

**WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY**

**TRUSTEE'S REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2016**

---

**WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY**

---

**CONTENTS**

---

	Page
<b>Charlty Reference and Administrative Details</b>	1 - 2
<b>Trustee's Annual Report</b>	3 - 7
<b>Independent Auditors' report</b>	8 - 9
<b>Statement of Financial Activities (Including Income and Expenditure Account)</b>	10
<b>Balance sheet</b>	11
<b>Statement of Cash Flows</b>	12
<b>Notes to the financial statements</b>	13 - 32

---

WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

---

CHARITY REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 MARCH 2016

---

**Directors of the Trustee  
(The Walthamstow &  
Chingford Almshouse  
Trustee Company  
Limited)**

W Belam  
V Conant (appointed 13 July 2015)  
R A L Henderson (resigned 27 April 2015)  
J Kearns  
S MacNulty  
J J C Moss, Chairman  
I Moyes, Vice Chairman  
J Renshaw  
A Rich  
S Smith Pryor  
K Wenden  
P Williams  
L Wilson  
G Mecaley  
H Tredoux (appointed 7 July 2015)  
S Palmer (appointed 28 January 2016)

**Charity registration  
number**

1116355

**Principal office**

Monoux Hall  
Church End  
Walthamstow  
London  
E17 9RL

**Clerk to the Directors**

E Abbott

**Auditor**

MHA MacIntyre Hudson  
Chartered Accountants & Statutory Auditors  
New Bridge Street House  
30-34 New Bridge Street  
London  
EC4V 6BJ

**Bankers**

Co-operative Bank  
151-155 Hoe Street  
Walthamstow  
London  
E17 3AN

**Solicitors**

Stone King  
16 St. John's Lane  
London  
EC1M 4BS

---

**WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY**

---

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2016**

---

**Advisers (continued)**

Hunt & Hunt  
Blackburn House  
22-26 Eastern Road  
Romford  
RM1 3LT

**Investment managers** Investec Wealth & Investment  
2 Gresham Street  
London  
EC2V 7QP

**Chartered Surveyors** Strettons  
Central House  
189-203 Hoe Street  
London  
E17 3SZ

Stone King  
91 Charterhouse Street  
London  
EC1M 6HL

---

## WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

---

### TRUSTEE'S REPORT FOR THE YEAR ENDED 31 MARCH 2016

---

The Trustee submits its annual report and the financial statements of Walthamstow and Chingford Almshouse Charity (the Charity) for the year ended 31 March 2016. The Trustee confirms that the annual report and financial statements of the Charity comply with current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities (revised 2015)'.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

The Walthamstow and Chingford Almshouse Trustee Company governs the Charity through its Board of Directors.

New Directors are provided with a copy of the latest set of audited accounts, the Schemes dated 14th June 2006 and 28th September 2007, the Memorandum and Articles of Association of the Trustee Company, the latest minutes of meetings, a brief history of the Charity, the Charity's book "The Walthamstow Charities" and the Charity Commissions Publication "The Essential Trustee". The Director will be offered a subscription to relevant publications and Trustee training and seminars. The Clerk to the Directors will meet with the new Director regarding finances including investments, almshouse management and grant making. A list of staff is provided, together with a list of other Directors. The Director will be given a tour of the almshouses and a number of the investment properties. The new Director may attend one or two Committee meetings as a guest before deciding which committee(s) to serve on.

Directors' meetings are held quarterly, most of the Charity's business is conducted at these meetings, but the board is supported by five Committees, which also meet regularly. The Committees are:

- Finance and General Purposes' committee, whose responsibilities include preparing and monitoring annual budgets, recommending pay awards and weekly maintenance charges.
- Grants and Accommodation, which deals with grant and housing applications.
- Personnel, which deals with staffing matters including policy and procedure, remuneration and disciplinary and grievance matters.
- Development, which progresses Almshouse development and refurbishment projects.
- Allotment, which deals with matters pertaining to the Charity's four allotment sites

The Charity Trustee is sole shareholder of the Walthamstow Almshouse Development Company Ltd. The Development Company was established to undertake the development of 20 new almshouses at the site acquired by the charity, 1C The Drive, E17.

Details of the Directors who served during the year and since are given on page 1.

#### Risk management

The Trustee has agreed the major risks to which the Charity is exposed and is satisfied that systems are in place to mitigate those risks.

#### OBJECTIVES AND ACTIVITIES

The objects of the Walthamstow and Chingford Almshouse Charity are the provision and continuing maintenance of the almshouses for the benefit of persons in conditions of financial need, who have been resident for one year

---

## WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

---

### TRUSTEE'S REPORT FOR THE YEAR ENDED 31 MARCH 2016

---

within Walthamstow or Chingford, or for five consecutive years at any time prior to appointment. Residue income must be applied for the relief of persons in financial need residing within the area of benefit.

#### ACHIEVEMENTS AND PERFORMANCE

Following a tender process in August 2015, local building contractors Kind and Company were appointed for the construction of twenty new Almshouse apartments at 1C The Drive, situated very close to the Monoux Almshouses and the administrative offices of the Charity. The scheme Architects Pollard Thomas Edwards were closely involved in the development of the Housing our Ageing Population (HAPPI) Report and the almshouse design incorporates a number of recommendations from the report. Two of the ground floor flats are fully wheelchair accessible, communal facilities include a garden room with kitchen, overlooking a sunny landscaped garden, spa bath/ shower room, a therapy/ hairdressing room, a guest suite for visitors and carers, launderette, buggy store, reception office and waiting area.

Construction work commenced January 2016, with handover and completion due June 2017.

