

GRANTHAM ALMSHOUSE CHARITY
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Registered Charity No: 224721

GRANTHAM ALMSHOUSE CHARITY

YEAR ENDED 31 MARCH 2020

TRUSTEES

Cllr R Wootten (Chairman)
Mr D Close
Mr A Finney
Dr D Roper
Rev S Craddock
Mr G Cook
Mr A Gregory
Mrs J Burrows
Mr P Townsend (appointed 10 April 2019)

ADDRESS

7 Dawsons Almshouses
Brook Street
Grantham
Lincs
NG31 6RT

INDEPENDENT EXAMINERS

Streets Chartered Accountants
Enterprise House
38 Tyndall Court
Commerce Road
Lynchwood
Peterborough
PE2 6LRR

PROPERTY MANAGEMENT ADVISORS

Pigott & Hall
36 Westgate
Grantham
NG31 6LY

SOLICITORS

Chattertons
30 Avenue Road
Grantham
Lincs
NG31 6TH

GRANTHAM ALMSHOUSE CHARITY
FOR THE YEAR ENDED 31 MARCH 2020

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GRANTHAM ALMSHOUSE CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2020

The trustees present their annual report and the financial statements of the charity for the year ended 31 March 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16/07/14.

Legal and Administrative Information

Grantham Almshouse Charity is a registered Charity number 224721 within the jurisdiction of England and Wales under the Charity Commissioners' Approved Scheme which is dated 14 June 1989. The Principal Office is at 7 Dawson's Almshouses, Brook Street, Grantham, Lincolnshire NG31 6RT.

The trustees during the year under review were:

Cllr R Wootten (Chairman)
Mrs S Valerio (Vice Chair) (resigned 5 February 2020)
Mr D Close
Mr A Finney
Dr D Roper
Rev S W Craddock
Mr G Cook
Mr A Gregory
Mrs J Burrows
Mr P Townsend (appointed 10 April 2019)

Objectives and activities;

To manage the investments and properties of the Trust and to apply the income of the Charity for the benefit of the residents of the Almshouses.

The residents of the Almshouses known as Hursts Almshouse, Dawson Almshouses, Russell Reads Almshouses and Dorothy Brownlow Almshouses shall be persons aged fifty or above, in need and who (except in special cases to be decided by the commissioners) have been residents of the area of benefit for at least six months, the area of benefit being defined as the Diocese of Lincoln, Deanery of Grantham constituted on the 31 March 1972.

The residents of the Almshouses known as Bradley's Almshouses and Miss Farish Almshouses shall be women in need aged fifty or above, who (except in special cases to be decided by the commissioners) have been residents of the previously defined area of benefit for at least six months.

GRANTHAM ALMSHOUSE CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2020

The Trustees have had regard to the Charity Commissioners' guidance on public benefit where applicable to the Trust.

Review of Achievements and Performance 2019/2020

The Trustees have held four committee meetings in the past year, one of which included the AGM.

A sub-committee of Trustees have continued to monitor improvements made over the last 3 years to optimising operations and in accordance with the requirements of the SORP (Statement of Recommended Practice). Within the changes made we have monitored the feedback from our stakeholders with an Annual Survey of Residents. A response from 81% of residents gave a positive 91% satisfaction rating maintaining a rating of "Very Good" from the previous year. We will continue to seek operational improvements where applicable.

In the year we have refurbished two almshouse flats with a new kitchen when they became vacant. Three new residents have taken properties vacated in the year. There are no vacant almshouse flats at the end of 2019/20. The Trustees reviewed the Maintenance Charges set for the Almshouse Residents and determined that an increase of £1 per week be applied.

There has been a continuing loss of rental on one commercial property which has been empty throughout the current year, despite ongoing efforts to find potential leases.

The lockdown resulting from Coronavirus pandemic has prompted two of the three other commercial lessees to request a rent holiday from the end of March 2020. The Trustees agreed to those requests for a period of 3 months with a review at the end of this period. The third lessee is a Chinese takeaway which expects to continue trading.

