b>Pension scheme liability</b>                                 | 20   | <u>(70,000)</u>  | <u>(55,000)</u>         |
| <b>Net assets including pension liability</b>                   |      | <u>923,259</u>   | <u>828,079</u>          |
| <b>Funds of the Co-operative and Community Benefit Society:</b> |      |                  |                         |
| <b>Restricted income funds</b>                                  |      |                  |                         |
| Restricted funds  |      | 8,119            | (31,979)                |
| <b>Unrestricted income funds</b>                                |      |                  |                         |
| Called up share capital   | 21   | 47               | 47                      |
| Unrestricted funds  |      | <u>915,093</u>   | <u>860,011</u>          |
| Total unrestricted funds  |      | <u>915,140</u>   | <u>860,058</u>          |
| <b>Total funds</b>  | 22   | <u>923,259</u>   | <u>828,079</u>          |

The financial statements on pages 16 to 40 were approved by the Board Members, and authorised for issue on 12 May 2021 and signed on their behalf by:

.....  
Michael Carter (Treasurer)  
Trustee

.....  
Mary Robinson  
Chairman

.....  
David Aspinnall  
Company Secretary

The notes on pages 19 to 37 form an integral part of these financial statements.

# Gatesfield Quaker Housing Association Limited

## Notes to the Financial Statements for the Year Ended 31 December 2020

### 1 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

Gatesfield Quaker Housing Association Limited is a Co-operative and Community Benefit Society (formerly Industrial and Provident Society) reporting to the Financial Conduct Authority and a company limited by shares incorporated in England. The address of the registered office is given in the information page of these financial statements. The nature of the Association's operations and principal activities are to provide housing accommodation as described in the Board Members' Report.

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) issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 1A and the Co-operative and Community Benefit Societies Act 2014.

#### Basis of preparation

Gatesfield Quaker Housing Association Limited 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 notes.

The financial statements are prepared in sterling, which is the functional currency of the company, and rounded to the nearest £.

#### Going concern

The Board Members consider that there are no material uncertainties about the Co-operative and Community Benefit Society's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the Co-operative and Community Benefit Society.

#### Departure from requirements of FRS 102

Gatesfield Quaker Housing Association Limited has not discounted its long term liability, as it is not deemed to be material.

Holiday pay outstanding at 31 December 2020 is immaterial and therefore has not been adjusted for in the accounts.

#### Income and endowments

All income is recognised once the Co-operative and Community Benefit Society 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.

## **Gatesfield Quaker Housing Association Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### ***Donations and legacies***

Donations are recognised when the Co-operative and Community Benefit Society 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 Co-operative and Community Benefit Society before the Co-operative and Community Benefit Society 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 Co-operative and Community Benefit Society and it is probable that these conditions will be fulfilled in the reporting period.

#### ***Deferred income***

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the Co-operative and Community Benefit Society has unconditional entitlement.

#### ***Other trading activities***

Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

#### ***Investment income***

Income from investments is included in the year in which it is receivable.

#### ***Other income***

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

#### **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***

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purchases.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the Registered Society 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.

#### **Governance costs**

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

# Gatesfield Quaker Housing Association Limited

## Notes to the Financial Statements for the Year Ended 31 December 2020

### Taxation

The Co-operative and Community Benefit Society 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 Co-operative and Community Benefit Society 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

Individual fixed assets costing £200.00 or more are initially recorded at cost including any incidental costs of acquisition.

Flat upgrades are capitalised in the accounts at cost and not written off as repairs where this involves a complete refurbishment of the flat.

### 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                  |
|----------------------------------|---|
| Leasehold properties             | 2% straight line of the net cost after grants |
| Leasehold improvements           | 5% straight line                              |
| Fixtures, fittings and equipment | 20% reducing balance                          |

### 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.

### Stock

Stock is valued at the lower of cost and net realisable value.

### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. A provision for the impairment of trade debtors is established when there is objective evidence that the Association will not be able to collect all amounts due according to the original terms of the receivables.

### 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.

## **Gatesfield Quaker Housing Association Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Co-operative and Community Benefit Society has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Social Housing Grants (SHG)**

SHG received as a grant towards revenue expenditure is matched against that expenditure by being included in turnover in the income and expenditure account. The related expenditure is included under operating costs. SHG is recognised in the same period as the related expenditure provided the conditions for its receipt have been satisfied and there is reasonable assurance that the grant will be received.

SHG received as a contribution towards the capital costs of a scheme is shown as a provision. If the property was sold this amount would need to be repaid, so the total grant received is shown as deferred income on the balance sheet. The depreciation charged on long leasehold property is adjusted proportionally to reflect this amount.

Capital grants can be recycled under certain condition, if a property is sold, or if another relevant event takes place. Recycled grants can be used for projects approved by the Homes and Communities Agency (HCA) and they are credited to the Recycled Capital Grant Fund within liabilities.

