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THE
WILLATS
TRUST

REPORT AND FINANCIAL STATEMENTS

for the year ended 31 December 2020

Charity no: 202269

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Mr Willats' Charity

LEGAL AND ADMINISTRATIVE INFORMATION

Governing document and constitution

The Charity was set up under an Indenture dated 13 November 1858 by Mr William Willats. Mr Willats' Corporate Trustee Ltd (MWCTL) is the sole Trustee of Mr Willats' Charity. The Charity has the working title of 'The Willats Trust'. The individuals that served as Directors to the Corporate Trustee during the year are detailed below:

Directors of the Corporate Trustee

Mr R Brown
Mr P V Lindon (Chairman)
The Rev. D Woodall (Retired 13th April 2021)
A Noyce (resigned 1 March 2020)
Mr P LeRoy
The Rev. R Driver (appointed 15th December 2020)
Mr T Friend (appointed 15th April 2021)
Dr M Ifode-Blease

All appointments and resignations during the year or up to the time of the signing of these accounts have been noted.

Clerk and Receiver to the Corporate Trustee and its Directors

Mr Q T S Elston

Property Manager

Mrs E L Palfreyman

Grants Administrator

Miss K. Harris (Until 11th September 2020)
The Rev. Méri Schoeman (From 8th September 2020)

Principal office

PO Box 3883
Bath BA1 0AQ

Web site

www.willatstrust.org

Bankers

C Hoare & Co
37 Fleet Street
London EC4P 4DQ

National Westminster Bank plc
39 Milsom Street
Bath BA1 1DS

Solicitors

Thrings
2 Queen Square
Bath BA1 2HQ

Royds Withy King
5-6 Northumberland Buildings
Queen Square
Bath BA1 2JE

Bates Wells
10 Queen Street Place
London EC4R 1BE

Auditors

Saffery Champness
St Catherine's Court
Berkeley Place
Bristol
BS8 1BQ

Investment managers

Cazenove Capital
1 London Wall Place
London EC2Y 5AU

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OBJECTIVES AND ACTIVITIES

The Trustees continued to pursue the Charity's object of assisting churches and Christian charities in England and in Wales by contributing towards the salary of lay pastoral workers ("Guides") who qualify for appointment as "Poor Man's Guides to Eternal Life", this being the terminology used by the Founder in 1858.

ORGANISATIONAL STRUCTURE

The Charity is governed by a sole 'Corporate Trustee' entitled Mr Willats Corporate Trustee Limited (MWCTL). The Directors of the Corporate Trustee are the Trustees of the Charity.

The Board of Directors ("the Board") has delegated the day to day running of the Charity to its Clerk & Receiver ("Clerk"), to the Property Manager and to the Grants Administrator, who are employees of the Charity. They are supported in their roles by specialist professional advisors who provide services to the Charity as and when they are needed.

The Board meets regularly to consider the business of the Charity including the consideration of applications for grants and to receive reports from the Guides, the Clerk & Receiver, the Property Manager, the Grants Administrator and the Charity's professional advisors.

APPOINTMENT OF DIRECTORS TO THE CORPORATE TRUSTEE

The Directors who have served during the year, and since the year end, are set out on page 1. Directors are appointed by the existing Board.

DIRECTORS' INDUCTION AND TRAINING

New Directors undergo an induction scheme to brief them on all the work of the Charity and their legal obligations under both charity and company law. Directors are encouraged to attend appropriate external training events where these facilitate the undertaking of their role. In addition, Directors are kept up to date with charity related matters through the forwarding of regular relevant publications, reports and advice from their Clerk and other staff of the Charity, together with their professional advisors.

PAY POLICY FOR KEY MANAGEMENT STAFF

The Directors consider that the Board, the Clerk, the Property Manager and the Grants Administrator are the *Key Management Personnel* of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis. The Directors give their time freely and no Director received remuneration in the year. Until 31st March 2020, the Clerk was paid by the Charity as a consultant. From 1st April 2020 the Clerk was employed by the Charity and he, the Property Manager and Grants Administrator are paid by the Charity as employees.

The pay for the Clerk, Property Manager and Grants Administrator are reviewed by the Board annually. The salaries of the employees are normally increased in accordance with average earnings and, where appropriate, with regard to additional duties and responsibilities undertaken within the year. Increases in consultancy fees paid to the Clerk were agreed upon following a proposal to the Board from the Clerk.

RELATED PARTIES

None of the Directors receive remuneration from their work with the Charity. The Charity does repay expenses incurred by the Directors during the fulfilment of their role as Directors. In addition, the Charity provides some Directors with iPads or laptops to enable the Directors to access Board papers through an online portal hosted by *DirectorPoint*. In addition, the Board accesses and reviews applications for grants and six-monthly reports from guides through an online portal hosted by *Wizehive*. These online portals have reduced the need for the papers, applications and reports to be printed, copied and sent to each Director for Board meetings. This has thus reduced administration time and costs. Further details connected to transactions with related parties can be found in note 12.

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PUBLIC BENEFIT

The Trustees are aware of the provisions of the Charities Act 2011 concerning public benefit, the guidance published by the Charity Commission on this subject and the obligation to report on ways in which they believe Mr Willats' Charity meets the public benefit requirements established by the Act. Fuller details of the Charity's objectives and activities undertaken in support of these objectives will be found in other sections of this report. The Board believes that the Charity's grant distributions and associated activities benefit society through the funding of costs relating to Guides who, in order to comply to the grant criteria, must meet a specified amount of direct contact time with those the Charity seeks to benefit who are the 'lowest and poorest members of society'. Through their work the Guides are not only preaching the Gospel but also providing support and assistance to those in need.

