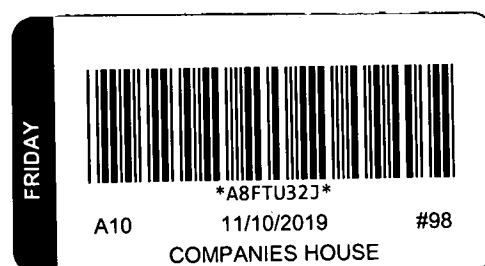


**REGISTERED COMPANY NUMBER: 02677365 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1010701**

**REPORT OF THE TRUSTEES AND  
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019  
FOR  
ACRE HOUSING**

Astral Accountancy Services Limited  
Statutory Auditor  
Astral House  
Granville Way  
Bicester  
Oxfordshire  
OX26 4JT



## **ACRE HOUSING**

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## **ACRE HOUSING**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019**

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their annual directors' report together with the financial statements of the charity for the year ended 31 March 2019. These have been prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard 102.

#### **OBJECTIVES AND ACTIVITIES**

##### **Charitable objects**

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

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

##### **Charitable activities**

Operating in Oxfordshire, Acre Housing has been providing specialised housing for adults with learning disabilities since 2004. Beneficiaries are able to approach us directly for help or via their care manager. At the year end, Acre Housing owned or rented 36 properties providing homes for up to 110 tenants, all of whom are adults with learning disabilities and a wide variety of conditions such as autism, cerebral palsy, dementia and Down's syndrome.

##### **Public benefit**

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

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

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

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

## **ACRE HOUSING**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Operating review**

This has been another successful year for Acre Housing. The charity has not conducted any fundraising activities during the year, as there were no major projects to support.

All of the properties in our portfolio continue to be well maintained with our annual maintenance programme highlighting areas of concern. Remedial works highlighted by our contractors are carried out in a timely manner to prevent future damage to the properties.

At our cluster of properties in Brightwell, we obtained grant funding to improve the disabled access to future proof the service as the current client group are becoming frailer. The addition of the sleep in room to this property that was delayed due to planning complications was completed during the year with the room now allowing staff to sleep in as required.

The new properties that we purchased last year, one in Carterton and one in Didcot are now fully occupied following the significant remodelling and refurbishment that had been required. These properties have allowed the new tenants to live in more suitable accommodation that better meet their needs.

The extensive redevelopment programme at the Henley properties leased from Oxfordshire County Council have largely been completed including works to the roof, heating and electrics. A significant amount of other works have also been carried out funded by the sinking fund that is in place to ensure that the properties are maintained to an appropriate level. Both properties are now fully occupied and the tenants are benefitting from the improvements that have been made.

Tenants have moved in to two properties that had previously been identified for disposal due to voids that could not be filled. We were able to provide temporary respite initially which due to their success have become permanent tenancies.

Feedback is given to the charity if there are any concerns about properties by the support providers who facilitate tenant groups. There has been no negative feedback to date. The properties are visited a minimum of three times per annum to check their condition and to establish a redecoration and refurbishment programme.

We are delighted to see all our tenants taking an active part in their local communities, regularly attending groups, clubs and activities organised by the local church, social and sports clubs and other community groups.

#### **FINANCIAL REVIEW**

##### **Financial position**

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

The majority of the charity's income is derived from rental income from the properties which are let to people with learning disabilities. This year this has amounted to £915,580 and the remaining income has arisen from interest earned of £381. No properties were either disposed of or acquired in the year.

Cash reserves have decreased to £286,107 during the year.

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

##### **Reserves policy**

Total funds of Acre Housing stood at £9,991,589 at 31st March 2019.

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

## **ACRE HOUSING**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019**

#### **FUTURE PLANS**

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

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

The one bedroom leasehold flat in Oxford that was owned by Acre Housing at the year end was sold on 16 May 2019. This was geographically isolated from our other properties and as such when the tenant chose to move on the property was disposed of.

We are looking to purchase an additional property in Wantage during the coming year which will require a further loan. We also continue discussions with a number of parents who have purchased their own property but are looking to pass on the day to day housing management to a specialist like Acre Housing, and are developing financial models to accommodate these.

Following the significant redevelopment work at our Henley properties we are looking to develop an accessible sensory garden to allow tenants to both access and enjoy the outdoor space surrounding their home.