Extensive internal refurbishment of two of the Charity's domestic properties for rent has been carried out during the year and further work will be finalised during the first few weeks of the next year after which it will be available for letting on a commercial basis early in 2020/21.

The Clerks to the Trustees worked from home at the start of the Coronavirus lockdown and will return to office working when deemed safe to do so.

Financial Review

The financial policy is that a General Cyclical Fund is maintained to cover the ongoing costs of necessary maintenance, repair and improvements to the Almshouses and other properties and an Extra Ordinary Repair Fund, which is a reserve fund to provide for the extraordinary repair, improvement or rebuilding of the Almshouses and other buildings of the Charity, should that become necessary. We aim to maximise returns on the invested reserves, subject to advice received from our Independent Financial Advisor, who currently is Castlegate Financial Management Ltd., 8 Castlegate, Grantham, Lincolnshire NG31 6SE.

The reserves held in the COIF Charities Deposit Fund at the end of 2019/2020 is £231,380,

GRANTHAM ALMSHOUSE CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2020

a decrease over the year of £23,439. £25,000 was withdrawn for further investment though Castlegate Financial Management and interest of £1,561 was accrued during the year. The COIF also includes the General Repair fund and the Extra Ordinary Repair fund and at the start of 2020/2021 an additional £12,500 will be transferred to the General Cyclical fund and £20,000 to the COR fund.

The Charity has maintained a cyclical repair and maintenance reserve and an extraordinary repair reserve at levels as recommended by the Almshouses Association. These reserves are set aside to meet costs in excess of budgeted expenditure.

The Charity's investment policy was decided upon by the Trustees and performance this year has been solid and has met expectations.

Structure, governance and management

Where vacancies for Trustees arise, new Trustees will be selected and appointed in accordance with the terms of the Charity Commissioners' Scheme which includes provisions for the appointment of a nominated Trustee by South Kesteven District Council and of three ex officio Trustees who are the Rector and Churchwardens of the ecclesiastical parish of St Wulfram, Grantham.

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities 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 charity will continue in operation

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Charities transactions and disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

GRANTHAM ALMSHOUSE CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2020

Independent examiners

Streets Chartered Accountants, are willing to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

Approved by the trustees on 3 November 2020 and signed on their behalf by:

Councillor R Wootten
Chair of Trustees

GRANTHAM ALMSHOUSE CHARITY
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF GRANTHAM
ALMSHOUSE CHARITY
FOR THE YEAR ENDED 31 MARCH 2020

I report to the trustees on my examination of the accounts of the charity for the year ended 31 March 2020.

This report is made solely to the charity's trustees as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work or for this report.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

Having satisfied myself that the accounts of the charity are eligible for independent examination, I report in respect of my examination of the Trustee's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I can confirm no material matters have come to my attention in connection with the examination giving me cause to believe:

- accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the applicable requirements concerning the form and content of the accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:



Jonathan Day

BA (Hons) ACA

Streets Chartered Accountants, Enterprise House, 38 Tyndall Court, Commerce Road, Lynchwood, Peterborough, PE2 6LR

