Registered Charity Number: 1192964

Applegarth Homes

Unaudited Financial Statements

For the year ended 31 March 2026

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For the year ended 31 March 2026

Contents	**Page**
Trustee information and Registered Office details	1
Report of the Trustee	2 – 3
Statement of Financial Activities	4
Balance Sheet	5
Notes to the Financial Statements	6 – 11

Applegarth Homes

Trustee information and Registered Office details
For the year ended 31 March 2026

Trustee:	Harrogate Housing Association Limited
Registered Office:	10 High Street Harrogate North Yorkshire HG2 7HY
Registered Number:	Charitable Incorporated Organisation: 1192964

Applegarth Homes

Report of the Trustee
For the year ended 31 March 2026

The Trustee has pleasure in submitting its annual report, together with the financial statements of the Charity for the year ended 31 March 2026.

Since 1 October 2017 Harrogate Housing Association Limited has been the Sole Corporate Trustee.

The Charity has been a Charitable Incorporated Organisation (CIO), under the "foundation" model constitution, throughout the year with registered charity number of 1192964.

Review of activities and future development

Applegarth Homes is a registered charity which provides ten units of accommodation for people in conditions of need, hardship or distress and who live or have previously lived within the former West Riding of Yorkshire for a continuous period of five years.

The accommodation has been fully utilised by the beneficiaries during the year.

During the year to 31 March 2022 the Trustee considered how best to meet the needs of the beneficiaries, recognising the age of the property and its energy efficiency and that, over the years, changes to the properties had taken place, eg the installation of central heating and fire alarms, which no longer met the standards expected from good quality rented accommodation. In addition, with a focus on fire safety, the Trustee felt the layouts of the individual flats could be improved.

As a result, following the receipt of legal advice, the accommodation was let on a long lease to Harrogate Housing Association Limited from 1 July 2021. No rent is charged under the lease and the lessee is responsible for insuring and repairing/replacing the existing accommodation. In addition the lessee must maintain the ethos of the Charity and area of benefit. The change was made with the full support and agreement of the beneficiaries at the time. The cash reserves of the Association are held by the lessee for enhancement of the property. There have been no enhancements in the year. Any unspent cash at the end of the lease will be returned to the Charity.

The lessee is currently progressing the replacement and expansion of the scheme with the full support of the beneficiaries. This will involve the granting of a new lease, on the same terms as the existing one except it will be for 130 years from signing. This will enable the Trustee to obtain grant funding to support the replacement and expansion. Progress during the year on this initiative has been slow as the Trustee negotiates with the planning department of the local authority to agree an acceptable scheme. The Trustee hopes to be able to increase the number of units at the scheme to 20. This will provide an additional ten apartments for the Charity.

As a result of the above lease arrangements the Charity is now effectively dormant but as the accommodation, an endowment asset, is held by the CIO it will continue in existence.

Governance

Following the issue of a new scheme by the Charity Commission which became effective on 1 October 2017 Harrogate Housing Association Limited became the Sole Corporate Trustee. To better manage the unlimited liability of the Trustee under this scheme the Charity became a CIO on 4 January 2021. A CIO provides limited liability protection for the Trustee.

The Corporate Trustee maintains an overview of the activities of the lessee of the accommodation ensuring the ethos of the original benefactor is maintained.

Risk management

The Trustee has 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 main risk faced by the Charity was to ensure sufficient funds were available to undertake major repairs, which included improving the energy efficiency of the accommodation and modernising it. This risk was mitigated through the lease arrangement noted above. The Trustee is confident there are sufficient resources now available to maintain and modernise the accommodation or replace it, the preferred option.

Under the lease arrangement there is the risk that the ethos of the scheme and its area of benefit may not be maintained. The Trustee is able to monitor this through the Board meetings of the lessee where each meeting has a specific agenda item to discuss the activities associated with the Charity's asset.

Reserves

The reserves at 31 March 2026 totalled £283,057 of which £13,300 are restricted reserves with the remaining £269,757 being available to be utilised by the Trustee.

The free reserves have been made available to the lessee for investment in the scheme.

Management

The day-to-day responsibility for the management of the Charity is delegated to the parent managing agent, Harrogate Housing Association Limited. A fee was charged for this work until the lease was put in place. There is now minimal work to be undertaken which is provided free of charge.