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

##### **Governing document**

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

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

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

##### **Risk management**

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

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

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

02677365 (England and Wales)

##### **Registered Charity number**

1010701

##### **Registered office**

1 London Street  
Reading  
Berkshire  
RG1 4PN

## **ACRE HOUSING**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019**

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Trustees**

K N Templeton  
J Pozzoni  
Lady J Thomson  
S Tearle  
A S Bryan

Jan Thompson, who was appointed on 20 May 2015, retired in accordance with the Articles of Association at the 2018 Annual General meeting and was re-elected.

Acre Housing is run by a Board of Trustees which is responsible for organising all aspects of the daily running of the charity.

The trustees are appointed by the Board and all trustees must be at least 18 years of age and capable of managing his or her own affairs. For the purposes of the company, trustees become members on appointment and cease to be members on resignation.

The existing trustees may make appointments of new trustees but all new trustees must retire at the next Annual General Meeting following their appointment, thereafter one-third of trustees must retire at the Annual General Meeting and can seek re-election.

##### **Company Secretary**

S E Vandersteen

##### **Auditors**

Astral Accountancy Services Limited  
Statutory Auditor  
Astral House  
Granville Way  
Bicester  
Oxfordshire  
OX26 4JT

##### **Bankers**

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

##### **Solicitors**

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

## ACRE HOUSING

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

#### STATEMENT OF TRUSTEES RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

#### AUDITORS

In accordance with the Companies Act 2006, a resolution proposing the appointment of Astral Accountancy Services Limited was submitted at the 2018 Annual General Meeting and was carried unanimously.

Astral Accountancy Services Limited will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 16<sup>th</sup> July 2019 and signed on its behalf by:

  
K N Templeton - Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ACRE HOUSING**

### **Opinion**

We have audited the financial statements of Acre Housing (the 'charitable company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.



## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ACRE HOUSING

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Emily Proctor (Senior Statutory Auditor)  
for and on behalf of Astral Accountancy Services Limited  
Statutory Auditor  
Astral House  
Granville Way  
Bicester  
Oxfordshire  
OX26 4JT

Date: 16 JULY 2019

**ACRE HOUSING**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2019**

		Unrestricted funds	Restricted funds	Total 2019 funds	Total 2018 funds
	Notes	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	-	-	-	4,280
Charitable activities	4				
Accommodation provision and related services		915,580	-	915,580	839,879
Investment income	3	<u>381</u>	<u>-</u>	<u>381</u>	<u>131</u>
<b>Total</b>		<b>915,961</b>	<b>-</b>	<b>915,961</b>	<b>844,290</b>
<b>EXPENDITURE ON</b>					
Raising funds	5	-	-	-	115,017
Charitable activities	6				
Accommodation provision and related services		<u>605,419</u>	<u>-</u>	<u>605,419</u>	<u>553,624</u>
<b>Total</b>		<b>605,419</b>	<b>-</b>	<b>605,419</b>	<b>668,641</b>
<b>NET INCOME</b>		<b>310,542</b>	<b>-</b>	<b>310,542</b>	<b>175,649</b>
Transfers between funds	18	<u>1,687</u>	<u>(1,687)</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<b>312,229</b>	<b>(1,687)</b>	<b>310,542</b>	<b>175,649</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>9,087,804</u>	<u>593,243</u>	<u>9,681,047</u>	<u>9,505,398</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>9,400,033</u></b>	<b><u>591,556</u></b>	<b><u>9,991,589</u></b>	<b><u>9,681,047</u></b>