GRANT MAKING POLICY

Whilst the expectation of the Charity is that the predominance of the Guide's work must be with their 'client group', the Board recognises that today the duties of a lay worker in a church or charity will often include some administrative work. The Board expects, however, that if appointed as a Guide, this aspect of their work must be minimal.

All grants are awarded subject to finances permitting and the Board reserves the right to withdraw a grant at any time without notice. All new grants are awarded for a maximum period of three years. At the expiry of the three years, a church or Christian organisation who has sponsored the application may not make a further application in respect of the same person, within 12 months of the previous grant expiring.

All grants are reviewed by the Board twice a year to monitor whether each Guide continues to fulfil the requirements of the Charity. Applications for grants will only be considered by the Directors if they are in receipt of correctly completed application forms.

There has been a continued emphasis on making grants to churches and Christian organisations (who are registered charities) who minister to the "*lowest and poorest members of society*". The Board continues to keep under review the Charity's grant making activities and, in this regard, see additional comments made by the Board under the heading 'Future Plans'.

RISK MANAGEMENT

The Board considers that the principal risks faced by the Charity relate to its obligations to its tenants and to carrying out the aims of its Founder.

The Charity carries a risk in relation to third party liability to ensure the health and safety of any tenant residing within its properties. To mitigate this risk, the Charity employ the services of professional surveyors who regularly visit and assess all residential lets. The Charity prides itself on maintaining the buildings held within its property portfolio to a high standard with a view to not only providing tenants with high quality accommodation but also ensuring their safety and acting as a witness to the faith of the Founder. The Charity's surveyors, the Charity's Property Manager and the Clerk meet regularly to discuss the property portfolio and review issues arising and agree action plans. The Charity's Clerk, staff and advisors seek to ensure that the Charity is compliant with all relevant landlord legislation.

The Board has also identified that the Charity faces risks in relation to ineffective grant making that fails to meet the original expectations of the Founder. Mr Willats established the Charity to contribute to the salary and expenses of Christian lay pastoral workers (Guides) working with the 'lowest and poorest' in society. To ensure both compliance with these aims, the Board has the advice and support of the Clerk and the Grants Administrator to help the Charity in its desire to ensure effective grant making. Part of the remit of the Grants Administrator is also to focus on improving the public awareness of the Charity to ensure applications are received from all areas of need rather than localised pockets where awareness has spread purely through word of mouth.

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ACHIEVEMENTS AND PERFORMANCE

As in the previous year, the Board sets a budget at the start of the year with the intention of ensuring that the unrestricted funds maximise income from investments and minimise its direct and indirect costs. The Board is pleased to report that the Charity's investment income, both from properties and other investments, met the budgeted expectation with income of £1,208,033 achieved in the year (2019: £1,205,431). Although this income was only slightly more than that achieved in 2019, the Trustees are pleased that the investment income was relatively unaffected by the COVID-19 pandemic.

During the year the Board awarded grants to Guides of £274,532 (2019: £348,353). See note 1 for more details.

The Board continued to maintain and improve its freehold properties to ensure that they could be let at a market rent to provide an optimum return on capital. Although the Charity continued to spend money on essential property maintenance, it did not spend any money on the refurbishment of investment properties (2019: £481,135) as the Trustees felt that it was prudent to limit the outgoings of the Charity due to the uncertainty arising from the COVID-19 pandemic.

FINANCIAL REVIEW

The Charity's work is entirely reliant on income and investment returns from its endowment fund which is, predominantly, invested in residential properties in Bath.

The Charity made an unrestricted fund surplus of £247,906 (2019: £85,203) in the year. This surplus is higher than last year's and is also higher than the budgeted surplus for the year. The reasons for the increase in the surplus for this year arises from the fact that the Trustees took the decision to hold back on non-essential expenditure, particularly in relation to the refurbishment and repairs of its investment properties, due to the financial uncertainties arising from the COVID-19 pandemic. It is anticipated that there will be an increase in costs in future years as the Charity catches up with this deferred expenditure.

The unrestricted funds brought forward at the start of the year were £450,447 and the surplus of £247,906 for the year was added to this figure giving a total unrestricted fund value of £698,353 carried forward at the year end.

The endowment funds brought forward at the start of the year were £34,504,171. During the year the endowment fund made a surplus of £4,894,795, in relation to realised and unrealised gains on stock market investments and revaluation of properties, which was added to this fund giving a total endowment fund of £39,398,966 carried forward at the year end.

The total reserves carried forward at the year-end amounted to £40,097,319 (2019: £34,954,618).

INVESTMENT POLICY AND PERFORMANCE

The investment powers of the Board are governed by the Trust Deed, as amended by relevant legislation. The Charity holds a small stock market investment portfolio and the Board seeks to obtain, through its investment manager, a balance in income return and capital growth from the Charity's quoted stocks and shares. During the year the stock portfolio was managed by Cazenove.

In light of benchmark indicators, the Board is satisfied with the performance of the stock portfolio during the year which resulted in the portfolio achieving realised and unrealised gains of £32,686 (2019: gain of £58,452). Dividend income was in line with expectations.

The majority of the Charity's investment assets are held as freehold property. In previous years one fifth of this property portfolio was professionally revalued on an annual basis and the property values carried forward would then be adjusted, as necessary, to reflect these valuations. These valuations were undertaken by Carter Jonas, the last of which was at the end of December 2017. The Board then agreed that a full professional revaluation of all the properties will only need to be undertaken every 5 years and the value of the property will be adjusted, as necessary, following this revaluation. The next full professional revaluation of the properties held is, therefore, due in December 2022. The Board has reviewed the full property portfolio and their on-going carrying values and, giving particular consideration to commercial properties in consideration of the economic impacts of COVID-19, do not consider that any impairment is deemed to have occurred in relation to the freehold properties. If the Board

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did have reason to believe that an investment had incurred a significant impairment during the year, the value of the properties would be adjusted to reflect this impairment. Following the board's review, an uplift of £4,732,920 has been recognised on the residential properties this year. No uplift or impairment has been recognised for the commercial properties this year.