In certain circumstances, such as the sale of housing properties, capital grants may be repayable, and, in that event, is subordinated to the repayment of other loans by agreement with the Homes and Communities Agency (HCA). It is accounted for as soon as the liability arises within creditors: amounts falling due within one year. When any grant to be recycled or repaid is less than the grant relating to the disposal, the difference is treated as abated grant. Abated capital grants are treated as a component of the surplus or deficit on disposal.



## **Gatesfield Quaker Housing Association Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **Fund structure**

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

The building fund represents the net book value of the long leasehold land and buildings included in tangible fixed assets.

The emergency fund has been set up to sustain the operation of Registered Society in the event of any period where income is severely reduced or disrupted and is equal to 50% of prior years support costs, excluding depreciation.

The flat upgrade fund provides resources for the one remaining flat upgrades required now that SLDC grants are no longer available.

The designated garden fund represents money set aside to develop the gardens at Gatesfield.

The non-recurrent maintenance fund represents money set aside for non-recurrent maintenance projects.

The general funds are the remaining free reserves.

The revaluation reserve represents the unrealised gains on investments held.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Specific donations towards the upkeep of the gardens were received during the year.

The Restricted Tenants' Welfare Fund are monies donated to Gatesfield to fund communal or individual welfare needs outside normal social housing provisions. These can include items of equipment.

The Restricted Development Fund has been set up as part of Gatesfield's 30th Anniversary Appeal to support the development of property by Gatesfield to enhance the facilities offered to tenants and to ensure that the charity continues to meet their changing needs.

The Restricted Craft Cottage Project Fund has been set up for the receipt and expenditure of funds donated to Gatesfield specifically for the Craft Cottage project.

The transfers relate to the initial costs of the Craft Cottage Project and is reflected in the additions to the fixed assets.

#### **Pensions and other post retirement obligations**

The pension costs charged in the financial statements represent the contributions payable by the Registered Society during the year. Gatesfield participates in the Social Housing Pension Scheme (SHPS). The Scheme is funded and is a contracted out of the state scheme. SHPS is a multi-employer scheme offering both defined benefit and defined contribution pensions. Gatesfield offer defined benefit pensions to all non-casual staff. Employer participation in the scheme is subject to adherence with the employer responsibilities and obligations as set out in the "SHPS House Policies and Rules Employer Guide".

## **Gatesfield Quaker Housing Association Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **Financial instruments**

##### ***Classification***

Financial assets and financial liabilities are recognised when the Co-operative and Community Benefit Society becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Co-operative and Community Benefit Society after deducting all of its liabilities.

##### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Co-operative and Community Benefit Society intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Co-operative and Community Benefit Society transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Co-operative and Community Benefit Society, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

##### ***Investments***

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

##### ***Fair value measurement***

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

## Gatesfield Quaker Housing Association Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 2 Income from donations and legacies

|   | <b>Unrestricted<br/>funds<br/>General<br/>£</b> | <b>Restricted<br/>funds<br/>£</b> | <b>Total<br/>2020<br/>£</b> |
|---|---|-----------------------------------|-----------------------------|
| Donations and legacies;                               |   |                                   |                             |
| Donations to development fund & Craft Cottage project | -   | 157,500                           | 157,500                     |
| Donations   | 10,971  | 120                               | 11,091                      |
| Gift aid reclaimed                                    | 1,413   | -                                 | 1,413                       |
|   | <u>12,384</u>                                   | <u>157,620</u>                    | <u>170,004</u>              |
|   | <b>Unrestricted<br/>funds<br/>General<br/>£</b> | <b>Restricted<br/>funds<br/>£</b> | <b>Total<br/>2019<br/>£</b> |
| Donations and legacies;                               |   |                                   |                             |
| Donations to development fund & Craft Cottage project | -   | 46,646                            | 46,646                      |
| Donations   | 4,674   | 2,655                             | 7,329                       |
| Gift aid reclaimed                                    | -   | 1,059                             | 1,059                       |
|   | <u>4,674</u>                                    | <u>50,360</u>                     | <u>55,034</u>               |

#### 3 Income from charitable activities

|   | <b>Unrestricted<br/>funds<br/>General<br/>£</b> | <b>Total<br/>2020<br/>£</b> | <b>Total<br/>2019<br/>£</b> |
|---|---|-----------------------------|-----------------------------|
| Rent income and staff accommodation charges | 166,323   | 166,323                     | 153,789                     |
| Catering income                             | 19,179  | 19,179                      | 15,011                      |
| Guest Room income                           | 60  | 60                          | 1,780                       |
| Sundry income                               | 18  | 18                          | 89                          |
| Gatesfield at Home                          | 270   | 270                         | 360                         |
| Tenant support                              | 10,695  | 10,695                      | 5,864                       |
| COVID grant                                 | 10,000  | 10,000                      | -                           |
|   | <u>206,545</u>                                  | <u>206,545</u>              | <u>176,893</u>              |