Over the course of the year, the Charity has held discussions with the London Borough of Waltham Forest with regard to the possibility of the council making a grant to the charity from unspent Right to Buy Receipts to be used to part fund the new Almshouse development. There are strict rules on Local Authorities as to the use of Right to Buy Receipts on new developments and the Charity is in the fortunate situation to be able to collaborate with the Council to develop the new almshouses. Directors are pleased to report that agreement was reached and the first payment of grant has been received. The Council will have 100% of nominations for the first letting of apartments, with 50% thereafter, subject to the charity's objectives and scheme.

There were four Almshouse vacancies during the year. Two flats were refurbished to provide new kitchens and shower rooms, redecorated and provided with new carpets and white goods. Both flats had been suffering with damp and required remedial works and replastering in parts. One flat, a ground floor two bedroom flat suitable for wheelchair users, was offered to the council to nominate to and was held vacant for some considerable time until the charity received applicants with sufficient priority for this special property, these delays along with contractors' extensive lead in times have resulted in the average turnaround for vacant flats taking 14 weeks.

The local secondary school continues to provide ongoing support to residents in their use of computers and tablets. Every two weeks, two to three pupils visit Monoux Almshouse to assist residents to get to grips with the technology. Both residents and students have thoroughly enjoyed the sessions. Residents enjoyed a Christmas tea party laid on by pupils at the school. The monthly luncheon club at Collard Court is very popular, and has been well attended by residents from all four almshouses. Residents' social events this year included a day at the seaside in July, Christmas meal, a carol concert performed by children from a local school, New Year social along with the usual fish and chip and pub lunches, quizzes, and themed coffee mornings. Many of the social events are organised by residents themselves, making good use of the communal facilities provided at the almshouses.

Collard Court runs a popular keep-fit class especially designed for older people; this provides gentle exercise to improve the fitness and balance of participants, helping to prevent falls, this is also attended by one or two older people from the local community. Participants pay a contribution to the classes with the balance funded by the Charity. All the almshouses and many residents entered the London Almshouse Gardens competition again, but there were no wins as in previous years, however the Monoux Almshouse won the 'best premises' award in the Walthamstow Village in Bloom competition.

#### Grant Making

From April 2013 a new local assistance scheme to assist the most vulnerable was introduced to replace some of the discretionary elements of the Social Fund that was administered by the Department for Work and Pensions (DWP), The London Borough of Waltham Forest run this scheme known as the Social Fund.

---

## WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

---

### TRUSTEE'S REPORT FOR THE YEAR ENDED 31 MARCH 2016

---

During the course of the last two years, the Charity has been holding discussions with the London Borough of Waltham Forest with the intention to work alongside the council's Social Fund. The Charity will provide additional household items that the Social Fund is unable to supply, and importantly, seek to provide support to local people who may not be eligible for relief from the Social Fund. The arrangements took some time to put in place and referrals from the Social Fund began to trickle in from January 2016. Since April 2016, referrals have increased significantly and it is anticipated the charity could assist approximately 50 additional families and individuals from the area of benefit each year as a consequence.

Grants to other charities and organisations amounted to a total of £66,000 to eight organisations which work directly to alleviate the effects of poverty, for example, by enabling disabled and isolated individuals to access low cost supermarkets, providing debt advice and providing hot meals and night shelter to the homeless and street dwellers, advice and signposting to older people to assist with accessing benefits particularly those that are housebound. The provision of energy saving advice and practical support to fuel poor households, assisting former addicts to live free from alcohol and drug dependency enabling their return to employment or training.

There is now a two stage process for Charities or organisations to make an application for a grant. charities/organisations are requested to provide a brief outline of their activities and what they require a grant for. The outline proposal is considered by the Grants' Committee, which decides whether a full submission on the charity's application form should be requested. Before a decision is made as to whether or not to award a grant, directors usually visit the applicant charity/organisation before recommendations to the Grants and Accommodation Committee are made. Charities and organisations receiving grant are required to provide a written report of the use and impact of the grant after 12 months.

The majority of grants made to individuals and families are received as referrals from social workers, health care workers, housing and support workers and the Council's Social Fund. Most of the grants are made for the relief of need of families and individuals, by providing such items as kitchen appliances, furniture, carpeting and clothing. A number of grant applicants are also visited by Directors to independently assess need.

#### PLANS FOR FUTURE PERIODS

The main focus for the year to come will be the continuing development of Colby Lodge, 1 C The Drive. Whilst the structure is going up, there is still much work to be done in respect of detailed design of building components such as kitchens, sanitary ware, balcony screens, interior finishes etc. The project team is working collaboratively to ensure that the finished building has been carefully thought through to ensure it meets the needs of the residents now and into the future. The staff team has begun to prepare for the challenge of processing housing applications, viewings, and ultimately a 50% increase in almshouse units. Although the Council will be nominating housing applicants, Directors intend to continue with the usual procedure, by visiting applicants in their current homes before the appointment of the applicant is made at a meeting of the Grants and Accommodation Committee.

The important aim of making grants to local organisations and individuals will continue, and the grant from the Council will help the Charity maintain its income levels which in turn will help ensure that grant funding into 2016/17 and beyond can continue at present levels. The grant budget for the coming year is £100,000.

#### PUBLIC BENEFIT

The Directors have carefully considered the Charity Commission guidance 'Charities and Public Benefit' with regard to the provision of almshouses and grant making. The Directors consider that the procedures in place to advertise Almshouse vacancies reach as wide a section of the local community as possible, given the restrictions imposed by the Charity Scheme and the area of benefit. In addition to local advertising, details of the almshouses are posted on the Elderly Accommodation Counsel website, a national database of housing for older people. All qualifying applications for accommodation are given careful consideration and are visited to assess their needs; the applicant's situation is assessed in respect of financial and housing need, social need and as to whether the applicant would benefit from living in warden supported housing. Accommodation is offered to those applicants

---

## WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

---

### TRUSTEE'S REPORT FOR THE YEAR ENDED 31 MARCH 2016

---

with the greatest need. Almshouse Accommodation charges are set to cover running costs, however certain costs are subsidised by the Charity, such as the support element of warden costs, water rates and TV licences amongst others.

