

GRANTHAM ALMSHOUSE CHARITY
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

Registered Charity No: 224721

GRANTHAM ALMSHOUSE CHARITY

YEAR ENDED 31 MARCH 2017

TRUSTEES

Cllr R Wootten (Chairman)
Mrs S Valerio (Vice Chair)
Mr D Close
Mr D Lambley
Mr A Finney
Dr D Roper
Rev S Craddock
Mr G Cook
Mr A Gregory
Mrs J Burrows

ADDRESS

7 Dawsons Almshouses
Brook Street
Grantham
Lincs
NG31 6RT

INDEPENDENT EXAMINERS

Streets Chartered Accountants
Windsor House
A1 Business Park at Long Bennington
Nottingham
NG23 5JR

PROPERTY MANAGEMENT ADVISORS

Pigott & Hall
36 Westgate
Grantham
NG31 6LY

SOLICITORS

Chattertons
30 Avenue Road
Grantham
Lincs
NG31 6TH

GRANTHAM ALMSHOUSE CHARITY

FOR THE YEAR ENDED 31 MARCH 2017

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GRANTHAM ALMSHOUSE CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017

The trustees present their annual report and the financial statements of the charity for the year ended 31 March 2017. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16/07/14.

Legal and Administrative Information

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

The trustees during the year under review were:

Cllr R Wootten (Chairman)
Mrs S Valerio (Vice Chair)
Mr D Close
Mr D Lambley
Mr A Finney
Dr D Roper
Rev S W Craddock
Mr G Cook
Mr A Gregory
Mrs J Burrows

Objectives and activities;

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

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

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

GRANTHAM ALMSHOUSE CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017

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

Review of Achievements and Performance 2016/2017

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

During the year a sub-committee of Trustees have commenced a review of operations and in accordance with the requirements of the SORP (Statement of Recommended Practice) have made recommendations to Trustees for implementation. The first two initiatives have been agreed for introduction next year including an Annual Satisfaction Survey of Residents of our Almshouses.

In the year we have refurbished 1 kitchen and bathroom when a flat became vacant. We also replaced a bath in one property with a walk in shower for one resident who found difficulty using the bath. Some extensive tree removal was necessary on one site as a result of danger to foundations of a wall and adjacent bungalow.

There has been no change of residents during the year although two properties have been vacant for a short time following the death of residents. These should be occupied early next year.

All communal areas on all sites have been redecorated during the year.

There was a loss of rental on one commercial property as a result of non-payment by the lessee, this matter will be resolved in the coming year.

Financial Review

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

The Reserves held in the COIF account at the end of 2016/2017 is £252,872 an increase over the year of £25,897. The latter being accrued from interest and a transfer of £25,000 from the current account. The COIF also includes the General repair fund and the Extra Ordinary Repair fund and at the start of 2017/2018 an additional £20,000 will be transferred to the General Cyclical fund and £15,000 to the EOR fund. The Trustees reviewed the Maintenance Charges set for the almshouse Residents and determined that an increase of £3 per week needed to be made.

GRANTHAM ALMSHOUSE CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017

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

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

Structure, governance and management

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

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

GRANTHAM ALMSHOUSE CHARITY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017

Independent examiners

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

Approved by the trustees onand signed on their behalf by:

Councillor R Wootten
Chair of Trustees

GRANTHAM ALMSHOUSE CHARITY

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF GRANTHAM
ALMSHOUSE CHARITY**

FOR THE YEAR ENDED 31 MARCH 2017

I report on the accounts of the Trust for the year ended 31 March 2017, which are set out on pages 6 to 15.

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 of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and
- 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 the seeking of 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 next statement.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Charities Acthave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed

Jonathan Day BA (Hons) ACA

Date:

Streets Chartered Accountants, Windsor House, A1 Business Park at Long Bennington,
Nottingham, NG23 5JR

GRANTHAM ALMSHOUSE CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Unrestricted Funds		2016	2016
		2017	2017	2016	2016
		£	£	£	£
Income:					
Income from charitable activities:					
Almshouse maintenance contributions		31,495		31,666	
Income from other trading activities:					
Investment Property rents		83,290		74,530	
Investment income	3	908		1,042	
Interest					
Total income			115,693		107,238
Expenditure:					
Costs of generating funds		7,089		12,078	
Investment Property maintenance	14	75,087		73,176	
Charitable activities	14	11,025		10,507	
Governance costs					
Total expenditure			93,201		95,761
Net income/(expenditure) and net movement in funds for the year			22,492		11,477
Other recognised gains and losses					
Gains/(losses) on investment properties			-		-
Gains/(losses) on other investment assets			26,611		(5,961)
Net movements in funds			49,103		5,516
Reconciliation of funds					
Total funds brought forward at 1 April 2016			2,113,395		2,107,879
Total funds carried forward at 31 March 2017			2,162,498		2,113,395

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

GRANTHAM ALMSHOUSE CHARITY

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	2017 £	2016 £	2016 £
FIXED ASSETS					
Investment property	6		1,712,500		1,712,500
Other investments	7		208,133		181,522
			1,920,633		1,894,022
CURRENT ASSETS					
Debtors	8	2,443		2,359	
Investments	9	252,872		226,975	
Cash at bank	10	31,884		37,933	
		287,199		267,267	
CREDITORS: Amounts falling due within one year	11	2,035		4,595	
NET CURRENT ASSETS			285,164		262,672
NET ASSETS			2,205,797		2,156,694
FUNDS					
Reserves	12	43,299		43,299	
Unrestricted		2,162,498		2,113,395	
TOTAL CHARITY FUNDS			2,205,797		2,156,694

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

Cllr R Wootten - Trustee

Mrs S Valerio - Trustee

Date:

GRANTHAM ALMSHOUSE CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES

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

(a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) – (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

(b) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether, in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102, the restatement of comparative items was required. It was considered that no restatement was necessary.

