Poor's Estate in the Ancient Parish of Eton

(known as Eton Poor's Estate)
(Charity No. 200640)

Annual report and financial statements for the year ended 31 December 2017

Eton Poor's Estate
For the year ended 31 December 2017

Contents

	Page
Trustees' Report	1-4
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Cash flow statement	8
Notes to the financial statements	9-13

Eton Poor's Estate
Trustees' Report for the year ended 31 December 2017

The full title of the trust is "Eton Poor's Estate", Charity No. 200640.
The trustees present their statutory report with the accounts of Eton Poor's Estate for the year ended 31 December 2017.
The accounts have been prepared in accordance with the accounting policies set out on page 9 and 10 therein and comply with the Charity's Trust Deed, applicable laws and the requirements of FRS 102, Charities SORP (FRS 102), and Charities Act 2011.

Structure, governance and management

Status and administration

Eton Poor's Estate was founded as a charity governed by a Trust Deed dated 3 April 1639. This Deed was varied on 27 September 1938. Eton Poor's Estate is registered as an unincorporated charity in England and Wales under the Charity Commission reference number 200640. The trustees are responsible for the administration and decisions of the Poor's Estate in accordance with the Trust Deed. The trustees have adopted the elements of accounting policies recommended in the Charities SORP (FRS 102).

The Trustees

The trustees, who held office during the year and subsequently were:

Ex officio (the Provost and Vice- Provost of Eton College)

The Lord Waldegrave of North Hill PC MA
Dr Andrew Gailey CVO MA PhD

Four trustees nominated by the Provost and Fellows

Cllr Mrs Susan Warner
The Revd La Stacey
Cllr Philip Highy
Marie Hoadley

Six representative trustees appointed by Eton Town Council

Cllr Jane Reed	(appointed March 2018)
Cllr Douglas Hill	
Cllr Derek Bishop	
Cllr Philip Jackson	(resigned February 2017)
Cllr Pamela Baker	
Cllr George Fussey	
Cllr Michael Blightman	(appointed February 2017)

The trustees are appointed in accordance with the Trust Deed:
College trustees so long as they remain Fellows, nominated trustees for a term of seven years, and Representative Trustees for a period of four years. Appointment is made at a meeting convened and held according to the ordinary practice of the Council. New trustees are provided with a copy of The Charity Commission Guidance manual CC3 The Essential Trustee: What you need to know.

Key management personnel
Charteris Club Manager

Principal address
Eton College, Eton, Windsor, Berks, SL4 6DW

Bankers
Barclays Bank plc, 8 High Street, Eton, Windsor, Berks, SL4 6DJ

Solicitors
Farrer & Co, 66 Lincoln's Inn Fields, London, WC2A 3LH

Independent examiner
Crowe U.K. LLP, St Bride's House, 10 Salisbury Square, London, EC4Y 8EH

Investment manager
M & G Securities Ltd, Laurence Pountney Hill, London, EC4R OHH

Eton Poor's Estate
Trustees' Report for the year ended 31 December 2017 (continued)

Objectives and Activities

The object of the charity is the relief, either generally or individually, of persons resident in the area of the Ancient Parish of Eton who, by reason of age, infirmity or poverty, are in need, hardship or distress. Payments are made to institutions and organisations which provide relevant services. In exceptional cases relief can be granted to persons who are not resident in the Parish but who, in the opinion of the trustees, ought nevertheless to be treated as if they were resident, or who are located for the time being in the Parish.

The trustees shall apply the clear income of the charity for the above-mentioned object.

In so far as the income is not required for application of the above object, then the trustees may apply income for any charitable purpose for the general benefit of the inhabitants of the Ancient Parish of Eton.

In applying the income of the charity for relief of need, the trustees do not commit themselves to repeat or renew the relief granted on any future occasion or case.

The charity operates, for the elderly, the Charteris Club at Eton Wick Village Hall.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

Achievements and Performance

The main activity of the charity continues to be the running of the Charteris Club, which is an active and much appreciated facility for Senior Citizens living in Eton and Eton Wick. In September 2017 the Club moved from Eton Square to Eton Wick Village Hall because the trustees felt the demand was greater in this area. The move has proved to be a great success. Substantially subsidised by the Poor's Estate, the Charteris Centre provides lunches, a social centre, day trips and activities. There are some 40 members, and approximately 130 meals are served on average a month, normally prepared in the Eton College kitchens. A primary objective is to continue to maintain member numbers and provide a welcoming and enjoyable environment for the elderly, so they will keep attending the centre.

