

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
FOR
THE CHARITY OF ELIZABETH JANE JONES**

CG LEE Limited
Chartered Certified Accountants
Statutory Auditors
Ingram House
Meridian Way
Norwich
Norfolk
NR7 0TA

THE CHARITY OF ELIZABETH JANE JONES
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FOR THE YEAR ENDED 31 MARCH 2019

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THE CHARITY OF ELIZABETH JANE JONES

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

The trustees present their report with the financial statements of the Charity for the year ended 31 March 2019. 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).

OBJECTIVES AND ACTIVITIES

In setting their objectives and planning their activities, the directors of the Trustee Company have given careful consideration to the Charity Commission's guidance on public benefit.

The objectives of the Trustee are to maintain and administer the Charity and its almshouses, which provide housing for the benefit of those with limited means.

The almshouses, known as The Fairholme Estate, are situated in Bedfont, Middlesex, and consists of 72 units of differing sizes together with a central Assembly Hall with ancillary offices, kitchen and toilet facilities.

The scheme provides that up to 14 of these properties can be made available for commercial letting in order to provide additional income for charitable purposes. As at 31 March 2019, none were.

The Directors are intent on maintaining a comfortable and relaxed environment for the beneficiaries and all their efforts are concentrated in this direction.

ACHIEVEMENT AND PERFORMANCE

Since April 2003, the Charity has had to adapt its strategy in order to complete the major refurbishment programme within a reasonable timescale. At that time, our cash reserves had been all but exhausted, so the programme which began in the mid 1990's would have been impossible to complete from available cash flows.

Hence, in 2003, the Charity obtained a £2.5m facility from the Allied Irish Bank (GB) in order to undertake and complete the refurbishment programme. Just less than £1m was actually drawn down from this facility as we have been able to use the cash flow generated from increased weekly maintenance contributions from the residents to finance the project. More than 80% of the debt to the bank had been repaid by the 31 March 2019, leaving a balance of £162,500.

The internal refurbishment programme is now over 90% complete but further progress has been hampered because the occupants living in 3 houses, still to be refurbished, had preferred their properties to remain as they are and the remainder will be done when the properties are vacated.

One major refurbishment was undertaken in the year under review. During 2016/17, the Board of directors of the Corporate Trustee made enquiries about replacing the old Crittall windows with Crittall 'look-alikes', but given the estate's grade II listing, this is proving to be a challenge. A pre planning application was submitted during the year but this was rejected by the Council. We have undertaken more detailed surveys in accordance with the Council's instructions. Replacing the windows remains the Board's top priority in the next few years. The estate did not enter the annual gardens competition as much work was in the process of being undertaken. However, several residents did and we are pleased to say that some received awards.

Throughout the year the Charity supported the residents in their social activities and organised a number of events, culminating in the Christmas dinner.

FINANCIAL REVIEW

It is pleasing to be able to report again that the Charity's Statement of Financial Activities (SOFA) this year shows a surplus of net incoming resources of £75,491 before transfer to reserves and a revaluation gain on our investments, the surplus was £123,847 in the previous year.

Although our expenditure has increased over the year, there have been some savings through changing of contractors and the introduction of an improved logging and control arrangement for repairs / refurbishments and ordering of any items or service. Refurbishment costs to both the interiors and exteriors of the properties, and our rear drive this year, are deducted when calculating the surplus of incoming resources. The Directors anticipate that this expenditure will continue to vary, year to year, depending on when any of the last un-refurbished properties become vacant.