#### FINANCIAL REVIEW

Net incoming resources for the year before investment gains/losses amounted to £188,500 an increase of approximately £10,000 on the previous year. There was increased expenditure on grants of £86,500 compared to £42,640 in 2014/15. Spending on the repair and maintenance of the Almshouse buildings was £43,800 this year compared to £90,000 in 2014/15, £30,000 of the expenditure in 2014/15 was for cyclical repairs. There was an unrealised loss on investments over the year of £377,120 approximately 4% of the value of the investment portfolios at the start of the year, compared to a gain of £900,000 in 2015.

#### Fixed Assets

The movements in tangible fixed assets during the year are set out in note 14 to the financial statements. The Trustee believes that the fixed asset almshouse properties are worth considerably in excess of the net book value disclosed in these accounts: however it is unable to quantify the excess without incurring significant unnecessary professional valuation fees.

#### Investments

The Charity Commission Scheme regulating the Charity places no restrictions on the Directors' power to invest. The objectives of the Charity's Investment Policy are to ensure the creation of sufficient income and capital growth to enable the Charity to carry out its purposes year by year, with due and proper consideration for future needs and the maintenance of and, if possible, enhancement of the value of the invested funds. The policy is reviewed annually.

As at 31 March 2016, Investec Wealth and Investment Limited manage 48% of the Charity's total investment portfolio on a discretionary basis. The directors preclude investment in companies involved in home collected credit; directors consider such investments to be in conflict with the Charity's objective of relief in need. No initial investment should exceed 7.5% of the total value of the funds under management. Trustees' objectives are to seek a balanced return from income and capital growth within moderate risk parameters. The performance of each asset class will be measured against relevant market indices. The overall performance is compared to a bespoke benchmark based on the midpoint of each asset class, measured against the underlying indices for each asset class.

Of the other 52% of the Charities' portfolio, 49% is invested with the National Association of Almshouses Common Investment Fund (NAACIF) managed by M&G Securities Limited with the remaining 3% in M&G Charibond. Both NAACIF and Charibond are designed to provide a high income and security of capital assets. Over the past year the main portfolio gained 0.7% compared to 0.2% for the bespoke benchmark and the Non -Tradeable Fund fell by -1.6% compared to its benchmark which also returned -1.6%.

This period saw three bouts of market nervousness; last autumn when the US started to raise interest rates and China made a small, but potentially destabilising, currency devaluation, the start of the year when the fall in the price of the oil was interpreted as slowing global growth and then the prospect of an EU referendum. All of which have caused "risk off" assets to outperform and UK government securities rose by 3.2%, but the UK equity market fell by -3.9%, and overseas markets in sterling terms rose by only 0.4%. In May 2015 £1m was withdrawn from the portfolios, when markets were close to their highs for the year, at the time of the last General Election.

(2014/15 The Investec Portfolio had appreciated by 10.2% as compared to the benchmark of 11.5%, and the M&G Portfolio by 8.9% as did the benchmark of 8.9%.)



---

WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

---

TRUSTEE'S REPORT  
FOR THE YEAR ENDED 31 MARCH 2016

---

Investment Properties

A broad, desk-top valuation of the portfolio was undertaken by Strettons (Chartered Surveyors) in 2015, and the portfolio was estimated to have increased by 36% to £1,366,800.

Reserves Policy

The Trustee has reviewed the reserves policy in the light of the strategy to develop further almshouses and has concluded that free reserves of £694,000 should be retained, which equates to approximately one year's income.

**STATEMENT OF TRUSTEE'S RESPONSIBILITIES**

The Trustee is responsible for preparing the Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The law applicable to charities in England & Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the incoming resources and application of resources of the Charity for that period. In preparing those financial statements, the Trustee is 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;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustee is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of its Scheme. It is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

**AUDITORS**

MHA MacIntyre Hudson have indicated their willingness to continue in office and offer themselves for reappointment as such.

**PREPARATION OF THE REPORT**

This report has been prepared taking advantage of the small companies exemption of section 415a of the Companies Act 2006.

This report was approved by the Trustee on 26 October 2016 and signed on its behalf by:

  
J J C Moss  
Chairman

---

## **WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY**

---

### **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY**

---

We have audited the financial statements of Walthamstow and Chingford Almshouse Charity for the year ended 31 March 2016 set out on pages 10 to 32. 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 FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF TRUSTEE AND AUDITORS**

As explained more fully in the Trustee's responsibilities statement, the Trustee are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditors under section 144 of the Charities Act 2011 and report to you in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

#### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustee; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustee's report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2016 and of its incoming resources and application of resources 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 Charities Act 2011.

---

WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

---

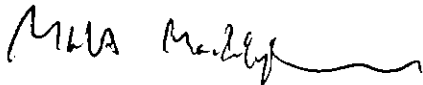
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF WALTHAMSTOW AND CHINGFORD  
ALMSHOUSE CHARITY

---

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustee's report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



**MHA MacIntyre Hudson**

Chartered Accountants & Statutory Auditors

New Bridge Street House  
30-34 New Bridge Street  
London  
EC4V 6BJ

Date: →

MHA MacIntyre Hudson are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

→ 5.12.16

---

WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

---

STATEMENT OF FINANCIAL ACTIVITIES (Including the Income and Expenditure Account)  
FOR THE YEAR ENDED 31 MARCH 2016

