

**REGISTERED UNDER THE CO-OPERATIVE &  
COMMUNITY BENEFIT SOCIETIES ACT 2014  
(No 12945R)**

**BLAKENEY NEIGHBOURHOOD HOUSING SOCIETY  
LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**BLAKENEY NEIGHBOURHOOD HOUSING SOCIETY LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

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**PRINCIPAL ADDRESSES**

Registered Office	43 Bull Street Holt Norfolk NR25 6HP
Secretary	Hornbeam Cottage New Road Blakeney NR25 7NZ
Independent auditors	Larking Gowen LLP 43 Bull Street Holt Norfolk NR25 6HP

## BLAKENEY NEIGHBOURHOOD HOUSING SOCIETY LIMITED

### REPORT OF THE COMMITTEE OF MANAGEMENT

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The Committee presents its Annual Report and the Financial Statements for the year ended 31 December 2019.

#### RESPONSIBILITIES OF THE COMMITTEE OF MANAGEMENT

The Co-operative and Community Benefit Societies Act 2014 requires the Committee of Management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of the surplus or loss of the Society for that period. In preparing those financial statements, the Committee of Management is required to:

- select suitable accounting policies and then apply them consistently;
- 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 Society will continue in business.

The Committee of Management is responsible for keeping proper books of account relating to its transactions, assets and liabilities as are necessary in order to give a true and fair view of the state of the Society's affairs and to explain its transactions and to enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. It is responsible for establishing and maintaining a satisfactory system of control of its books of account, cash holdings and all receipts and remittances and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### OBJECTIVES AND ACTIVITIES FOR PUBLIC BENEFIT

The Society operates as a housing society offering accommodation at affordable rents in Blakeney, Cley and Wiveton to persons connected with those villages and with Langham, Morston and Salthouse. It is an exempt charity incorporated under the Co-operative and Community Benefit Societies Act 2014.

The Society's Committee confirms that they have referred to the Charity Commission's guidance on public benefit when reviewing the Society's aims and objectives.

During the year the Society generated income of £278,748 (2018 - £457,789). This included £184,497 (2018 - £177,621) from rents receivable. £85,000 (2018 - £nil) was received from the disposal of a freehold interest. The reason for the reduction in income is that in the prior year legacy income of £270,742 was received. No legacy income was received this year. Total expenditure was £372,353 (2018 - £131,564). The significant increase arose from extensive planned refurbishment of the Society's housing stock, including substantial work to four properties. Property repairs and maintenance costs were £309,987 (2018 - £62,454), of which £74,220 was funded from the Discretionary Development Fund. The high repairs and maintenance costs resulted in a deficit for the period of £93,605 (2018 - surplus of £326,225).

The cash flow during the year is summarised as follows:

	£
Net income for the year (page 7)	(93,605)
Add: depreciation	39,011
	<u>(54,594)</u>
Less: asset expenditure	0
	<u>(54,594)</u>
Movement on debtors	(2,109)
Movement on share capital	1
Movement on creditors	<u>(3,575)</u>
Net cash inflow in the year	<u>(60,277)</u>

#### COMMITTEE AND VOLUNTEERS

Committee and sub-committee members offer their services to the Society free of charge. In addition there are several volunteers who help to organise / hold fundraising functions and activities without charge. The Committee of Management is grateful to those individuals for their continued support.

## **HISTORY AND ACHIEVEMENTS**

The Society owes its existence to the pioneering efforts of local resident Norah Clogstoun, whose war work took her into many cottages in Blakeney. She was shocked by their poor condition. At an auction in 1944 she bid for five cottages in Leatherdale Yard and then borrowed the money to pay for them. At a public meeting in 1946 the decision was taken to form a housing society and seven local people were elected to form a management committee - the beginning of a remarkable and important local institution. The first AGM was held in 1948 when 15 cottages had been acquired at an average cost of £112 and there were 31 shareholders. Donations amounted to nearly £800 but there was also a large overdraft from Barclays Bank. In 1949 the Society obtained charitable status. By 1951 the Society owned 36 cottages and, although ten were subsequently sold to relieve mortgage problems, when Norah Clogstoun died in 1963 many of her dreams had come to pass.