The table on the following page shows the year on year surplus after depreciation and before exceptional costs have been incurred:-

THE CHARITY OF ELIZABETH JANE JONES
TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

Year to 31 March	Surplus or (Deficit) before Revaluation gains £	Exceptional refurbishments £	Surplus before exceptional costs & revaluation gain £
2019	75,491	60,648	136,139
2018	123,847	23,208	147,055
2017	132,079	57,368	189,447
2016	101,716	121,344	223,060
2015	138,322	65,819	204,141
2014	61,382	20,283	81,665

FINANCIAL REVIEW

As mentioned previously, the Directors of the Corporate Trustee are aware that there is still an amount of further refurbishment work needed, mostly to the rear of the properties, namely gutters, downpipes and repainting. However they are confident that the cash flow generated by our properties will cover much of these costs which will be incurred over a period of time, depending on the availability of funds and the piecemeal nature of the work.

Reserves Policy

The Charity holds investments with M&G NAACIF (National Association of Almshouses Common Investment Fund) Accumulation units for our Extraordinary Reserve Fund (ERF) so as to provide a long term fund (say, 25 years) to allow the Charity to undertake another major refurbishment programme at the appropriate time. In addition, the Charity held M&G NAACIF Income units, worth £581,356 and cash reserves of £31,524. These unrestricted reserves represent marginally more than a typical year's expenditure on charitable activities. No additional investments were made during the year.

In reviewing its reserve requirements, the Directors have decided that the Charity needs to hold this level of reserves to provide for ongoing maintenance work and external refurbishments as well as the ongoing work of the Charity and unexpected costs likely to arise on an Estate of this size. Cash in excess of current cash flow requirements will, in future, be invested in NAACIF Accumulation units so as to build our long term reserves.

As mentioned above, the Board recognised the need, at the end of the financial year, to allocate monies to an Extraordinary Repair Fund in order to provide for the long term upkeep of Fairholme. However, the reserves have been depleted over previous years in bringing the accommodation up to date and making essential repairs to the properties. The directors are aware of the necessity to make long term provision for major works at some time in the future. Once our mortgage has been paid off in full, we will be able to increase transfers to our long term reserve (ERF) but only after we are satisfied that our unrestricted reserves are more than adequate to cover all likely "routine" expenditure.

Our aim will be to hold unrestricted reserves of circa £500,000 and to build our long term reserves to several million pounds within the next decade, whilst continuing to repay the debt owed to Allied Irish Bank.

Staff

The Charity employs two full time members of staff and one part time as well as various contractors.

FUTURE PLANS

Our future plans continue to fall under two distinct headings - firstly, the future of the Charity itself and, secondly, our residents here at Fairholme. To this end, we are reviewing and dealing with areas of identified weakness and we hope to be able to report that we have dealt with almost every area where we were even marginally deficient. We also intend to continue to do everything in our power to ensure that all our residents live in comfortable, fully modernised surroundings in this peaceful and tranquil haven. We are also still looking at ways to expand our operations, with the tried and tested methodology we have practised so successfully here at Fairholme.

The Charity's ambition is to build up our financial strength so as to be able to withstand and survive any foreseeable future problems and provide a sustainable future for our beneficiaries.

We have expressed an interest to connect with another local Charity managed by the Local Authority. Discussions commenced during the year with a view to our Corporate Trustee taking over the Charity which will then be administered alongside that of Elizabeth Jane Jones. We have in place a structure that could absorb the management of another Charity relatively easily, and we believe there are synergistic benefits to both Charities and their beneficiaries to this arrangement.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity of Elizabeth Jane Jones is an unincorporated trust constituted under a scheme set up by The Charity Commission in May 1931, with revisions and amendments over the years. A revised scheme, which took effect on 1 April 2011, as amended by Resolutions dated 23 September and 25 November 2015, has been adopted by the Charity with the Charity Commission's approval.

THE CHARITY OF ELIZABETH JANE JONES

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT

In November 2015, the then Trustees resolved formally to resign en bloc and to appoint Elizabeth Jane Jones Trustee Limited (the Corporate Trustee) as the sole Trustee of the Charity, with all the former Trustees being appointed to the Board as directors of the Corporate Trustee.

The Board of Directors of the Corporate Trustee shall consist of at least eight, and no more than twelve, competent persons. New directors are appointed by a resolution of the board for a term of five years. Directors may seek re-appointment after their term of office expires.

