

BISHOP WORDSWORTH EDUCATIONAL TRUST
(Registered Charity Number 309502)

REPORT OF THE TRUSTEES
AND
STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2017

CONTENTS

Page

- | | |
|---------|---|
| 1. - 2. | Trustees' Report |
| 3. | Statement of Financial Activities and Balance Sheet |
| 4. - 7. | Notes to the Accounts |
| 8. | Independent Examiner's Report |

BISHOP WORDSWORTH EDUCATIONAL TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

LEGAL STATUS

The Trust is a registered charity, number 309502. It was established by a Conveyance dated 16 August 1898 which is the Governing Instrument as modified by a Charity Commission Scheme dated 12 May 1977. By an Order dated 14 September 2006 the Charity Commission has given the trustees a general authority to amend the trusts of the charity.

TRUSTEES

The following served as the managing trustees during the year and to date:

Mrs J Vokes (Chairman) co opted

Mrs J Tubbs (Director of Education) co opted

Nominated trustees:

The Rev Canon E Probert (Dean and Chapter)

The Rev K Inglis (Salisbury Churches) - appointed May 2018

The Rev Dr S Wood (rep of Bishop of Salisbury)

Mr P Musselwhite (Salisbury Diocesan Board of Finance) - appointed 21 April 2017

The trustees are appointed in accordance with the Governing Instrument; one person appointed by and representing the Bishop of Salisbury; one person nominated by the Dean and Chapter of Salisbury; one person nominated by the Rectors of certain Salisbury parishes; one person nominated by the Salisbury Diocesan Board of Finance and two people co-opted by the preceding four.

The Salisbury Diocesan Board of Finance is custodian trustee of the Charity.

CLERK TO THE TRUSTEES

Miss C Johnson, c/o Church House, Crane Street, Salisbury Wilts SP1 2QB

ADVISERS

Independent Examiner

Property Advisers

Investment Manager:

Mrs N A Halls FCA, Fletcher & Partners, Bridge Street, Salisbury SP1 2LZ

Humberts, 37 Castle Street, Salisbury SP1 1TT

CCLA Investment Management Ltd, Senator House, 85 Queen Victoria St, London EC4V 4ET

OBJECTS AND ACTIVITIES

The Charity's purpose is to promote education in connection with the Church of England. The trustees' policy is to provide grants to maintained schools in the Diocese of Salisbury for creative projects in support of Christian learning across the curriculum. To achieve this, the trustees provide a detailed grant application form with appropriate guidance to assist and encourage appropriate applications. The Clerk receives grant applications as well as dealing with all correspondence. The trustees usually meet once a year in the Spring to consider grant applications. The Charity's accounting records are maintained by the staff of Salisbury Diocesan Board of Finance, which also prepares the annual financial statements.

ACHIEVEMENTS AND PERFORMANCE

During the year 47 grants were awarded to schools for a wide variety of projects; these included resources for RE teaching, resources for collective worship and visits to Salisbury Cathedral.

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

The trustees believe that the Trust, by providing financial support to maintained schools to enable them to make additional provision to promote Christianity and Christian values in education, provides a public benefit to all the children attending those schools.

FINANCIAL REVIEW

Income from rents and investments during the year was £30,247 (2016 - £29,772), which remain the Trust's main sources of income. 47 grants were awarded and paid during the year totalling £26,408 (2016 - 40 grants totalling £78,909) with no future grant commitments having been made. On its normal activities the Trust had a deficit of £262 (2016 - deficit £52,115). This was mitigated by unrealised investment gains of £10,985 (2016 - £6,070).

The Trust's unrestricted resources ended the year with a balance of £23,040 and total funds at £485,022.

BISHOP WORDSWORTH EDUCATIONAL TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

(continued)

RESERVES POLICY

The Trust's policy is to maintain its assets at the present level so as to generate an income in future years to support its objects.

INVESTMENT POLICY

The Trust's policy is to invest its available funds, including monies on deposit, through the CBF Church of England Funds. These are common investment funds established and regulated by the Church Funds Investment Measure 1958 as amended by the Church of England (Miscellaneous Provisions) Measures 1995 and 2000. The freehold investment property is leased to Bishop Wordsworth's School.

RISKS REVIEW

The trustees consider that the Trust's only significant risk is a total collapse of stock markets, which they have mitigated by placing a proportion of the Charity's investments in a property fund.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees are responsible for preparing the Trustees' Annual Report and the 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 the incoming resources and application of resources, of the Charity for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be 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 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 Charity's schemes. 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.