In 1985 John Wallace, a Blakeney resident, bequeathed ten cottages to the Society. All needed refurbishment. Ten more properties were acquired during the 1990s, including four at Durrant's Row in Cley, in partnership with Broadland Housing, and two former council houses costing £48,000 each. Today, after 70 years of acquisitions, conversions and sales, the Society has 43 cottages and 80 shareholders who have voting rights but receive no dividends.

In 2007 the Society's efforts were acknowledged with the presentation of the Queen's Award for Voluntary Service. This recognised the contribution made by the Society to the local community in providing affordable housing for local people and also helping to conserve the characteristic appearance of Blakeney High Street.

The Society's cottages have distinctive blue and white paintwork and each has a plaque with a BNHS crest. The Society continues to be managed by volunteers, including some tenants. It is a constant battle to maintain and improve the Society's properties, made more difficult because more than half the cottages are listed. Rents used to be relatively low but are moving towards parity with other social housing providers.

BNHS has helped three generations of local people and intends to continue to provide homes for local people with the support of the community and visitors.

Its development since 1944 is described in booklets published in 1996 and 2011.

## **RESERVES**

The Society aims to maintain free reserves which roughly equate to 2 years normal expenditure of which it wishes to maintain a bank balance of at least £100,000. The committee consider that the bank balance and the level of reserves will provide sufficient funds to ensure that key expenses, such as property and administrative costs are covered.

Total fund at 31 December 2019 were £1,257,013 (2018 - £1,350,617). Of these, £294,567 (2018 - £302,584) relate to restricted property assets, £895 (2018 - £890) to a restricted property fund, £350,000 (2018 - £416,503) to a discretionary development fund, and £611,551 (2018 - £636,640) are general funds, of which £478,252 of these (2018 - £509,246) are invested in property assets. Free reserves at 31 December 2019 were £133,299 (2018 - £121,394).

The committee regularly reviews the reserves policy.

# BLAKENEY NEIGHBOURHOOD HOUSING SOCIETY LIMITED

## REPORT OF THE COMMITTEE OF MANAGEMENT

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### COVID-19 AND GOING CONCERN

The current Covid-19 pandemic has impacted the Society, and the wider economy and society. The Society is operating in accordance with Government guidelines. The impact on rents receivable in the short term is expected to be minimal, however if the pandemic continues, the medium to long term impact is less clear. The Society has communicated with tenants to reassure them that it will work with them if they find that they cannot pay their rent temporarily. To meet Government guidelines on safe working for the contractors property repairs and maintenance work has been scaled back to only emergency works during the period of Covid-19 restrictions. The Society is well placed to weather the challenges that might be ahead as any further developments relating to the pandemic unfold.

The Committee of Management have considered the Society's position at the time of signing the financial statements, and in particular the current issues caused by Covid-19 and its potential impact on the Society and the wider economy and society. As such under the current circumstances it is difficult to predict the impact for the remainder of the financial year and medium term. Nevertheless, the Committee of Management have considered the current financial strength of the Society, together with the range of measures the Committee of Management could take to mitigate ongoing costs should they need to, and the ability to review the Discretionary Development Fund if Covid-19 reduces rental income substantially. Based on this, the Committee of Management have concluded that they have a reasonable expectation that the Society will have adequate resources to continue in operational existence for the foreseeable future, and at least twelve months from the date of signing these financial statements, they therefore continue to adopt the going concern basis of accounting in preparing these financial statements. The Committee of Management however, are concerned regarding the resourcing of the committee itself and in the absence of volunteers would have to consider buying in such resources.