# Gatesfield Quaker Housing Association Limited

## Notes to the Financial Statements for the Year Ended 31 December 2020

### 4 Investment income

|  | <b>Unrestricted<br/>funds<br/>General<br/>£</b> | <b>Total<br/>2020<br/>£</b> |
|--|---|-----------------------------|
| Income from dividends;                             |   |                             |
| Dividends receivable from other listed investments | 2,261   | 2,261                       |
|  | <u>2,261</u>                                    | <u>2,261</u>                |
|  | <u>2,261</u>                                    | <u>2,261</u>                |
|  |   |                             |
|  | <b>Unrestricted<br/>funds<br/>General<br/>£</b> | <b>Total<br/>2019<br/>£</b> |
| Income from dividends;                             |   |                             |
| Dividends receivable from other listed investments | 7,912   | 7,912                       |
|  | <u>7,912</u>                                    | <u>7,912</u>                |
|  | <u>7,912</u>                                    | <u>7,912</u>                |

## Gatesfield Quaker Housing Association Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 5 Expenditure on raising funds

##### a) Investment management costs

|  | Note | Unrestricted<br>funds<br>General<br>£ | Total<br>funds<br>£ |
|--|------|---------------------------------------|---------------------|
| Other investment management costs;<br>Amounts payable to investment managers |      | 1,500                                 | 1,500               |
| <b>Total for 2020</b>  |      | 1,500                                 | 1,500               |
| <b>Total for 2019</b>  |      | 2,060                                 | 2,060               |

#### 6 Expenditure on charitable activities

|   | Unrestricted<br>funds<br>General<br>£ | Restricted<br>funds<br>£ | Total<br>funds<br>£ |
|---|---------------------------------------|--------------------------|---------------------|
| Catering                                  | 10,371                                | -                        | 10,371              |
| Housing and Housing Related Support Costs | 242,871                               | 327                      | 243,198             |
| Governance costs                          | 4,743                                 | -                        | 4,743               |
| <b>Total for 2020</b>                     | 257,985                               | 327                      | 258,312             |
| <b>Total for 2019</b>                     | 230,416                               | 226                      | 230,642             |

|   | Activity<br>undertaken<br>directly<br>£ | Activity<br>support costs<br>£ | Total<br>expenditure<br>£ |
|---|---|--------------------------------|---------------------------|
| Housing and Housing Related Support Costs | 243,198                                 | -                              | 243,198                   |
| Catering                                  | 10,371                                  | -                              | 10,371                    |
| Governance costs                          | -                                       | 4,743                          | 4,743                     |
| <b>Total for 2020</b>                     | 253,569                                 | 4,743                          | 258,312                   |
| <b>Total for 2019</b>                     | 225,357                                 | 5,285                          | 230,642                   |

In addition to the expenditure analysed above, there are also governance costs of £4,743 (2019 - £5,285) which relate directly to charitable activities. See note 8 for further details.

## Gatesfield Quaker Housing Association Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 7 Other expenditure

|                       | Note | Unrestricted<br>funds<br>General<br>£ | Total<br>funds<br>£ |
|-----------------------|------|---------------------------------------|---------------------|
| Staff costs           |      |                                       |                     |
| Pension costs         |      | 3,000                                 | 3,000               |
| <b>Total for 2020</b> |      | 3,000                                 | 3,000               |
| <b>Total for 2019</b> |      | 4,000                                 | 4,000               |

#### 8 Analysis of governance and support costs

##### Governance costs

|   | Unrestricted<br>funds<br>General<br>£ | Total<br>2020<br>£ | Total<br>2019<br>£ |
|---|---------------------------------------|--------------------|--------------------|
| Independent Reporting Accountant's remuneration | 4,333                                 | 4,333              | 4,147              |
| Trustee and staff expenses                      | 410                                   | 410                | 1,088              |
| Legal and professional fees                     | -                                     | -                  | 50                 |
|   | 4,743                                 | 4,743              | 5,285              |

## Gatesfield Quaker Housing Association Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 9 Net incoming/outgoing resources

Net incoming resources for the year include:

|  | 2020           | 2019           |
|--|----------------|----------------|
|  | £              | £              |
| Loss on disposal of fixed assets held for the Co-operative and Community Benefit Society's own use | 236            | -              |
| Depreciation of fixed assets   | 56,209         | 47,330         |
| Release of deferred grant income against depreciation  | <u>(9,221)</u> | <u>(9,221)</u> |

#### 10 Board Members remuneration and expenses

During the year the Co-operative and Community Benefit Society made the following transactions with Board Members:

##### Michael Carter (Treasurer)

£Nil (2019: £856) of expenses were reimbursed to Michael Carter (Treasurer) during the year.

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

No Board Members, nor any persons connected with them, have received any remuneration from the Co-operative and Community Benefit Society during the year.