The notes form part of these financial statements

# ACRE HOUSING


## BALANCE SHEET AT 31 MARCH 2019

		Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
	Notes				
<b>FIXED ASSETS</b>					
Tangible assets	12	10,603,797	591,556	11,195,353	10,924,410
<b>CURRENT ASSETS</b>					
Debtors	13	50,472	-	50,472	43,411
Cash at bank		<u>286,107</u>	<u>-</u>	<u>286,107</u>	<u>520,859</u>
		336,579	-	336,579	564,270
<b>CREDITORS</b>					
Amounts falling due within one year	14	(175,799)	-	(175,799)	(309,688)
<b>NET CURRENT ASSETS</b>		<u>160,780</u>	<u>-</u>	<u>160,780</u>	<u>254,582</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		10,764,577	591,556	11,356,133	11,178,992
<b>CREDITORS</b>					
Amounts falling due after more than one year	15	(1,364,544)	-	(1,364,544)	(1,497,945)
<b>NET ASSETS</b>		<u>9,400,033</u>	<u>591,556</u>	<u>9,991,589</u>	<u>9,681,047</u>
<b>FUNDS</b>	18				
Unrestricted funds				9,400,033	9,087,804
Restricted funds				<u>591,556</u>	<u>593,243</u>
<b>TOTAL FUNDS</b>				<u>9,991,589</u>	<u>9,681,047</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 16<sup>th</sup> July 2019 and were signed on its behalf by:

  
K N Templeton - Trustee

  
Lady J Thomson - Trustee

The notes form part of these financial statements

**ACRE HOUSING**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2019**

	Notes	2019 £	2018 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	236,583	477,632
Interest paid		<u>(48,327)</u>	<u>(50,499)</u>
<b>Net cash provided by (used in) operating activities</b>		<u>188,256</u>	<u>427,133</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(291,995)	(1,223,389)
Interest received		<u>381</u>	<u>131</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(291,614)</u>	<u>(1,223,258)</u>
<b>Cash flows from financing activities:</b>			
New loans in year		-	1,100,000
Loan repayments in year		<u>(131,394)</u>	<u>(280,950)</u>
<b>Net cash provided by (used in) financing activities</b>		<u>(131,394)</u>	<u>819,050</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(234,752)</u>	<u>22,925</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>520,859</u>	<u>497,934</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>286,107</u>	<u>520,859</u>

The notes form part of these financial statements

# **ACRE HOUSING**

## **NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2019**

<b>1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Net income for the reporting period (as per the statement of financial activities)</b>	<b>310,542</b>	<b>175,649</b>
<b>Adjustments for:</b>		
Depreciation charges	<b>20,050</b>	<b>18,840</b>
Loss on disposal of fixed assets	<b>1,002</b>	<b>-</b>
Interest received	<b>(381)</b>	<b>(131)</b>
Interest paid	<b>48,327</b>	<b>50,499</b>
Impairment	<b>-</b>	<b>115,017</b>
Increase in debtors	<b>(7,061)</b>	<b>(6,071)</b>
(Decrease)/increase in creditors	<b><u>(135,896)</u></b>	<b><u>123,829</u></b>
<b>Net cash provided by (used in) operating activities</b>	<b><u>236,583</u></b>	<b><u>477,632</u></b>

## ACRE HOUSING

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

##### **Incoming resources**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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

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

##### **Resources expended**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Resources are expended in the furtherance of the charity's objectives.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

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

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

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

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

##### **Taxation**

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

## ACRE HOUSING

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

#### 1. ACCOUNTING POLICIES - continued

##### **Fund accounting**

Funds held by the charity are either:

**Unrestricted general funds** - these are funds which can be used in accordance with the charitable objectives at the discretion of the trustees.

**Designated funds** - these funds represent monies set aside for specific purposes at the discretion of the trustees rather than the donors. The trustees have designated the funds to be used to invest in new properties, in accordance with the charity's objectives.

**Restricted funds** - funds received can only be used for specifically nominated expenditure by the donor and are credited to income in the year in which they are received. Where amounts are not specifically allocated against expenditure in that year, the balance is deferred and added to the balance brought forward on the restricted funds reserve and is used in subsequent years in line with the restrictions placed by the donor.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

#### 2. DONATIONS AND LEGACIES

	2019	2018
	£	£
Donations	<u>-</u>	<u>4,280</u>

There were no donations received in the year ended 31 March 2019. The donations received in the year ended 31 March 2018 amounting to £4,280 were all restricted.

#### 3. INVESTMENT INCOME

	2019	2018
	£	£
Bank interest receivable	<u>381</u>	<u>131</u>

#### 4. INCOME FROM CHARITABLE ACTIVITIES

None of the charitable company's turnover is attributable to geographical markets outside the United Kingdom.

#### 5. RAISING FUNDS

##### **Investment management costs**

	2019	2018
	£	£
Impairment losses	<u>-</u>	<u>115,017</u>

The impairment loss incurred in the year ended 31 March 2018 related to the revaluation of one of the charity's freehold properties. As the market value was deemed to be less than cost, an impairment adjustment was made at 31 March 2018.