### COMMITTEE MEMBERS

The Society is registered under the Co-operative and Community Benefit Societies Act 2014 (No. 12945R) and is managed by an elected committee. The Society is administered by the Mutual Societies Registration Section of the Financial Conduct Authority (FCA). The governing document of the Society is National Housing Federation set of 'Rules' (Model H 1991) (Charitable)).

New members are appointed to the Committee of Management by the existing members of the committee if they are considered to have the appropriate skills and local knowledge to enable them to execute their responsibilities effectively. Rules 34 through 50. All committee members must be members of the Society. No specific training is undertaken.

Committee members who served during the year were:

Mr J Seymour	(Chairman)
Mr R Cole	(Treasurer until 27 August 2019)
Mr D Glaister	(appointed and Treasurer from 27 August 2019)
Mrs M Collett	(Secretary)
Mrs L Cripps	(Housing Officer)
Mr S Hall	
Mr R Kelham	
Mrs D Slegg	
Miss N Weston	(Until 8 March 2020)
Mrs L Price	
Mrs E Brett	

**By Order of the Committee**

.....  
**Mrs M Collett**

**Secretary**

**Date: 17 May 2020**

## **Independent Auditor's Report to the Members of Blakeney Neighbourhood Housing Society Limited**

### **Opinion**

We have audited the financial statements of Blakeney Neighbourhood Housing Society Limited (the 'society') for the year ended 31 December 2019 which comprise the Statement of Financial Activities, Balance Sheet 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the society's affairs as at 31 December 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

### **Other matter**

The comparative figures in the financial statements are unaudited because the society was audit exempt in the prior period.

### **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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the society 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 committee of management's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the committee of management has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the society'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.

## **Independent Auditor's Report to the Members of Blakeney Neighbourhood Housing Society Limited (CONTINUED)**

### **Other information**

The committee of management is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

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

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- the society has not kept proper books of account, and not maintained a satisfactory system of control over its transactions, in accordance with the requirements of the legislation; or
- the revenue account, any other accounts to which our report relates, and the balance sheet are not in agreement with the society's books of account; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

### **Responsibilities of the committee of management**

As explained more fully in the committee of management's responsibilities statement set out on page 1, the committee of management is 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 it determines 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 committee of management is responsible for assessing the society'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 committee of management either intends to liquidate the society or to cease operations, or has no realistic alternative but to do so.

### **Auditor's 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 an auditor's report 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 auditor's report.

**Independent Auditor's Report to the Members of Blakeney Neighbourhood Housing Society Limited (CONTINUED)**

**Use of our report**

This report is made solely to the society's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the society's members those matters we are required to state to them in an auditor's 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 society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Larking Gowen LLP**

**Chartered Accountants  
Statutory Auditor**

**Holt**

**Date: 18 May 2020**



**BLAKENEY NEIGHBOURHOOD HOUSING SOCIETY LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	2019				2019	2018
		Property £	Development Fund £	Discretionary Development Fund £	General Fund £	Total Funds £	Total Funds £
<b>INCOME AND EXPENDITURE</b>							
<b>INCOME AND ENDOWMENTS FROM:</b>							
Rents receivable		-	-	-	184,497	184,497	177,621
Other property income		-	-	-	25	25	25
Donations		-	-	6,407	-	6,407	6,673
Disposal of freehold interest		-	-	-	85,000	85,000	-
Interest receivable		-	5	232	454	691	298
Other income		-	-	-	1,050	1,050	1,050
Gift aid		-	-	1,078	-	1,078	1,380
Legacies		-	-	-	-	-	270,742
<b>TOTAL</b>		-	5	7,717	271,026	278,748	457,789
<b>EXPENSES ON:</b>							
Property expenses	4.1	8,017	-	74,220	279,040	361,277	117,083
Administrative expenses	4.2	-	-	-	11,016	11,016	14,421
Finance costs	4.3	-	-	-	60	60	60
<b>TOTAL</b>		8,017	-	74,220	290,116	372,353	131,564
<b>NET MOVEMENT IN FUNDS</b>		(8,017)	5	(66,503)	(19,090)	(93,605)	326,225
<b>RECONCILIATION IN FUNDS:</b>							
Total funds brought forward 1 January 2019		302,584	890	416,503	630,640	1,350,617	1,024,388
Shares issued	8	-	-	-	2	2	-
Shares cancelled	8	-	-	-	(1)	(1)	4
<b>Total funds carried forward 31 December 2019</b>	12	294,567	895	350,000	611,551	1,257,013	1,350,617

