

**THE METHODIST HOMESTEAD**  
**ANNUAL REPORT TO**  
**RESIDENTS**  
**FOR THE YEAR**  
**2018 to 2019**



# THE METHODIST HOMESTEAD – ANNUAL REPORT 2018 - 2019

## **Chairman's Report**

Welcome to the Annual Report to the Residents for the past Financial Year. As always, we are indebted to our committed team of Trustees and Officers who continue to devote their time and skills not only to maintain, but to continuously improve, the facilities and financial well-being of the Methodist Homestead. This sound basis of the Trust gives security to our Residents which in turn we trust is reflected in the positive atmosphere within the Homestead of fellowship and in its activities.

We passed a significant milestone at the end of last year when we celebrated the 90<sup>th</sup> Anniversary of our founding, and the text of my address on that occasion will be seen later in this Annual Report. It is good sometimes to be reminded of our history and of the heritage we enjoy today.

***Michael S Pearson - Chairman of the Trustees***

## **Treasurer's Report**

One of the challenges that the Trustees face at the beginning of every year is to set a financial budget for the next twelve months, balancing the need to keep any increases in residents contributions to a minimum whilst ensuring that our income is sufficient to meet our expenditure and that our reserves are sufficient to ensure the future of the Homestead is secure.

The Trustees follow the good practice guidance from the Almshouse Association of budgeting for some unoccupied cottages, which will generate a surplus when we have full occupancy but provide a prudent safety net if we have some empty cottages taking account of our having to pay Council Tax and utility bills even when a cottage is empty. Any surplus remaining, we then apply to maintaining and improving the Cottages and the very special environment we enjoy here.

Occupancy levels tend to vary from year to year but in the twelve months to December 2018, we were fortunate in having higher than expected levels of occupancy so consequently our income was ahead of expectations. As you would expect, one of the largest items of expenditure that we face is repairs and maintenance of our properties and during the year we spent slightly over £85,000 on property maintenance and improvement work on a number of dwellings. This expenditure is inevitably ongoing and, as trustees, we try to plan a few years ahead and if and when we generate funds surplus to budget, these are allocated for further improvements.

Our balance sheet continues to show a strong picture with a prudent level of cash reserves. This can be found, together with further information relating to our financial position in the copy of the statutory accounts which is included in this annual report.

***Stephen Edmonds - Hon Treasurer***

## **Property**

This year has seen a virtual full occupancy of the Homestead cottages with only short periods of vacancy of those which have had new occupants. The only exception to this has been No.12 the smallest of all the cottages which was previously occupied by Mrs. M Freestone for 26 years until her passing at the age of 103 years. With such a long period of

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continued occupancy little updating work had been done but the refurbishment has been extensive, and the result is a small but fully modernised cottage. This last vacant cottage will be occupied before Christmas 2019.

After some suggestions from the residents the Trust has arranged for the internal doors of the 1929 cottages, which were originally the rather heavy external doors, to be replaced with more appropriate simple white doors which will give a lighter and more acceptable appearance to the entrance to these cottages.

The Warden in recent months has made new, more effective, arrangements for the collection of waste from the cottages with the placing of wheelie bins at various points around the site. Coupled with this has been the construction of a new secure bin store at the rear cottages Nos. 6 & 7.

## ***Howard Rose – Property Adviser***

### **Residents**

We are delighted that Mrs. Elizabeth McAteer has joined us a Trustee and that she will be a member of the Residents Sub-Committee.

We have welcomed Mrs. D Smith as a new resident in number 26 and later in 2019 Mr. N Tanker moved into number 12, sadly Mrs. J Smith of number 10 moved into St Christopher's Home where she can get the care support she now needs. Number 12 required a considerable amount of work to modernise it, made more complicated because the flat above it meant a lot of additional work to hide pipes and cables followed by additional work because of the late appearance of rising damp. The programme of improvements to properties is ongoing.

There have been problems with the telephone system which are reducing but the issues with regard to mail going astray have recurred and we continue to deal with these. There have also been some incidents in relation to one of our neighbours and the Trustees are exploring ways of solving these.

We enjoyed the Tea Party to celebrate the 90<sup>th</sup> birthday of the Homestead. We have arranged a coffee morning with resident's representatives.

The members of the Residents Committee value the quarterly meeting with the residents and encourage all to come to the meetings.

We are grateful to Kathy Henderson for covering for Jenny when she is away. We very much value all the work done by Mr. and Mrs. G Heginbotham and as ever they go beyond the call of duty.

## ***Arabelle Dean - Chair of Residents Committee***

### **A view from the Secretary**

This Annual Report covers the finances for the year January 2018 to December 2018 but then a review of the activities of 2019, which has again been a busy year culminating in the celebration of the 90<sup>th</sup> birthday in October.