Approved on 29 July 2026 by the Sole Corporate Trustee, Harrogate Housing Association Limited, and signed on its behalf by

Steven Brook
Secretary, Harrogate Housing Association Limited

Applegarth Homes

Statement of Financial Activities
For the year ended 31 March 2026

	Notes	Unrestricted Funds 2026	Restricted Funds 2026	Total Funds 2026	Total Funds 2025
		£	£	£	£
Income from:					
Charitable activities – social housing		-	-	-	-
Investment income		-	-	-	-
Total income		-	-	-	-
Expenditure on:					
Charitable activities – social housing		-	-	-	-
Total expenditure		-	-	-	-
Net gains on investments		-	-	-	-
Net income and net movement in funds		-	-	-	-
Reconciliation of funds:					
Total funds brought forward		269,757	13,300	283,057	283,057
Total funds carried forward		269,757	13,300	283,057	283,057

The charity is no longer active following the leasing of the main asset.

The notes on pages 6 to 11 form an integral part of these financial statements.

The financial statements on pages 4 to 11 were approved and authorised for issue by the Sole Corporate Trustee, Harrogate Housing Association Limited, on 29 July 2026 and were signed on its behalf by:-

Steven Brook **Secretary, Harrogate Housing Association Limited**

Applegarth Homes

Balance Sheet
At 31 March 2026

	Notes	2026		2025	
Fixed assets		**£**	**£**	**£**	**£**
Tangible fixed assets	6		10,417		10,417
			10,417		10,417
Current assets					
Debtors	7	272,640		272,640	
Cash and cash equivalents		-		-	
		272,640		272,640	
Less:					
Creditors: amounts falling due within one year		-		-	
Net current assets			272,640		272,640
Total assets less current liabilities			283,057		283,057
Total net assets			283,057		283,057
Funds of the charity					
Unrestricted funds:					
Designated reserves	8		-		-
Revaluation reserve	8		-		-
Unrestricted general fund	8		269,757		269,757
			269,757		269,757
Restricted funds	8		13,300		13,300
Total charity funds			283,057		283,057

The notes on pages 6 to 11 form an integral part of these financial statements.

The financial statements on pages 4 to 11 were approved and authorised for issue by the Sole Corporate Trustee, Harrogate Housing Association Limited, on 29 July 2026 and were signed on its behalf by:-

Steven Brook **Secretary, Harrogate Housing Association Limited**

1. General information

The charity was registered with the Charity Commission as a Charitable Incorporated Organisation (CIO) on 4 January 2021.

The registered office is 10 High Street, Harrogate, North Yorkshire, HG2 7HY.

2. Principal accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable United Kingdom Generally Accepted Accounting Practice (UK GAAP) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with 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 in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

The accounts are prepared on the historical cost basis of accounting.

The financial statements have been prepared in compliance with FRS 102. In complying with FRS 102 the Charity meets the definition of a public benefit entity.

Going concern

Post 1 July 2021 the Charity ceased operating on a day to day basis as the main asset is subject to a long lease at a peppercorn rent if demanded. All liabilities were settled but the CIO holds the title to the freehold property in perpetuity so must remain in existence. For accounts purposes it remains a going concern.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgement (apart from those involving estimates) has had the most significant effect on amounts recognised in the financial statements.

- Freehold property
  The Charity owns one property which was valued in 1961. The property, principally the land, will continue in its current use for the foreseeable future. The Trustee has had the property revalued but determined that there were insufficient benefits to be obtained from adopting it for accounts purposes. The property is not depreciated as the Trustee believes it would not be beneficial as its residual value is in excess of the value in the accounts.

- Lease of the property
  The Charity considers this an operating lease.

2. Principal accounting policies (continued)

Incoming resources

Unless stated otherwise income is recognised once the charity has entitlement to it, there is sufficient certainty of receipt and so it is probable that it will be received, and the amount receivable can be measured reliably.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The irrecoverable element of VAT is included with the expense to which it relates.

Taxation

The Charity is exempt from tax on its charitable activities.

Tangible fixed assets

Freehold property is stated at valuation in 1961. Freehold land and structure are not depreciated.

From 2020 and up to the date of the commencement of the lease when the charity replaced major components within the property the costs were capitalised and depreciated as required by accounting standards. No existing cost was attributed to a replaced component when it was replaced for the first time.

Following the inception of the lease components are no longer depreciated as the lessor is responsible for ensuring they are maintained/replaced and so no diminution in value will occur for the charity.

As the lessee uses the cash reserves it holds on behalf of the Charity on property improvements these will be capitalised. No depreciation will be charged on these improvements as the residual value of the property will be in excess of its carrying value.

