

THE METHODIST HOMESTEAD

ANNUAL REPORT TO

RESIDENTS

FOR THE YEAR

2017 to 2018



THE METHODIST HOMESTEAD – ANNUAL REPORT

2017 - 2018

Chairman's Report

It gives me great pleasure to introduce our Annual Report covering our financial position for the past year together with updating reports from our Officers covering separate aspects of all the responsibilities undertaken by the Trustees.

You will see that it has been a very full year of activity, and I am indebted to the time and skills that our Trustees have freely given to ensure that we maintain a viable enterprise with the over-riding purpose of providing the best facilities we can in a loving and caring Christian environment. We are particularly well served by our Clerk, Alistair Cochran, who holds everything together and keeps us all on our toes.

My thanks are also due to you all for helping to maintain the unique spirit of family by your own acts of kindness to one another and for your own contribution to our community. As always, we are all immensely grateful for the diligence of both Jenny and Geoff in carrying out their duties, often well beyond that expected of them, and the smooth running and general ambience of the Homestead is, in no small part, greatly helped by them.

We look forward to another year of progress and fulfilment.

Michael Pearson - Chairman of the Trustees

Treasurer's Report

As is customary, you will find the accounts for the year ended 31st December 2017 included in this report and these have been prepared in the format required by the Charity Commission and the Registrar of Companies.

Our income from Residents contributions increased by 4% compared to last year. However, the comparative figure for the previous year was lower than normal, mainly due to dwellings having work done on them and thus being unavailable for occupation for significant periods.

The donations and legacies that we received this year amounted to around half the level of the previous year which, to be fair, was unusually high. Our overhead costs, once again, were tightly controlled and this, together with a positive return from our investments, resulted in an overall annual surplus of £75,888, slightly more than the previous year.

As in previous years, after providing a prudent amount for our reserves, the Trustees continued to apply surpluses for the improvement and refurbishment of cottages as and when the opportunity arose and to meet the inevitable and continuing costs of maintenance and upgrading of the Homestead.

The Trustees continue to manage the charity's finances in such a way as to strike a balance between maintaining and improving the Homestead, endeavouring to keep Residents contribution increases to the minimum possible and maintaining a strong asset base to ensure that we can sustain our unique and special environment for generations to come.

THE METHODIST HOMESTEAD – ANNUAL REPORT 2017 - 2018

As in previous years, I am indebted to Jonathan Smith for his excellent work on the Charity's accounts over the last year.

Stephen Edmonds - Hon Treasurer

Property

This year has seen some changes to the residents of the Homestead. The cottages at Nos.1, 6 and 21 have become available and most recently no.12 has also become available with the sad passing of May Freestone at the age of 103, having been resident at the Homestead for 26years.

The cottage at No.1 has been modernised in the same way as No.4 with a new kitchen and bathroom and has subsequently been occupied by Stan and Cathy Henderson who have vacated No.26. Although similar to the other 1970s cottages The Trust has decided not to fully modernise No.26 having just had the cost of refurbished no.1, bearing in mind also that No.12 will need some substantial refurbishment before re-letting.

The Trust has been advised by the Almshouse Association of the need to carry out checks on the wiring of properties every 5 years and also to consider the testing of all portable appliances (PAT Testing) used by residents in the Homestead. The inspection and testing of the wiring of all the properties has been undertaken and it was only found that there was a faulty consumer unit in No.8 and a faulty shower in No.25 which have both been dealt with. So far as the PAT Testing is concerned this has been more difficult because of the nature and condition of many of the appliances owned by residents. The Trust is concerned at the way, in a number of cases, where more than one appliance is being used off of a single power point and will need to bring this before the Residents Group.

The Trust has also been advised, in the light of recent legislation, that it will need to provide an Energy Performance Certificate (EPC) each time a cottage is re-let. This is particularly concerned with heat conservation. The Trust has already undertaken a check of all properties as a basis for producing such reports. The findings were that, having regard to the assessments which can range from the highest and most effective level A to the least effective level G, all the cottages fall within levels C or D which would be acceptable.

Apart from various repairs and modification to cottages over the past year, residents will have noticed the new replacement balustrade at first floor level on the Wardens apartment. The old wooden balustrade, which was in poor condition, has been replaced by a replica metal version which looks fine and is much safer

Howard Rose – Property Adviser

Residents

We have been saddened by the deaths of May Freestone, Gladys Hammond and Don Curtis. We give thanks for their fellowship and friendship and are glad to have known them. The Trustees are considering how best to spend monies given in their memory to enhance Homestead Cottages for the residents.