The Board is satisfied that the property values recorded in these accounts are a true reflection of their current market value and are confident that freehold property values will continue to rise in the long-term future and, therefore, continue to be a worthwhile investment for the Charity. The Board continues to seek to maintain and improve the Charity's property portfolio through a planned program of repair and refurbishment to ensure that it maximises the income potential of the assets held.

RESERVES POLICY

The Trustees have agreed that they will aim to maintain free unrestricted funds at a level that equates to approximately three months of its expenditure. This decision was reached on the basis that this level of reserves will provide sufficient funds for the Charity to meet its obligations to staff, contractors and beneficiaries at any given point in time. The Trustees consider that this level of free reserves is sufficient given the regular and reliable income receivable from the rental of let properties.

Based on the expenditure in 2020, costs for three months amount to approximately £241k. As previously stated, the balance held in unrestricted funds at the end of the year is £698,353 and the fixed assets held by unrestricted funds are £454,444 (see note 11), therefore, the Charity holds free reserves of £243,909 so has met the target set out in its reserves policy. This is a pleasing reversal of last year's position where the free reserves were negative. This change has been brought about through the Charity making a larger than usual surplus in the year as income remained at a similar level to previous years but expenditure was deliberately suppressed.

COVID-19

COVID-19 was declared a pandemic on 11 March 2020. The Trustees agree that the economic and social changes arising in the wake of this disease will have an impact upon the Charity both now and in its longer-term future.

The day to day operations of the Charity
The offices of the Charity continued to remain open throughout the year, but the Trustees were mindful to ensure that the Charity's staff and professional advisors comply to Government guidance wherever and whenever possible. The Charity changed its working practices to ensure that social distancing was maintained and, to facilitate this, staff work remotely where and when possible. The Charity's Property Manager did, however, remain working in the office throughout the year. Both the Clerk and the Grants Administrator returned to working in the Charity's office in August.

The Guides - The Charity contacted the Guides to enquire about their own wellbeing and working situations. Many Guides were furloughed by their churches/charities. Where Guides were unable to fulfil their duties due to the Government restrictions imposed as a result of the pandemic, the Charity deferred any grant payments arising until the Guides were able to resume their work. Where the Charity took this step, it will extend the Guide's grant period to cover and equate to the period of any deferral (if the Guide's employment continues beyond the initial grant period). The Trustees are pleased to report that a number of Guides were able to continue working and thank God and those Guides for the initiatives shown and the blessings that accrued as a result of their work.

Residential Tenants - Similarly, the Charity contacted its residential tenants to request that they notify the Charity's staff if they were unwell or having to self-isolate. This allowed the staff to assess whether routine maintenance could be performed within the properties and if so under what conditions. In doing this the Charity was following the advice within 'Government Guidance for Landlords'. Where tenants showed that they were experiencing hardship in their financial circumstances which has been caused by the pandemic, the Charity agreed to defer rent payments for a fixed period. As part of the agreement with the tenant, future payments of rent were increased for a fixed period to repay any arrears that have accrued. The Trustees are pleased to report that there are no significant outstanding arrears due from its residential tenants.

Commercial Tenants - The same cannot be said in respect of one of the Charity's commercial tenants which built up substantial rental arrears. The Trustees expect that during the ongoing renewal discussions and negotiations that this matter will be addressed.

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Student Tenants - The Charity has let a number of its properties to students of the two universities in Bath. It also has a close working partnership with Norland College and the Charity houses a number of their first-year students. After the pandemic ensued, it was announced by the universities and the College that they intended to undertake the remainder of teaching in the academic year 2020/2021 remotely. The Trustees closely monitored the situation and providentially, the impact of those announcements upon the student occupation was minimal, with most students choosing to stay in their accommodation. Thus, there was no adverse impact upon the Charity or its income.

Governance
Since Government restrictions were imposed, the Trustees' Board Meetings have been held on-line via *Zoom*. The last physical meeting of the Board took place in March 2020 in Sheffield. The Board continued to meet online throughout 2020. The Board are mindful of God's providence and grace in that for some time, they have been used to utilising an on-line portal for the distribution of Board papers and a separate on-line portal for the assessment of grant applications and reports from Guides. Thus, the only change to the Trustees previous practice for their meetings was to use the *Zoom* video-conferencing. The Board meetings in early 2021 continued to take place via Zoom and the Trustees hope to revert to in-person/face-to-face before the end of 2021.

Economic impact on going concern
Whilst it was clear that the COVID-19 pandemic was likely to have a detrimental impact upon the economy, it remains uncertain whether an economic downturn will have a significant detrimental impact upon the income streams and assets of the Charity. The Charity holds investment property with a current market value of approximately £38.5m, of which £34.7m is invested in residential property and £3.8m in commercial property. The Charity will continue to take guidance from its professional advisors when assessing the longer-term impact of the pandemic upon its property values but presently, the Trustees do not consider that any impairment reviews are necessary in relation to the investment property that the Charity holds.