**BLAKENEY NEIGHBOURHOOD HOUSING SOCIETY LIMITED**  
**BALANCE SHEET AT 31 DECEMBER 2019**

	Notes	2019				2019	2018
		I-----Restricted funds-----I	I----- Unrestricted funds -----I			Total Funds	Total Funds
		Property £	Development Fund £	Discretionary Development Fund £	General Fund £	£	£
<b>FIXED ASSETS</b>							
Tangible assets	5	294,567	-	-	478,252	772,819	811,830
<b>CURRENT ASSETS</b>							
Debtors	6	-	-	-	8,065	8,065	5,956
COIF deposit account		-	895	40,916	-	41,811	41,574
Cash at bank		-	-	309,084	140,289	449,373	509,887
		-	895	350,000	148,354	499,249	557,417
<b>CURRENT LIABILITIES - falling due within one year</b>							
Creditors	7	-	-	-	(15,055)	(15,055)	(18,630)
<b>NET CURRENT ASSETS</b>		-	895	350,000	133,299	484,194	538,787
<b>NET ASSETS</b>		294,567	895	350,000	611,551	1,257,013	1,350,617
<b>SHARE CAPITAL</b>	8	-	-	-	81	81	84
<b>UNRESTRICTED FUNDS</b>	12	-	-	350,000	611,470	961,470	1,047,059
<b>RESTRICTED FUNDS</b>	12	294,567	895	-	-	295,462	303,474
		294,567	895	350,000	611,551	1,257,013	1,350,617

The Financial Statements on pages 7 to 17 were approved by the Committee of Management and are signed on its behalf by:

Mr J Seymour (Chairman) .....

Mr D Glaister (Treasurer) .....

Date: 17 May 2020

**1. ACCOUNTING POLICIES**

The significant accounting policies used in the preparation of these financial statements are:

**a. Basis of Accounting**

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) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable on the UK and Republic of Ireland (FRS102) and the Co-operative and Community Benefit Societies Act 2014.

The Society 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.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**b. Going concern**

The Committee of Management have considered the Society's position at the time of signing the financial statements, and in particular the current issues caused by Covid-19 and its potential impact on the Society and the wider economy and society. As such under the current circumstances it is difficult to predict the impact for the remainder of the financial year and medium term. Nevertheless, the Committee of Management have considered the current financial strength of the Society, together with the range of measures the Committee of Management could take to mitigate ongoing costs should they need to.

Based on this, the Committee of Management have concluded that they have a reasonable expectation that the Society will have adequate resources to continue in operational existence for the foreseeable future, and at least twelve months from the date of signing these financial statements, they therefore continue to adopt the going concern basis of accounting in preparing these financial statements.

**c. Income**

All income is recognised once the Society has entitlement to the income, it is probable that the income will be received and the amount of income can be measured reliably. Rental income is the amounts payable by tenants towards the cost of repairs on their properties and is recognised on a straight-line basis over the length of the tenancy agreement. Legacies and donations are recognised when it is probable it will be received and the amount can be measured reliably.

**d. Netted off Expenses and Related Income**

Where expenditure, which is not considered to be material, is incurred in connection with the Society's fund raising activities, such expenditure has been netted off against the gross receipts and the net income is reflected within the Statement of Financial Activities.