---

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Endowment funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>INCOME FROM:</b>						
Donations	2	-	-	-	-	397
Investments	3	403,452	3,699	-	407,151	414,296
Charitable activities	4	298,607	4,999	-	303,606	290,419
<b>TOTAL INCOME AND ENDOWMENTS</b>		<b>702,059</b>	<b>8,698</b>	<b>-</b>	<b>710,757</b>	<b>705,112</b>
<b>EXPENDITURE ON:</b>						
Raising funds	5	36,724	-	14,966	51,690	46,364
Charitable activities	6	402,192	3,652	64,716	470,560	479,854
<b>TOTAL EXPENDITURE</b>		<b>438,916</b>	<b>3,652</b>	<b>79,682</b>	<b>522,250</b>	<b>526,218</b>
Net income/(expenditure) before gains/(losses) on investments		263,143	5,046	(79,682)	188,507	178,894
Net gains/(losses) on investments	15,16	(127,748)	-	(249,378)	(377,126)	909,287
<b>NET INCOME / (EXPENDITURE) AND MOVEMENT IN FUNDS</b>		<b>135,395</b>	<b>5,046</b>	<b>(329,060)</b>	<b>(188,619)</b>	<b>1,088,181</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		8,102,520	6,795	10,567,937	18,677,252	17,589,071
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>8,237,915</b>	<b>11,841</b>	<b>10,238,877</b>	<b>18,488,633</b>	<b>18,677,252</b>

All income and expenditure derive from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised during the year.

The notes on pages 13 to 32 form part of these financial statements.

WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

BALANCE SHEET  
AS AT 31 MARCH 2016

	Note	£	2016 £	£	2015 £
<b>FIXED ASSETS</b>					
Tangible assets	14	4,044,447		3,704,648	
Investment property	15	1,366,800		1,366,800	
Total tangible assets			5,411,247		5,071,448
Investments	16		8,939,578		10,287,893
			14,350,825		15,359,341
<b>CURRENT ASSETS</b>					
Debtors	18	266,556		252,826	
Investment deposit funds		3,964,084		3,207,592	
Cash at bank and in hand		275,445		79,141	
		4,506,085		3,539,559	
<b>CREDITORS:</b> amounts falling due within one year	19	(368,277)		(221,648)	
<b>NET CURRENT ASSETS</b>			4,137,808		3,317,911
<b>NET ASSETS</b>			18,488,633		18,677,252
<b>CHARITY FUNDS</b>					
Endowment funds	20		10,238,877		10,567,937
Restricted funds	20		11,841		6,795
Unrestricted funds	20		8,237,915		8,102,520
<b>TOTAL FUNDS</b>			18,488,633		18,677,252

The financial statements were approved by the Trustee on 26 October 2016 and signed on their behalf, by:

  
.....  
J J C Moss, Chairman

The notes on pages 13 to 32 form part of these financial statements.

---

WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

---

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2016

---

	Note	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	22	<u>(775,734)</u>	<u>(108,670)</u>
<b>Cash flows from Investing activities:</b>			
Dividends, interest and rents from investments		407,151	414,296
Purchase of property, plant and equipment		(406,302)	(270,372)
Proceeds from sale of investments		1,326,276	656,340
Purchase of investments		<u>(355,087)</u>	<u>(678,607)</u>
<b>Net cash provided by Investing activities</b>		<u>972,038</u>	<u>121,657</u>
<b>Change in cash and cash equivalents in the year</b>	23	<b>196,304</b>	12,987
Cash and cash equivalents brought forward		<u>79,141</u>	<u>66,154</u>
<b>Cash and cash equivalents carried forward</b>	23	<u><u>275,445</u></u>	<u><u>79,141</u></u>

---

## WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

---

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### 1.1 General Information and basis of preparation

Walthamstow and Chingford Almshouse Charity is an unincorporated charity in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are the provision and continuing maintenance of the almshouses for the benefit of persons in conditions of financial need, who have been resident for one year within Walthamstow or Chingford, or for five consecutive years at any time prior to appointment.

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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) issued on 16 July 2014 (SORP (FRS102)) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

##### 1.2 Reconciliation with Previous Generally Accepted Accounting Policies

The charity adopted SORP (FRS102) in the current year with a transition date of 1 January 2014.

In preparing these financial statements, the Trustee has considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

The Trustee concluded that no material transitional adjustments or restatements of comparative items were required.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016

---

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1.3 Funds

Unrestricted funds are available for use at the discretion of the Trustee in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those assets which must be held permanently by the charity, being some investments and almshouse properties. Income arising on the main endowment fund can be used in accordance with the objects of the charity and is included as unrestricted income; income arising on the Spade Husbandry Allotments fund must be used for the purposes of that charity which is administered by the main charity. Any capital gains or losses arising on the relevant investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

1.4 Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Allotment rent income is recognised over the period the rents relate to.

1.5 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Cyclical repairs comprise work planned to take place on a regular cycle, mainly redecorations; extraordinary repairs comprise work (other than cyclical repairs) costing over £8,000; all other repairs are classified as routine repairs. Almshouse improvements and modifications which do not increase the income receivable from resident contributions or reduce expenditure on the property are treated as expenditure in the year the works are carried out.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs include the costs of servicing Trustee's meetings, audit and strategic planning.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016

---

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	50 years straight line
Almshouse equipment	-	20 years straight line
Computer and office equipment	-	5 years straight line
Freehold land	-	Not depreciated
Almshouse under development	-	Not depreciated

1.7 Investment properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the Statement of Financial Activities.

1.8 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value using the closing quoted market price. All gains and losses are taken to the Statement of Financial Activities as they arise.

The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year. As investments are revalued to fair value continuously, no realised gains or losses arise.

1.9 Debtors

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

1.10 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.

1.11 Liabilities

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 charity 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016

---

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1.12 Judgements and key sources of estimation uncertainty

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

- Depreciation rates for tangible fixed assets
- Basis of valuation of investment properties and financial instruments

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- Useful economic lives of assets

1.13 Going concern

The financial statements have been prepared on a going concern basis as the Trustee believes that no material uncertainties exist. The Trustee has considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

1.14 Financial Instruments

The Charity only has financial assets and 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Endowment funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	-	-	-	-	397

In 2015, all income from donations and legacies was allocated as unrestricted.

WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016

3. INCOME FROM INVESTMENTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Endowment funds 2016 £	Total funds 2016 £	Total funds 2015 £
Income from investment properties	17,511	-	-	17,511	17,434
Income arising on investment portfolio	359,987	3,688	-	363,675	376,780
Deposit interest	18,872	11	-	18,883	14,605
Investment income - interest on loan to subsidiary (see Note 18)	7,082	-	-	7,082	5,477
	<u>403,452</u>	<u>3,699</u>	<u>-</u>	<u>407,151</u>	<u>414,296</u>

In 2015, of the total investment income, £413,992 was allocated to unrestricted funds and £ 304 to restricted funds.

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Endowment funds 2016 £	Total funds 2016 £	Total funds 2015 £
Almshouses - weekly maintenance contributions	290,181	-	-	290,181	277,546
Spade Husbandry	-	4,999	-	4,999	4,795
Management charge from development company	8,426	-	-	8,426	8,078
	<u>298,607</u>	<u>4,999</u>	<u>-</u>	<u>303,606</u>	<u>290,419</u>

In 2015, of the total income from charitable activities, £285,624 was allocated to unrestricted funds and £4,795 to restricted funds.

Income from almshouses is stated net of losses from void accommodation of £8,471 (2015 : £6,686).

---

WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016

---

5. COST OF RAISING FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Endowment funds 2016 £	Total funds 2016 £	Total funds 2015 £
Investment managers' fees	7,655	-	14,966	22,621	24,322
Allotment expenses	12,439	-	-	12,439	3,005
Legal and professional fees	-	-	-	-	3,607
Allocation of staff costs	11,413	-	-	11,413	11,894
Allocation of support costs	5,217	-	-	5,217	3,536
	<u>36,724</u>	<u>-</u>	<u>14,966</u>	<u>51,690</u>	<u>46,364</u>

In 2015, of the total cost of raising funds, £16,145 was to Endowment funds and £30,219 was to Unrestricted funds.

6. ANALYSIS OF RESOURCES EXPENDED ON CHARITABLE ACTIVITIES

	Activities undertaken directly 2016 £	Grant funding of activities 2016 £	Support costs 2016 £	Total 2016 £	Total 2015 £
Almshouses	320,589	-	48,940	369,529	421,777
Grant-giving	8,713	86,614	2,052	97,379	54,192
Spade Husbandry	2,974	-	678	3,652	3,885
Total	<u>332,276</u>	<u>86,614</u>	<u>51,670</u>	<u>470,560</u>	<u>479,854</u>

7. ANALYSIS OF GRANTS

	Grants to Institutions 2016 £	Grants to Individuals 2016 £	Total 2016 £	Total 2015 £
Grant-giving	<u>66,080</u>	<u>20,534</u>	<u>86,614</u>	<u>42,640</u>

Grants were payable as follows:

---

**WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

---

	2016 £	2015 £
<b>Areas of work</b>		
Disability	3,000	10,000
Providing transport, social clubs, trips and events	10,000	-
Alcohol and substance abuse	5,000	-
Advice, information, advocacy, support and activities	19,700	-
Older people	8,000	1,235
Homeless	20,380	10,000
Debt counselling	-	5,000
	<hr/>	<hr/>
Sub total	66,080	26,235
<b>Individuals : Relief in need</b>	<b>20,534</b>	<b>16,405</b>
	<hr/>	<hr/>
Total	<b>86,614</b>	<b>42,640</b>
	<hr/> <hr/>	<hr/> <hr/>

Grants to institutions above include the following grants of £5,000 or more in the year:

	2016 £	2015 £
Age UK	8,000	-
Christian Kitchens	10,000	10,000
Forest Churches Emergency Night Shelter	10,380	-
HEET	12,200	-
Liveability	-	5,000
One North East	5,000	-
Christians Against Poverty	7,500	5,000
Waltham Forest Community Transport	10,000	5,000

Recipients of grants must reside or operate within Walthamstow or Chingford. Applications are submitted on a standard form and checked for eligibility before usually passing to two Directors of the Trustee who will visit the applicant. The visiting Directors report back to the Grants and Accommodation Committee and make a recommendation as to whether the grant should be approved, and the amount to be awarded.

The majority of applications from organisations are dealt with by the Grants and Accommodation Committee at their December meeting. The Committee will make recommendations as to grants to be awarded which are considered for approval or otherwise by the full Board of Directors at their December meeting.

More details of grant giving are given in the Trustee's Report.

---

WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016

---

8. ANALYSIS OF DIRECT COSTS OF CHARITABLE ACTIVITIES

	Almshouses £	Grant- giving £	Spade Husbandry £	Total 2016 £	Total 2015 £
Legal and professional fees	11,621	-	-	11,621	2,655
Computer costs	885	-	-	885	2,896
Routine repairs	44,838	-	-	44,838	60,010
Light and heat	43,684	-	-	43,684	43,590
Water rates	11,038	-	-	11,038	12,336
Council tax for empty flats	353	-	-	353	200
Security	4,283	-	-	4,283	7,317
Residents outings and parties	8,852	-	-	8,852	10,135
Residents TV licences	557	-	-	557	449
Insurance	9,153	-	-	9,153	10,333
Cleaning	3,733	-	-	3,733	3,159
Cyclical repairs	-	-	-	-	29,982
Garden maintenance	16,860	-	-	16,860	11,955
Staff costs	98,229	8,713	2,974	109,916	110,489
Depreciation	66,503	-	-	66,503	66,403
	<u>320,589</u>	<u>8,713</u>	<u>2,974</u>	<u>332,276</u>	<u>371,909</u>