The Trustees have also assumed that all the Charity's tenants will continue to meet their rental obligations according to the terms of their leases. However, some assumptions have been made allowing for increases in void periods between tenant changeovers, increases in bad debts and, in exceptional cases, the granting of rental holidays. Any such changes to income will have an impact on the Charity's ability to pay for new grants from the unrestricted funds. Therefore, the following changes were made:

- Payment of Grants - Grants are being paid to the Guides on a monthly basis, rather than two six monthly payments in advance. This has the effect of easing pressure on the Charity's cash flow and also enabled payments to be deferred as noted above. Feedback from the Guides and their churches/charities to this change was positively welcomed since it aided their budgeting. Thus, the change to monthly payments, although increasing the administrative workload of staff, will continue for the foreseeable future.
- Application process - Whilst the Trustees agreed, in principle, to new grant commitments during a meeting held in March 2020, it was agreed that the grant payments should be deferred until the impact of COVID-19 upon both the Charity's finances and the Guides' work could be more confidently assessed. The assessment of grant applications and the making of grants has now resumed.
- Property - Property refurbishments and other, non-essential work was put on hold pending the easing of the Government restrictions and when the economic impact of the pandemic could be assessed. All essential maintenance work continued to be performed as directed within 'Government Guidelines for Landlords'.

FUTURE PLANS

The Charity's Properties

The Charity owns a number of substantial Georgian listed properties in a UNESCO World Heritage City. Thus, these properties require considerate, careful and sympathetic planned maintenance and refurbishment. The properties continue to provide a healthy income for the Charity. There remain some residential properties that are in need of refurbishment and modernisation before they will be in a position to be let at their full market rent, but progress continues to reduce their number. In addition, a few of the residential properties continue to be let to 'Protected Tenants' who enjoy a high degree of statutory protection and a restriction upon the rent that can be levied. The Board expects that over the coming years the number of such tenants will continue to decline.

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When considering the need for and any plans for refurbishment of a property, the Board will base its decisions upon information relating to the current market value, anticipated costs of refurbishment and rental income arising thereafter of each of the relevant properties, in essence, the return on investment. The Board is well served by professional advice in this regard and plan to continue to enhance the Charity's existing properties as and when necessary and possible with a view to maximising the Charity's rental income and grant expenditure.

The letting and rent reviews of the Charity's residential properties are handled by the Trustees' Property Manager. The properties are advertised on the Charity's web site and through external letting web sites. This has proved very successful. The Trustees are pleased to report that the vacancy rate and turnover periods are very low. Moreover, the Charity has many repeat tenants. Providentially and through the good stewardship of the Trustees and the Charity's staff, the Charity has a reputation of being a good landlord. Recommendations are often made by current and former tenants which results in many of the Charity's properties being let through word-of-mouth.

The Charity's Grant Making Activities

The Trustees see strategic partnerships, with churches and charities wishing to appoint people who undertake work which fulfil the founder's intentions, as being key to ensuring that the Charity makes most effective use of its grants. Thus, it will continue to seek such partnerships.

During the year, the Grants Administrator undertook online visits to a selected number of Guides. The Board saw this as a positive step towards ensuring that it maintains an up-to-date understanding of the work that is undertaken in churches/charities that the Charity supports. In addition, the information garnered will help the Board in formulating any future grant making strategy. Thus, it is planned that the Grants Administrator will undertake at least one programme of visits each year.

Following the appointment of the Rev. Méri Schoeman as Grants Administrator, the Charity increased its online engagement and support of its Guides in response to the ongoing impact of the pandemic. The Rev. Schoeman used regular social media posts and *Zoom* to meet with the Charity's Guides. The feedback the Trustees received was that the Charity's Guides very much appreciated the contact and support they received. Moreover, the Rev. Schoeman's regular reports kept the Trustees in touch with how those whom the Charity supported were responding to the pandemic and its impact.

The Trustees were keen to facilitate the re-introduction of face-to-face visits to Guides and subject to government guidelines and restrictions hoped that this would recommence in 2021.

GOVERNANCE

The Board identified the need to appoint additional members who had experience of and interest in the work of the Charity. The Rev. Roger Driver was appointed in December 2020 and Mr. Tim Friend (a former Guide) was appointed in April 2021.

The Rev. David Woodall retired from the Board in April 2021 after serving as a Trustee for nearly ten years. The Trustees would like to record their thanks to Rev. Woodall for his calm, wise and unstinting support of the Charity and its aims throughout his period of service.

The Trustees having regard to the *Charity Governance* Code and in particular Principle 6 of the *Code* (Equality, Diversity & Inclusion), intend in 2021 to look at how they can enhance their approach to supporting this Principle in its own practice and governance.

In March 2020 the Trustees met at the headquarters of the Church Army in Sheffield. The principal reason for this decision was to enable the Trustees to receive presentations, testimonies and reports from a selection of Guides in the northern region. Subject to any continued restrictions resultant upon the pandemic, the Trustees expect to repeat this step in the coming years and meet at least once per annum in locations outside of Bath.

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STATEMENT OF THE CORPORATE TRUSTEE'S RESPONSIBILITIES

The Board is 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 requires the Board 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 Board is required to:

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

The Board are responsible for keeping sufficient 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 Charity (Accounts and Reports) Regulations and the provisions of the Trust Deed. It is 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 Board is responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board on 7th October

Signed by order of the Board:

DocuSigned by:
Paul Lindon
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P.V.Lindon
Chairman & Director

DocuSigned by:
Richard Brown
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R.C.Brown
Director

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MR WILLATS' CHARITY

OPINION

We have audited the financial statements of Mr Willats' Charity for the year ended 31 December 2020 which comprise Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (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 December 2020 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 OF 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 Auditor's 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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 auditor's report 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; 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 THE TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they 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.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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 an auditors' report 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the Charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

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Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

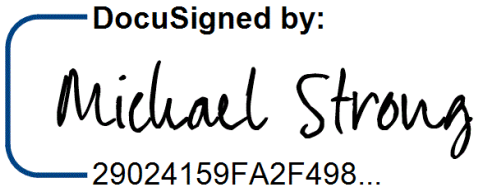
During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditor's 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 Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Strong (Senior Statutory Auditor)
For and on behalf of Saffery Champness LLP
Chartered Accountants and Statutory Auditors
St Catherine's Court
Berkeley Place
Bristol
BS8 1BQ

Date: 10/11/2021

Saffery Champness LLP is eligible to act as an auditor under the terms of Section 1212 of the Companies Act 2006.