# ACRE HOUSING

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

### 6. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 7) £	Grant funding of activities (See note 8) £	Support costs (See note 9) £	Totals £
Accommodation provision and related services	<u>501,273</u>	<u>97,000</u>	<u>7,146</u>	<u>605,419</u>

### 7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2019 £	2018 £
Rates and water	32,045	31,059
Insurance	9,151	10,469
Housing rent paid	8,004	15,030
Leasehold service charges	27,877	28,036
Repairs and renewals	288,192	231,555
Administration and housing management fees	65,016	64,104
Legal and professional fees	1,609	7,978
Depreciation	20,050	18,840
Loss on sale of tangible fixed assets	1,002	-
Bank charges and interest	2,992	2,244
Loan interest	45,335	48,255
	<u>501,273</u>	<u>457,570</u>

### 8. GRANTS PAYABLE

	2019 £	2018 £
Accommodation provision and related services	<u>97,000</u>	<u>91,000</u>

A donation of £97,000 was paid during the year to 31 March 2019 (2018: £91,000) to Style Acre.

### 9. SUPPORT COSTS

	Governance costs £
Accommodation provision and related services	<u>7,146</u>

Support costs, included in the above, are as follows:



**ACRE HOUSING**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2019**

**9. SUPPORT COSTS - continued**

	2019	2018
	Accommodation provision and related services	Total activities
	£	£
Auditors' remuneration	2,374	2,140
Auditors' remuneration for non audit work	2,540	2,540
General expenses	<u>2,232</u>	<u>374</u>
	<u><u>7,146</u></u>	<u><u>5,054</u></u>

**10. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2019	2018
	£	£
Auditors' remuneration	2,374	2,140
Auditors' remuneration for non audit work	2,540	2,540
Depreciation - owned assets	20,050	18,840
Deficit on disposal of fixed asset	<u><u>1,002</u></u>	<u><u>-</u></u>

**11. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2019 nor for the year ended 31 March 2018.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2019 nor for the year ended 31 March 2018.

**12. TANGIBLE FIXED ASSETS**

	Freehold property £	Long leasehold £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1 April 2018	9,575,336	1,485,194	19,622	11,080,152
Additions	215,886	76,109	-	291,995
Disposals	-	-	(8,946)	(8,946)
At 31 March 2019	<u><u>9,791,222</u></u>	<u><u>1,561,303</u></u>	<u><u>10,676</u></u>	<u><u>11,363,201</u></u>
<b>DEPRECIATION</b>				
At 1 April 2018	-	139,729	16,013	155,742
Charge for year	-	19,658	392	20,050
Eliminated on disposal	-	-	(7,944)	(7,944)
At 31 March 2019	<u><u>-</u></u>	<u><u>159,387</u></u>	<u><u>8,461</u></u>	<u><u>167,848</u></u>
<b>NET BOOK VALUE</b>				
At 31 March 2019	<u><u>9,791,222</u></u>	<u><u>1,401,916</u></u>	<u><u>2,215</u></u>	<u><u>11,195,353</u></u>
At 31 March 2018	<u><u>9,575,336</u></u>	<u><u>1,345,465</u></u>	<u><u>3,609</u></u>	<u><u>10,924,410</u></u>

# **ACRE HOUSING**

## **NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019**

### **12. TANGIBLE FIXED ASSETS - continued**

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

The trustees are of the opinion that freehold properties with a net book value of £9,791,222 at 31 March 2019 have a market value of £9,800,000.

Long leasehold properties with a net book value of £1,401,916 have a market value of £1,550,000 as at 31 March 2019.

### **13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£	£
Trade debtors	13,135	8,419
Other debtors	13,803	3,563
Prepayments and accrued income	<u>23,534</u>	<u>31,429</u>
	<u>50,472</u>	<u>43,411</u>

### **14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£	£
Bank loans and overdrafts (see note 16)	134,183	132,176
Trade creditors	7,118	13,921
Other creditors	5,774	4,885
Accruals and deferred income	<u>28,724</u>	<u>158,706</u>
	<u>175,799</u>	<u>309,688</u>

The bank loans are secured against the freehold properties of the charity (note 17 also refers).