Date: 3 November 2020

GRANTHAM ALMSHOUSE CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2020

| | Notes | Unrestricted Funds | | 2019 | 2019 |
|--|-------|--------------------|------------------|----------|-----------|
| | | 2020 | 2020 | 2019 | 2019 |
| | | £ | £ | £ | £ |
| Income: | | | | | |
| Income from charitable activities: | | | | | |
| Almshouse maintenance contributions | | 39,560 | | 37,659 | |
| Income from other trading activities: | | | | | |
| Investment property rents | | 79,260 | | 79,968 | |
| Investment income | 3 | 1,569 | | 1,307 | |
| Interest | | | | | |
| Donations | | 946 | | 413 | |
| Total income | | | 121,335 | | 119,347 |
| Expenditure: | | | | | |
| Costs of generating funds | | 18,749 | | 13,653 | |
| Investment property maintenance | | | | | |
| | 13 | 74,794 | | 75,060 | |
| Charitable activities | | | | | |
| | 13 | 10,206 | | 10,750 | |
| Governance costs | | | | | |
| Total expenditure | | | 103,749 | | 99,463 |
| Net income before other recognised gains and losses | | | 17,586 | | 19,884 |
| Other recognised gains and losses | | | | | |
| Transfer to restricted funds | 11 | (35,000) | | (35,000) | |
| Gains/(losses) on other investment assets | | (25,037) | | 32,443 | |
| Net movements in funds | | (42,451) | | 17,327 | |
| Reconciliation of funds | | | | | |
| Total funds brought forward at 1 April 2019 | | | 2,135,793 | | 2,118,466 |
| Total funds carried forward at 31 March 2020 | | | 2,093,342 | | 2,135,793 |

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

GRANTHAM ALMSHOUSE CHARITY

BALANCE SHEET

AS AT 31 MARCH 2020

| | Notes | 2020 £ | 2020 £ | 2019 £ | 2019 £ |
|---|-------|----------------|------------------|----------------|------------------|
| FIXED ASSETS | | | | | |
| Investment property | 5 | | 1,712,500 | | 1,712,500 |
| Computer equipment | 6 | | 590 | | - |
| Other investments | 7 | | 268,682 | | 268,719 |
| | | | <u>1,981,772</u> | | <u>1,981,219</u> |
| CURRENT ASSETS | | | | | |
| Debtors | 8 | 2,639 | | 2,527 | |
| Investments | 9 | 231,380 | | 254,819 | |
| Cash at bank | 10 | 27,995 | | 12,657 | |
| | | <u>262,014</u> | | <u>270,003</u> | |
| CREDITORS: Amounts falling due within one year | 11 | <u>2,145</u> | | <u>2,130</u> | |
| NET CURRENT ASSETS | | | 259,869 | | 267,873 |
| NET ASSETS | | | <u>2,241,641</u> | | <u>2,249,092</u> |
| FUNDS | | | | | |
| Restricted reserves | 12 | | 148,299 | | 113,299 |
| Unrestricted reserves | | | 2,093,342 | | 2,135,793 |
| TOTAL CHARITY FUNDS | | | <u>2,241,641</u> | | <u>2,249,092</u> |

Approved by the Trustees on and signed on their behalf by:

Cllr R Wootten - Trustee

Mr G Cook - Trustee

Date: 3 November 2020

GRANTHAM ALMSHOUSE CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of preparation

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 (FRS102) – (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Charities Act 2011.

Grantham Almshouse Charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated.

(b) Income

Income is recognised when the charity has entitlement to the funds and represents maintenance contributions receivable, interest from investment income and rents received from investment properties.

(c) Expenditure recognition

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 settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

(d) Charitable properties

The charitable properties comprised in the Grantham Almshouse Charity now provide 39 units established originally by six charitable trusts dating from the seventeenth century, together with eight further properties. These properties are carried at nil value in the financial statements.

GRANTHAM ALMSHOUSE CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

(e) Investment Properties

Investment properties are revalued periodically at open market value. All surpluses or deficits are taken directly to reserves except that any permanent diminution in value of the investment property is taken to the Statement of Financial Activities for the year.

(f) Other fixed assets

Individual fixed assets other than charitable and investment properties are capitalised at cost and depreciated over their useful economic lives on a straight line basis.

(g) Other investments

Investments are revalued at market value at the balance sheet date and the aggregate surplus or deficit is included in the Statement of Financial Activities.

(h) Cyclical repairs and maintenance

The Charity has established a regular programme of cyclical repairs and maintenance. Costs are charged to the revenue account in the year in which they are incurred.

(i) Financial instruments

Basic financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments.

