

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31st March 2018
for
Knowle United Charity

West - Chartered Accountants
Office 2 Greswolde House
197b Station Road
Knowle
Solihull
West Midlands
B93 0PU

Contents of the Financial Statements
for the Year Ended 31st March 2018

	Page
Chairman's Report	1
Report of the Trustees	2
Independent Examiner's Report	3
Statement of Financial Activities	4
Balance Sheet	5
Notes to the Financial Statements	6 to 9
Detailed Statement of Financial Activities	10

Chairman's Report
for the Year Ended 31st March 2018

KNOWLE UNITED CHARITY

Registered Charity No. 1166099

Annual Report of the Trustees for the period 1st April 2017 to 31st March 2018.

I am pleased to present the Annual Report of the Trustees for the year ending 31st March 2018. Knowle United Charity traces its origin to the end of the 16th Century and provides financial assistance towards personal and community needs of public benefit within the ecclesiastical parishes of Knowle, Dorridge & Barston and the civil parishes of Balsall Common & Chadwick End.

An Annual Budget is agreed by the Trustees and formal Reserves and Investment policies are reviewed annually alongside a risk assessment analysis. These take into account the need for liquid funds and a contingency reserve, approximating to the annual rental income, required to service operational costs in maintaining the Charity's residential property portfolio and enable the making of grants.

In August the Charity's properties were revalued by Richard S Davy MA (Cantab) FRICS, a Trustee, at a figure of £2,883,625 as against his previous valuation of £2,296,500 in 2010, being an increase of £587,125. At the close of the year it was agreed to purchase the Leasehold of a property over which the Charity already owned the Freehold for £140k. This not only consolidates existing property investment but will yield a better investment return, both as to income and capital appreciation, than presently available in the financial markets. Whilst existing capital resources are sufficient to cover the costs the Trustees formally agreed to a necessary waiver of the current Reserves policy as a temporary measure. Completion had not taken place within this year of reporting with total costs, including refurbishment and essential repairs, anticipated to be in the region of £160k .

The principal source of income is Rentals from the Charity's 21 residential properties, let at market based rents and reflecting a high tenancy rate, totalling £131,063 (£124,922) within a total income figure of £135,115 (£134,544). Expenditure totalled £93,198 (£94,655) resulting in net Income of £41,917 (£39,889), however Note.9 in the Accounts refers to Commitments of £31k not yet accounted for. Major expenditure totals are Educational grants £31,000 (£30,660), Youth and Pastoral Care worker grants £18,035 (£16,520), Travel Grants £6,940 (£1,260), Christmas donations £4,080 (£4,500) and property repairs and maintenance £14,043 (£23,094). Total funds taking into account the property revaluation and annual surplus increased to £3,113,952 (£2,484,910) resulting in the Charity maintaining a strong financial position albeit the liquidity position will be impacted by the aforementioned property purchase.

There have been no changes in the Trustees during the year and I take this opportunity to thank them for their support contribution to this worthwhile Charity. As previously reported our Clerk, John Chaloner, became an employee as from April 1st to comply with current regulations albeit his duties remain unchanged. We are fortunate to benefit from his many years service to the Charity and his experience is highly valued. Finally I am pleased to acknowledge the continuing professional support of our legal, accountancy and property advisers.

Report of the Trustees
for the Year Ended 31st March 2018

The trustees present their report with the financial statements of the charity for the year ended 31st March 2018. The trustees have adopted the provisions of 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).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Knowle United Charity is constituted as a Charitable Incorporated Organisation. It was registered with the Charity Commissioners on 16th March 2016. It took over the activities and assets from Knowle United Charity (registered charity number 1042123) and Knowle Educational Charity (registered charity number 1042124)

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1166099

Principal address

Mr J F Chaloner - Clerk to the Trustees
31 Kenilworth Road
Knowle
Solihull
West Midlands
B93 0JB