(c) Income

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

(d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

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

(e) Charitable properties

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

GRANTHAM ALMSHOUSE CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

(f) Investment Properties

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

No depreciation or amortisation is provided in respect of investment properties. This treatment may be a departure from legislative requirements concerning the depreciation of fixed assets. However, the properties are not held for consumption but for investment and the trustees consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary to give a true and fair view. Depreciation is only one of many factors reflected in the periodic valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

(g) Other fixed assets

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

(h) Other investments

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

(i) Cyclical repairs and maintenance

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

(j) Financial instruments

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

(k) Extraordinary repairs

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

(l) Cyclical Repairs and Maintenance and Extraordinary Repairs Reserves

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

GRANTHAM ALMSHOUSE CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

(m) Value Added Tax

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

(n) Taxation

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

(o) Transition to FRS 102

The charity transitioned from previous UK GAAP to FRS 102 as at 1 April 2015.

2. TRUSTEES AND EMPLOYEES

	2017	2016
The average weekly number of persons (including the Clerk to the Trustees) employed during the year was:	3	3
Staff costs (for the above persons)		
Wages and salaries	22,542	19,392

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

3. INTEREST RECEIVABLE

	2017	2016
	£	£
Charities Official Investment Fund	897	1,021
Bank Deposit Interest	11	21
	<u>908</u>	<u>1,042</u>

4. TAXATION

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

GRANTHAM ALMSHOUSE CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

5. INVESTMENT PROPERTY

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

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

6. OTHER INVESTMENTS

	2017 £	2016 £
Skandia Investment Fund	72,574	64,603
National Association of Almshouses Common Investment Fund	6,726	5,698
Cofunds Investment fund	128,833	111,221
	<u>208,133</u>	<u>181,522</u>

7. DEBTORS

	2017	2016
Prepayments	<u>2,443</u>	<u>2,359</u>

8. CURRENT ASSETS INVESTMENTS

	2017 £	2016 £
Deposit Account: Charities Official Investment Fund	<u>252,872</u>	<u>226,975</u>

GRANTHAM ALMSHOUSE CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

9. CASH AT BANK

	2017	2016
	£	£
High Interest Cheque Account	25,007	37,933
Current account	6,877	-
	31,884	37,933

10. CREDITORS: Amounts falling due within one year

	2016	2016
	£	£
Bank overdraft	-	2,739
Accrued expenses	1,668	1,542
Taxation and social security	367	314
	2,035	4,595

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

	Cyclical Repairs and Maintenance	Extraordinary Repair Reserve	Total
	£	£	£
Balance at 1 April 2016	31,437	11,862	43,299
Transfer: Income and expenditure account	-	-	-
Balance at 31 March 2017	31,439	11,862	43,299

12. RELATED PARTIES

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

GRANTHAM ALMSHOUSE CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

13. CHARITABLE EXPENDITURE

	Charitable Activities 2017 £	Governance Costs 2017 £	Charitable Activities 2016 £	Governance Costs 2016 £
Day to day maintenance	23,526		10,000	
Extraordinary/cyclical maintenance	3,707		18,290	
Clerk's Honorarium	15,000		12,852	
Assistant to the Clerk's Honorarium	7,002		6,000	
Wages	540		540	
Rent and rates	-		109	
Council tax	2,304		6,086	
Insurance	3,579		3,428	
Heat and light	8,229		5,731	
Garden maintenance	7,650		7,560	
Post, telephone and stationery		1,193		1,018
Advertising		128		-
Legal and professional fees		2,499		2,036
Accountancy fees		1,716		1,602
Estate agents fees		4,200		5,508
Sundry expenses		1,289		343
Intercom monitoring/lifeline	2,625		1,680	
Residents vouchers/ party	925		900	
	75,087	11,025	73,176	10,507

GRANTHAM ALMSHOUSE CHARITY

SIMPLIFIED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

	2017	2017	2016	2016
	£	£	£	£
INCOME				
Almshouse maintenance contributions	31,495		31,666	
Interest	908		1,042	
Investment properties	<u>83,290</u>		<u>74,530</u>	
		115,693		107,238
LESS EXPENSES				
Clerk's Honarium	15,000		12,852	
Assistant to the Clerk's Honarium	7,002		6,000	
Wages	540		540	
Rent and rates	2,304		6,195	
Light and heat	8,229		5,731	
Insurance	3,579		3,428	
Postage, telephone and stationery	1,193		1,018	
Day to day maintenance	23,526		10,000	
Lifeline fees	2,625		1,680	
Extraordinary maintenance	3,707		18,290	
Investment property maintenance	7,089		12,078	
Garden maintenance	7,650		7,560	
Legal and professional fees	2,499		2,036	
Accountancy fees	1,716		1,602	
Estate agents fees	4,200		5,508	
Sundries	2,342		1,243	
Depreciation	<u>-</u>		<u>-</u>	
		93,201		95,761
Surplus or (deficit) for the year		<u>22,488</u>		<u>11,477</u>

This page does not form part of the Statutory Accounts.

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