9. GOVERNANCE COSTS

	2016 £	2015 £
Audit fee and statutory accounts production	12,240	11,300
Other fees payable to auditors	-	792
Trustee meetings and expenses	412	1,258
Legal and professional fees	-	1,707
Allocation of staff costs	7,414	7,616
Total	<u>20,066</u>	<u>22,673</u>

---

WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016

---

10. ANALYSIS OF SUPPORT COSTS

	2016 £	2015 £
<b>Raising Funds</b>		
Telephone	404	339
Staff training and travel	124	16
Printing, postage and stationary	265	179
Computer costs	613	416
Subscriptions	357	242
Sundry costs	45	31
Wages and salaries	1,483	1,005
Governance costs	1,926	1,308
	<hr/>	<hr/>
Sub total	5,217	3,536
	<hr/>	<hr/>
<b>Charitable Activities</b>		
Telephone	4,083	4,022
Legal and professional fees	-	2,727
Staff training and travel	1,255	2,130
Printing, postage and stationary	2,675	3,647
Computer costs	6,194	4,403
Subscriptions	3,614	3,364
Sundry costs	454	1,095
Less: costs recharged to the subsidiary company	(970)	(860)
Wages and salaries	16,225	17,612
Governance costs	18,140	21,365
	<hr/>	<hr/>
Sub total	51,670	59,505
	<hr/>	<hr/>
Total	<u>56,887</u>	<u>63,041</u>

11. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets: - owned by the charity	<u>66,503</u>	<u>66,403</u>

---

**WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

---

**12. TRUSTEE DIRECTORS AND KEY MANAGEMENT PERSONNEL REMUNERATION AND EXPENSES**

The Directors of the Trustee neither received nor waived any remuneration, or received refurbishment of expenses during the current and previous year.

The Directors of the Trustee received reimbursement of refreshment expenses of £415 (2015 : £NIL).

The total amount of employee benefits receivable by key management personnel was £63,166 (2015 : £58,485). The Charity considers its key management personnel comprise:

- The Clerk
- The Finance Manager
- The Directors of the Trustee

**13. STAFF COSTS**

Staff costs were as follows:

	<b>2016</b>	2015
	£	£
Wages and salaries	<b>135,293</b>	135,248
Social security costs	<b>11,158</b>	10,547
	<hr/> <b>146,451</b> <hr/>	<hr/> 145,795 <hr/>

The average number of persons employed by the charity during the year was as follows:

	<b>2016</b>	2015
	No.	No.
Office staff	<b>2</b>	2
Operational staff	<b>3</b>	3
	<hr/> <b>5</b> <hr/>	<hr/> 5 <hr/>

No employee received remuneration amounting to more than £60,000 in either year.



WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016

14. TANGIBLE FIXED ASSETS

	Freehold property £	Almshouse equipment £	Office equipment £	Almshouse under developm't £	Total £
<b>Cost</b>					
At 1 April 2015	3,244,222	35,743	7,805	1,275,172	4,562,942
Additions	-	-	-	406,302	406,302
At 31 March 2016	<u>3,244,222</u>	<u>35,743</u>	<u>7,805</u>	<u>1,681,474</u>	<u>4,969,244</u>
<b>Depreciation</b>					
At 1 April 2015	844,263	6,227	7,804	-	858,294
Charge for the year	64,716	1,787	-	-	66,503
At 31 March 2016	<u>908,979</u>	<u>8,014</u>	<u>7,804</u>	<u>-</u>	<u>924,797</u>
<b>Net book value</b>					
At 31 March 2016	<u>2,335,243</u>	<u>27,729</u>	<u>1</u>	<u>1,681,474</u>	<u>4,044,447</u>
At 31 March 2015	<u>2,399,959</u>	<u>29,516</u>	<u>1</u>	<u>1,275,172</u>	<u>3,704,648</u>

The Charity's freehold land held at the year end, with the exception of the freehold Almshouse under development at 1C The Drive, was all donated and was not capitalised; given that the gifts were made many years ago the Directors of the Trustee Company believe the value when given was not material. Hence no land value is included above for the original properties and the full cost of the buildings is being depreciated.

---

WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016

---

Original cost of freehold property

	2016 £
The Ridgers Almshouses	955,748
Monoux Almshouses	647,819
Squires Almshouses	133,830
Collard Almshouses	1,506,825
1C The Drive (see below)	1,681,474
	<hr/>
Total	4,925,696
	<hr/> <hr/>

Most of the above cost (other than 1C The Drive) represents rehabilitation and renovation work carried out over the last 20 years.

In 2012/13 the Charity purchased a freehold property at 1C The Drive, Walthamstow for £900,000. As the building on the land is to be demolished, all that cost is treated as relating to the land. This and all related costs, including the costs payable to the subsidiary company, which made up most of the additions during the year of £406,302, have been capitalised above under 'Almshouse under development'. The building will not be depreciated until the development is completed.

The Directors of the Trustee Company do not consider it practical or helpful (given that the properties are all held for the long term) to quantify any difference between the net book value of freehold buildings and their market values at the year end.

WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016

15. INVESTMENT PROPERTY

	Freehold investment property £
<b>Valuation</b>	
At 1 April 2015 and 31 March 2016	<u>1,366,800</u>

The 2015 valuation was made by Strettons (Chartered Surveyors) of London E17 as of 12 June 2015, on an open market value for existing use basis. The Trustee does not consider there has been any material change to the valuation between 31 March 2016 and that date. Investment properties consist of:

Land used as allotments:

Hale End Road (8.0 Acres)  
Honeybone Lane (3.2 Acres)  
Trencherfield (3.8 Acres)

Other land

South side of Shernhall Street, London E17 (0.2 Acres)

Properties:

880 Forest Road, London E17  
882 - 884 Forest Road, London E17  
886-888 Forest Road, London E17  
William E. Whittingham School  
Flats at Dennis Court, London E17  
85 Albert Road, London E17  
26 Brierley Road, London E11

16. FIXED ASSET INVESTMENTS

	Listed securities £	Share In subsidiary £	Cash held as part of portfolio £	Total £
<b>Market value</b>				
At 1 April 2015	10,095,868	1	192,024	10,287,893
Additions	355,087	-	-	355,087
Disposals	(1,258,267)	-	(68,009)	(1,326,276)
Revaluations	(377,126)	-	-	(377,126)
At 31 March 2016	<u>8,815,562</u>	<u>1</u>	<u>124,015</u>	<u>8,939,578</u>

---

## WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

---

#### 17. SUBSIDIARY COMPANY

On 7 February 2013 the Charity incorporated a new company called Walthamstow Almshouse Development Company Limited to develop a new almshouse at 1C, The Drive, Walthamstow. The Company has one £1 share which is held by the Walthamstow and Chingford Almshouse Trustee Company as Trustee on behalf of the Charity.

The company was dormant until 1 August 2013, when it began incurring costs on the construction of 1C The Drive. All income in the subsidiary is from the parent Charity and the company has not undertaken any projects in the year other than the design and construction of 1C The Drive for the Charity. The gross expenditure of the company is being invoiced to the Charity as the construction progresses. The cost of this construction work is included in tangible fixed assets of the Charity (Note 14) as 'Almshouse under development'.

The results for Walthamstow Almshouse Development Company Limited for the year were as follows:

	2016 £	2015 £
Turnover	349,282	243,954
Bank interest received	43	82
Management charge from parent Charity	(8,427)	(8,078)
Trading expenditure (mainly cost of construction work)	(338,902)	(242,209)
Interest on loan from parent Charity	(7,082)	(5,477)
	<hr/>	<hr/>
(Deficit) for the period	(5,086)	(11,728)

The Turnover is incorporated into the financial statements of the Charity as the largest part of the capital expenditure on 1C The Drive and, as shown above, is very close to the Trading expenditure. Other income and expenditure is not considered to be material to the Charity. Similarly, apart from the balances with the Charity shown below, which would be eliminated on consolidation, other balance sheet amounts are not considered material to the Charity. Accordingly consolidated financial statements would not vary materially from the Charity financial statements and hence have not been prepared.

The subsidiary's assets and liabilities at the year end were:

	2016 £	2015 £
Cash at bank	73,230	52,813
Accrued income from parent Charity (see above)	-	175,473
Sundry debtors	33,074	12,098
Accruals	(1,950)	(1,600)
Trade creditors	(206,862)	(25,207)
Loan from parent Charity (see below)	(242,485)	(235,403)
Amounts due from parent Charity	318,081	-
	<hr/>	<hr/>
Capital and reserves at period end (including £1 share capital)	(26,912)	(21,826)

The Charity has in the past made loans to the subsidiary company, at a rate of interest of the higher of 3% or the Bank of England Base Rate plus 1%. The loans are payable over a two year term, with early repayment possible without penalty. The interest payable in the year was £6,905.

WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016

18. DEBTORS

	2016 £	2015 £
Loan to subsidiary company (see Note 17)	242,485	235,403
Sundry debtors	3,790	-
Prepayments and accrued income	20,281	17,423
	<u>266,556</u>	<u>252,826</u>

19. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	8,972	9,897
Accrued development expenditure payable to subsidiary	-	175,473
Payable to subsidiary company (see Note 17)	318,081	-
Accruals and deferred income	31,038	30,355
Grants payable	10,186	5,923
	<u>368,277</u>	<u>221,648</u>

Deferred income

Deferred income at 1 April 2015	11,427
Resources deferred during the year	11,609
Amounts released from previous years	(11,427)
Deferred income at 31 March 2016	<u>11,609</u>

Deferred income consists of allotment income.

20. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Investment Gains/ (Losses) £	Carried Forward £
<b>Designated funds</b>						
Alms house building	6,239,047	-	-	188,904	(68,149)	6,359,802
Extraordinary repairs	1,060,300	-	-	20,210	(38,840)	1,041,670
Cyclical maintenance	103,173	-	-	33,270	-	136,443
	<u>7,402,520</u>	<u>-</u>	<u>-</u>	<u>242,384</u>	<u>(106,989)</u>	<u>7,537,915</u>

---

WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016

---

20. STATEMENT OF FUNDS (continued)

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Investment Gains/ (Losses) £	Carried Forward £
<b>General fund</b>						
General Fund	700,000	702,059	(438,916)	(242,384)	(20,759)	700,000
Total Unrestricted funds	<u>8,102,520</u>	<u>702,059</u>	<u>(438,916)</u>	<u>-</u>	<u>(127,748)</u>	<u>8,237,915</u>

The Charity is in the process of building a new almshouse as discussed in the Trustee's Report, and a designated fund is held for this project and future almshouse development. Directors of the Trustee Company have decided to move funds in the General fund in excess of around one year's income (2015: £700,000) to the Almshouse building fund. The fund at the year end is principally represented by investment deposit funds, with the balance represented by fixed asset investments and the capitalised costs of the almshouse under development (see Note 14).

The total cost of the almshouse currently under development (including the cost of the land) is anticipated to be £6,014,000, of which £2,311,000 had been expended before the year end. Once the project has been finished the Directors will review whether there are sufficient resources to develop any further almshouses.

The Charity also holds designated funds for extraordinary repairs to its almshouses (represented by investments) and cyclical maintenance carried out every 5 years on the almshouses (represented by investment deposits). Transfers into those funds are in accordance with guidance from the Almshouse Association.