At bi-monthly board meetings, the Board agrees the broad strategy and major policy decisions of the Charity including consideration of investment policy, reserves policy and risk management.

The day to day administration and management of the Charity's assets is delegated to The Clerk to the Trustee, who reports to the Board of Directors or the relevant Sub Committee. A Sub Committee has been set up for admissions, although the Committee refer major issues to the full Board.

The major risks, to which the Charity is exposed, as identified by the Directors, are regularly monitored and periodically reviewed. Steps have been taken to establish systems and procedures to mitigate these risks.

The Board keeps its skill requirements under review and, in the event that a Director permanently retires or additional Directors are required, the Board of Directors actively seek to recruit suitable persons in order to maintain or improve the overall standard of expertise required to run the Charity effectively.

The induction process for any newly-appointed Directors comprises attendance at at least one Board Meeting as an observer, an initial meeting with the Chair and/or the full Board, followed by a series of short meetings with the Clerk on investments, and the powers and responsibilities of the Trustee Company Board and the Sub Committees.

The welcome pack includes a brief history of the Charity, copy Board and Sub Committee Minutes, a copy of the last three years' of Annual Reports and Accounts, a copy of the governing trust deed and a copy of the Charity Commission's guidance 'The Essential Trustee: What You Need To Know'.

The Charity is an active member of the following bodies:

- * The Almshouse Association
- * The National Housing Federation
- * The G320 group of smaller London based housing associations

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

207186

Principal address

The Fairholme Estate
Staines Road
Bedfont
Middlesex
TW14 8DE

Trustees

THE TRUSTEE

The Charity is served by the Corporate Trustee; Elizabeth Jane Jones Trustee Limited.

The Directors of Elizabeth Jane Jones Trustee Limited

The Directors who served the Corporate Trustee during the period were as follows:-

Mr C J Gage (Chairman)
Mr A V Groves (Deputy Chairman)
Mrs S Alderson
Mrs R Gibbs (Resigned 31 July 2019)
Mrs A Gupta
Mrs V H Jackson (Resigned 3 October 2018)
Major General A Leask (Resigned 1 April 2018)
Miss H Mammatt
Revd P Smith
Mrs C F Mays
Mrs A T McCreadie (Appointed 28 November 2018)

THE CHARITY OF ELIZABETH JANE JONES

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

REFERENCE AND ADMINISTRATIVE DETAILS

Clerk

Mr N Lucas

Auditors

CG LEE Limited
Chartered Certified Accountants
Statutory Auditors
Ingram House
Meridian Way
Norwich
Norfolk
NR7 0TA

Bankers

Allied Irish Bank (GB)
PO Box 123
92 Ann Street
Belfast
BT1 3AY

Solicitors

Bircham Dyson Bell
50 Broadway
London
SW1 0BL

Chartered surveyors

Roper Son & Chapman
Willow House
River Gardens
Feltham
TW14 0RD

AUDITOR

CG LEE Limited has been re-appointed as auditor for the ensuing year.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' 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, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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, including the income and expenditure, of the Charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 which 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 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.

Approved by order of the board of trustees on 23rd Oct 2019 and signed on its behalf by:


.....
Mr C J Gage - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE CHARITY OF ELIZABETH JANE JONES

Opinion

We have audited the financial statements of The Charity of Elizabeth Jane Jones (the 'Charity') for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements ; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
THE CHARITY OF ELIZABETH JANE JONES**

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

CG Lee Limited

CG LEE Limited
Chartered Certified Accountants
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Ingram House
Meridian Way
Norwich
Norfolk
NR7 0TA