The other activity of the charity is the provision of financial grants within its object to individuals in need, other charities and organisations. In the year £7,567 (2016: £4,419) was attributed to grants made. This related to eleven organisations. A budget of £6,000 is allocated to grants made each year. If this is underspent then additional expenditure can be made in the next financial year.

Investment policy

The governing instrument gives the trustees the power to invest the monies of the charity not immediately required for its object in such facilities as may be thought fit for the satisfaction of the object of the charity. The investments are held over two funds with M&G Securities Ltd. These are Charibond and Charifund units that are split evenly to 73.5% to permanent endowment and 26.5% to unrestricted funds. The objective is to raise income that can be used to support the running of the Charteris Centre and for the units held to increase in value each year.

Investment income exceeded both prior year and budget so it is considered that the funds are performing above benchmark investments. This year the value of the funds has increased in value by £40,612 (2016: increased by £48,849).

Grant policy

Trustees have the powers to make grants to either individuals or organisations in line with the charity's objects. Causes are selected via an application process (either verbal or written) sent to an Eton Poor's Estate trustee.

Grant policy (continued)

This is then raised at a trustee meeting. A vote of the trustees takes place to approve each grant. Alternatively, a grant can be approved via email, if the majority of the trustees approve the application and there is not a trustees meeting approaching. The main body of grants to organisations consist of the support for local community events and local organisations/charities that require funding.

Volunteers

The Charteris Club has volunteers to help with the lunch service and organised activities.

Reserves policy

The only source of income for the charity, apart from donations to and fundraising by the Charteris Club, is the income that it generates from its investments. Expenditure, therefore, is tailored to a level within predicted income; there is no dependence on fundraising or other activity to fund the charity's commitments. The least flexible commitment is to the support of the Charteris Club at a cost of £31,342 (2016: £45,231), and the grants of £7,567 (2016: £4,419) are discretionary.

The policy towards reserves, which are the unrestricted funds of £254,795 (2016: £240,686), is to ensure that they do not fall to a level that would mean suddenly withdrawing support from the Charteris Club. The funds held in the unrestricted fund would, on a worse case scenario, be sufficient to support the charity for six further years (based on expenditure remaining constant and no further income being received).

The permanent endowment fund consists of units held within the M&G Securities Ltd investment portfolio. This capital must be maintained and is not available as free reserves. The permanent endowment fund of £593,944 (2016: £564,077) contributes to the majority of reserves held at the balance sheet date.

As at 31 December 2017 the reserves are £848,739 which is sufficient to sustain future obligations.

Risk assessment

The major risks, to which the charity is exposed, as identified by the trustees, have been reviewed and systems and controls have been established to mitigate these risks.

Financial Review

The funds of the Poor's Estate have increased by £43,976 to £848,739 (2016: £804,763), which was mainly due to unrealised gains on the revaluation of investments of £40,612. There was a surplus of £3,364 (2016: surplus £1,427) of income over expenditure, before transfers, gains and losses on investments.

Future Plans

The charity's future plans involve the running of the Charteris Club at the new location in Eton Wick, providing a happy and enjoyable place for local elderly members to attend. In addition Eton Poor's Estate plans to provide subsidised activities for the members and further grants made in line with the charity's objects throughout 2018.

Eton Poor's Estate
Trustees' Report for the year ended 31 December 2017 (continued)

Going concern

The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future being a period of at least 12 months from approval of the financial statements. No material uncertainties in relation to the ability of the charity to continue on a going concern basis have been identified by the trustees. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Trustees' Responsibilities Statement

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements 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 period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- 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 enable them to ensure that the financial statements 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.

The Lord Waldegrave of North Hill
Trustee
Date: 13/9/18

Eton Poor's Estate
Independent Examiner's Report to the trustees of Eton Poor's Estate

I report to the trustees on my examination of the accounts of Eton Poor's Estate (the Trust) for the year ended 31 December 2017, which are set out on pages 6 to 13.

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity, the charity's members as a body and the charity's trustees as a body for my independent examiner's work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

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

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or

2. the accounts do not accord with those records; or

3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

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

Tina Allison

Tina M Allison FCCA
Crowe Clark Whitehill LLP
St. Bride's House
10 Salisbury Square
London
EC4Y 8EH

27 September 2018

Eton Poor's Estate
Statement of financial activities for the year ended 31 December 2017