**Endowment funds**

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Investment Gains/ (Losses) £	Carried Forward £
Capital fund	10,561,172	-	(79,682)	-	(248,972)	10,232,518
Spade Husbandry	6,765	-	-	-	(406)	6,359
	<u>10,567,937</u>	<u>-</u>	<u>(79,682)</u>	<u>-</u>	<u>(249,378)</u>	<u>10,238,877</u>

The Capital fund represents the Charity's endowments from the various different charities that have been amalgamated to create it. It comprises all freehold properties (except 1C The Drive) and all investment properties, together with a balance of non-property investments. The percentage of non-property investments held within the fund at the year end was 56.6%. The percentage held at the start of the year was 66.1%, which is applied to investment gains and losses and investment management costs in order to apportion these to the fund.

See note below on the Spade income fund for details of the Spade Husbandry Allotments endowment fund, which is mainly represented by investments with the balance in the bank (the associated land is owned by the Corporation of London who allow its use as allotments in accordance with Act of Parliament).

WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016

20. STATEMENT OF FUNDS (continued)

Restricted funds

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Investment Gains/ (Losses) £	Carried Forward £
Spade income	6,795	8,698	(3,652)	-	-	11,841
Total of funds	<u>18,677,252</u>	<u>710,757</u>	<u>(522,250)</u>	<u>-</u>	<u>(377,126)</u>	<u>18,488,633</u>

The Spade income fund represents money held for the Spade Husbandry Allotments charity. The Charity acts as Trustee of Spade Husbandry Allotments and in particular holds its endowment fund (see above). Income from the endowment fund, along with rent from the Charity's allotments (which are included in land owned by the Corporation of London, with the Charity having statutory rights to the land), is used to manage the allotments. The income and expenditure for the year is as shown for the Restricted fund above.

SUMMARY OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Investment Gains/ (Losses) £	Carried Forward £
Designated funds	7,402,520	-	-	242,384	(106,989)	7,537,915
General fund	700,000	702,059	(438,916)	(242,384)	(20,759)	700,000
	<u>8,102,520</u>	<u>702,059</u>	<u>(438,916)</u>	<u>-</u>	<u>(127,748)</u>	<u>8,237,915</u>
Endowment funds	10,567,937	-	(79,682)	-	(249,378)	10,238,877
Restricted fund	6,795	8,698	(3,652)	-	-	11,841
	<u>18,677,252</u>	<u>710,757</u>	<u>(522,250)</u>	<u>-</u>	<u>(377,126)</u>	<u>18,488,633</u>

Where funds are represented by fixed asset investments, their share of gains and losses arising on those investments is accordingly credited to or charged against the funds pro rata.

---

WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016

---

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Endowment funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	2,339,214	-	1,705,233	4,044,447	3,704,648
Fixed asset investments	1,772,734	-	7,166,844	8,939,578	10,287,893
Investment property	-	-	1,366,800	1,366,800	1,366,800
Current assets	4,494,244	11,841	-	4,506,085	3,539,559
Creditors due within one year	(368,277)	-	-	(368,277)	(221,648)
	<u>8,237,915</u>	<u>11,841</u>	<u>10,238,877</u>	<u>18,488,633</u>	<u>18,677,252</u>

22. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(188,619)	1,088,181
<b>Adjustment for:</b>		
Depreciation charges	66,503	66,503
Dividends, interest and rents from investments	(407,151)	(414,296)
Losses / (gains) on investments	377,126	(909,389)
Increase in debtors	(770,222)	(78,045)
Increase in creditors	146,629	138,376
<b>Net cash used in operating activities</b>	<u>(775,734)</u>	<u>(108,670)</u>

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	275,445	79,141
Total	<u>275,445</u>	<u>79,141</u>

24. RELATED PARTY TRANSACTIONS

J. Moss, a Director of the Trustee Company, is an elected official of LB Waltham Forest. Helen Tredoux is the Director (exec) of WF Community Transport which received a grant during the year of £10,000. Rev. Vanessa Conant the Ex-officio director is Team Rector of St Mary's Church which received a grant in the year of £7,500. The Director was not involved in the decision making process relating to these awards.



---

**WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

---

**25. CAPITAL COMMITMENTS**

At 31 March 2016 the charity had capital commitments as follows:

	2016 £	2015 £
Contractual commitments not provided in these financial statements	<u>4,581,390</u>	<u>4,632,000</u>

The above commitment relates to the development of the new almshouse.

**26. CONTROLLING PARTY**

The Walthamstow and Chingford Almshouse Trustee Company Limited, a company limited by guarantee, is the Charity's Trustee and therefore controls the Charity. The company is dormant and has never had any assets or liabilities. The members and directors of the Company are as shown on page 1.

**27. FINANCIAL INSTRUMENTS**

At the balance sheet date the Charity held the following;

**Financial assets**

Measured at fair value through net income / expenditure:

	2016 £	2015 £
Fixed asset listed investments	8,939,578	10,287,893
Investment property	1,366,800	1,366,800
Total	<u>10,306,378</u>	<u>11,654,693</u>

Debt instruments measured at amortised cost:

	2016 £	2015 £
Loan to subsidiary company	242,485	235,403
Other debtors	3,790	-
Accrued income	11,038	10,578
Total	<u>257,313</u>	<u>245,981</u>

---

WALTHAMSTOW AND CHINGFORD ALMSHOUSE CHARITY

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016

---

**Financial liabilities**

Measured at amortised cost:

	2016 £	2015 £
Trade creditors	8,972	9,897
Amounts due to subsidiary company	-	175,473
Accruals	19,429	17,468
Grants payable	10,186	5,923
	<hr/>	<hr/>
Total	<b>38,587</b>	<b>208,761</b>
	<hr/> <hr/>	<hr/> <hr/>

**Net gains and losses (including changes in fair value)**

	2016 £	2015 £
Financial assets measured at fair value through net income / expenditure	<b>(377,126)</b>	<b>909,287</b>
	<hr/> <hr/>	<hr/> <hr/>