Donations made by the Board Members without any conditions attached totalled £Nil for the year (2019 - £856).

#### 11 Staff costs

The aggregate payroll costs were as follows:

|  | 2020           | 2019           |
|--|----------------|----------------|
|  | £              | £              |
| <b>Staff costs during the year were:</b> |                |                |
| Wages and salaries                       | 98,250         | 87,054         |
| Social security costs                    | 2,468          | 2,747          |
| Pension costs                            | 13,580         | 11,687         |
| Other staff costs                        | <u>-</u>       | <u>392</u>     |
|  | <u>114,298</u> | <u>101,880</u> |

The monthly average number of persons (including senior management team) employed by the Co-operative and Community Benefit Society during the year expressed as full time equivalents was as follows:

|                                       | 2020     | 2019     |
|---------------------------------------|----------|----------|
|                                       | No       | No       |
| Full time equivalent members of staff | <u>3</u> | <u>3</u> |

The average headcount (number of staff employed) was 7 (2019 - 7) during the year.

2 (2019 - 2) of the above employees participated in the Defined Contribution Pension Schemes.

5 (2019 - 4) of the above employees participated in the Defined Benefit Pension Schemes.

## Gatesfield Quaker Housing Association Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020

Contributions to the employee pension schemes for the year including past deficit contributions totalled £21,580 (2019 - £19,262).

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

The total employee benefits of the key management personnel of the Co-operative and Community Benefit Society were £42,668 (2019 - £35,958).

#### 12 Taxation

The Co-operative and Community Benefit Society is an exempt charity and is therefore exempt from taxation.

#### 13 Tangible fixed assets

|                         | Land and<br>buildings<br>£ | Furniture and<br>equipment<br>£ | Total<br>£ |
|-------------------------|----------------------------|---------------------------------|------------|
| <b>Cost</b>             |                            |                                 |            |
| At 1 January 2020       | 1,235,697                  | 81,248                          | 1,316,945  |
| Additions               | 219,274                    | -                               | 219,274    |
| Disposals               | -                          | (3,131)                         | (3,131)    |
| At 31 December 2020     | 1,454,971                  | 78,117                          | 1,533,088  |
| <b>Depreciation</b>     |                            |                                 |            |
| At 1 January 2020       | 382,206                    | 76,721                          | 458,927    |
| Charge for the year     | 55,352                     | 857                             | 56,209     |
| Eliminated on disposals | -                          | (2,895)                         | (2,895)    |
| At 31 December 2020     | 437,558                    | 74,683                          | 512,241    |
| <b>Net book value</b>   |                            |                                 |            |
| At 31 December 2020     | 1,017,413                  | 3,434                           | 1,020,847  |
| At 31 December 2019     | 853,491                    | 4,527                           | 858,018    |

Included within the net book value of land and buildings above is £Nil (2019 - £Nil) in respect of freehold land and buildings and £1,017,413 (2019 - £853,492) in respect of leaseholds.

The cumulative Housing Association Grants received by the Association to date is £461,037 (2017 £461,037). This may become repayable in part, if the properties ceased being used as social housing. The grants are being released in line with the property depreciation charge.

#### 14 Fixed asset investments

|                   | 2020<br>£ | 2019<br>£ |
|-------------------|-----------|-----------|
| Other investments | 99,294    | 147,588   |



## Gatesfield Quaker Housing Association Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### Other investments

|                          | <b>Listed<br/>investments<br/>£</b> | <b>Total<br/>£</b> |
|--------------------------|-------------------------------------|--------------------|
| <b>Cost or Valuation</b> |                                     |                    |
| At 1 January 2020        | 147,588                             | 147,588            |
| Revaluation              | 2,182                               | 2,182              |
| Additions                | 41,730                              | 41,730             |
| Disposals                | (92,206)                            | (92,206)           |
| At 31 December 2020      | 99,294                              | 99,294             |
| <b>Net book value</b>    |                                     |                    |
| At 31 December 2020      | 99,294                              | 99,294             |
| At 31 December 2019      | 147,588                             | 147,588            |

The market value of the listed investments at 31 December 2020 was £99,294 (2019 - £147,588).