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Mr Willats' Charity

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2020

	Note	Unrestricted Funds £	Endowment Funds £	Total 2020 £	Total 2019 £
Income and endowments from:					
Investment property income		1,202,603	-	1,202,603	1,195,929
Other investment income		5,430	-	5,430	9,502
Total income		1,208,033	-	1,208,033	1,205,431
Expenditure on:					
Cost of raising funds:					
Let property expenditure	2	601,311	-	601,311	693,402
Investment management fees	2	-	4,811	4,811	4,847
Expenditure on charitable activities:					
Grants for parish Guides	1,2	358,816	-	358,816	426,826
Total expenditure	2	960,127	4,811	964,938	1,125,075
Unrealised gains on revaluation of fixed assets	3	-	134,000	134,000	-
Unrealised gains on revaluation of investment properties	4	-	4,732,920	4,732,920	-
Net gains on stock market investments	5	-	32,686	32,686	58,452
Net income on ordinary activities		247,906	4,894,795	5,142,701	138,808
Reconciliation of funds					
Funds brought forward		450,447	34,504,171	34,954,618	34,815,810
Funds carried forward	11	698,353	39,398,966	40,097,319	34,954,618

The Charity has no recognised gains or losses other than the results for the year as set out above. All of the activities of the Charity are classed as continuing.

See note 14 for fund accounting comparative figures.

The notes on pages 15 to 28 form part of these financial statements.

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Mr Willats' Charity

BALANCE SHEET
as at 31 December 2020

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	3	1,003,444	897,387
Freehold investment property	4	38,484,000	33,751,080
Other investments	5	600,964	573,089
		40,088,408	35,221,556
Current assets			
Debtors	6	96,711	107,121
Cash at bank		694,367	391,713
		791,078	498,834
Creditors: amounts falling due within one year	7	(572,084)	(595,023)
Net current (liabilities)/assets		218,994	(96,189)
Creditors: amounts falling due after more than one year	8	(210,083)	(170,749)
Total net assets		40,097,319	34,954,618
Funds:			
Endowment funds		39,398,966	34,504,171
Unrestricted funds		698,353	450,447
	11	40,097,319	34,954,618

The notes on pages 15 to 28 form part of these financial statements.

The financial statements on pages 12 to 28 were approved and authorised for issue by the Board of Trustees on…….
and signed on its behalf by:

DocuSigned by:
Paul Lindon
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P.V.Lindon
Chairman & Director

DocuSigned by:
Richard Brown
483A175805054F1...
R.C.Brown
Director

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Mr Willats' Charity

CASH FLOW

as at 31 December 2020

	Notes	2020 £	2019 £
Net cash inflow/(outflow) from operating activities	15	300,314	154,448
Cash flows from investing activities:			
Investment income received		5,430	9,502
Expenditure on freehold investment property	4	-	(481,135)
Cash flows from financing activities:			
Expenditure on tangible fixed assets	3	(3,090)	(58,629)
Change in cash and cash equivalents in the year		302,654	(375,814)
Cash and cash equivalents brought forward		391,713	767,527
Cash and cash equivalents carried forward		694,367	391,713

The notes on pages 15 to 28 form part of these financial statements

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Basis of accounting

The financial statements have been prepared under the historical cost convention as modified for investment assets (see below) and in accordance with the Charities Act 2011, the Financial Reporting Standard 102 (FRS102) and the requirements of the Charities Statement of Recommended Practice (FRS102) based thereon.

The accounts have been 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 Charity is a public benefit entity as defined under FRS102. There are no material uncertainties affecting the ability of the Charity to continue as a going concern. Please refer to the section of the Trustees' Report entitled 'COVID-19', on page 5, for further comments relating to the impact of COVID-19 upon the Charity's going concern.

Fund structure

The Charity has a permanent endowment that was established by Mr Willats when he created the Charity through the gifting of a significant number of properties to the Charity. The endowment funds are invested in perpetuity and the majority of those funds remain invested in properties that formed part of the original portfolio gifted by Mr Willats. The income arising on the endowment fund can be used for the general activities of the Charity and are, therefore, unrestricted funds.

Unrestricted income funds comprise those funds which the Charity is free to use for any purpose in furtherance of its charitable objects.

Income

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 the income receivable can be measured reliably.

Rental income is recognised in the month that it falls due. Unpaid rent is accounted for in debtors and any rents received in advance are accounted for as deferred income.

Dividend income is recognised when it has been received by the Charity's fund manager.

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 settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. All expenses are either apportioned or directly allocated to the applicable expenditure headings. For more information on this allocation refer to 'allocation of support costs' within the accounting policies.

Grants for parish Guides are payments made to third parties in the furtherance of the charitable objects of the Charity. The majority of the grants awarded are multi-year grants and these are recognised in full when the commitment is initially made. Although there are certain conditions that could arise which would forfeit a beneficiary's right to future grants, habitually, most beneficiaries meet all required criteria. For this reason, it was agreed that the Charity would recognise future grant commitments.

Financial instruments

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transactional price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payments, discounted at a market rate of interest.

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Cash and cash equivalents
Cash and cash equivalents include cash at bank and in hand and short-term deposits with a maturity date of three months or less.

Allocation of support costs

Expenditure categorised as support costs are those costs that are not directly attributable to the applicable expenditure headings. They include the following costs:

- Audit and accountancy
- Staff costs
- Services of the Clerk

All of these costs have been apportioned to the applicable expenditure headings based on an analysis of time spent by the individuals and the professional advisors in relation to those areas of work during the year.

