

Charity Registration No. 233695

LASLETT'S (ALMSHOUSE) CHARITY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

LASLETT'S (ALMSHOUSE) CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr C R Anstey Mr T J Bridges Mr D B Dale Mr P W Hughes Mrs M Jones Mrs A E Lodge Mrs G T Newman Mr J V Panter Mrs E A Pugh-Cook Mr M J Tarver
Chairman	Mr P W Hughes was appointed Chairman in January 2017
Finance & Investment Committee	Mr C R Anstey Mr D B Dale Mr P W Hughes Mr J V Panter Mr M J Tarver
Almshouse Committee	Mr P W Hughes Mrs M Jones Mrs A E Lodge Mrs G T Newman Mrs E A Pugh-Cook
Investment Adviser to the Investment Committee	Adrian Taylor of Smith & Williamson Investment Management LLP

Each Committee meeting is attended by the Clerk and/or the Agent as appropriate

Clerk to the trustees	Mr S P Inman Katern Heywood House Berkeley Court The Foregate Worcester WR1 3QG
Agent to the Trustees	Mr A L Robinson MRICS The Estate Office Madresfield Road Malvern WR13 5AH
Charity number	233695
Registered office	Katern Heywood House Berkeley Court The Foregate Worcester WR1 3QG

LASLETT'S (ALMSHOUSE) CHARITY

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LASLETT'S (ALMSHOUSE) CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Independent Examiner Jonathan Marston BA FCA
Kendall Wadley LLP
Chartered Accountants
Merevale House
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Worcester
WR1 1NU

Bankers HSBC Plc
6 Broad Street
Worcester
WR1 3PL

Investment Advisors Smith & Williamson Investment Management LLP
9 Colmore Row
Birmingham
B3 2BJ

By a Resolution passed at a duly constituted meeting of the Trustees of Laslett's (Almshouse) Charity on the 30th day of October 1962 there was conferred upon any three or more of the Trustees the power to execute Deeds or instruments in the names and on behalf of the Trustees in accordance with the provisions of Section 34 of the Charities Act 1960.

LASLETT'S (ALMSHOUSE) CHARITY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The Trustees present their report and accounts for the year ended 31 December 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, 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 applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)"

Reference and administrative skills

Reference and administrative details are provided on the pages preceding this report. Details of the trustees serving during the year are given below in the structure, governance and management section.

Objectives and activities

Objective

The principal object of the Charity is to provide and maintain the almshouses in Union Street, Worcester for aged poor people in the City of Worcester.

The Trustees' aim is to administer the almshouses in the most efficient and effective way by maintaining the buildings and accommodation in good and substantial repair thus ensuring a full level of occupancy throughout the year and thereby the maximum income by way of rents received.

Public benefit

The Trustees confirm that they have had regard to the Charity Commission's guidance on public benefit. The activities set out are consistent with achieving the object of the Charity for the benefit of the public. Specifically the programme of refurbishment, the discounted rents and the provision of the good quality accommodation are consistent with the Charity's aims and objects.

Activities

The main activities carried out by the Charity relate to the management of the flats within the almshouse complex together with the chapel, the community room and the gardens. In ensuring the residents have up-to-date, clean and safe accommodation and environment, there is regular contact with them primarily via the Warden but also by the Agent and Trustees.

Achievements and performance

Save for short periods of time following the death of any resident, the 16 almshouses have been fully occupied during the period under review.

The house situated within the almshouse complex which had previously been occupied by the Chaplain remains let by way of a shorthold letting agreement to a person who would otherwise have qualified for almshouse accommodation.

During the course of 2016 the separate modern property at 10 Union Street continued to be let by way of a shorthold letting agreement to the Worcester Diocese it previously having been the accommodation of a former Warden. The current Warden who was appointed to the role in late 2014 lives off-site but within easy reach of the almshouses.

The Warden provides a written report to a nominated Trustee and keeps in regular contact with those Trustees who are members of the Almshouse Committee. Her reports have highlighted how the residents are well integrated with one another and that there is a greater willingness to participate in social events including occasional garden parties and other celebrations arranged by the residents themselves and with her help. One particular highlight during the year was to organise a garden party to commemorate HM Queen's 90th birthday which was attended by the residents and their invited guests and trustees.