(j) Extraordinary repairs

Costs of extraordinary repairs, unless representing improvements to the properties, are charged to the revenue account in the year in which they are incurred.

(k) Cyclical Repairs and Maintenance and Extraordinary Repairs Reserves

These reserves represent amounts set aside for cyclical maintenance to meet costs in excess of budgeted expenditure and amounts set aside to carry out major repairs on housing properties.

GRANTHAM ALMSHOUSE CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

(l) Value Added Tax

The Charity is not registered for value added tax. In these financial statements, where applicable, expenditure is shown inclusive of Value Added Tax.

(m) Taxation

The Charity is a Registered Charity and the accounts are prepared on the basis that its activities are not liable to Income Tax or Corporation Tax.

2. TRUSTEES AND EMPLOYEES

| | 2020 | 2019 |
|--|---------------|---------------|
| The average weekly number of persons (including the Clerk to the Trustees) employed during the year was: | 3 | 3 |
| Staff costs (for the above persons) | | |
| Wages and salaries | <u>24,495</u> | <u>23,880</u> |

The trustees and persons connected with them have not received or obtained any remuneration or other financial benefits for the year directly or indirectly from the charity's funds.

3. INTEREST RECEIVABLE

| | 2020 | 2019 |
|------------------------------------|--------------|--------------|
| | £ | £ |
| Charities Official Investment Fund | 1,562 | 1,293 |
| Bank Deposit Interest | <u>7</u> | <u>14</u> |
| | <u>1,569</u> | <u>1,307</u> |

4. TAXATION

Grantham Almshouse Charity is a Registered Charity, and is therefore, exempt from liability to Taxation on its income and capital gains.

GRANTHAM ALMSHOUSE CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

5. INVESTMENT PROPERTY

| | Freehold Land & Buildings £ | Total £ |
|----------------------------------|--|--------------------|
| Cost or Revalued amount restated | 1,712,500 | 1,712,500 |
| Revaluations | - | - |
| Cost or Revalued amount restated | <u>1,712,500</u> | <u>1,712,500</u> |

The investment property was revalued for the purposes of the accounts for the year ended 31 March 2015 by Pigott & Hall, Estate Agents at market value. The Trustees consider this to be a fair reflection of the current value.

6. COMPUTER EQUIPMENT

| | 2020 £ | 2019 £ |
|---------------------|-------------------|-------------------|
| NBV Brought Forward | - | - |
| Addition | 885 | - |
| Depreciation | 295 | - |
| NBV Carried Forward | <u>590</u> | <u>-</u> |

7. OTHER INVESTMENTS

| | 2020 £ | 2019 £ |
|---|-------------------|-------------------|
| Skandia Investment Fund | 66,225 | 72,736 |
| National Association of Almshouses Common Investment Fund | 5,893 | 6,719 |
| Aegon Unit Trusts | 196,564 | 189,264 |
| | <u>268,682</u> | <u>268,719</u> |

8. DEBTORS

| | 2020 | 2019 |
|-------------|--------------|--------------|
| Prepayments | <u>2,639</u> | <u>2,527</u> |

GRANTHAM ALMSHOUSE CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

9. CURRENT ASSETS INVESTMENTS

| | 2020 | 2019 |
|---|----------------|---------|
| | £ | £ |
| Deposit Account: Charities Official Investment Fund | 231,380 | 254,819 |

10. CASH AT BANK

| | 2020 | 2019 |
|------------------------------|---------------|--------|
| | £ | £ |
| High Interest Cheque Account | 530 | 3,023 |
| Current account | 27,465 | 9,633 |
| | 27,995 | 12,656 |

11. CREDITORS: Amounts falling due within one year

| | 2020 | 2019 |
|------------------------------|--------------|-------|
| | £ | £ |
| Accrued expenses | 1,740 | 1,734 |
| Taxation and social security | 405 | 396 |
| | 2,145 | 2,130 |