New residents have been welcomed and they are settling in well.

The new curtains in Saxton Hall are a welcome refurbishment as is the new television.

THE METHODIST HOMESTEAD – ANNUAL REPORT 2017 - 2018

The dangers of extension leads and overloading of the electrical circuits has been highlighted to the residents.

The members of the residents committee very much value their quarterly meeting with the residents as it gives us an opportunity to get to know one another better as well as discussing problems as they arise. All residents are encouraged to come to these meetings.

We are grateful to Kathy Henderson for covering for Jenny when she is on holiday. As ever we value the work done by Jenny and Geoff which often goes beyond the call of duty.

Arabelle Dean - Chair of Residents Committee

A view from the Secretary

A year ago, I was hoping that we would soon get some yellow lines to protect access through the gates and earlier in the summer I was delighted when eventually the Council painted them on the road – however in the recent resurfacing of Homestead Way they omitted to put them back. Eventually after chasing them a few times they were replaced.

In September the Council are implementing new bins for recycling. I have had a number of discussions about this with the waste management team at the Council and they have decided that we will remain on green sacks and recycling boxes because they are not sure they can get a refuse lorry through the gates and taking individual black, brown and now blue bins out to the roadside would be a massive job for Geoff.

We also had a lengthy dialogue with the Royal Mail about letters not getting to the proper address – either post for Homestead Way coming to us or vice-versa. As a result, Mr Barry Freestone made us two signs for the gate to assist the postal deliveries. We are really grateful for this work – they look really good – whether it helps with deliveries remains to be seen.

This year seems to have been the year of regulation. First of all, we had the General Data Protection Regulation (GDPR) and as a result we sent out a briefing to each Resident, and then the Almshouse Association and Charity Commission identified a number of policies which we should have in place. Writing these has taken many hours of work and when they are finished we will make sure everyone is aware of any which affect them.

This means that we have to make a number of revisions to the Residents Handbook and the application process we follow. The Handbook is “work in progress” and should be available later in the year and the revised processes will be included in this new version. As usual I will try to set out a brief summary of the changes for each Resident.

Alistair Cochran – Secretary and Clerk to the Trustees

THE METHODIST HOMESTEAD
(A company limited by guarantee)

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

**COMPANY NO 8295082
REGISTERED CHARITY NO. 1150018**

CONTENTS

1. Legal and Administrative Details
2. Independent Examiners' Report
3. Income and Expenditure Account
4. Balance Sheet
- 5 – 6 Notes to the Financial Statements

THE METHODIST HOMESTEAD
 (A company limited by guarantee)

**REPORT AND FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2017**

**COMPANY NO 8295082
 REGISTERED CHARITY NO. 1150018**

LEGAL AND ADMINISTRATIVE DETAILS

LEGAL STATUS

A Company limited by guarantee
 incorporated 15 November 2012. A
 Registered Charity Number 1150018
 appointed the sole Corporate Trustee of
 The Methodist Homestead (1929)
 Registered Charity Number 1150018-1

DIRECTORS

M S Pearson Chair
 S R Edmonds Vice Chair & Treasurer
 Mrs K Brown
 Mrs C Creary
 Dr A M Dean
 Mrs S Dorman
 R K Harland
 Mrs M Munday Resigned 14th May 2018
 H Rose
 A Robinson Appointed 21st February 2017

COMPANY SECRETARY

A K Cochran

REGISTERED OFFICE

14 The Methodist Homestead
 Homestead Way
 Northampton
 NN2 6JH

BANKERS

Barclays Bank plc
 Northampton Group
 P O Box 23
 Northampton
 NN1 4YD

INDEPENDENT EXAMINERS

CVS Northamptonshire
 32-36 Hazelwood Road
 Northampton
 NN1 1LN

SOLICITORS

Shoosmiths
 The Lakes
 Northampton NN4 7SH



Northamptonshire

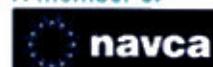
Independent Examiner's Report to the Trustees of:

THE METHODIST HOMESTEAD

Registered Charity Number: 1150018

We report on the accounts of the company for the year ended 31st December 2017, which are set out on the attached pages.