LASLETT'S (ALMSHOUSE) CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

In terms of refurbishment of the flats, all work was completed in 2015. There is a general feeling that the flats are now of a high standard and that the residents are pleased overall with the facilities including the standard of decoration. There is a programme of planned general maintenance in place. Internal redecoration is carried out to flats as and when they become vacant. The gardens situated at the front of the property continue to be extremely colourful and well maintained.

The administration of rental income has been smooth during the last year. There are no current rent arrears and liaison with the Council as to the provision of housing benefits to those who qualify has been good.

The Trustees will continue to support the residents of the almshouses to the best of their ability by improving the properties occupied and the services offered in accordance with the recommendations made by the Agent.

In addition to the almshouses the Charity has traditionally held some investments from which income can be derived to help to swell the funds available when required. These investments are either equities or government stocks. The Trustees regularly consult with their investment advisers and take due regard of any recommendations and investments made.

Financial review

The income for the Charity was £116,018 and the expenditure was £107,853 which together with net gains on investment assets of £24,484 and revaluation gain on tangible fixed assets of £15,000 produced an overall surplus of £47,649.

The majority of the income is derived from rents and is received regularly and consistently.

The Trustees' investment policy operated so that a 1.78% (2015 1.91%) yield had been achieved on their investments during the year.

Copies of the Charity's Financial Statements can be obtained from the Clerk at Kateryn Heywood House, Berkeley Court, The Foregate, Worcester WR1 3QG.

Reserves policy

Total reserves of the Charity are £2,660,173 (2015 - £2,612,524) of which £2,613,051 (2015 - £2,573,567) are endowed and held in connection with the land and buildings held by the Charity leaving unrestricted reserves of £47,122 (2015 - £38,957).

The Trustees aim to retain a level of unrestricted reserves equivalent to the running costs of the Charity for at least six months and if possible for one year. The unrestricted reserves increased in the year by £8,165 to £47,122.

The Trustees are aware of the requirements to distribute as much income as possible under the terms of the Trust but believe this should be balanced with the need to have adequate reserves to maintain almshouse provision which is its primary objective.

LASLETT'S (ALMSHOUSE) CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Investment powers

The Trustees will invest the funds in accordance with the Trustee Act 2000. Within the Act the Trustees:-

- * shall exercise such power with the care that a prudent person of business would in making investments for a person for whom they felt morally obliged to provide;
- * shall not make any speculative or hazardous investment (and for avoidance of doubt this power to invest does not extend to laying out money on the acquisition of futures and or trading options);
- * shall have regard to the need for diversification of investments in the circumstances of the Charity and to the suitability of the proposed investments;
- * do not impose any ethical or geographical restrictions.

Trustees additionally have a duty to review their investments at regular intervals. The Trustees will review the investment policy at least annually. The Trustees may change any part of the policy at any time.

The Investment Manager must be an authorised person who is entitled to carry out investment business under the provisions of the Financial Services Act 1986.

The Trustees have delegated the powers of investment management to Smith & Williamson Investment Management LLP.

Performance

The total value of the portfolios is measured by reference to the various FTSE "Total Return" indices.

The income earned by the portfolio in the year represented an overall yield of 1.78% (2015 1.91%).

Cash Deposits

Cash deposits are placed with approved banks with suitable credit ratings. Cash deposits may be also retained by Smith & Williamson Investment Management LLP as part of the investment portfolio.

Risk management

The Trustees have considered the major risks to which they consider the Charity has been exposed and concluded that these lie in the inherent risks of maintaining an historic property both in terms of fabric of that property and the welfare of the elderly residents and investing in the Stock Market. The Trustees are well aware of the potential volatility in the Stock Market generally and will take whatever steps they think necessary after taking professional advice to mitigate and reduce any risks.

Risk identification and management are specifically discussed at all Trustees' meetings.

The Trustees confirm that no serious incident has taken place which they should have reported to the Charity Commission but have not.