12. MOVEMENT IN FUNDS
CYCLICAL REPAIRS AND MAINTENANCE AND
EXTRAORDINARY REPAIR RESERVE

| | Cyclical Repairs and Maintenance Reserve | Extraordinary Repair Reserve | Total |
|--|---|---|----------------|
| | £ | £ | £ |
| Balance at 1 April 2019 | 71,437 | 41,862 | 113,299 |
| Transfer: Income and expenditure account | 20,000 | 15,000 | 35,000 |
| Balance at 31 March 2020 | 91,437 | 56,862 | 148,299 |

GRANTHAM ALMSHOUSE CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

13. RELATED PARTIES

No transactions with related parties were undertaken such as are required to be disclosed.

14. CHARITABLE EXPENDITURE

| | Charitable Activities 2020 £ | Governance Costs 2020 £ | Charitable Activities 2019 £ | Governance Costs 2019 £ |
|--|---|--|---|--|
| Day to day maintenance | 11,722 | | 15,276 | |
| Extraordinary/cyclical maintenance | 8,965 | | 5,777 | |
| Clerk's Honorary Assistant to the Clerk's Honorary | 16,290 | | 15,885 | |
| Wages | 7,605 | | 7,425 | |
| Rent and rates | 600 | | 570 | |
| Insurance | 5,436 | | 3,231 | |
| Heat and light | 3,729 | | 3,808 | |
| Garden maintenance | 6,577 | | 7,820 | |
| Post, telephone and stationery | 8,388 | | 9,478 | |
| Advertising | | 364 | | 969 |
| Legal and professional fees | | - | | 128 |
| Accountancy fees | | - | | - |
| Estate agents fees | | 1,697 | | 1,692 |
| Sundry expenses | | 5,213 | | 4,989 |
| Intercom monitoring/lifeline | | 2,637 | | 2,972 |
| Residents vouchers/party | 4,312 | | 4,521 | |
| Depreciation | 1,170 | | 1,280 | |
| | | 295 | | - |
| | 74,794 | 10,206 | 75,060 | 10,750 |

GRANTHAM ALMSHOUSE CHARITY
SIMPLIFIED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2020

| | 2020 £ | 2020 £ | 2019 £ | 2019 £ |
|-------------------------------------|-----------|-----------|-----------|-----------|
| INCOME | | | | |
| Almshouse maintenance contributions | 39,560 | | 37,659 | |
| Interest | 1,569 | | 1,307 | |
| Donations | 946 | | 413 | |
| Investment properties | 79,260 | | 79,968 | |
| | | 121,335 | | 119,347 |
| LESS EXPENSES | | | | |
| Clerk's Honorary | 16,290 | | 15,885 | |
| Assistant to the Clerk's Honorary | 7,605 | | 7,425 | |
| Wages | 600 | | 570 | |
| Rent and rates | 5,436 | | 3,231 | |
| Light and heat | 6,577 | | 7,820 | |
| Insurance | 3,729 | | 3,808 | |
| Postage, telephone and stationery | 364 | | 969 | |
| Day to day maintenance | 11,722 | | 15,276 | |
| Lifeline fees | 4,312 | | 4,510 | |
| Extraordinary maintenance | 8,965 | | 5,777 | |
| Investment property maintenance | 18,749 | | 13,653 | |
| Garden maintenance | 8,388 | | 9,478 | |
| Legal and professional fees | - | | - | |
| Accountancy fees | 1,697 | | 1,692 | |
| Estate agents fees | 5,213 | | 4,989 | |
| Sundries | 3,808 | | 4,380 | |
| Depreciation | 295 | | - | |
| | | 103,749 | | 99,463 |
| Surplus or (deficit) for the year | | 17,586 | | 19,884 |

This page does not form part of the Statutory Accounts.

These simplified accounts may not contain sufficient information to allow for a full understanding of the financial affairs of the Charity. For further understanding the full annual accounts, the Independent Examiners Report and the Trustees Annual Report should be consulted.