	Notes	2017 Unrestricted Funds	2017 Permanent Endowment Funds	2017 Total Funds	2016 Unrestricted Funds	2016 Permanent Endowment Funds	2016 Total Funds
		£	£	£	£	£	£
Income from:							
Donations		**450**	-	**450**	7,280	-	7,280
Other activities		**296**	-	**296**	1,824	-	1,824
Investment income		**39,002**	-	**39,002**	37,295	-	37,295
Charitable activities		**6,073**	-	**6,073**	7,996	-	7,996
Total income		**45,821**	-	**45,821**	54,395	-	54,395
Expenditure on:							
Investment management costs		**(3,549)**	-	**(3,549)**	(3,319)	-	(3,319)
Charitable activities	3	**(38,908)**	-	**(38,908)**	(49,649)	-	(49,649)
Total expenditure		**(42,457)**	-	**(42,457)**	(52,968)	-	(52,968)
Net gains on investments	5	**10,745**	**29,867**	**40,612**	12,927	35,922	48,849
Net income		**14,109**	**29,867**	**43,976**	14,354	35,922	50,276
Reconciliation of funds:							
Total funds brought forward	8	**240,686**	**564,077**	**804,763**	226,332	528,155	754,487
Total funds carried forward	8	**254,795**	**593,944**	**848,739**	240,686	564,077	804,763

The notes on pages 9 to 13 form part of these financial statements.

Eton Poor's Estate
Balance sheet as at 31 December 2017

	Notes	2017 £	2016 £
Fixed assets			
Investments	5	**807,694**	767,082
Total fixed assets		**807,694**	767,082
Current assets			
Debtors	6	**9**	254
Cash at bank and in hand		**48,416**	43,787
Total current assets		**48,425**	44,041
Liabilities			
Creditors – Amounts falling due within one year	7	**(7,380)**	(6,360)
Net current assets		**41,045**	37,681
Total net assets		**848,739**	804,763
Funds of the charity			
Permanent Endowment Fund	8	**593,944**	564,077
Unrestricted Funds	8	**254,795**	240,686
Total funds		**848,739**	804,763

The financial statements of Eton Poor's Estate set out on pages 6 to 13 were authorised for issue and approved by the trustees on ~~[date]~~ and signed on their behalf by:

13/09/18

The Lord Waldegrave of North Hill
Trustee

Dr Andrew Gailey
Trustee

Eton Poor's Estate
Cash Flow Statement for year ended 31 December 2017

	Notes	2017 £	2016 £
Cash flows from operating activities			
Net cash used in operating activities	11	**(34,373)**	(31,323)
Cash flows from investing activities			
Investment income		**39,002**	37,295
Net cash provided by investing activities		**39,002**	37,295
Change in cash and cash equivalents in the year		**4,629**	5,972
Cash and cash equivalents at the beginning of the year		**43,787**	37,815
Cash and cash equivalents at the end of the year		**48,416**	43,787

The notes on pages 9 to 13 form part of these financial statements.

Eton Poor's Estate
Notes to the financial statements for the year ended 31 December 2017

1 Charity information

Eton Poor's Estate is a charity registered with the Charity Commission in England and Wales, charity number 200640. The address of the registered office is Eton College, Eton, Windsor, Berkshire, SL4 6DB.

2 Accounting policies

Basis of Accounting
The financial statements have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011 and the 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 Accounting and Reporting by 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 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Eton Poor's Estate meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Taxation
As a charity Eton Poor's Estate is exempt from taxation of income and gains received within categories covered by The Corporation Taxes Act 2010, Part 11 to the extent that these are applied to its charitable objects. No tax charge has arisen in the period.

Going Concern
The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the approval of the financial statements. No material uncertainties in relation to the ability of the charity to continue on a going concern basis have been identified by the trustees. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.
Donations are recognised on receipt unless Eton Poor's Estate has been notified in writing of both the amount and settlement date.
Charitable activities include income generated through fundraising events hosted by Eton Poor's Estate and income is recognised on a receipts basis.
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.
Dividends are recognised once the dividend term has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Expenditure
All expenditure is accounted for in the Statement of Financial Activities in the period to which the cost relates and is apportioned to cost categories based on the nature of the cost incurred. Grants are accounted for in the period in which they are made or communicated to the third party. The grant making policy is discussed further in the Trustees' Report.
Support costs are the costs associated with the governance arrangements of the charity which relate to the governance of the charity as opposed to those costs associated with fundraising or charitable activity.

Pensions
The employees of Eton Poor's Estate are eligible to join the Eton College defined contribution scheme and the recharged contributions are charged to the Eton Poor's Estate Statement of Financial Activities. There were no contributions outstanding at the balance sheet date (2016: nil).

Financial instruments
Eton Poor's Estate has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise trade and other creditors. Investments are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure in the Statement of Financial Activities.

Funds
Unrestricted funds can be spent on any charitable purpose in accordance with the objects of the charity at the discretion of the trustees.
The Endowment Fund relates to a permanent endowment held within investments. There is no restriction over the income generated from this fund.