#### 15 Stock

|               | <b>2020<br/>£</b> | <b>2019<br/>£</b> |
|---------------|-------------------|-------------------|
| Raw materials | 250               | 250               |

#### 16 Debtors

|               | <b>2020<br/>£</b> | <b>2019<br/>£</b> |
|---------------|-------------------|-------------------|
| Trade debtors | -                 | 34                |
| Prepayments   | 1,703             | 1,676             |
| Other debtors | 4,420             | 2,466             |
|               | 6,123             | 4,176             |

#### 17 Cash and cash equivalents

|                                 | <b>2020<br/>£</b> | <b>2019<br/>£</b> |
|---------------------------------|-------------------|-------------------|
| Cash at bank                    | 19,745            | 36,307            |
| Other cash and cash equivalents | 107               | 162               |
|                                 | 19,852            | 36,469            |

## Gatesfield Quaker Housing Association Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 18 Creditors: amounts falling due within one year

|                                    | 2020<br>£ | 2019<br>£ |
|------------------------------------|-----------|-----------|
| Other taxation and social security | 1,440     | 1,331     |
| Accruals                           | 5,170     | 5,539     |
| Deferred income                    | -         | 834       |
|                                    | 6,610     | 7,704     |

#### 19 Creditors: amounts falling due after one year

|  | 2020<br>£ | 2019<br>£ (As restated) |
|--|-----------|-------------------------|
| Deferred income                                      | 146,497   | 155,718                 |
|  | 2020<br>£ | 2019<br>£               |
| Deferred income at 1 January 2020                    | 155,718   | 164,939                 |
| Grant released in line with depreciation of building | (9,221)   | (9,221)                 |
| Deferred income at year end                          | 146,497   | 155,718                 |

#### 20 Pension and other schemes

##### Defined benefit pension schemes

##### *The Pensions Trust - Social Housing Pension Scheme*

The company participates in the scheme, a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK. This is the first year the company has been able to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. These figures are as supplied by TPT Retirement Solutions.

The date of the most recent comprehensive actuarial valuation was 30 September 2018.

##### *Reconciliation of scheme assets and liabilities to assets and liabilities recognised*

The amounts recognised in the statement of financial position are as follows:

|   | 2020<br>£ | 2019<br>£ |
|---|-----------|-----------|
| Fair value of scheme assets                 | 367,000   | 300,000   |
| Present value of defined benefit obligation | (437,000) | (355,000) |
| Defined benefit pension scheme deficit      | (70,000)  | (55,000)  |

##### *Defined benefit obligation*

Changes in the defined benefit obligation are as follows:

## Gatesfield Quaker Housing Association Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020

|                                      | <b>2020</b><br><b>£</b> |
|--------------------------------------|-------------------------|
| Present value at start of year       | 355,000                 |
| Current service cost                 | 9,000                   |
| Expenses                             | 2,000                   |
| Interest cost                        | 7,000                   |
| Actuarial gains and losses           | 72,000                  |
| Benefits paid                        | (17,000)                |
| Contributions by scheme participants | 9,000                   |
| Present value at end of year         | 437,000                 |

#### *Fair value of scheme assets*

Changes in the fair value of scheme assets are as follows:

|  | <b>2020</b><br><b>£</b> |
|--|-------------------------|
| Fair value at start of year  | 300,000                 |
| Interest income  | 6,000                   |
| Return on plan assets, excluding amounts included in interest income/(expense) | 49,000                  |
| Employer contributions   | 20,000                  |
| Contributions by scheme participants   | 9,000                   |
| Benefits paid  | (17,000)                |
| Fair value at end of year  | 367,000                 |

#### *Analysis of assets*

The major categories of scheme assets are as follows:

|                             | <b>2020</b><br><b>£</b> | <b>2019</b><br><b>£</b> |
|-----------------------------|-------------------------|-------------------------|
| Global equity               | 59,000                  | 60,000                  |
| Absolute return             | 17,000                  | 14,000                  |
| Distressed opportunities    | 9,000                   | 6,000                   |
| Credit relative value       | 10,000                  | 8,000                   |
| Alternative risk Premia     | 13,000                  | 20,000                  |
| Emerging markets debt       | 15,000                  | 11,000                  |
| Risk sharing                | 13,000                  | 10,000                  |
| Insurance-linked securities | 9,000                   | 8,000                   |
| Property                    | 7,000                   | 7,000                   |
| Infrastructure              | 22,000                  | 21,000                  |
| Private debt                | 8,000                   | 6,000                   |
| Opportunistic illiquid debt | 9,000                   | 5,000                   |
| Corporate bond fund         | 21,000                  | 15,000                  |
| Long lease property         | 6,000                   | 6,000                   |
| Secured income              | 12,000                  | 10,000                  |
| Liability driven investment | 108,000                 | 91,000                  |
| Net current assets          | 1,000                   | 2,000                   |

## Gatesfield Quaker Housing Association Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020

|                      | 2020<br>£ | 2019<br>£ |
|----------------------|-----------|-----------|
| High Yield           | 11,000    | -         |
| Opportunistic Credit | 9,000     | -         |
| Cash                 | 4,000     | -         |
| Liquid Credit        | 4,000     | -         |
|                      | 367,000   | 300,000   |

#### *Return on scheme assets*

|                         | 2020<br>£ | 2019<br>£ |
|-------------------------|-----------|-----------|
| Return on scheme assets | 55,000    | 24,000    |

The pension scheme has not invested in any of the Co-operative and Community Benefit Society's own financial instruments or in properties or other assets used by the Co-operative and Community Benefit Society.