Plans for the future

The Trustees have no major plans to alter the level of almshouse provision. It is the intention to continue to utilise the almshouses as directed by the Trust Deeds upon which the Charity was formed. In practice this will entail maintaining the almshouse complex in good and substantial repair and condition and having plans in place for such to be carried out on a periodic basis. By operating in this way, the finances remain sound and the element of public benefit is fulfilled.

LASLETT'S (ALMSHOUSE) CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Structure, governance and management

The Charity was established by William Laslett, a Worcester mayor, civic dignitary and philanthropist. It operates under the terms of two Trust Deeds dated 19 September 1868 and 9 April 1875. Its registered Charity number is 233695. The Charity owns and manages almshouses built in 1912 in Union Street, Worcester together with one modern flat situated opposite the almshouses.

The Trustees who served during the year were:

Mr C R Anstey

Mr A P Baxter

(Resigned 31 January 2017)

Mr T J Bridges

Mr D B Dale

Mr P W Hughes

Mrs M Jones

Mrs A E Lodge

Mrs G T Newman

Mr J V Panter

Mrs E A Pugh-Cook

Mr M J Tarver

The Trustees of this Charity also serve as Trustees of Laslett's (Hinton) Charity and have been appointed by a long series of Deeds of Appointment since 1868. There is no provision as to the length of service or requirement for re-appointment after a specified period of time.

All Trustees give their time freely and no remuneration was paid to any of them during the year. Trustees are required to disclose all relevant interests and to register them with the Clerk. The Trustees are also required to give details of any interest that may relate to an agenda item in which event if there is a conflict or perceived conflict of interest, they will withdraw from the meeting.

Appointment of Trustees

The Trustees have a wide range of professional and commercial experience including agriculture, charitable bodies, church architecture, estate management, social work, care for the elderly, and accountancy. The Charity seeks to appoint Trustees who have skills and expertise which are relevant to the areas in which the Charity operates.

Training is provided at trustee meetings and as otherwise necessary to ensure that all of those appointed understand the role of a trustee.

LASLETT'S (ALMSHOUSE) CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Organisational Structure

The Board of Trustees meets on a regular quarterly basis at the boardroom in Laslett's Almshouses, Union Street, Worcester. With the input of the Agent, Clerk and Investment Advisor by way of written reports and/or attendance at the meetings, they initiate, review and adopt policies which further the objects of the Charity as set out in the Trust Deed and ensure compliance with current legislation and recommended good practice.

To enable the more expeditious conduct of business the Trustees have created two Committees which may examine relevant issues in more detail and which may make recommendations to the Trustee Board to make a formal decision.

The Trustees are also responsible for setting the remuneration levels of staff appointed by the Charity.

The Finance and Investment Committee meets with the Charity's Investment Advisors, Smith & Williamson Investment Management LLP, at least twice a year to review the Charity's stock exchange investments and to consider their investment advisers' recommendations.

The Almshouse Committee meets on an ad hoc basis to give preliminary and detailed consideration to any new policy or initiative required for the overall management of the almshouses prior to discussion and decision at the main Trustee Board.

The Agent to the Charity is Mr Adrian Robinson of ARC Chartered Surveyors Ltd The Estate Office, Madresfield, Malvern, WR13 5AH. The duties and responsibilities of the Agent include the following:

- The general day-to-day management of the Almshouses;
- Reporting to each quarterly meeting of the Trustees
- All aspects of financial administration including the Charity's needs and cash flow position and the preparation of half yearly management accounts.

The Clerk to the Charity is Mr Stephen Inman whose duties and responsibilities include the following:

- Preparation of agendas for quarterly Trustee Board meetings, Committee meetings and drafting of minutes;
- Provision of guidance on legal and governance issues at meetings and generally
- Liaison with the Agent, Accountants, Investment Manager and Trustees as to administrative matters.

Related charities

The Charity has a close relationship with the Laslett's (Hinton) Charity and its professional advisers, as well as its Trustees, being the same. Both Charities have a common benefactor and founding philosophy.

The main object of Laslett's (Hinton) Charity is to manage its land and agricultural holdings together with associated residential properties situated at Hinton on the Green near Evesham, Worcestershire and to create a return of income which can be applied for charitable purposes including when necessary the support of Laslett's (Almshouse) Charity.