**e. Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

**f. Fixed assets and depreciation**

Acquired properties or extensions to existing properties are capitalised. Works to the existing structure of properties held by the Society are capitalised if they are expected to provide incremental future benefits. During the period the Society reviewed what would constitute incremental future benefits. Previously this was considered to be any expenditure in a year of over £5,000 on a property. However, given the age profile and nature of the Society's housing stock, and the high costs associated maintaining the properties, the area was reviewed. It was determined that the £5,000 threshold would no longer be applied but instead the following indicators would be used to determine if works on existing properties provided incremental future benefit: an increase in rental income over the life of the property, a reduction in future maintenance costs, or a significant extension of the life of the property. The new approach has been applied prospectively, and has meant that in the period works of £270,509 that would have previously been capitalised have been recognised in repairs and maintenance costs.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Property	1% straight line
Property improvements	5% straight line
Equipment	10% straight line

**g. Taxation**

No taxation has been provided for in these financial statements as the Society enjoys charitable status for taxation purposes. The Society is not registered for VAT. Accordingly no VAT is charged to residents and expenditure included in the Statement of Financial Activities includes the irrecoverable VAT.

**h. Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**i. Creditors**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the society anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**j. Cash at Bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2a. UNRESTRICTED FUNDS**

The Society maintains a Discretionary Development Fund to which income is applied at the discretion of the Committee of Management.

Where the Society receives funds from donors, fundraisers or legacies which do not specify the purpose of those funds the Committee has the discretion to decide if the funds are to be placed in the General Fund for use in everyday expenditure on repairs or renewals or the Discretionary Development Fund where the funds will be used towards the purchase of new properties or the increase in size of an existing property.

**2b. RESTRICTED FUNDS**

Where the Society receives monies, or raises funds, specifically for property acquisitions and improvements the net incoming resources are shown separately as restricted funds under the heading Restricted Development Fund. Properties acquired using restricted funds are shown separately under the heading Restricted Property.

## 3. PRIOR YEAR INCOME AND EXPENDITURE BY FUND

2018					
I---Restricted funds---I I-- Unrestricted funds --I					
	Other Fund £	Development Fund £	Discretionary Development Fund £	General Fund £	Total Funds £
<b>INCOME AND ENDOWMENTS FROM:</b>					
Rents receivable	-	-	-	177,621	177,621
Other property income	-	-	-	25	25
Donations	-	-	6,673	-	6,673
Interest receivable	-	4	30	264	298
Other income	-	-	-	1,050	1,050
Gift aid	-	-	1,380	-	1,380
Legacies	-	-	270,742	-	270,742
<b>TOTAL</b>	<b>-</b>	<b>4</b>	<b>278,825</b>	<b>178,960</b>	<b>457,789</b>
<b>EXPENSES ON:</b>					
Property expenses	8,018	-	-	109,065	117,083
Administrative expenses	-	-	-	14,421	14,421
Finance costs	-	-	-	60	60
	<b>8,018</b>	<b>-</b>	<b>-</b>	<b>123,546</b>	<b>131,564</b>
<b>NET MOVEMENT IN FUNDS</b>	<b>(8,018)</b>	<b>4</b>	<b>278,825</b>	<b>55,414</b>	<b>326,225</b>

BLAKENEY NEIGHBOURHOOD HOUSING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)

4 EXPENDITURE	2019			2019	2018
	I--Restricted--I Property Fund	I-- Unrestricted funds --I Discretionary development fund	General	Total Funds	Total Funds
	£	£	£	£	£
<b>4.1</b> Property -					
Repairs and maintenance	-	74,220	235,767	309,987	62,454
Insurance	-	-	11,411	11,411	12,565
Other	-	-	868	868	2,537
Depreciation	8,017	-	30,994	39,011	39,527
	<u>8,017</u>	<u>74,220</u>	<u>279,040</u>	<u>361,277</u>	<u>117,083</u>

In 2018 all property costs were to general funds except for £8,018 of depreciation that was to the restricted property fund.