Other costs relating to the running of the office and governance are categorised as administration costs and these are also apportioned to the applicable expenditure headings based on an overall assessment of the total time spent in relation to those areas of work by the key management personnel.

Full details of the allocation of costs can be found in Note 2.

Costs of raising funds

The costs of raising funds consist of let property repairs and maintenance and professional fees in respect of the properties. It also includes investment management fees in respect of the investments held.

Pension costs

The Charity complies with the Government's requirements in relation to auto-enrolment and contributes to a fund that meets all necessary criteria. During the year the Charity made contributions to this defined contribution money purchase scheme. The assets of the scheme were held separately from those of the Charity in independently administered funds. The pension charge in the accounts represents contributions payable by the Charity to the pension fund which amounts to £4,115 (2020: £2,862).

Tangible fixed assets

Freehold property is recorded at market value and regularly revalued for that purpose.

Other fixed assets are initially recorded at cost and written off over their estimated useful life. The depreciation rates applied were as follows:

Office equipment – 20% straight line
Furniture and fittings – 20% straight line
Website – 25% straight line

Capital purchases in excess of £500 are treated as fixed assets.

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Tangible fixed assets (continued)

Freehold property is not depreciated because the Directors of the Charity have adopted a revaluation policy in relation to this asset. The property will be professionally revalued every 5 years and the value of the property will be adjusted as necessary following this revaluation. The next full professional revaluation of the properties held by the Charity is due in December 2022. A valuation review will be performed by the Board between professional revaluations. If there is some indication that impairment has occurred, the carrying value of the property would be reduced in accordance with that review. If there is an indication that the property is materially undervalued, an uplift will be recognised in accordance with the review.

Investment assets

Properties:
The Charity's investment properties are carried forward at market value. In previous years one fifth of this property portfolio was professionally revalued on an annual basis and the property values carried forward would be adjusted, as necessary, to reflect these valuations. These valuations were undertaken by Carter Jonas, the last of which was at the end of December 2017. The Board has now agreed that a full professional revaluation of all the properties will be undertaken every 5 years and the value of the property will be adjusted as necessary following this revaluation. The next full professional revaluation of the properties held is, therefore, due in December 2022. A valuation review will be performed by the Board between professional revaluations. If there is an indication that impairment has occurred, the carrying value of the properties would be reduced in accordance with that review. If there is an indication that the properties are materially undervalued, an uplift will be recognised in accordance with the review.
Any cost of work carried out on modernisation and improvements between valuations is capitalised at cost.

Other investments:
These are shown in the balance sheet at middle market value.

Realised and unrealised gains and losses

Gains and losses on the sale of property and investments in excess of the brought forward valuation are treated as realised gains or losses and are credited or debited to the Statement of Financial Activities.

Unrealised gains or losses arising on the revaluation of properties and investments are credited or debited to the Statement of Financial Activities.

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1 Grants for parish Guides

	2020 £	2019 £
Total grant commitments made in the year	274,532	348,353
Cost allocation		
Services of the Clerk	25,133	23,896
Audit, Accountancy & valuation fees	11,066	4,253
Staff and consultancy costs	21,911	20,553
Administration costs	26,174	29,771
Total costs as stated in the SOFA (see note 2)	358,816	426,826

Reconciliation of grant commitments

Commitment brought forward at the start of the year	410,966	403,225
Commitment made in the year:		
Grants for parish Guides	274,532	348,353
Payments made during the year:		
Grants for parish Guides	(226,540)	(340,612)
Commitments carried forward at the end of the year	458,958	410,966
Split of commitments carried forward:		
Grants for parish Guides due within one year (see note 7)	248,875	240,217
Grants for parish Guides due in greater than one year (see note 8)	210,083	170,749
	458,958	410,966

All grants were paid to institutions who act as intermediary grant recipients on the basis that the grants paid were to support the employment costs of specific individuals acting as Guides whilst fulfilling their ministry.

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2 Total expenditure

2020

	Services of Clerk £	Audit & Accounts Services £	Staff Costs £	Admin Costs £	Other Direct Costs £	Total £
Let property expenditure	25,133	20,552	40,691	39,262	475,673	601,311
Investment management fees	-	-	-	-	4,811	4,811
Grants for parish guides (see note 1)	25,133	11,066	21,911	26,174	274,532	358,816
	50,266	31,618	62,602	65,436	755,016	964,938

2019

	Services of Clerk £	Audit & Accounts Services £	Staff Costs £	Admin Costs £	Other Direct Costs £	Total £
Let property expenditure	23,896	12,759	38,169	44,655	573,923	693,402
Investment management fees	-	-	-	-	4,847	4,847
Grants for parish guides (see note 1)	23,896	4,253	20,553	29,771	348,353	426,826
	47,792	17,012	58,722	74,426	927,123	1,125,075

In analysing the total expenditure by the Charity some costs have been apportioned. The apportionments used are detailed below:

	Services of Clerk %	Audit & Accountancy %	Staff Costs %	Admin Costs %
2020				
Let property	50	65	65	60
Grants for parish Guides	50	35	35	40
	100	100	100	100
2019				
Let property	50	75	65	60
Grants for parish Guides	50	25	35	40
	100	100	100	100

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2 Total expenditure (continued)

All remaining costs are shown under the heading 'other direct costs' and are charged directly to the three cost headings as appropriate.

Included within grant expenditure are grants payable of £274,532 (2019: £348,353) relating to individual grants payable to Guides. All grants are given for the same charitable purpose which is to assist parishes in the churches of England, Wales and Ireland by contributing towards the salaries/expenses of lay pastoral workers.