We have faced a number of challenges over the year – not least with continuing problems with postal deliveries. Part of the problem is that Homestead Way (in its entirety) is postcode NN2 6JG and we (and we alone) are postcode NN2 6JH. So, if the post is sorted by

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postcode, our postman must walk up (or down) Homestead Way past our gate to deliver the JG post and then back to us. The number of properties in Homestead Way with clashing numbers (Homestead Way, Homestead Court and Homestead Mews) does not help either.

After deliberation, the Trustees took a decision to put heat, smoke and carbon monoxide detectors in every cottage and linked to the alarm service as a major safety improvement. If these are triggered an alarm goes to Call Care and if the battery starts to fail this is reported to them as well.

During the year we moved the alarm calls to Call Care for every call made which was to solve a problem that we found in our system because it had been modified to ring internally first and this was causing some calls to fail.

As has been reported elsewhere the work to refurbish number 12 proved “interesting”. This is the only cottage without a roof void – it has a concrete slab between it and the flat above. It was interesting to discover the remains of previous modifications made when the bath was moved from the kitchen to the bathroom before being replaced by a shower when some of the internal walls were removed.

We have also had a couple of issues with “unwanted” visitors in the night-time and a small working group has been set up to look at how we might improve security on our site.

During the last year we have put in an enormous amount of work to incorporate the latest Almshouse Association advice into our Resident’s handbook and I was glad to be able to get this printed and distributed before the end of the year (I have started to collect changes for the next edition already!).

The Trustees also replaced the “hearing loop” system in the Saxton Hall and added a small PA system to benefit those who could do with a bit of amplification but do not use a hearing aid. The old system was well past its natural life and hopefully the new system will benefit Residents for many years to come.

***Alistair Cochran – Secretary and Clerk to the Trustees***

### **90 Years young – a few thoughts from the Chairman shared at the Birthday Celebration**

I can scarcely believe that I have been a Trustee for more than half of our 90 years and I have seen a huge change over that period of the Trust becoming financially independent and strong, enabling the Trustees to continually update facilities and the services provided. I feel it is appropriate to go back over the 90 years and to sketch something of our history and origins.

The Homestead was opened in 1929, when Methodism was growing strongly in the town, manifesting itself in the generosity and vision of its members. The background was that in the 1920's there was no Social Security, and the only alternative to living in one’s own home (either as owner occupier, a paying tenant or with relatives in their home) was the workhouse. Although the dreadful hardships of the Victorian Workhouses had gone, there was still a fear of the system where couples were separated into men’s and women’s wards. It was with these stark realities that two men, with generosity and vision, helped to change the alternatives available to their fellow Methodists in the town, with a venture that was ahead of its time in pioneering the concept of what is now termed “Sheltered Housing”.

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The two men were Councillor J W Arnold (whose great grandson Stephen Edmonds, is our Treasurer today) and Mr. C J Pearce (my great grandfather). Both men were from humble backgrounds who prospered in business, one a shoe manufacturer and the other a leather manufacturer. They were great friends, both born in 1860, and they conceived the idea of the Homestead, Mr. Pearce in memory of his late wife and Mr. Arnold to commemorate his year of office as Vice-President of the Primitive Methodist Conference.

On 16<sup>th</sup> November 1929, eleven homes and a small Community Hall were dedicated to providing eventide accommodation for those associated with the then Primitive Methodist Societies in the town. The hall later became known as the Saxton Memorial Hall after the Rev James Saxton, a President of the Primitive Methodist Conference and superintendent minister of the Northampton 2<sup>nd</sup> Circuit, who sadly died a week before the opening ceremonies. It soon became evident that a warden was needed and one of the homes was converted into a flat. A Nurse Ibbotson was appointed, the first of a long line of dedicated and loving wardens who have watched over the day to day needs of the residents.

More land was then acquired as more generosity was shown by members of the churches, and six more homes were built in 1930, and two more in 1939.

It was not until 1971 and 1972 that the final eight homes, each side of the entrance drive, were added to complete the development of the site.

The Methodist Homestead, unlike the Bethany next door (which is supported by the Baptist and United Reform Churches) did not develop a nursing facility and remained an eventide home. An article in the Chronicle and Echo in 1979, following our Golden Jubilee Celebrations at Park Avenue, stated that, and I quote "the concept of the Homestead influenced thinking at National level over the provision to be made for senior citizens, and became a model adopted by other charitable bodies and local authorities".

Much has been done since then to modernise our homes, to enlarge in some cases, provide better roadways, pathways, and safer access, and to provide better security and call care systems.