Signed on behalf of the Trustees

J Vokes

Approved by the Trustees on

29

October 2018

BISHOP WORDSWORTH EDUCATIONAL TRUST
(Registered Charity No. 309502)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	<u>Unrestricted Funds 2017</u>	<u>Endowment Funds 2017</u>	<u>Total Funds 2017</u>	<u>Total Funds 2016</u>
INCOME FROM:					
Investments	2	30,247	-	30,247	29,772
TOTAL INCOME		<u>30,247</u>	<u>-</u>	<u>30,247</u>	<u>29,772</u>
EXPENDITURE ON:					
Raising funds					
Humbert's fees - survey		954		954	-
Charitable activities					
Grants to schools	3	29,555	-	29,555	81,887
TOTAL EXPENDITURE		<u>30,509</u>	<u>-</u>	<u>30,509</u>	<u>81,887</u>
Net gains/(losses) on investments	6	111	10,874	10,985	6,070
NET MOVEMENT IN FUNDS		<u>(151)</u>	<u>10,874</u>	<u>10,723</u>	<u>(46,045)</u>
RECONCILIATION IN FUNDS:					
Total funds brought forward	11, 13	23,191	451,108	474,299	520,344
Total funds carried forward	10, 12	<u>£ 23,040</u>	<u>£ 461,982</u>	<u>£ 485,022</u>	<u>£ 474,299</u>

BALANCE SHEET AS AT 31 DECEMBER 2017

	Note	<u>Unrestricted Funds 2017</u>	<u>Endowment Funds 2017</u>	<u>Total Funds 2017</u>	<u>Total Funds 2016</u>
FIXED ASSETS:					
Investments					
Investment property	7	-	300,000	300,000	300,000
Listed investments - CBF Church of England Funds	6	1,291	161,982	163,273	152,288
		<u>1,291</u>	<u>461,982</u>	<u>463,273</u>	<u>452,288</u>
CURRENT ASSETS:					
Cash at bank and in hand					
CBF Deposit Fund		14,781	-	14,781	9,234
Cash held by Salisbury DBF	8	14,016	-	14,016	19,970
		<u>28,797</u>	<u>-</u>	<u>28,797</u>	<u>29,204</u>
LIABILITIES:					
Creditors: amounts falling due within one year	9	(7,048)	-	(7,048)	(7,193)
NET CURRENT ASSETS OR LIABILITIES		<u>21,749</u>	<u>-</u>	<u>21,749</u>	<u>22,011</u>
TOTAL NET ASSETS OR LIABILITIES		<u>£ 23,040</u>	<u>£ 461,982</u>	<u>£ 485,022</u>	<u>£ 474,299</u>
THE FUNDS OF THE CHARITY:	1d, 10, 11, 12, 13				
Endowment funds		-	461,982	461,982	451,108
Unrestricted funds		23,040	-	23,040	23,191
TOTAL CHARITY FUNDS		<u>£ 23,040</u>	<u>£ 461,982</u>	<u>£ 485,022</u>	<u>£ 474,299</u>

These financial statements were approved by the Trustees onOctober 2018 and signed on their behalf by:

..... J Volkes

The notes on pages 4 to 7 form part of these accounts

BISHOP WORDSWORTH EDUCATIONAL TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. Accounting Policies

a) Accounting convention

The accounts (financial statements) are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: 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, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The most significant areas of judgement and key assumptions that affect items in the accounts are to do with a valuation of the investment property. With respect to the next reporting period, the year ended 31 December 2018, the most significant areas of uncertainty that affect the carrying value of assets held by the Charity are the level of investment return and the performance of investment markets.

b) Cash flow

The accounts do not include a cash flow statement because the Charity, as a small reporting entity, is exempt from the requirement to prepare such a statement.

c) Fund accounting

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

Endowment funds are permanent trusts whose income is intended for the benefit of the charity. Income from endowment funds is unrestricted.

d) Income recognition

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income from investments and rental income is included in the year in which it is receivable. Rent paid in advance is carried forward as deferred income.

e) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the 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.

Grants payable are charged when the offer is conveyed to the recipient, except in those cases where the offer is conditional, in which case the grant would be recognised as expenditure when the conditions attaching are fulfilled.

f) Charitable activities

The expenditure on charitable activities includes grants to schools and other organisations plus support costs.

g) Support costs

Support costs have been differentiated between governance costs and other support costs. Governance costs comprise of all costs involving the public accountability of the charity and its compliance with regulation and good practice.

i) Fixed asset investments

Investment properties are included in the balance sheet at their open market value and are not depreciated. Listed investments are stated at market value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

j) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later). Realised and unrealised gains are not separated in the Statement of Financial Activities.