#### *Principal actuarial assumptions*

The principal actuarial assumptions at the statement of financial position date are as follows:

|  | 2020<br>% | 2019<br>% |
|--|-----------|-----------|
| Allowance for commutation of pension for cash (% of maximum allowance) | -         | 75.00     |
| Discount rate  | 1.31      | 1.90      |
| Future salary increases  | 3.47      | 3.08      |
| Inflation (RPI)  | 3.03      | 3.08      |

#### *Post retirement mortality assumptions*

|  | 2020<br>Years | 2019<br>Years |
|--|---------------|---------------|
| Current UK pensioners at retirement age - male   | 22.00         | 22.00         |
| Current UK pensioners at retirement age - female | 23.00         | 24.00         |
| Future UK pensioners at retirement age - male    | 23.00         | 23.00         |
| Future UK pensioners at retirement age - female  | 25.00         | 25.00         |

## 21 Share capital

### Allotted, called up and fully paid shares

|                   | 2020 |    | 2019 |    |
|-------------------|------|----|------|----|
|                   | No.  | £  | No.  | £  |
| Shares of £1 each | 47   | 47 | 47   | 47 |

## Gatesfield Quaker Housing Association Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 22 Funds

##### Unrestricted funds

|                                 | Balance<br>at 1<br>January<br>2020<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Transfers<br>£   | Other<br>recognised<br>gains/(losses)<br>£ | Balance<br>at 31<br>December<br>2020<br>£ |
|---------------------------------|---|----------------------------|----------------------------|------------------|--|---|
| <b>Unrestricted funds</b>       |   |                            |                            |                  |  |   |
| <i>General</i>                  |   |                            |                            |                  |  |   |
| Investment in buildings         | 853,491                                 | -                          | (55,352)                   | 219,273          | -  | 1,017,412                                 |
| Housing Association Grant       | (155,718)                               | -                          | 9,221                      | -                | -  | (146,497)                                 |
| Emergency fund                  | 80,437                                  | -                          | -                          | 21,953           | -  | 102,390                                   |
| Designated garden fund          | 925                                     | -                          | -                          | (925)            | -  | -   |
| Non-recurrent maintenance fund  | 62,720                                  | -                          | (16,978)                   | (38,800)         | -  | 6,942                                     |
| Designated development fund     | 33,834                                  | -                          | -                          | (33,834)         | -  | -   |
| Free reserve                    | 9,645                                   | 221,190                    | (196,703)                  | (29,286)         | -  | 4,846                                     |
| Revaluation reserve             | 29,677                                  | -                          | -                          | (31,859)         | 2,182                                      | -   |
| Share capital                   | 47                                      | -                          | -                          | -                | -  | 47  |
|                                 | <u>915,058</u>                          | <u>221,190</u>             | <u>(259,812)</u>           | <u>106,522</u>   | <u>2,182</u>                               | <u>985,140</u>                            |
| <i>Other</i>                    |   |                            |                            |                  |  |   |
| Pension scheme deficit          | (55,000)                                | -                          | (3,000)                    | 11,000           | (23,000)                                   | (70,000)                                  |
|                                 | <u>(55,000)</u>                         | <u>-</u>                   | <u>(3,000)</u>             | <u>11,000</u>    | <u>(23,000)</u>                            | <u>(70,000)</u>                           |
| <b>Total unrestricted funds</b> | <u>860,058</u>                          | <u>221,190</u>             | <u>(262,812)</u>           | <u>117,522</u>   | <u>(20,818)</u>                            | <u>915,140</u>                            |
| <b>Restricted funds</b>         |   |                            |                            |                  |  |   |
| Restricted garden fund          | 3,090                                   | 120                        | -                          | (327)            | -  | 2,883                                     |
| Development fund                | 27,981                                  | -                          | -                          | (27,981)         | -  | -   |
| Tenants' welfare fund           | 5,236                                   | -                          | -                          | -                | -  | 5,236                                     |
| Craft Cottage Project           | (68,286)                                | 157,500                    | -                          | (89,214)         | -  | -   |
| <b>Total restricted funds</b>   | <u>(31,979)</u>                         | <u>157,620</u>             | <u>-</u>                   | <u>(117,522)</u> | <u>-</u>                                   | <u>8,119</u>                              |
| <b>Total funds</b>              | <u>828,079</u>                          | <u>378,810</u>             | <u>(262,812)</u>           | <u>-</u>         | <u>(20,818)</u>                            | <u>923,259</u>                            |