### **15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2019	2018
	£	£
Bank loans (see note 16)	<u>1,364,544</u>	<u>1,497,945</u>

### **16. LOANS**

An analysis of the maturity of loans is given below:

	2019	2018
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>134,183</u>	<u>132,176</u>

Amounts falling due in more than five years:

	2019	2018
	£	£
Repayable by instalments:		
Bank loan	<u>1,364,544</u>	<u>1,497,945</u>

# ACRE HOUSING

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

### 17. SECURED DEBTS

The following secured debts are included within creditors:

	2019 £	2018 £
Bank loans	<u>1,498,727</u>	<u>1,630,121</u>

### 18. MOVEMENT IN FUNDS

	At 1.4.18 £	Net movement in funds £	Transfers between funds £	At 31.3.19 £
<b>Unrestricted funds</b>				
General fund	10,000	310,542	(310,542)	10,000
Designated funds	4,412,064	-	322,681	4,734,745
Designated funds - donated properties	<u>4,665,740</u>	-	<u>(10,452)</u>	<u>4,655,288</u>
	9,087,804	310,542	1,687	9,400,033
<b>Restricted funds</b>				
Charles Road	202,180	-	(235)	201,945
Hagbourne Road	72,535	-	(1,452)	71,083
Fir Tree Avenue	25,000	-	-	25,000
Bradstocks Way	82,299	-	-	82,299
Slade Road	41,500	-	-	41,500
Bryan Way	155,500	-	-	155,500
Steventon Road	429	-	-	429
Virginia Way	<u>13,800</u>	-	-	<u>13,800</u>
	593,243	-	(1,687)	591,556
<b>TOTAL FUNDS</b>	<u>9,681,047</u>	<u>310,542</u>	<u>-</u>	<u>9,991,589</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	915,961	(605,419)	310,542
<b>TOTAL FUNDS</b>	<u>915,961</u>	<u>(605,419)</u>	<u>310,542</u>

**ACRE HOUSING**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2019**

**18. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.4.17 £	Net movement in funds £	Transfers between funds £	At 31.3.18 £
<b>Unrestricted Funds</b>				
General fund	10,000	175,884	(175,884)	10,000
Designated funds	4,225,430	(235)	186,869	4,412,064
Designated funds - donated properties	<u>4,676,192</u>	<u>-</u>	<u>(10,452)</u>	<u>4,665,740</u>
	8,911,622	175,649	533	9,087,804
<b>Restricted Funds</b>				
Charles Road	202,457	-	(277)	202,180
Hagbourne Road	72,791	-	(256)	72,535
Fir Tree Avenue	25,000	-	-	25,000
Bradstocks Way	82,299	-	-	82,299
Slade Road	41,500	-	-	41,500
Bryan Way	155,500	-	-	155,500
Steventon Road	429	-	-	429
Virginia Way	<u>13,800</u>	<u>-</u>	<u>-</u>	<u>13,800</u>
	593,776	-	(533)	593,243
<b>TOTAL FUNDS</b>	<u>9,505,398</u>	<u>175,649</u>	<u>-</u>	<u>9,681,047</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	840,009	(664,125)	175,884
Designated funds	<u>1</u>	<u>(236)</u>	<u>(235)</u>
	840,010	(664,361)	175,649
<b>Restricted funds</b>			
Hagbourne Road	4,280	(4,280)	-
<b>TOTAL FUNDS</b>	<u>844,290</u>	<u>(668,641)</u>	<u>175,649</u>

**ACRE HOUSING**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2019**

**18. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.17 £	Net movement in funds £	Transfers between funds £	At 31.3.19 £
<b>Unrestricted Funds</b>				
General fund	10,000	486,426	(486,426)	10,000
Designated funds	4,225,430	(235)	509,550	4,734,745
Designated funds - donated properties	<u>4,676,192</u>	<u>-</u>	<u>(20,904)</u>	<u>4,655,288</u>
	8,911,622	486,191	2,220	9,400,033
<b>Restricted funds</b>				
Charles Road	202,457	-	(512)	201,945
Hagbourne Road	72,791	-	(1,708)	71,083
Fir Tree Avenue	25,000	-	-	25,000
Bradstocks Way	82,299	-	-	82,299
Slade Road	41,500	-	-	41,500
Bryan Way	155,500	-	-	155,500
Steventon Road	429	-	-	429
Virginia Way	<u>13,800</u>	<u>-</u>	<u>-</u>	<u>13,800</u>
	<u>593,776</u>	<u>-</u>	<u>(2,220)</u>	<u>591,556</u>
<b>TOTAL FUNDS</b>	<u><u>9,505,398</u></u>	<u><u>486,191</u></u>	<u><u>-</u></u>	<u><u>9,991,589</u></u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,755,970	(1,269,544)	486,426
Designated funds	1	(236)	(235)
	<u>1,755,971</u>	<u>(1,269,780)</u>	<u>486,191</u>
<b>Restricted funds</b>			
Hagbourne Road	<u>4,280</u>	<u>(4,280)</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u><u>1,760,251</u></u>	<u><u>(1,274,060)</u></u>	<u><u>486,191</u></u>