<b>4.2</b> Administration -					
Property management fees	-	-	-	-	4,200
Audit and accountancy fee	-	-	8,640	8,640	9,300
FCA fees	-	-	124	124	437
Website	-	-	67	67	83
Other	-	-	2,185	2,185	401
	<u>-</u>	<u>-</u>	<u>11,016</u>	<u>11,016</u>	<u>14,421</u>

In 2018 all administration costs were to general funds

<b>4.3</b> Finance Costs -					
Bank charges	-	-	60	60	60
Bank interest	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>60</u>	<u>60</u>	<u>60</u>

In 2018 all finance costs were to general funds

**BLAKENEY NEIGHBOURHOOD HOUSING SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)**

5 FIXED ASSETS	Freehold Property		Property Improvements		Equipment		Total £
	Restricted funds	Unrestricted funds	Restricted funds	Unrestricted funds	Restricted funds	Unrestricted funds	
	Property £	General £	Property £	General £	Property £	General £	
<b>a. COST</b>							
At 1 January 2019	272,914	278,640	101,252	549,491	2,259	117,928	1,322,484
Additions / (disposals)	-	-	-	-	-	-	-
At 31 December 2019	272,914	278,640	101,252	549,491	2,259	117,928	1,322,484
<b>DEPRECIATION</b>							
At 1 January 2019	35,028	50,083	36,779	270,336	2,034	116,394	510,654
Charge for the year	2,729	2,786	5,063	27,475	225	733	39,011
At 31 December 2019	37,757	52,869	41,842	297,811	2,259	117,127	549,665
<b>NET BOOK VALUE</b>							
At 31 December 2019	235,157	225,771	59,410	251,680	-	801	772,819
At 31 December 2018	237,886	228,557	64,473	279,155	225	1,534	811,830

b. The Society has decided upon a policy of non-revaluation. The properties are insured for £10.034 million.

	2019 £	2018 £
<b>6. DEBTORS</b>		
Trade debtors	2,486	137
Prepayments and accrued income	5,579	5,819
	<u>8,065</u>	<u>5,956</u>
<b>7. CREDITORS</b>		
Amounts falling due within one year:		
Trade creditors	6,355	9,930
Accruals and deferred income	8,700	8,700
	<u>15,055</u>	<u>18,630</u>
<b>8. SHARE CAPITAL</b>		
£1 Ordinary Shares issued, allotted and fully paid:		
As at 1 January 2019	84	80
Adjustment to share capital brought forward	(4)	-
Shares issued during the year	2	4
Shares cancelled during the year	(1)	-
	<u>81</u>	<u>84</u>
As at 31 December 2019	<u>81</u>	<u>84</u>

In accordance with the rules of the Society its shares do not carry any rights to distribution, either by way of dividend or bonus. In the event of a surplus on a winding up any such surplus is transferable to another charitable institution having similar objects. The rules of the Society provide that when a person ceases to be a member, his/her share shall be cancelled and the amount paid up thereon shall become the property of the Society.

#### 9. STAFF COSTS AND NUMBERS

The Society employed no staff members in the year ended 31 December 2019 (2018 - nil).

No emoluments were paid to the Committee of Management for their services during the year.

Expenses of £182 (2018 - £nil) were paid to 3 (2018 - nil) members of the Committee of Management during the period.



**10. INDEMNITY INSURANCE**

Included within insurance is £336 relating to Indemnity insurance for the benefit of the Committee of Management (2018 - £287).

**11. CONTROL**

The Society is controlled by its Committee of Management.