Trustees

Mr Clive Blakey – Justice of The Peace - Chairman
Dr Michael T Bleby – Co-opted
Mr Jeff Davies – Chadwick End PC
Mr Richard S Davy – Co-opted
Cllr. Diane Holl-Allen – Solihull MBC
Mr Lionel King – Balsall PC
Ms Carol Leetch – Knowle PCC
Mrs Lynda Mackay – Knowle CE Primary Academy Governors
Mrs Hilary Morris – Co-opted
Mrs Helen Munday – Co-opted
Mr Paul Orton – Co-opted
Revd Matt Simpson – Ex officio
Mr Steven Street – Dorridge PCC

Independent examiner

West - Chartered Accountants
Office 2 Greswolde House
197b Station Road
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Solihull
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B93 0PU

Approved by order of the board of trustees on8th November 2018..... and signed on its behalf by:

.....
Mr Clive Blakey - Trustee

**Independent Examiner's Report to the Trustees of
Knowle United Charity**

Independent examiner's report to the trustees of Knowle United Charity

I report to the charity trustees on my examination of the accounts of the Knowle United Charity (the Trust) for the year ended 31st March 2018.

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 Act and in carrying out my examination I have followed all 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 confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

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Date:

Statement of Financial Activities
for the Year Ended 31st March 2018

		Year Ended 31.3.18	Period 16.3.16 to 31.3.17
		Unrestricted funds	Total funds
	Notes	£	£
INCOME AND ENDOWMENTS FROM			
Investment income	2	134,137	127,332
Other income		978	7,212
Total		135,115	134,544
EXPENDITURE ON			
Raising funds	3	17,752	26,884
Charitable activities			
Education grants		31,000	30,660
Travel grants		6,940	1,260
Youth, children and pastoral care workers' grants		18,035	16,520
Special grants		4,500	920
Grants in need		-	65
Christmas donations		4,080	4,500
Special tuition		-	500
School projects		2,000	5,000
Other		8,891	8,346
Total		93,198	94,655
NET INCOME		41,917	39,889
Other recognised gains/(losses)			
Gains/(losses) on revaluation of fixed assets		587,125	-
Net movement in funds		629,042	39,889
RECONCILIATION OF FUNDS			
Total funds brought forward		2,484,910	2,445,021
TOTAL FUNDS CARRIED FORWARD		3,113,952	2,484,910

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

Knowle United Charity**Balance Sheet**
At 31st March 2018

		2018	2017
		Unrestricted	Total funds
		funds	
	Notes	£	£
FIXED ASSETS			
Tangible assets	5	2,883,625	2,296,500
Investments	6	55,735	54,757
		2,939,360	2,351,257
 CURRENT ASSETS			
Cash at bank		175,114	133,653
 CREDITORS			
Amounts falling due within one year	7	(522)	-
 NET CURRENT ASSETS		174,592	133,653
 TOTAL ASSETS LESS CURRENT LIABILITIES		3,113,952	2,484,910
 NET ASSETS		3,113,952	2,484,910
 FUNDS			
Unrestricted funds	8	3,113,952	2,484,910
 TOTAL FUNDS		3,113,952	2,484,910

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

.....
Mr Clive Blakey -Trustee

.....
Mr Steven Street -Trustee

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31st March 2018

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property - Not provided

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

2. INVESTMENT INCOME

	Year Ended	Period
	31.3.18	16.3.16 to 31.3.17
	£	£
Rents received	131,063	124,922
Dividends	1,933	1,895
Bank interest	1,141	515
	<u>134,137</u>	<u>127,332</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2018

3. RAISING FUNDS

Investment management costs

	Year Ended	Period
	31.3.18	16.3.16
	£	to
		31.3.17
	£	£
Repairs & maintenance	<u>14,043</u>	<u>23,094</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2018 nor for the period ended 31st March 2017.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2018 nor for the period ended 31st March 2017.