## Gatesfield Quaker Housing Association Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020

|  | Balance<br>at 1<br>January<br>2019<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Transfers<br>£   | Other<br>recognised<br>gains/(losses)<br>£ | Balance<br>at 31<br>December<br>2019<br>£ |
|--|---|----------------------------|----------------------------|------------------|--|---|
| <b>Unrestricted funds</b>                      |   |                            |                            |                  |  |   |
| <i>General</i>                                 |   |                            |                            |                  |  |   |
| Investment in buildings                        | 715,929                                 | -                          | (46,199)                   | 183,761          | -  | 853,491                                   |
| Housing Association Grant                      | (164,939)                               | -                          | 9,221                      | -                | -  | (155,718)                                 |
| Emergency fund                                 | 80,437                                  | -                          | -                          | -                | -  | 80,437                                    |
| Designated garden fund                         | 925                                     | -                          | -                          | -                | -  | 925                                       |
| Non-recurrent maintenance fund                 | 86,261                                  | -                          | (23,541)                   | -                | -  | 62,720                                    |
| Designated development fund                    | 33,834                                  | -                          | -                          | -                | -  | 33,834                                    |
| Free reserve                                   | 3,699                                   | 189,479                    | (183,533)                  | -                | -  | 9,645                                     |
| Revaluation reserve                            | (5,399)                                 | -                          | -                          | -                | 35,076                                     | 29,677                                    |
| Share capital                                  | 48                                      | -                          | -                          | -                | (1)  | 47  |
|  | <u>750,795</u>                          | <u>189,479</u>             | <u>(244,052)</u>           | <u>183,761</u>   | <u>35,075</u>                              | <u>915,058</u>                            |
| <i>Other</i>                                   |   |                            |                            |                  |  |   |
| Pension scheme deficit                         | (69,863)                                | -                          | 7,576                      | -                | 7,287                                      | (55,000)                                  |
|  | <u>(69,863)</u>                         | <u>-</u>                   | <u>7,576</u>               | <u>-</u>         | <u>7,287</u>                               | <u>(55,000)</u>                           |
| <b>Total unrestricted funds</b>                | <u>680,932</u>                          | <u>189,479</u>             | <u>(236,476)</u>           | <u>183,761</u>   | <u>42,362</u>                              | <u>860,058</u>                            |
| <b>Restricted</b>                              |   |                            |                            |                  |  |   |
| Restricted garden fund                         | 696                                     | 2,620                      | (226)                      | -                | -  | 3,090                                     |
| Development fund                               | 4,050                                   | 23,931                     | -                          | -                | -  | 27,981                                    |
| Tenants' welfare fund                          | 5,236                                   | -                          | -                          | -                | -  | 5,236                                     |
| Craft Cottage Project - Cumbria County Council | -                                       | 22,500                     | -                          | (22,500)         | -  | -   |
| Craft Cottage Project                          | 91,666                                  | 1,309                      | -                          | (161,261)        | -  | (68,286)                                  |
| <b>Total restricted funds</b>                  | <u>101,648</u>                          | <u>50,360</u>              | <u>(226)</u>               | <u>(183,761)</u> | <u>-</u>                                   | <u>(31,979)</u>                           |
| <b>Total funds</b>                             | <u>782,580</u>                          | <u>239,839</u>             | <u>(236,702)</u>           | <u>-</u>         | <u>42,362</u>                              | <u>828,079</u>                            |

## Gatesfield Quaker Housing Association Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020

The specific purposes for which the funds are to be applied are as follows:

The restricted garden fund receives donations made specifically towards the upkeep of the gardens.

The restricted Tenants' welfare fund receives donations to fund communal or individual welfare needs outside normal social housing provisions. These can include items of equipment.

The restricted development fund has been set up as part of Gatesfield's 30th Anniversary Appeal to support the development of property by Gatesfield to enhance the facilities offered to tenants and to ensure that the charity continues to meet their changing needs.

With the completion of the Craft Cottage project, the Craft Cottage Fund has been discontinued, and, while the Designated and Restricted Development Funds, the Designated Garden Fund and the Revaluation Reserve continue to exist, they now have zero balances. As mentioned above, we also had to draw on the Non-recurrent Maintenance Fund to help meet the additional costs arising from the Craft Cottage project. At the end of 2020, total reserves amounted to £121,120 – adequate to meet any emergency needs, but at a lower level than we would like for the financing of possible longer-term maintenance requirements.

#### 23 Analysis of net assets between funds

|                          | Unrestricted funds |                | Restricted funds | Total funds at 31 December 2020 |
|--------------------------|--------------------|----------------|------------------|---------------------------------|
|                          | General            | Designated     |                  |                                 |
|                          | £                  | £              | £                | £                               |
| Tangible fixed assets    | 3,624              | 1,017,412      | -                | 1,021,036                       |
| Fixed asset investments  | -                  | 99,294         | -                | 99,294                          |
| Current assets           | 6,609              | 10,085         | 8,119            | 24,813                          |
| Current liabilities      | (6,611)            | -              | -                | (6,611)                         |
| Creditors over 1 year    | -                  | (146,497)      | -                | (146,497)                       |
| Pension scheme liability | -                  | (70,000)       | -                | (70,000)                        |
| <b>Total net assets</b>  | <b>3,622</b>       | <b>910,294</b> | <b>8,119</b>     | <b>922,035</b>                  |