A member of



Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 (2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

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

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

Basis of independent examiner's statement

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

Independent Examiner's statement

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

1. which gives me reasonable cause to believe that in any material respect, the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

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

B Peers-Ross

Brenda Peers-Ross FMAAT, ACIE

20th October 2018

Council for Voluntary Service Northampton & County

32-36 Hazelwood Road, Northampton NN1 1LN - Tel: 01604 627128

Email: cvs@cvsnorthamptonshire.org.uk Website: www.cvsnorthamptonshire.org.uk

Charity Reg. No. 1034697 - Charitable Company Limited by Guarantee in England and Wales No. 2902472

THE METHODIST HOMESTEAD

3

INCOME AND EXPENDITURE ACCOUNT
FOR THE TWELVE MONTHS ENDED 31st DECEMBER 2017

	2017	2016
	£	£
Income		
Residents contributions	123,669	118,328
Donations	9,459	3,800
Sundry receipts	61	6,422
Investments	5,440	5,395
Total income	138,629	133,945
Expenditure		
Administration	31,818	30,991
Water rates and council tax	5,351	5,482
Garden expenses	488	2,097
Heat and light	3,256	2,963
Insurance	2,501	2,439
Repairs and renewals	20,384	21,754
Telephone and call care system	8,836	4,322
Printing, postage and stationery	548	1,044
TV licences	191	171
Sundries	794	895
	(74,167)	(72,158)
Net income before investment profits	64,462	61,787
Investment Fund profits	11,426	15,638
Net income	£ 75,888	£ 77,425

THE METHODIST HOMESTEAD

4

BALANCE SHEET
AT 31st DECEMBER 2017

	2017	2016
	£	£
Fixed assets		
Freehold land and buildings	1,859,175	1,829,455
Equipment	13,298	-
	<u>1,872,473</u>	<u>1,829,455</u>
Investments		
Mixed investment fund	172,531	161,105
	<u>2,045,004</u>	<u>1,990,560</u>
Current assets		
Prepayments and accrued income	5,048	6,270
Bank accounts	216,664	186,621
	<u>221,712</u>	<u>192,891</u>
Current liabilities		
Creditors and accruals	20,506	13,129
	<u>20,506</u>	<u>13,129</u>
Net current assets	201,206	179,762
Total net assets	<u>2,246,210</u>	<u>2,170,322</u>
Represented by:		
Unrestricted funds:		
General fund	201,206	179,762
Designated funds:		
Building and equipment fund	1,872,473	1,829,455
Capital fund	172,531	161,105
	<u>2,246,210</u>	<u>2,170,322</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2017

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of fixed assets and in accordance with the Charities Statement of Recommended Practice (FRS 102).

Linked Charity

The Methodist Homestead is the Sole Corporate Trustee of the Methodist Homestead (1929) charity registered number 1150018-1. The Charity Commission have confirmed that the two charities can be treated as Linked Charities for accounting purposes. The Methodist Homestead (1929) is dormant and its sole purpose is to hold the Permanent Endowment represented by the Freehold Land and Buildings for the benefit of the activities of the Methodist Homestead.

Depreciation

Depreciation is provided on tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:-

Freehold land and buildings	Depreciation is not charged because the assets have a very long useful life and the estimated residual value is not materially different from the carrying value.
Equipment	25% straight line per annum
Furniture and utensils	20% straight line per annum
Bungalow fixtures	6.67% straight line per annum
Call care system	12.5% straight line per annum

Expenditure is capitalised when it is truly of a capital nature and only if it exceeds £5,000.

Incoming Resources

All incoming resources are included in the Income and Expenditure Account when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Donations and legacies

Donations, legacies and voluntary income are included in the Income and Expenditure Account as they are received. The value of voluntary help is not included in the financial statements.

Investment Income

Interest on investment funds and cash on deposit is included in the Income and Expenditure Account when received, at an amount which includes any tax credits recoverable from the Inland Revenue.

Cashflow Statement

The financial statements do not include a cashflow statement because the Charity, as a small reporting entity is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1.

Investments

These are included in the balance sheet at the value ruling on the balance sheet date and are stated at the average of the bid and offer price as at that date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2017**1. ACCOUNTING POLICIES (cont.)****Directors remuneration and reimbursed expenses**

The Directors were not paid any remuneration from the charity during the year and no expenses were reimbursed to the Directors during the year.

General Fund

Sums of cash at any time belonging to the charity and not needed for immediately working purposes shall be invested in the name of the charity, whilst the general fund consists of all the working capital used for the day to day running of the charity.

Designated Funds

These are amounts which have been set aside at the discretion of the directors for specific, but not legally binding purposes.

Restricted Fund

The restricted fund is the permanent endowment of the linked charity the Methodist Homestead (1929) Registered Charity Number 110018-1 and is only available for the specific use as defined by the permanent endowment.