The Trustees' report was approved by the Board of Trustees.



Mr P W Hughes

Trustee

Dated: 25 July 2017

LASLETT'S (ALMSHOUSE) CHARITY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2016

The Trustees are responsible for preparing the Trustees' Report and the accounts 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 Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these accounts, 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 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.

LASLETT'S (ALMSHOUSE) CHARITY

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF LASLETT'S (ALMSHOUSE) CHARITY

I report on the accounts of the Charity for the year ended 31 December 2016, which are set out on pages 8 to 21.

Respective responsibilities of Trustees and examiner

The Charity's Trustees are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare accounts which accord with the accounting records, and comply with the accounting requirements of the 2011 Act;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

J. T. Marston

Jonathan Marston BA FCA

for and on behalf of Kendall Wadley LLP

Merevale House
27 Sansome Walk
Worcester
WR1 1NU

Dated: 25 July 2017

LASLETT'S (ALMSHOUSE) CHARITY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Unrestricted funds £	Endowment funds £	Total 2016 £	Total 2015 £
<u>Income and endowments from:</u>					
Charitable activities	3	110,924	-	110,924	101,387
Investments	4	3,739	-	3,739	3,654
Other income	5	1,355	-	1,355	1,508
Total income and endowments		116,018	-	116,018	106,549
<u>Expenditure on:</u>					
Raising funds	6	667	-	667	639
Charitable activities	7	107,186	-	107,186	106,292
Total resources expended		107,853	-	107,853	106,931
Net incoming/(outgoing) resources before investment movements		8,165	-	8,165	(382)
Net gains on investments	11	-	24,484	24,484	1,752
Net incoming resources		8,165	24,484	32,649	1,370
<u>Other recognised gains and losses</u>					
Revaluation of tangible fixed assets		-	15,000	15,000	-
Net movement in funds		8,165	39,484	47,649	1,370
Fund balances at 1 January 2016		38,957	2,573,567	2,612,524	2,611,154
Fund balances at 31 December 2016		47,122	2,613,051	2,660,173	2,612,524

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

LASLETT'S (ALMSHOUSE) CHARITY

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	12	2,379,029		2,364,030	
Investments	13	217,536		191,137	
		<u>2,596,565</u>		<u>2,555,167</u>	
Current assets					
Debtors	15	6,178		6,934	
Cash at bank and in hand		69,602		70,193	
		<u>75,780</u>		<u>77,127</u>	
Creditors: amounts falling due within one year	16	(12,172)		(19,770)	
Net current assets			63,608		57,357
Total assets less current liabilities			<u>2,660,173</u>		<u>2,612,524</u>
Capital funds					
Endowment funds - general	18	2,613,051		2,573,567	
Income funds					
Unrestricted funds		47,122		38,957	
		<u>2,660,173</u>		<u>2,612,524</u>	

The accounts were approved by the Trustees on 25 July 2017


 Mr P.W. Hughes
 Mr J.V. Panter
 Trustee

LASLETT'S (ALMSHOUSE) CHARITY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	20		(2,416)		5,302
Investing activities					
Purchase of tangible fixed assets		-		(10,000)	
Purchase of investments		(12,427)		(5,297)	
Proceeds on disposal of investments		10,513		8,957	
Interest received		3,739		3,654	
Net cash generated from/(used in) investing activities			1,825		(2,686)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(591)		2,616
Cash and cash equivalents at beginning of year			70,193		67,577
Cash and cash equivalents at end of year			69,602		70,193

LASLETT'S (ALMSHOUSE) CHARITY

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

1 Accounting policies

Charity information

Laslett's (Almshouse) Charity is charity which was established by William Laslett, a Worcester mayor, civic dignitary and philanthropist. It operates under the terms of two Trust Deeds dated 19 September 1868 and 9 April 1875. Its registered address is Katern Heywood House, Berkeley Court, The Foregate, Worcester, WR1 3QG.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The Charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These accounts for the year ended 31 December 2016 are the first accounts of Laslett's (Almshouse) Charity prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees' continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes and are maintained at a level sufficient to enable the Charity to operate efficiently and without risk.

Endowed funds represent those assets which must be held permanently by the Charity, principally property and investments.