Total governance costs were £40,070 (2019: £36,517). These costs have been split proportionately between let property costs and grants for parish Guides.

Auditor's remuneration

Included within audit and accountancy services expenditure above, amounts payable to the Charity's auditor are detailed as follows: audit fees for the current year of £12,245 (2019: £6,800); other fees, amounting to £43 (2019: £739), were also paid to the auditors during the year.

3 Tangible fixed assets

2020

	Freehold Property £	Office Equipment £	Furniture & Fittings £	Website £	Total £
Cost					
At the start of the year	810,000	38,738	276,813	22,948	1,148,499
Additions	-	3,090	-	-	3,090
Revaluations	134,000	-	-	-	134,000
As the end of the year	944,000	41,828	276,813	22,948	1,285,589
Depreciation					
At the start of the year	-	25,606	219,769	5,737	251,112
Charge for the year	-	6,089	19,207	5,737	31,033
As the end of the year	-	31,695	238,976	11,474	282,145
Net book value					
As the end of the year	944,000	10,133	37,837	11,474	1,003,444

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3 Tangible fixed assets (continued)

2019

	Freehold Property £	Office Equipment £	Furniture & Fittings £	Website £	Total £
Cost					
At the start of the year	810,000	35,811	226,266	17,793	1,089,870
Additions	-	2,927	50,547	5,155	58,629
As the end of the year	810,000	38,738	276,813	22,948	1,148,499
Depreciation					
At the start of the year	-	19,703	189,221	-	208,924
Charge for the year	-	5,903	30,548	5,737	42,188
As the end of the year	-	25,606	219,769	5,737	251,112
Net book value					
As the end of the year	810,000	13,132	57,044	17,211	897,387

The freehold property is not being depreciated as the Trustees have agreed to carry forward this property at current market value and, as such, this property will be professionally revalued at the end of December 2022 when the Charity's investment properties will also be revalued. An interim valuation review was performed by the Board between professional revaluations and the carrying value of the property was increased in accordance with that review.

4 Freehold investment properties

2020

	Commercial £	Residential £	Total £
Valuation at the start of the year	3,760,000	29,991,080	33,751,080
Improvements at cost during year	-	-	-
Revaluation of property during year	-	4,732,920	4,732,920
Valuation at the end of the year	3,760,000	34,724,000	38,484,000

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4 Freehold investment properties (continued)

2019

	Commercial £	Residential £	Total £
Valuation at the start of the year	3,760,000	29,509,945	33,269,945
Improvements at cost during year	-	481,135	481,135
Valuation at the end of the year	3,760,000	29,991,080	33,751,080

The Charity's investment properties are carried forward at market value. In previous years one fifth of this property portfolio was professionally revalued on an annual basis and the property values carried forward would be adjusted, as necessary, to reflect these valuations. These valuations were undertaken by Carter Jonas, the last of which was at the end of December 2017. The Board has now agreed that a full professional revaluation of all the properties will be undertaken every 5 years and the value of the property will be adjusted as necessary following this revaluation. The next professional revaluation of the properties held is, therefore, due in December 2022. An interim valuation review was performed by the Board between professional revaluations, and the carrying value of the properties was increased in accordance with that review.

The Trustees estimate that the market value of the freehold investment properties at 31 December 2020 is £38,484,000 (2019: £33,751,080).

5 Other investments

	2020 £	2019 £
Market value at the start of the year	573,089	519,484
Portfolio fees	(4,811)	(4,847)
Net gain/(loss)	32,686	58,452
Market value at the end of the year	600,964	573,089
Historical cost at the end of the year	519,059	512,046

The investments are held as follows:	2020 £	2019 £
Equities and convertible stocks	352,893	283,971
Gilts and other fixed interest stocks	104,941	168,507
Cash and cash equivalents	143,130	120,611
	600,964	573,089

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5 Other investments (continued)

Analysis by geographical sector	2020 £	2019 £
Investment assets in the UK	227,364	232,999
Investment assets outside of the UK	373,600	340,090
	600,964	573,089

6 Debtors

	2020 £	2019 £
Rents receivable	24,800	37,449
Prepayments	71,911	69,672
	96,711	107,121

7 Creditors: amounts falling due within one year

	2020 £	2019 £
Rents invoiced in advance	59,048	43,053
Trade creditors	99,390	106,356
Accruals	34,862	47,793
Other creditors	129,909	157,604
Grants due to Parish Guides	248,875	240,217
	572,084	595,023

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8 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Grants due to Parish Guides	210,083	170,749

9 Staff costs

	2020 £	2019 £
Salaries and social security	92,584	52,105
Employer's NI	5,069	1,481
Pension contributions	4,115	2,862
	101,768	56,448
Average weekly number of employees during the year, calculated on an average headcount basis	3	2

No individual employed by the charity received remuneration in excess of £60,000 during the current or previous year.

The Key Management personnel of the Charity, as previously stated in the Trustees' Report, comprise of the Directors of the Corporate Trustee, the Clerk, the Property Manager and the Grants Administrator. The total salary and consultancy remuneration paid by the Charity to the Key Management personnel was £112,868 (2019: £101,848).

10 Inter-fund loan

The Charity holds significant endowment funds, the majority of which are invested in property. The Trustees believe that in order to safeguard the asset value and future income streams of the property portfolio it is necessary to maintain and improve the endowment properties. All endowment property improvements are added to the brought forward value of the property portfolio. The endowment funds do not receive any income and, therefore, only hold cash reserves if endowment assets have been sold, as such, the endowment fund does not usually hold sufficient cash reserves to finance the necessary property improvements. Historically, where the endowment funds have not been able to finance the full cost of property improvements, the shortfall is met by a fund transfer from the unrestricted funds. This has the immediate effect of reducing the unrestricted funds' reserves but the Trustees believe that the preservation of the property portfolio has resulted in higher future income generation for that fund.