5. TANGIBLE FIXED ASSETS

	Freehold property £
COST OR VALUATION	
At 1st April 2017	2,296,500
Revaluations	<u>587,125</u>
At 31st March 2018	<u>2,883,625</u>
NET BOOK VALUE	
At 31st March 2018	<u>2,883,625</u>
At 31st March 2017	<u>2,296,500</u>

There are 21 freehold properties, 32,34,36,38,44,46,48,50 and 52 Station Road, 2a,2b,2c, 57, 79 and 81 St John's Close, 3a, 3b, 90,90a,96 and 98 Kenilworth Road, Knowle and freehold ground rents 83 and 85 St John's Close vested in Knowle United Charities. The original cost of most of these is unknown. 57 St John's Close was acquired during the year to 31 March 2001. During the year to 31 March 2002 the freehold of 57 and the other 3 maisonettes in the block 55,59 and 61 St John's Close was acquired.

Vested in the Official Custodian for Charities, but from which no income is derived, are 3.7 acres of land beneath the buildings known as Knowle Church of England Primary Academy.

In 2017 the properties were valued by Richard S Davy MA (Cantab) FRICS at a value of £2,883,625 and the trustees have decided to incorporate this value into the accounts.

The trustees do not consider that the value of the properties will fall and accordingly no depreciation is provided.

Notes to the Financial Statements - continued
for the Year Ended 31st March 2018**6. FIXED ASSET INVESTMENTS**

	Unlisted investments £
MARKET VALUE	
At 1st April 2017	54,757
Reversal of impairments	<u>978</u>
At 31st March 2018	<u>55,735</u>
 NET BOOK VALUE	
At 31st March 2018	<u>55,735</u>
At 31st March 2017	<u>54,757</u>

There were no investment assets outside the UK.

Investments consist of 3,919.42 income shares in COIF Charities Investment Fund. The original cost of the investments is unknown.

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Social security and other taxes	91	-
Accrued expenses	<u>431</u>	<u>-</u>
	<u>522</u>	<u>-</u>

8. MOVEMENT IN FUNDS

	At 1.4.17 £	Net movement in funds £	At 31.3.18 £
Unrestricted funds			
General fund	2,484,910	629,042	3,113,952
	<u>2,484,910</u>	<u>629,042</u>	<u>3,113,952</u>
TOTAL FUNDS	<u>2,484,910</u>	<u>629,042</u>	<u>3,113,952</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2018**8. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	135,115	(93,198)	587,125	629,042
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>135,115</u>	<u>(93,198)</u>	<u>587,125</u>	<u>629,042</u>

Comparatives for movement in funds

	At 16.3.16 £	Net movement in funds £	At 31.3.17 £
Unrestricted Funds			
General fund	2,445,021	39,889	2,484,910
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>2,445,021</u>	<u>39,889</u>	<u>2,484,910</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	134,544	(94,655)	39,889
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>134,544</u>	<u>(94,655)</u>	<u>39,889</u>

9. OTHER FINANCIAL COMMITMENTS

During the financial year Knowle United Charity pledged the following grants: £5,000 to Bentley Heath Primary School for their 'Peace Garden' Project, £1,000 to St Philips Church, Dorridge for their 'rebuilding project', £20,000 to Berrow Cottage Homes for their 'expansion project' and £5,000 to Knowle Primary Academy for projects yet to be determined.

10. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2018.

Detailed Statement of Financial Activities
for the Year Ended 31st March 2018

	Year Ended 31.3.18 £	Period 16.3.16 to 31.3.17 £
INCOME AND ENDOWMENTS		
Investment income		
Rents received	131,063	124,922
Dividends	1,933	1,895
Bank interest	1,141	515
	134,137	127,332
Other income		
Gain in value of tangible fixed asset	978	7,212
Total incoming resources	135,115	134,544
EXPENDITURE		
Raising donations and legacies		
Insurance	3,709	3,790
Investment management costs		
Repairs & maintenance	14,043	23,094
Charitable activities		
Grants to individuals & other charities	66,555	59,425
Support costs		
Management		
Insurance	338	331
Postage and stationery	286	489
Advertising	24	-
Sundries	399	192
Clerk's fee & expenses	6,880	6,500
	7,927	7,512
Finance		
Bank charges	42	32
Governance costs		
Accountancy and legal fees	922	802
Total resources expended	93,198	94,655
Net income	41,917	39,889