## ACRE HOUSING

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

#### 18. MOVEMENT IN FUNDS - continued

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

##### **Charles Road**

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

Included within restricted funds in respect of Charles Road is a donation for the purchase of fixtures and fittings of £9,040. These funds are being amortised to match the depreciation being charged in the financial statements of £235 (2018: £277).

##### **Hagbourne Road**

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

Included within restricted funds in respect of Hagbourne Road was a donation for the purchase of fixtures and fittings of £6,278. These funds were being amortised to match the depreciation being charged in the financial statements up until their disposal in the year. The fund has therefore been adjusted to match the disposal value of £1,452 (2018: amortisation charge of £256).

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

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

##### **Bradstocks Way**

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

##### **Slade Road**

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

##### **Bryan Way**

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

##### **Steventon Road**

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

##### **Virginia Way**

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

## ACRE HOUSING

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

#### 19. RELATED PARTY DISCLOSURES

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

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

Administration charges totalling £65,016 (2018: £64,104) were charged by Style Acre in respect of general administration costs, including housing and property management.

During the year Acre Housing made an unrestricted donation to Style Acre of £97,000 (2018: £91,000).

As at 31 March 2019 an amount of £nil (2018: £259) was owed to Style Acre.

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

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

Housing rent and leasehold service charges totalling £30,004 (2018: £30,004) were charged by Style Acre Trading Limited.

#### 20. LEGAL STATUS

The charity does not have a share capital and is limited by the guarantee of its members to the extent of £1 each.

On becoming a Trustee of Acre Housing, whether by casual appointment or by election at an AGM, a Trustee automatically becomes a member for the purposes of the Articles of the Charity. Equally when a person ceases to be a serving Trustee of Acre Housing, whether by resignation or by retirement on rotation, they are automatically deemed to have ceased to be a member of the charity for the purposes of the Articles.

# **ACRE HOUSING**

## **DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2019**

	2019 £	2018 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	-	4,280
<b>Investment income</b>		
Bank interest receivable	381	131
<b>Charitable activities</b>		
Housing benefit	903,746	839,012
Property Management	<u>11,834</u>	<u>867</u>
	<u>915,580</u>	<u>839,879</u>
<b>Total incoming resources</b>	<b>915,961</b>	<b>844,290</b>
<b>EXPENDITURE</b>		
<b>Investment management costs</b>		
Impairment losses for tangible fixed assets	-	115,017
<b>Charitable activities</b>		
Rates and water	32,045	31,059
Insurance	9,151	10,469
Housing rent paid	8,004	15,030
Leasehold service charges	27,877	28,036
Repairs and renewals	288,192	231,555
Administration and housing management fees	65,016	64,104
Legal and professional fees	1,609	7,978
Depreciation	20,050	18,840
Loss on sale of tangible fixed assets	1,002	-
Bank charges and interest	2,992	2,244
Loan interest	45,335	48,255
Charitable Donation	<u>97,000</u>	<u>91,000</u>
	<b>598,273</b>	<b>548,570</b>
<b>Support costs</b>		
<b>Governance costs</b>		
Auditors' remuneration	2,374	2,140
Auditors' remuneration for non audit work	2,540	2,540
General expenses	<u>2,232</u>	<u>374</u>
	<u>7,146</u>	<u>5,054</u>
<b>Total resources expended</b>	<b>605,419</b>	<b>668,641</b>
<b>Net income</b>	<u><b>310,542</b></u>	<u><b>175,649</b></u>

This page does not form part of the statutory financial statements