Date: 20/12/19

THE CHARITY OF ELIZABETH JANE JONES

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2019

		Unrestricted funds £	Restricted fund £	Endowment fund £	31.3.19 Total funds £	31.3.18 Total funds £
	Notes					
INCOME AND ENDOWMENTS FROM						
Charitable activities	3					
Providing almshouse accommodation for the poor and needy		526,245	-	-	526,245	530,382
Investment income	2	11,958	-	-	11,958	11,958
Other income		<u>173</u>	<u>-</u>	<u>-</u>	<u>173</u>	<u>5,975</u>
Total		538,376	-	-	538,376	548,315
EXPENDITURE ON						
Raising funds	4	9,540	-	-	9,540	11,772
Charitable activities	5					
Providing almshouse accommodation for the poor and needy		<u>453,345</u>	<u>-</u>	<u>-</u>	<u>453,345</u>	<u>412,696</u>
Total		462,885	-	-	462,885	424,468
Net gains/(losses) on investments		<u>7,667</u>	<u>17,946</u>	<u>-</u>	<u>25,613</u>	<u>(8,415)</u>
NET INCOME		83,158	17,946	-	101,104	115,432
Transfers between funds	17	<u>(50,000)</u>	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>-</u>
Net movement in funds		33,158	17,946	50,000	101,104	115,432
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>303,580</u>	<u>263,956</u>	<u>12,287,500</u>	<u>12,855,036</u>	<u>12,739,604</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>336,738</u></u>	<u><u>281,902</u></u>	<u><u>12,337,500</u></u>	<u><u>12,956,140</u></u>	<u><u>12,855,036</u></u>

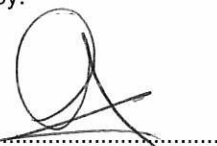
The notes form part of these financial statements

THE CHARITY OF ELIZABETH JANE JONES

**BALANCE SHEET
AT 31 MARCH 2019**

	Notes	Unrestricted funds £	Restricted fund £	Endowment fund £	31.3.19 Total funds £	31.3.18 Total funds £
FIXED ASSETS						
Tangible assets	10	31,003	-	12,500,000	12,531,003	12,539,700
Investments	11	<u>299,454</u>	<u>281,902</u>	<u>-</u>	<u>581,356</u>	<u>555,743</u>
		330,457	281,902	12,500,000	13,112,359	13,095,443
CURRENT ASSETS						
Debtors	12	31,670	-	-	31,670	25,940
Cash at bank and in hand		<u>31,524</u>	<u>-</u>	<u>-</u>	<u>31,524</u>	<u>9,574</u>
		63,194	-	-	63,194	35,514
CREDITORS						
Amounts falling due within one year	13	<u>(56,913)</u>	<u>-</u>	<u>(50,000)</u>	<u>(106,913)</u>	<u>(113,421)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>6,281</u>	<u>-</u>	<u>(50,000)</u>	<u>(43,719)</u>	<u>(77,907)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		336,738	281,902	12,450,000	13,068,640	13,017,536
CREDITORS						
Amounts falling due after more than one year	14	<u>-</u>	<u>-</u>	<u>(112,500)</u>	<u>(112,500)</u>	<u>(162,500)</u>
NET ASSETS		<u><u>336,738</u></u>	<u><u>281,902</u></u>	<u><u>12,337,500</u></u>	<u><u>12,956,140</u></u>	<u><u>12,855,036</u></u>
FUNDS	17					
Unrestricted funds					336,738	303,580
Restricted funds					281,902	263,956
Endowment funds					<u>12,337,500</u>	<u>12,287,500</u>
TOTAL FUNDS					<u><u>12,956,140</u></u>	<u><u>12,855,036</u></u>

The financial statements were approved by the Board of Trustees on 23rd Oct 2019 and were signed on its behalf by:



Mr C J Gage -Trustee

THE CHARITY OF ELIZABETH JANE JONES

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019

	Notes	31.3.19 £	31.3.18 £
Cash flows from operating activities:			
Cash generated from operations	1	72,866	141,660
Interest paid		<u>(3,440)</u>	<u>(3,566)</u>
Net cash provided by (used in) operating activities		<u>69,426</u>	<u>138,094</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(976)	(14,361)
Purchase of fixed asset investments		-	(75,000)
Sale of tangible fixed assets		<u>3,500</u>	<u>-</u>
Net cash provided by (used in) investing activities		<u>2,524</u>	<u>(89,361)</u>
Cash flows from financing activities:			
Loan repayments in year		<u>(50,000)</u>	<u>(50,000)</u>
Net cash provided by (used in) financing activities		<u>(50,000)</u>	<u>(50,000)</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		21,950	(1,267)
Cash and cash equivalents at the beginning of the reporting period		<u>9,574</u>	<u>10,841</u>
Cash and cash equivalents at the end of the reporting period		<u><u>31,524</u></u>	<u><u>9,574</u></u>

The notes form part of these financial statements

THE CHARITY OF ELIZABETH JANE JONES

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.19	31.3.18
	£	£
Net income for the reporting period (as per the statement of financial activities)	101,104	115,432
Adjustments for:		
Depreciation charges	5,955	5,114
Loss on disposal of fixed assets	218	-
Interest paid	3,440	3,566
(Gains)/Losses on investments	(25,613)	8,415
(Increase)/decrease in debtors	(5,730)	19,805
Decrease in creditors	<u>(6,508)</u>	<u>(10,672)</u>
Net cash provided by (used in) operating activities	<u>72,866</u>	<u>141,660</u>

THE CHARITY OF ELIZABETH JANE JONES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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 and freehold property which are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

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.

Tangible fixed assets

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

Plant and machinery	- 15% on reducing balance
Office equipment	- 15% on reducing balance

Freehold land and buildings, used for charitable purposes are shown at an "existing use" valuation in accordance with the revaluation policy adopted by the Charity. Other fixed assets are shown at historical cost.

Taxation

The Charity is exempt from tax on its charitable activities.

Fund accounting

The Charity's funds comprise the following:

Permanent Endowment Fund:

All charitable use and investment properties are held as permanent endowments.

Extraordinary Repair Fund:

A restricted fund to provide for rebuilding or renovation of the properties. Transfers to this fund out of general reserves are at the discretion of the Trustees.

Cyclical Maintenance Fund:

A designated, unrestricted fund, created by the Trustees in order to provide for ongoing maintenance costs.

General Purpose Fund:

Remaining unrestricted funds to be applied for general charitable purposes.

Pension costs and other post-retirement benefits

The Charity operates a defined contribution pension scheme. Contributions payable to the Charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

THE CHARITY OF ELIZABETH JANE JONES

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

1. ACCOUNTING POLICIES - continued

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Charity does not acquire put options, derivatives or other complex financial instruments. Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise. Other investments are included at cost, which is considered to be approximate to their market value.

2. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	Endowment funds £	31.3.19 Total funds £	31.3.18 Total funds £
Dividend income from investments	<u>11,958</u>	<u>-</u>	<u>-</u>	<u>11,958</u>	<u>11,958</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.19 £	31.3.18 £
Maintenance contributions receivable from almshouse residents	Providing almshouse accommodation for the poor and needy	<u>526,245</u>	<u>530,382</u>

4. RAISING FUNDS

Investment management costs

	Unrestricted funds £	Restricted funds £	Endowment funds £	31.3.19 Total funds £	31.3.18 Total funds £
Staff costs	<u>9,540</u>	<u>-</u>	<u>-</u>	<u>9,540</u>	<u>11,772</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct costs £	Support costs (See note 6) £	Totals £
Providing almshouse accommodation for the poor and needy	<u>368,828</u>	<u>84,517</u>	<u>453,345</u>

6. SUPPORT COSTS

	Governance costs £
Providing almshouse accommodation for the poor and needy	<u>84,517</u>

THE CHARITY OF ELIZABETH JANE JONES

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

7. TRUSTEES' REMUNERATION AND BENEFITS

There was no trustees' remuneration or other benefits for the year ended 31 March 2019 nor for the year ended 31 March 2018.