|                          | Unrestricted funds |                |               | Restricted funds | Total funds at 31 December 2019 |
|--------------------------|--------------------|----------------|---------------|------------------|---------------------------------|
|                          | General            | Designated     | Other         |                  |                                 |
|                          | £                  | £              | £             | £                | £                               |
| Tangible fixed assets    | 4,527              | 853,491        | -             | -                | 858,018                         |
| Fixed asset investments  | 119,607            | -              | -             | 27,981           | 147,588                         |
| Current assets           | 31,509             | -              | -             | 9,386            | 40,895                          |
| Current liabilities      | (7,704)            | -              | 68,286        | (68,286)         | (7,704)                         |
| Creditors over 1 year    | -                  | (155,718)      | -             | -                | (155,718)                       |
| Pension scheme liability | (55,000)           | -              | -             | -                | (55,000)                        |
| <b>Total net assets</b>  | <b>92,939</b>      | <b>697,773</b> | <b>68,286</b> | <b>(30,919)</b>  | <b>828,079</b>                  |

**Gatesfield Quaker Housing Association Limited**

**The following pages do not form part of the statutory accounts.**

The notes on pages 19 to 37 form an integral part of these financial statements.



## Gatesfield Quaker Housing Association Limited

### Detailed statement of financial activities

|   | 2020      | 2019      |
|---|-----------|-----------|
|   | £         | £         |
| <b>Income from charitable activities</b>        |           |           |
| Rent income and staff accommodation charges     | 166,323   | 153,789   |
| Catering income                                 | 19,179    | 15,011    |
| Guest Room income                               | 60        | 1,780     |
| Gatesfield at home                              | 270       | 360       |
| Tenant Support Services                         | 10,695    | 5,864     |
| COVID grant                                     | 10,000    | -         |
| Sundry income                                   | 18        | 89        |
|   | 206,545   | 176,892   |
| <b>Direct costs</b>                             |           |           |
| <b>Catering purchases</b>                       | (10,371)  | (9,227)   |
|   | 196,174   | 167,665   |
| <b>Social housing operating costs</b>           | (243,198) | (216,130) |
| <b>Governance costs</b>                         | (4,743)   | (5,285)   |
| <b>Interest on pension scheme deficit</b>       | (3,000)   | (4,000)   |
| <b>Operating surplus/(deficit)</b>              | (54,767)  | (57,750)  |
| <b>Income from donations and legacies</b>       | 170,004   | 55,034    |
| <b>Investment income</b>                        | 2,261     | 7,912     |
| <b>Realised gains</b>                           | -         | 9,011     |
| <b>Pension deficit remeasurements</b>           | (23,000)  | 7,287     |
| <b>Investment management fees</b>               | (1,500)   | (2,060)   |
|   | 92,998    | 19,435    |
| <b>Unrealised gains/(losses) on investments</b> | 2,182     | 26,065    |
| <b>Net movement in funds</b>                    | 95,180    | 45,500    |

The notes on pages 19 to 37 form an integral part of these financial statements.

## Gatesfield Quaker Housing Association Limited

### Detailed statement of financial activities

|  | 2020    | 2019    |
|--|---------|---------|
|  | £       | £       |
| <b>Social housing operating costs</b>            |         |         |
| Staff costs                                      | 111,298 | 97,880  |
| Rates and water                                  | 1,704   | 1,888   |
| Heat, light and power                            | 7,209   | 6,247   |
| Recurrent Maintenance                            | 1,229   | 2,100   |
| Maintenance Contractor                           | 12,629  | 12,456  |
| Safety   | 9,285   | 8,524   |
| Non-recurrent maintenance                        | 16,979  | 23,541  |
| Insurance  | 3,890   | 4,356   |
| Gardening - recurrent                            | 6,688   | 6,542   |
| Residents' taxi service                          | 77      | 346     |
| Payroll administration                           | 613     | 626     |
| Business Support Contractor                      | 6,880   | 6,911   |
| Advertising                                      | -       | -       |
| Mobile Warden/Call System/Call Centre            | 4,212   | 1,418   |
| Telephone & Broadband                            | 4,009   | 2,095   |
| Craft Cottage                                    | -       | 16      |
| COVID expenses                                   | 5,173   | -       |
| Depreciation                                     | 46,988  | 38,109  |
| Communal Facilities                              | 522     | 1,059   |
| Computer Costs, Printing, Postage and Stationery | 1,836   | 1,402   |
| Contingency                                      | 288     | -       |
| Donations  | -       | -       |
| Tenant care and welfare                          | -       | -       |
| Loan admin fees                                  | -       | -       |
| Membership and Regulator Fees                    | 1,453   | 614     |
|  | 242,962 | 216,130 |

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