Debtors

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

Under the terms of the lease dated 1 July 2021 the cash balances of the charity were transferred to the leaseholder for use in improving the freehold property. This is shown as a debtor in the accounts as if it is not used for the defined purpose it must be returned to the charity at the end of the lease. As the funds are used the amounts will be capitalised into the freehold property. There was no use of the funds for the defined purpose in the year.

2. Principal accounting policies (continued)

Cash at bank and in hand

Cash at bank and cash 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.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Impairment of Financial Assets

Financial assets are assessed at each reporting date to determine whether there is any objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence of impairment, an impairment loss is recognised in the statement of comprehensive income immediately.

Fund accounting

Unrestricted reserves can be used in accordance with the charitable objectives at the discretion of the Trustee.

Designated reserves are part of unrestricted reserves which have been allocated by the Trustee for a particular purpose. Such designations may be reversed by future Trustee decisions. Expenditure is not directly set against designated reserves but is taken through the Statement of Financial Activities. A transfer is then made from designated reserves as appropriate. Following the inception of the lease the designated reserves are no longer required and have therefore become true unrestricted reserves.

Restricted reserves can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Lease

The freehold property is subject to a full insuring and repairing long lease. There is no rent due on the lease and the property will be returned to the charity in a fully lettable condition on its cessation. No value is attributed to the lease in the accounts.

3. Accommodation managed by others	2026 Number of properties	2025 Number of properties
General housing	10	10

4. Taxation

The Charity is exempt from tax on its charitable activities.

5. Employees

The Charity has no employees (2024 – none). Key management personnel are defined as the Trustee, Harrogate Housing Association Limited. The Trustee did not receive any remuneration in its capacity as Trustee or otherwise during the year.

6. Tangible fixed assets	Freehold property £	Components £	Total £
Cost			
At 1 April 2025	6,900	4,138	11,038
Component additions	-	-	-
Disposals	-	-	-
At 31 March 2026	6,900	4,138	11,038
Depreciation			
At 1 April 2025	-	621	621
Charge for the year	-	-	-
Eliminated on disposals	-	-	-
At 31 March 2026	-	621	621
Net book value			
At 31 March 2026	6,900	3,517	10,417
At 31 March 2025	6,900	3,517	10,417

7. Debtors	2026 £	2025 £
Leaseholder	272,640	272,640
Trade debtors	-	-
Prepayments and accrued income	-	-
	272,640	272,640

8. Analysis of charitable funds

	At 31 March 2025 £	Income £	Expenditure £	Transfers £	Disposal of investments £	At 31 March 2026 £
Restricted reserves						
Legacy from the late Miss Jane Birdsall Walker	13,300	-	-	-	-	13,300
Unrestricted reserves						
Unrestricted general fund	269,757	-	-	-	-	269,757
Total unrestricted reserves	269,757	-	-	-	-	269,757
	283,057	-	-	-	-	283,057

Restricted reserves
Legacy from the late Miss Jane Birdsall Walker – This can be used for the furtherance of the Charity's objectives but following approval from the Charity Commission.

Unrestricted general fund
The unrestricted general fund represents the cumulative net income and expenditure net of other adjustments.

9. Analysis of net assets between funds

	General funds £	Restricted funds £	Total funds £
Tangible fixed assets	3,517	6,900	10,417
Current assets	266,240	6,400	272,640
	269,757	13,300	283,057

10. Capital commitments

At the balance sheet date there were no capital commitments (2025 - £Nil).

11. Contingent liabilities

At the balance sheet date there were no contingent liabilities (2025 - £Nil).

12. Related party transactions

Under FRS 102 related parties consist of the Trustee, Harrogate Housing Association Limited and the members of the Board of Management of Harrogate Housing Association Limited.

There were no transactions with the Trustee or members of the Board of Management of Harrogate Housing Association Limited during the year.

Following the receipt of legal advice the charity entered into a long, full insuring and repairing lease for the freehold property with the Trustee on 1 July 2021. No rent is due on the lease but it contains a number of obligations in relation to the management of the property and the beneficiaries. It also commits the leaseholder to maintaining the ethos of the scheme as established by the benefactor.

At the end of March 2026 the Charity Commission raised a number of concerns with the Trustee in respect of the legality of the lease and the current arrangements. The Trustee is cooperating with the Commission but no resolution has been determined as at the date of signing of the accounts. The Trustee has sought additional legal advice and is confident the matter can be resolved.