Trustees' expenses

Travelling expenses are paid to certain Trustees in relation to attendance at meetings and other duties performed.

8. STAFF COSTS

	2019 £	2018 £
Wages and salaries	108,922	109,488
Social security costs	8,447	8,637
Other pension costs	2,749	8,372
	<u>120,118</u>	<u>126,497</u>

The average monthly number of employees during the year was as follows:

	2019	2018
Number of management staff	<u>3</u>	<u>3</u>

The number of employees, whose remuneration for the year fell within the following bands, were:

	2019	2018
£60,000 to £69,999	<u>1</u>	<u>1</u>

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Charitable activities				
Providing almshouse accommodation for the poor and needy	530,382	-	-	530,382
Investment income	11,958	-	-	11,958
Other income	5,975	-	-	5,975
Total	548,315	-	-	548,315
EXPENDITURE ON				
Charitable activities				
Raising funds	11,772	-	-	11,772
Providing almshouse accommodation for the poor and needy	412,696	-	-	412,696
Total	424,468	-	-	424,468
Net gains/(losses) on investments	(7,984)	(431)	-	(8,415)
NET INCOME	115,863	(431)	-	115,432
Transfers between funds	(125,000)	75,000	50,000	-
Net movement in funds	(9,137)	74,569	50,000	115,432

THE CHARITY OF ELIZABETH JANE JONES

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – continued

	Unrestricted funds £	Restricted fund £	Endowment fund £	Total funds £
RECONCILIATION OF FUNDS				
Total funds brought forward	312,717	189,387	12,237,500	12,739,604
TOTAL FUNDS CARRIED FORWARD	<u>303,580</u>	<u>263,956</u>	<u>12,287,500</u>	<u>12,855,036</u>

10. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Office equipment £	Totals £
COST				
At 1 April 2018	12,500,000	55,383	20,519	12,575,902
Additions	-	-	976	976
Disposals	-	(8,025)	(5,944)	(13,969)
At 31 March 2019	<u>12,500,000</u>	<u>47,358</u>	<u>15,551</u>	<u>12,562,909</u>
DEPRECIATION				
At 1 April 2018	-	23,541	12,661	36,202
Charge for year	-	4,777	1,178	5,955
Eliminated on disposal	-	(5,838)	(4,413)	(10,251)
At 31 March 2019	-	<u>22,480</u>	<u>9,426</u>	<u>31,906</u>
NET BOOK VALUE				
At 31 March 2019	<u>12,500,000</u>	<u>24,878</u>	<u>6,125</u>	<u>12,531,003</u>
At 31 March 2018	<u>12,500,000</u>	<u>31,842</u>	<u>7,858</u>	<u>12,539,700</u>

The Charity's freehold properties were valued on an existing use basis by Roper, Son & Chapman, Chartered Surveyors, at £12,500,000 on 23 November 2015. The Trustees consider there to be no material change to this valuation.

There would be no potential tax liability if the properties were sold at current market value provided the gains were applied for charitable purposes.

11. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2018	555,743
Revaluations	<u>25,613</u>
At 31 March 2019	<u>581,356</u>
NET BOOK VALUE	
At 31 March 2019	<u>581,356</u>
At 31 March 2018	<u>555,743</u>

There were no investment assets outside the UK.