In 2019 the total value of improvements to the property portfolio was £481,135, see note 4. These costs were partly financed through the unspent cash reserves held by the endowment fund at the start of the year following a £400,000 draw down from the stock market portfolio in 2018. The unspent cash reserves brought forward from the previous year amounted to £246,137. The balance of costs, being £234,998 was financed from cash held within the unrestricted funds. The Trustees considered that due to insufficient free reserves within the unrestricted fund, the Charity was not in a position to transfer funds from unrestricted funds to endowment funds. Instead, it was agreed that the unrestricted funds would lend the cash shortfall to the endowment funds as it had done in previous years.

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10 Inter-fund loan (continued)

No improvements have been made to any of the properties held by the endowment funds during the year so there has been no need to increase the amount lent from the unrestricted funds to the endowment funds and none of the assets held by the endowment fund have been realised in the year, so the endowment fund has not been in a position to repay this loan during the year. As such, the balance on the inter-fund loan has remained unchanged.

The movements relating to the inter-fund loan are detailed below:

	2020 £	2019 £
Balance brought forward at the start of the year	234,998	-
Endowment property improvements (see note 4)	-	481,135
Financed through unspent cash reserves held by the endowment fund at the start of the year (see note 11)	-	(246,137)
	234,998	234,998

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11 Analysis of net assets between funds

2020

	Freehold Investment Property £	Other Investments £	Fixed Assets £	Inter-fund Loan £	Net Assets/ (Liabilities) £	Total £
Endowment funds	38,484,000	600,964	549,000	(234,998)	-	39,398,966
Unrestricted funds	-	-	454,444	234,998	8,911	698,353
	38,484,000	600,964	1,003,444	-	8,911	40,097,319

2019

	Freehold Investment Property £	Other Investments £	Fixed Assets £	Inter-fund Loan £	Net Assets/ (Liabilities) £	Total £
Endowment funds	33,751,080	573,089	415,000	(234,998)	-	34,504,171
Unrestricted funds	-	-	482,387	234,998	(266,938)	450,447
	33,751,080	573,089	897,387	-	(266,938)	34,954,618

12 Related party transactions and Directors' expenses and remuneration

No related party transactions were entered into during the current or previous year.

During the year, no Director received any remuneration (2019: nil) but expenses amounting to £390 (2019: £512) were claimed by a total of four Directors.

13 Capital commitments

At both this year end and the previous year end, the Charity had made no commitment to any future capital expenditure.

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14 Fund accounting comparative figures

2019

	Unrestricted Funds £	Endowment Funds £	Total 2019 £
Income and endowments from:			
Investment property income	1,195,929	-	1,195,929
Other investment income	9,502	-	9,502
Total income	1,205,431	-	1,205,431
Expenditure on:			
Cost of raising funds:			
Let property expenditure	693,402	-	693,402
Investment management fees	-	4,847	4,847
Expenditure on charitable activities:			
Grants for parish Guides	426,826	-	426,826
Total expenditure	1,120,228	4,847	1,125,075
Net gains on stock market investments	-	58,452	58,452
Net income on ordinary activities	85,203	53,605	138,808
Reconciliation of funds			
Funds brought forward	365,244	34,450,566	34,815,810
Funds carried forward	450,447	34,504,171	34,954,618

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15 Reconciliation of net movements in funds to net cash generated from operating activities

	2020 £	2019 £
Continuing activities		
Net movement in funds	5,142,701	138,808
Deduct investment income	(5,430)	(9,502)
Add back depreciation of tangible fixed assets	31,033	42,188
Deduct gains on investments	(32,686)	(58,452)
Add back investment management fees	4,811	4,847
Decrease in debtors	10,411	3,574
Increase in creditors	16,394	32,985
Unrealised gain on revaluations	(4,866,920)	-
Net cash outflow from operating activities	300,314	154,448

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The following pages do not form part of the statutory financial statements

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Mr Willats' Charity

INVESTMENT PROPERTY

for the year ended 31 December 2020

	2020	2019
PROPERTY INCOME	£	£
Rents receivable for the year	1,198,276	1,190,018
Other property income	4,327	5,911
Total rental income	1,202,603	1,195,929
DIRECT LET PROPERTY COSTS		
Property repairs and maintenance	183,139	197,116
Insurance	50,357	51,666
Legal and professional fees	38,779	87,909
Residential and commercial agents' fees	21,458	15,687
Surveyors fees	58,583	56,769
Other property costs	28,594	38,834
Electricity, gas and water	7,172	10,613
Rents receivable written off as irrecoverable	18,122	38,784
Council tax	8,124	6,043
Cleaning	42,139	39,955
Depreciation	19,206	30,547
	475,673	573,923
APPORTIONED COSTS		
Services of Clerk	25,133	23,896
Audit and accountancy services	20,552	12,759
Staffing and consultancy costs	40,691	38,169
Administration costs	39,262	44,655
	125,638	119,479
TOTAL COSTS	601,311	693,402
NET RENTAL INCOME	601,292	502,527

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Mr Willats' Charity

ADMINISTRATION

for the year ended 31 December 2020

ADMINISTRATION COSTS	2020 £	2019 £
Legal and professional fees	6,926	13,711
Computer costs	15,848	15,263
Publication and memberships	3,927	2,796
Other office costs and sundries	9,445	10,476
Insurance	9,042	4,909
Telephone, postage and stationery	4,619	10,723
Website costs	2,520	3,218
Depreciation	11,826	11,641
Bank charges	893	310
Trustees' expenses and meeting costs	390	1,379
TOTAL ADMINISTRATION COSTS	65,436	74,426