BISHOP WORDSWORTH EDUCATIONAL TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2017

k) Cash at bank and in hand

Cash at bank and in hand includes cash on deposit available on demand and cash held by Salisbury Diocesan Board of Finance.

l) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Creditors are normally recognised at their settlement amount.

m) Financial Instruments

Fixed asset investments are a form of basic financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the Statement of financial activities.

2. Income from investments

	<u>2017</u>	<u>2016</u>
Rents receivable	23,500	23,500
Dividends	6,715	6,127
Interest on cash deposits	32	145
	<u>£ 30,247</u>	<u>£ 29,772</u>

All income from investments received in both years was unrestricted.

3. Cost of charitable activities

	<u>Grants paid</u>	<u>Support costs</u> (Note 4)	<u>2017</u>	<u>2016</u>
Grants to schools	26,408	3,147	29,555	81,887
	<u>£ 26,408</u>	<u>£ 3,147</u>	<u>£ 29,555</u>	<u>£ 81,887</u>

All costs of charitable activities in both years were charged to unrestricted funds.

Recipients of major grants 2017:

Sarum St Paul's CE VA Primary School	£ 1,500
Chilton Foliat CE VA First School	£ 1,250
Bradford on Avon St Laurence Academy	£ 1,000
Sherborne The Gryphon CE VC School	£ 1,000
Southbroom St James Academy	£ 1,000
Wimborne Queen Elizabeth's CE VC Secondary School	£ 900
The New Forest CE VA Primary School at Landford, Nomansland & Hamptworth	£ 850
Cerne Abbas CE VC First School	£ 844
Forest & Sandridge CE VA Primary School	£ 575
Marlborough St Mary's CE Primary School	£ 540
Weymouth Holy Trinity CE VC Primary School	£ 514
Other grants (none more than £500 each)	£ 16,435
	<u>£ 26,408</u>

4. Support costs

	<u>Governance costs</u>	<u>Other support costs</u>	<u>Total support costs</u>	<u>Total support costs</u>
			<u>2017</u>	<u>2016</u>
Clerk's honorarium	-	1,742	1,742	1,721
Diocesan financial management fees	-	400	400	390
Other administrative expenses - Clerk's expenses	-	176	176	327
Independent examiner's fees	829	-	829	540
	<u>£ 829</u>	<u>£ 2,318</u>	<u>£ 3,147</u>	<u>£ 2,978</u>

5. Related party transactions, trustees' expenses and remuneration and key management personnel

The charity considers its key management personnel comprise the trustees and the Clerk. No remuneration or expenses were paid to any of the trustees during the year (2016 - nil). The Clerk received an honorarium of £1,742 (2016 - £1,721).

BISHOP WORDSWORTH EDUCATIONAL TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2017

6. Fixed asset investments - Listed investments	<u>Unrestricted</u> <u>funds</u> <u>2017</u>	<u>Endowment</u> <u>funds</u> <u>2017</u>	<u>Total</u> <u>funds</u> <u>2017</u>	<u>Total</u> <u>funds</u> <u>2016</u>
Market value at 1 January	1,180	151,108	152,288	146,218
Acquisitions at cost	-	-	-	-
Disposal at market value	-	-	-	-
Gain/(loss) in the year	111	10,874	10,985	6,070
Market value at 31 December	<u>£ 1,291</u>	<u>£ 161,982</u>	<u>£ 163,273</u>	<u>£ 152,288</u>
Historical cost at 31 December	<u>£ 205</u>	<u>£ 65,983</u>	<u>£ 66,188</u>	<u>£ 66,188</u>
Unrealised gains at 31 December	<u>£ 1,086</u>	<u>£ 95,999</u>	<u>£ 97,085</u>	<u>£ 86,100</u>

The Trust's policy is to hold all its investments in the CBF Church of England charitable common investment funds with the aim of long term capital and income growth. At 31 December 2017, the value of the investments was represented by 63% (2016:61%) in the CBF Investment Fund and 37% (2016:39%) in the CBF Property Fund. The main risk to the Charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield.

7. Freehold property - Investment property

The Trust is the beneficial owner of property at 97/98 Exeter Street, Salisbury for which the Trust's historical cost is £194. The property is leased to Bishop Wordsworth's School. At 9 June 2017 the property was formally revalued by the Trust's property advisers (Humberts) at between £290,000 and £305,000. The basis of valuation was open market value for existing use.