THE CHARITY OF ELIZABETH JANE JONES

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.19	31.3.18
	£	£
Trade debtors	22,712	15,024
Other debtors	-	3,171
Prepayments	8,958	7,745
	<u>31,670</u>	<u>25,940</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.19	31.3.18
	£	£
Bank loans and overdrafts (see note 15)	50,000	50,000
Trade creditors	11,081	5,591
Social security and other taxes	2,070	-
Other creditors	493	1,000
Pension creditor	-	5,049
Accrued expenses	43,269	51,781
	<u>106,913</u>	<u>113,421</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.19	31.3.18
	£	£
Bank loans (see note 15)	<u>112,500</u>	<u>162,500</u>

15. LOANS

An analysis of the maturity of loans is given below:

	31.3.19	31.3.18
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>50,000</u>	<u>50,000</u>
Amounts falling between one and two years:		
Bank loans and overdrafts	<u>112,500</u>	<u>162,500</u>

16. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.19	31.3.18
	£	£
Bank loans	<u>162,500</u>	<u>212,500</u>

The above loan is secured against a first legal charge over land and properties at Fairholme Estate, Bedfont, Middlesex, with a balance sheet value of £12,500,000.

Interest is charged at the lenders base rate plus 1.125% per annum and the loan is repayable in full within 20 years of the first drawdown made in August 2004. Capital repayments commenced in October 2006.

THE CHARITY OF ELIZABETH JANE JONES

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

17. MOVEMENT IN FUNDS

	At 1.4.18 £	Net movement in funds £	Transfers between funds £	At 31.3.19 £
Unrestricted funds				
General fund	143,580	83,158	(50,000)	176,738
Cyclical maintenance fund	<u>160,000</u>	<u>-</u>	<u>-</u>	<u>160,000</u>
	303,580	83,158	(50,000)	336,738
Restricted funds				
Extraordinary Repair Fund	263,956	17,946	-	281,902
Endowment funds				
Permanent endowment fund	12,287,500	-	50,000	12,337,500
TOTAL FUNDS	<u>12,855,036</u>	<u>101,104</u>	<u>-</u>	<u>12,956,140</u>

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	538,376	(462,885)	7,667	83,158
Restricted funds				
Extraordinary Repair Fund	-	-	17,946	17,946
TOTAL FUNDS	<u>538,376</u>	<u>(462,885)</u>	<u>25,613</u>	<u>101,104</u>

Comparatives for movement in funds

	At 1.4.17 £	Net movement in funds £	Transfers between funds £	At 31.3.18 £
Unrestricted Funds				
General fund	152,717	115,863	(125,000)	143,580
Cyclical maintenance fund	<u>160,000</u>	<u>-</u>	<u>-</u>	<u>160,000</u>
	312,717	115,863	(125,000)	303,580
Restricted Funds				
Extraordinary Repair Fund	189,387	(431)	75,000	263,956
Endowment funds				
Permanent endowment fund	12,237,500	-	50,000	12,287,500
TOTAL FUNDS	<u>12,739,604</u>	<u>115,432</u>	<u>-</u>	<u>12,855,036</u>

THE CHARITY OF ELIZABETH JANE JONES
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

17. MOVEMENT IN FUNDS - continued

Comparative 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	548,315	(424,468)	(7,984)	115,863
Restricted funds				
Extraordinary Repair Fund	-	-	(431)	(431)
TOTAL FUNDS	<u>548,315</u>	<u>(424,468)</u>	<u>(8,415)</u>	<u>115,432</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.17 £	Net movement in funds £	Transfers between funds £	At 31.3.19 £
Unrestricted funds				
General fund	152,717	199,021	(175,000)	176,738
Cyclical maintenance fund	160,000	-	-	160,000
Restricted funds				
Extraordinary Repair Fund	189,387	17,515	75,000	281,902
Endowment				
Permanent endowment fund	<u>12,237,500</u>	<u>-</u>	<u>100,000</u>	<u>12,337,500</u>
TOTAL FUNDS	<u>12,739,604</u>	<u>216,536</u>	<u>-</u>	<u>12,956,140</u>

A current year 12 months and prior year 12 months combined 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	1,086,691	(887,353)	(317)	199,021
Restricted funds				
Extraordinary Repair Fund	<u>-</u>	<u>-</u>	<u>17,515</u>	<u>17,515</u>
TOTAL FUNDS	<u>1,086,691</u>	<u>(887,353)</u>	<u>17,198</u>	<u>216,536</u>

Structure of funds

All freehold property owned by the Charity is classified as a Permanent Endowment in accordance with the original deed of governance.