**12. STATEMENT OF FUNDS****STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 Jan 2019 £	Income £	Expenditure £	Transfer between funds £	Shares issued/ (cancelled) £	Balance at 31 Dec 2019 £
<b>Unrestricted funds</b>						
General Fund	630,640	271,026	(290,116)	-	1	611,551
Discretionary Development Fund	416,503	7,717	(74,220)	-		350,000
	<b>1,047,143</b>	<b>278,743</b>	<b>(364,336)</b>	<b>-</b>	<b>1</b>	<b>961,551</b>
<b>Restricted funds</b>						
Development Fund	890	5	-	-	-	895
Property	302,584	-	(8,017)	-	-	294,567
	<b>303,474</b>	<b>5</b>	<b>(8,017)</b>	<b>-</b>	<b>-</b>	<b>295,462</b>
	<b>1,350,617</b>	<b>278,748</b>	<b>(372,353)</b>	<b>-</b>	<b>1</b>	<b>1,257,013</b>

**Unrestricted Funds**

Where the Society receives funds from donors, fundraisers or legacies which do not specify the purpose of those funds the Committee has the discretion to decide if the funds are to be placed in the General Fund for use in everyday expenditure on repairs or renewals or the Discretionary Development Fund where the funds will be used towards the purchase of new properties or the increase in size of an existing property.

**Restricted funds**

Where the Society receives monies, or raises funds, specifically for property acquisitions and improvements the net incoming resources are shown separately as restricted funds under the heading Restricted Development Fund. Properties acquired using restricted funds are shown separately under the heading Restricted Property.

BLAKENEY NEIGHBOURHOOD HOUSING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)

12. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 Jan 2018 £	Income £	Expenditure £	Transfer between funds £	Shares issued/ (cancelled) £	Balance at 31 Dec 2018 £
<b>Unrestricted funds</b>						
General Fund	706,333	178,960	(123,546)	(131,111)	4	630,640
Discretionary Development Fund	6,567	278,825	-	131,111	-	416,503
	<b>712,900</b>	<b>457,785</b>	<b>(123,546)</b>	<b>-</b>	<b>4</b>	<b>1,047,143</b>
<b>Restricted funds</b>						
Development Fund	886	4	-	-	-	890
Property	310,602	-	(8,018)	-	-	302,584
	<b>311,488</b>	<b>4</b>	<b>(8,018)</b>	<b>-</b>	<b>-</b>	<b>303,474</b>
	<b>1,024,388</b>	<b>457,789</b>	<b>(131,564)</b>	<b>-</b>	<b>4</b>	<b>1,350,617</b>

During the prior period the Committee of Management decided to designate a previous legacy receipt of £131,111 to the Discretionary Development Fund.

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted Funds 2019 £	Unrestricted Funds 2019 £	Total Funds 2019 £
Tangible assets	294,567	478,252	772,819
Current assets	895	498,354	499,249
Creditors due within one year	-	(15,055)	(15,055)
	<b>295,462</b>	<b>961,551</b>	<b>1,257,013</b>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted Funds 2018 £	Unrestricted Funds 2018 £	Total Funds 2018 £
Tangible assets	302,584	509,246	811,830
Current assets	890	556,527	557,417
Creditors due within one year	-	(18,630)	(18,630)
	<b>303,474</b>	<b>1,047,143</b>	<b>1,350,617</b>

**14. RELATED PARTY TRANSACTIONS**

4 (2018 - 4) tenants are also members of the Committee of Management. They rent properties from the Society on the same terms as other tenants.

There were no other related party transactions in the period (2018 - £nil).

**15. POST BALANCE SHEET EVENTS**

The current Covid-19 pandemic has impacted the Society, and the wider economy and society. The Society is operating in accordance with Government guidelines. The impact on rents receivable in the short term is expected to be minimal, however if the pandemic continues, the medium to long term impact is less clear. The Society has communicated with tenants to reassure them that it will work with them if they find that they cannot pay their rent temporarily. To meet Government guidelines on safe working for the contractors property repairs and maintenance work has been scaled back to only emergency works during the period of Covid-19 restrictions. The Society is well placed to weather the challenges that might be ahead as any further developments relating to the pandemic unfold.