1.4 Incoming resources

Income from investments and property is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

LASLETT'S (ALMSHOUSE) CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.5 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Governance costs are the costs associated with the general running of the Charity.

1.6 Tangible fixed assets

The trustees have adopted a policy of revaluation with regards the land and buildings and this is based on a valuation supplied by ARC Chartered Surveyors Limited at 31 December 2016. This valuation is a full valuation reviewed as necessary.

The Statement of Recommended Practice (FRS 102) requires that a provision be made for depreciation of tangible fixed assets having a finite use of life. However, the Trustees are of the opinion that the residual value at the end of the estimated useful life of the property is not likely materially to differ from its cost, or re-valued amount (reviewed annually). Therefore, any element of depreciation is considered to be immaterial and no provision is made, movements in valuation are taken to the Statement of Financial Activities as determined.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

LASLETT'S (ALMSHOUSE) CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.10 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

LASLETT'S (ALMSHOUSE) CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Charitable activities

	2016 £	2015 £
Received from residents	<u>110,924</u>	<u>101,387</u>

4 Investments

	2016 £	2015 £
Income from listed investments	3,738	3,643
Interest receivable	1	11
	<u>3,739</u>	<u>3,654</u>

5 Other income

	2016 £	2015 £
Other income	<u>1,355</u>	<u>1,508</u>

LASLETT'S (ALMSHOUSE) CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

6 Raising funds

	2016	2015
	£	£
<u>Fundraising and publicity</u>		
Investment management costs	667	639
	<u>667</u>	<u>639</u>
For the year ended 31 December 2015		
Fundraising and publicity		<u>639</u>

LASLETT'S (ALMSHOUSE) CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

7 Charitable activities

	2016 £	2015 £
Property expenditure		
Staff costs	13	-
Rates	3,403	3,656
Insurance	7,235	6,704
Property expenditure	13,271	13,716
Chaplain's salary	1,710	1,540
Warden	10,842	10,565
Gardener	1,977	1,974
Electricity	8,246	7,167
Gas	8,251	9,327
Telephone	303	281
Call aid rental	3,525	2,903
Sundry	1,667	1,726
Legal fees	1,740	500
Cleaning	3,557	3,377
Refurbishment costs	17,719	17,873
	<u>83,459</u>	<u>81,309</u>
Share of support costs (see note 8)	23,187	24,458
Share of governance costs (see note 8)	540	525
	<u>107,186</u>	<u>106,292</u>
Analysis by fund		
Unrestricted funds	107,186	
	<u>107,186</u>	
For the year ended 31 December 2015		
Unrestricted funds		106,292
		<u>106,292</u>

LASLETT'S (ALMSHOUSE) CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

8 Support costs

	Support costs	Governance costs	2016	2015	Basis of allocation
	£	£	£	£	
Agent's management fees	13,975	-	13,975	16,424	To principal charitable activity
Clerk's fees	6,155	-	6,155	4,778	" "
Expenses	313	-	313	438	" "
Subscriptions	211	-	211	209	" "
Accountancy	1,542	-	1,542	1,575	" "
Accountancy - agents	991	-	991	1,034	" "
Independent examiners fees	-	540	540	525	Governance
	<u>23,187</u>	<u>540</u>	<u>23,727</u>	<u>24,983</u>	
Analysed between Charitable activities	<u>23,187</u>	<u>540</u>	<u>23,727</u>	<u>24,983</u>	

Within Clerks fees as shown above are staff costs of £2,546 (2015 - £1,225).

Governance costs include payment to the independent examiners of £540 (2015 - £525) for examination fees.

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or expenses during the year.

During the year the Charity took out insurance for the Trustees' and individual liability, employment practices liability and professional and legal liability in each instance to a limit of £1 million.

LASLETT'S (ALMSHOUSE) CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

10 Employees

Number of employees

The average monthly number employees during the year was:

	2016 Number	2015 Number
Clerk and warden	2	2

Employment costs

	2016 £	2015 £
Wages and salaries	13,388	11,790
Other pension costs	13	-

There were no employees whose annual remuneration was £60,000 or more.