The Endowment Fund was set up to include charitable use and investment properties at their market values, as at 31 March 2010, after deducting bank loans outstanding at that date. The bank loans were taken out in 2004 to finance major refurbishment work to the interior and exterior of the properties. These loans are secured on the properties. This Fund will change in value from year to year when the properties are revalued and the loans repaid.

An Extraordinary Repair Fund has been established in order to provide for major repairs or rebuilding expenditure that may be required in the future. The intention is to build up the Fund, over a period of time, to levels recommended by The Almshouse Association. The balance of this Fund, at 31 March 2019, was £281,902 (2018: £263,956).

The Cyclical Maintenance Fund is an unrestricted fund set up to provide for general repairs and refurbishment works which are necessarily incurred on an ongoing basis.

THE CHARITY OF ELIZABETH JANE JONES
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

18. PENSION COMMITMENTS

The Charity of Elizabeth Jane Jones participates in the CARE Pension Scheme operated by the Pensions Trust, which provides benefits to some 41 non-associated employers. The scheme is a defined benefit scheme in the UK.

It is not possible for the Charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the Charity is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2016. This valuation showed assets of £60.45m, liabilities of £85.30m and a deficit of £24.86m. To eliminate this funding shortfall, participating employers were asked to pay additional contributions to the scheme totalling £1.4m per annum.

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2019.

THE CHARITY OF ELIZABETH JANE JONES
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2019

	31.3.19 £	31.3.18 £
INCOME AND ENDOWMENTS		
Investment income		
Dividend income from investments	11,958	11,958
Charitable activities		
Maintenance contributions receivable from almshouse residents	526,245	530,382
Other income		
Sundry income	<u>173</u>	<u>5,975</u>
Total incoming resources	538,376	548,315
EXPENDITURE		
Investment management costs		
Wages	8,526	9,794
Social security	1,014	1,194
Pensions	<u>-</u>	<u>784</u>
	9,540	11,772
Charitable activities		
Wages	82,126	78,705
Social security	5,261	4,885
Pensions	1,122	5,910
Insurance	12,069	11,568
Communal hot water & water rates	2,808	3,442
Water rates	575	533
General maintenance	98,679	120,729
Council tax	5,628	1,614
Other charitable costs	625	4,191
Exceptional refurbishment	60,648	23,208
Garden maintenance	62,739	52,364
Support costs	33,108	23,227
Mortgage	<u>3,440</u>	<u>3,566</u>
	368,828	333,942
Support costs		
Governance costs		
Wages	18,270	20,988
Social security	5,343	2,559
Pensions	-	1,679
Accountancy	3,138	3,138
Consultancy and professional fees	660	7,332
Auditors' remuneration	10,932	10,932
Printing, postage & stationery	4,705	3,173
Bad debts	2,318	3,366
Light and heat	3,927	2,460
Cleaning and sundry costs	14,367	7,176
Subscriptions, travel and subsistence	3,823	804
Telephone	1,983	2,661
Computer consumables	8,878	7,372
Plant & machinery depreciation	4,777	3,773
Computer equipment depreciation	1,178	1,341
Loss on sale of tangible fixed assets	<u>218</u>	<u>-</u>
	<u>84,517</u>	<u>78,754</u>
Total resources expended	462,885	424,468

This page does not form part of the statutory financial statements

THE CHARITY OF ELIZABETH JANE JONES
 DETAILED STATEMENT OF FINANCIAL ACTIVITIES
 FOR THE YEAR ENDED 31 MARCH 2019

	31.3.19 £	31.3.18 £
	<hr/>	<hr/>
Net income	<u><u>75,491</u></u>	<u><u>123,847</u></u>