As time has gone on, we have welcomed Residents of other denominations in a true ecumenical spirit, but always stressing the essential Christian nature of our community. So, thank you all for continuing to foster the spirit of Christian fellowship and caring relationships in this place. Particularly I would like to express our immense gratitude to Mr. and Mrs. G Heginbotham for their unceasing dedication, where often their caring and concerns shown, exceed that which is expected of them.

And indeed, what of the gardens! - and what a labour of love to create and maintain this oasis of beauty!

There could be few establishments of this nature that can boast of such a lovely setting. It is therefore well deserved that we have just received a Gold Award in the Northampton in Bloom Competition, and level 4 Rating (out of a possible 5) in East Midlands in Bloom. We should specially mention Mrs. S Loveland who received an individual Gold Award for her garden. May we offer our heartfelt congratulations to all those who have worked so hard to achieve these prestigious awards.

None of this would be possible without a dedicated board of Trustees, and here I include Alistair Cochran, our incredibly hard working and efficient Clerk, keeping us all on our toes.

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Finally I would like to thank you for giving me this opportunity of explaining something about the Homestead, but most of all to thank God for those who have given of their resources and served over the years, not least for all the residents past and present who have added their personalities, reflected their faith, and helped to maintain the loving Christian atmosphere, the Hallmark of the Homestead.

Michael S Pearson

Chairman

**THE METHODIST HOMESTEAD**  
(A company limited by guarantee)

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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

**THE METHODIST HOMESTEAD**  
(A company limited by guarantee)

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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

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**THE METHODIST HOMESTEAD**  
(A company limited by guarantee)

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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

**LEGAL AND ADMINISTRATIVE DETAILS**

<b>LEGAL STATUS</b>	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
<b>DIRECTORS</b>	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 H Rose A Robinson Mrs E McAteer Appointed 13 <sup>th</sup> November 2018
<b>COMPANY SECRETARY</b>	A K Cochran
<b>REGISTERED OFFICE</b>	14 The Methodist Homestead Homestead Way Northampton NN2 6JH
<b>BANKERS</b>	Barclays Bank plc Northampton Group P O Box 23 Northampton NN1 4YD
<b>INDEPENDENT EXAMINERS</b>	CVS Northamptonshire 32-36 Hazelwood Road Northampton NN1 1LN
<b>SOLICITORS</b>	Shoosmiths The Lakes Northampton NN4 7SH



**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 31<sup>st</sup> December 2018, which are set out on the attached pages.

**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 Charitieshave 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  
23<sup>rd</sup> October 2019

**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE TWELVE MONTHS ENDED 31st DECEMBER 2018**

	2018		2017	
	£	£	£	£
<b>Income</b>				
Residents contributions		130,477		123,669
Donations		5,555		9,459
Sundry receipts		-		61
Investments		5,527		5,440
<b>Total income</b>		<u>141,559</u>		<u>138,629</u>
<b>Expenditure</b>				
Administration	22,916		21,081	
Water rates and council tax	(431)		5,351	
Garden expenses	416		488	
Heat and light	3,745		3,256	
Insurance	2,661		2,501	
Repairs and renewals	49,354		31,121	
Telephone and call care system	12,047		8,836	
Printing, postage and stationery	1,137		548	
TV licences	177		191	
Sundries	656		794	
		<u>(92,678)</u>		<u>(74,167)</u>
<b>Net income before investment profits</b>		<u>48,881</u>		<u>64,462</u>
Investment Fund (losses)/profits		(10,108)		11,426
<b>Net income</b>		<u>£ 38,773</u>		<u>£ 75,888</u>

**BALANCE SHEET**  
**AT 31st DECEMBER 2018**

	2018		2017	
	£	£	£	£
<b>Fixed assets</b>				
Freehold land and buildings		1,909,905		1,859,175
Equipment		9,206		13,298
Furniture and utensils		-		-
Bungalow fixtures		-		-
		<u>1,919,111</u>		<u>1,872,473</u>
<b>Investments</b>				
Mixed investment fund		162,423		172,531
		<u>2,081,534</u>		<u>2,045,004</u>
<b>Current assets</b>				
Prepayments and accrued income	4,381		5,048	
Bank accounts	223,321		216,664	
	<u>227,702</u>		<u>221,712</u>	
<b>Current liabilities</b>				
Creditors and accruals	24,253		20,506	
	<u>24,253</u>		<u>20,506</u>	
<b>Net current assets</b>		203,449		201,206
<b>Total net assets</b>		<u><b>2,284,983</b></u>		<u><b>2,246,210</b></u>
<b>Represented by:</b>				
Unrestricted funds:				
General fund		203,449		201,206
Designated funds:				
Building and equipment fund		1,919,111		1,872,473
Capital fund		162,423		172,531
		<u><b>2,284,983</b></u>		<u><b>2,246,210</b></u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

**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 2018

## 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.