8. Cash held by Salisbury Diocesan Board of Finance

The Charity does not hold a bank account in its own name. Banking facilities are operated through a general designated Trusts Account and a separately designated CBF Deposit Fund held in the name of Salisbury Diocesan Board of Finance.

9. Creditors: amounts falling due within one year

	<u>2017</u>	<u>2016</u>
Accruals and deferred rental income received in advance	<u>£ 7,048</u>	<u>£ 7,193</u>

10. Analysis of charitable funds

Analysis of Funds movements	<u>Balance at</u> <u>01-Jan-17</u>	<u>Income</u>	<u>Expenditure</u>	<u>Gains and</u> <u>losses</u>	<u>Balance at</u> <u>31-Dec-17</u>
Endowment funds	451,108	-	-	10,874	461,982
Unrestricted funds	23,191	30,247	(30,509)	111	23,040
	<u>£ 474,299</u>	<u>£ 30,247</u>	<u>£ (30,509)</u>	<u>£ 10,985</u>	<u>£ 485,022</u>

11. Analysis of charitable funds - previous year

Analysis of Funds movements	<u>Balance at</u> <u>01-Jan-16</u>	<u>Income</u>	<u>Expenditure</u>	<u>Gains and</u> <u>losses</u>	<u>Balance at</u> <u>31-Dec-16</u>
Endowment funds	445,150	-	-	5,958	451,108
Unrestricted funds	75,194	29,772	(81,887)	112	23,191
	<u>£ 520,344</u>	<u>£ 29,772</u>	<u>£ (81,887)</u>	<u>£ 6,070</u>	<u>£ 474,299</u>

BISHOP WORDSWORTH EDUCATIONAL TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2017

12. Analysis of net assets between funds

	<u>Unrestricted</u> <u>Funds</u>	<u>Endowment</u> <u>Funds</u>	<u>Total</u> <u>Funds</u>
Fixed asset investments	1,291	461,982	463,273
Current assets	28,797	-	28,797
Current liabilities	(7,048)	-	(7,048)
Total	<u>£ 23,040</u>	<u>£ 461,982</u>	<u>£ 485,022</u>

13. Analysis of net assets between funds - previous year

	<u>Unrestricted</u> <u>Funds</u>	<u>Endowment</u> <u>Funds</u>	<u>Total</u> <u>Funds</u>
Fixed asset investments	1,180	451,108	452,288
Current assets	29,204	-	29,204
Current liabilities	(7,193)	-	(7,193)
Total	<u>£ 23,191</u>	<u>£ 451,108</u>	<u>£ 474,299</u>

14. Financial instruments

	Note	<u>2017</u>	<u>2016</u>
Financial assets measured at fair value through profit and loss:			
Investments held at fair value	6	<u>163,273</u>	<u>152,288</u>
		<u>£ 163,273</u>	<u>£ 152,288</u>
Financial assets that are debt instruments measured at amortised cost:			
Cash at bank and in hand		<u>28,797</u>	<u>29,204</u>
		<u>£ 28,797</u>	<u>£ 29,204</u>
Financial liabilities measured at amortised cost			
Other creditors	9	<u>7,048</u>	<u>7,193</u>
		<u>£ 7,048</u>	<u>£ 7,193</u>
Income, expense, gains or losses, including changes in fair value, recognised on:			
Gains/(Losses) on Financial assets measured at fair value	6	10,985	6,070
Interest on cash deposits	2	32	145
Income from listed investments	2	<u>6,715</u>	<u>6,127</u>
		<u>£ 17,732</u>	<u>£ 12,342</u>

BISHOP WORDSWORTH EDUCATIONAL TRUST
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2017

I report to the trustees on my examination of the accounts of the Bishop Wordsworth Educational Trust for the year ended 31 December 2017, which are set out on pages 3 to 7.

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 Charities Act 2011. 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 during the examination giving me cause to believe that in any material respect:

1. the accounting records were not kept in respect of the Trust as required by section 130 of the Act;
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 the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 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 that should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Mrs N A Halls FCA
Fletcher & Partners
Crown Chambers
Bridge Street
Salisbury

Date:

ional Trust (the Trust)

n accordance with the

of the 2011 Act and in
ty Commission under

ion in connection with

ct; or

nt of accounts set out in
accounts give a true and

ion to which attention
reached.