Key estimates and judgements
In the application of Eton Poor's Estate accounting policies, which are described in note 2, trustees are required to make judgements, estimates, and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

3 Analysis of expenditure

Charitable activities

	2017 Total	2016 Total
	£	£
Grants made	**7,567**	4,419
Charteris Centre operating costs	**18,253**	21,036
Staff costs	**10,937**	22,216
Support costs	**2,152**	1,978
	38,909	49,649

Included within support costs are Independent Examiner fees of £916.

Grants have been made to local community entities and individuals in need.

4 Staff costs

	2017 £	2016 £
Staff costs		
Wages and salaries	**12,143**	19,353
Social security costs	**(2,394)**	734
Pension costs	**1,188**	2,129
	10,937	22,216

The average headcount of employees in the year was 2 (2016: 2). No employee received emoluments above £60,000 in either financial year. Eton Poor's Estate received a refund of £2,860 relating to 3 previous tax years. The Club has reduced its operating days to 2 days per week therefore staff costs have reduced. The other, who is employed by Eton College and recharged to Eton Poor's Estate, performs part time administrative activities.

No trustees received remuneration for their services or reimbursement of expenses incurred (2016: none).

Aggregate benefits of Key Management Personnel were £12,144 (2016: £14,432).

5 Fixed asset investments

(i) Permanent endowment

	2017 £	2016 £
Quoted investments at market value at 1 January	**564,077**	528,155
Revaluation gains	**29,867**	35,922
Market value at 31 December	**593,944**	564,077

(ii) Accumulated unrestricted funds

	2017 £	2016 £
Quoted investments at market value at 1 January	**203,005**	190,078
Revaluation gains	**10,745**	12,927
Market value at 31 December	**213,750**	203,005
Total market value at 31 December	**807,694**	767,082

Historical Costs

	2017 £	2016 £
Cost at 1 January and 31 December	**601,059**	601,059

Investments comprise two holdings within the UK, of which 25% is held in Charibonds and 75% is held in Charifund.

6 Debtors

	2017 £	2016 £
Prepayments	-	248
Accrued income	9	6
	9	254

7 Creditors

	2017 £	2016 £
Trade creditors	3,739	2,140
Taxation and social security	(208)	134
Accruals	3,849	4,086
	7,380	6,360

Eton Poor's Estate has no grant accruals or deferred income.

8 Analysis of net assets between funds

	Investments	Net current assets	2017 Total	Investments	Net current assets	2016 Total
	£	£	£	£	£	£
Endowment	593,944	-	593,944	564,077	-	564,077
Unrestricted	213,750	41,045	254,795	203,005	37,681	240,686
	807,694	41,045	848,739	767,082	37,681	804,763

The endowment fund has arisen from an initial permanent endowment held within investments. There are no restrictions on the income generated from this investment. The permanent endowment's capital must be maintained and cannot be drawn down.

Unrestricted funds can be spent on any charitable purpose in accordance with the objects of the charity at the discretion of the trustees.

9a Movement in funds

	2016 Total	Income	Expenditure	Investment Gains	2017 Total
	£	£	£	£	£
Endowment	564,077	-	-	29,867	593,944
Unrestricted	240,686	45,821	(42,457)	10,745	254,795
	804,763	45,821	(42,457)	40,612	848,739

9b Movement in funds prior year

Year Ended 31 December 2016	2015 Total	Income	Expenditure	Investment Gains	2016 Total
	£	£	£	£	£
Endowment	528,155	-	-	35,922	564,077
Unrestricted	226,332	54,395	(52,968)	12,927	240,686
	754,487	54,395	(52,968)	48,849	804,763

10 Related party transactions

Eton Poor's Estate has 2 trustees who are the Provost and Vice-Provost of Eton College.

Eton College provides support services to Eton Poor's Estate. These services are provided free of charge.

The Poor's Estate rented property from Eton College for part of the year for £2,250 per annum (2016: £3,000). As at the year end, £1,500 was owed to Eton College in respect of this (2016: £750 owed to Eton College). £2,392 was owed to Eton College in respect of other services provided (2016: £1,085), which consists of re-charged expenditure. The annual expenditure re-charged by Eton College in the year amounted to £6,455 (2016: £7,248) and Eton College Services Limited of £4,194 (2016: £5,379).

11 Reconciliation of net income to net cash flow from operating activities

	2017	2016
	£	£
Net income as per Statement of Financial Activities	**43,976**	50,276
Loss on investments	**(40,612)**	(48,849)
Investment income	**(39,002)**	(37,295)
Decrease in debtors	**245**	314
Increase in creditors	**1,020**	4,231
Net cash provided by operating activities	**(34,373)**	(31,323)