11 Net gains/(losses) on investments

	2016 £	2015 £
Revaluation of investments	23,977	1,413
Gain/(loss) on sale of investments	507	339
	24,484	1,752

12 Tangible fixed assets

	Freehold land and buildings £
Cost or valuation	
At 1 January 2016	2,364,029
Revaluation	15,000
At 31 December 2016	2,379,029
Carrying amount	
At 31 December 2016	2,379,029
At 31 December 2015	2,364,030

Land and buildings with a carrying amount of £2,379,029 were revalued at 31 December 2016 by ARC Chartered Surveyors, independent valuers not connected with the Charity on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

LASLETT'S (ALMSHOUSE) CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

12 Tangible fixed assets

(Continued)

The property consists of 16 flats, a Chaplain's House, Board Room and Chapel, all situated at Laslett's Almshouses, Union Street, Worcester and 10 Union Street, Worcester.

13 Fixed asset investments

	Listed investments £
Cost or valuation	
At 31 December 2016	191,137
Additions	12,427
Valuation changes	24,485
Disposals	(10,513)
	<hr/>
At 31 December 2016	217,536
	<hr/>
Carrying amount	
At 31 December 2016	217,536
	<hr/>
At 31 December 2015	191,137
	<hr/>

14 Financial instruments	2016 £	2015 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	3,633	4,235
Equity instruments measured at cost less impairment	217,536	191,137
	<hr/>	<hr/>
Carrying amount of financial liabilities		
Measured at amortised cost	10,811	18,231
	<hr/>	<hr/>

15 Debtors	2016 £	2015 £
Amounts falling due within one year:		
Other debtors	3,633	4,235
Prepayments and accrued income	2,545	2,699
	<hr/>	<hr/>
	6,178	6,934
	<hr/>	<hr/>

LASLETT'S (ALMSHOUSE) CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

16 Creditors: amounts falling due within one year

	Notes	2016 £	2015 £
Other taxation and social security		119	86
Deferred income	17	1,242	1,453
Other creditors		3,604	5,987
Accruals and deferred income		7,207	12,244
		<u>12,172</u>	<u>19,770</u>

17 Deferred income

	2016 £	2015 £
Arising from Rents received in advance	<u>1,242</u>	<u>1,453</u>
Current liabilities	<u>1,242</u>	<u>1,453</u>
	<u>1,242</u>	<u>1,453</u>

18 Endowment funds

The endowment funds represent those assets which must be held permanently by the Charity, principally investments and property.

	Balance at 1 January 2016 £	Movement in funds			Balance at 31 December 2016 £
		Incoming resources £	Resources expended £	Gains and losses £	
Permanent endowments					
Endowment Fund	2,573,567	-	-	39,484	2,613,051
	<u>2,573,567</u>	<u>-</u>	<u>-</u>	<u>39,484</u>	<u>2,613,051</u>

Income arising on the endowment fund can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains or losses arising on the investment form part of the fund.

LASLETT'S (ALMSHOUSE) CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

19 Analysis of net assets between funds

	Unrestricted Funds £	Endowment Funds £	Total £
Fund balances at 31 December 2016 are represented by:			
Tangible assets	-	2,379,029	2,379,029
Investments	-	217,536	217,536
Current assets/(liabilities)	47,122	16,486	63,608
	<u>47,122</u>	<u>2,613,051</u>	<u>2,660,173</u>

Included in endowment funds are unrealised gains in investments for the year of £23,977 (2015 - £1,413) and unrealised gains on tangible fixed assets for the year of £15,000 (2015 - £Nil).

20 Cash generated from operations

	2016 £	2015 £
Surplus for the year	47,649	1,370
Adjustments for:		
Investment income recognised in profit or loss	(3,739)	(3,654)
Gain on disposal of tangible fixed assets	(15,000)	-
Gain on disposal of investments	(507)	(339)
Fair value gains and losses on investments	(23,977)	(1,413)
Movements in working capital:		
Decrease/(increase) in debtors	756	(503)
(Decrease)/increase in creditors	(7,387)	8,388
(Decrease)/increase in deferred income	(211)	1,453
Cash (absorbed by)/generated from operations	<u>(2,416)</u>	<u>5,302</u>

