# THE WILLATS TRUST

## REPORT AND FINANCIAL STATEMENTS

for the year ended 31 December 2025

Charity no: 202269

**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 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**
The Rev'd. R Driver (Chair)
Mr T Friend
Mr C Sheppard
Mrs A Noyce
Mr P Sullcr

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

**CEO**
Mr P Taylor

**Finance Manager**
Mrs M Tonner

**Property Manager**
Mrs E L Palfreyman

**Grants and Project Manager**
Miss K Brown

**Compliance Administration Assistant**
Miss K Treasure (Appointed 17/06/25)

**Principal office**
Ground Floor Offices
2 Queens Parade
Bath BA1 2NJ

**Website**
www.willatstrust.org

**Bankers**
C Hoare & Co
37 Fleet Street
London EC4P 4DQ

**Solicitors**
Thrings
2 Queen Square
Bath BA1 2HQ

**Auditors**
Saffery LLP
St Catherine's Court
Berkeley Place
Bristol BS8 1BQ

**Investment managers**
Cazenove Capital
1 London Wall Place
London
EC2Y 5AU

## OBJECTIVES AND ACTIVITIES

Mr Willats' Charity was established in 1858 by its Founder, William Willats to share the good news about Jesus Christ in some of the most marginalised communities in the UK. The original charitable indenture has not been updated since the founding of the Charity and during 2025, following the outcome of the strategic review, the Trustees resolved to modernize the language of the original objective without changing our core purpose. This is explained further in the Chairman's report. This updated language was approved by the Charities Commission and the charitable objective now reads as follows:

"The advancement of the Christian religion for the benefit of the public in the United Kingdom of Great Britain and Northern Ireland by (but not limited to) the provision of grants to individuals or organisations to:

1. provide for and support the mission and evangelistic ministry of outreach workers, in particular their sharing of the Gospel of Jesus Christ and making new disciples in areas of high deprivation.
2. enable new church planting or church growth in areas of high deprivation by supporting the mobilisation and equipping of new outreach workers, including through training or evangelism resources, to effectively share the Gospel with individuals who are not disciples or who otherwise do not participate in church life."

To fund the objectives of the Charity, the Founder bequeathed a sizable endowment to the Charity. This is managed by the Charity and the surpluses generated through investment income are used to fund the making of grants by the Charity to other charitable organizations carrying out evangelism and discipleship activities in areas of high deprivation in accordance with the charitable objective.

## ORGANISATIONAL STRUCTURE

The Charity is governed by a sole 'Corporate Trustee' entitled Mr Willats' Corporate Trustee Limited. The Directors of the Corporate Trustee act as the Trustees of the Charity.

The Board of Directors ("the Board") has delegated the day-to-day running of the Charity to its CEO. The Board meets regularly to consider the business of the Charity including the consideration of applications for grants and to receive reports from the CEO.

The Board has established three sub committees covering the areas of Investment and Finance, Property, and Grant-Making, each chaired by a Director with relevant experience. These sub committees meet with the CEO and Executive team ahead of Board meetings to consider the relevant areas in more detail than board time allows and bring appropriate recommendations to the full Board.

## 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. New Directors are given an induction covering governance, the charitable objectives, strategy, plans, budgets and activities. The CEO shares ongoing regulatory information with the Board and other governance matters.

## ACHIEVEMENTS AND PERFORMANCE

As noted in last year's annual report, the Autumn of 2024 and Spring of 2025 was a period when the Directors and Executive Team spent considerable time praying and considering what fulfilling the original founding mandate looked like over the next 10 years and beyond, and how the Charity could do this most effectively in the present season. This process led to the following strategic outcomes which will underpin our grant-making over the next ten years:

1. Renewed focus on local, Jesus-centric churches in the top 20% of deprived communities: We reaffirmed that the most effective means of evangelism is through deeply embedded, incarnational churches, physically located in the top 20% most deprived communities, ideally led by indigenous leaders who authentically connect with their communities.

ACHIEVEMENTS AND PERFORMANCE (Continued)

2. Vision for 2050: We aspire to see these communities transformed by the love of Jesus, achieved through local churches making lifelong disciples who multiply within their communities. To achieve this, we want to prioritise funding more churches fitting the above criteria so they in turn can multiply and plant new churches in similar communities.

3. Strategic Partnerships: We will achieve this through deepening collaborations with organisations that share our vision for taking the gospel to these communities and will partner with them to help fund leadership development, church planting, and evangelism and discipleship initiatives to these communities.

4. Expanded Grant Scope: Our funding has always traditionally been for Christian workers sharing the gospel, and this could include a wide range of ministry roles, from church pastors to church planters, from children, youth or family workers to community evangelists and prison ministries, and this remains a core focus. In addition, though, we have also decided to invest in some long-term enabling factors which should be expected to lead to more church planting, evangelism and discipleship in our most deprived communities over the next 10 years. This includes helping support the funding of potential church leaders from areas of deprivation who might struggle to access traditional church leader training pathways and helping fund the development of resources contextually relevant to evangelism, discipleship, church planting and church leadership in our most deprived areas.

Following this strategic discernment process on how best to achieve the original charitable objective in the current season, the Directors elected to modernize the language of the original 1858 charitable indenture to better reflect how the Charity intends to work. This modernized language is noted at the beginning of this report. Included within this update, the Directors also sought to amend the geographical scope of the Charity from England, Wales and Ireland to The United Kingdom of Great Britain and Northern Ireland to reflect how the UK is governed today. This updated language and geographical scope of activities was subsequently approved by the Charity Commission in February 2026.

**Grant-Making Activities**

The Charity temporarily paused grant-making during this discernment process. Grant-making then resumed late Spring 2025 using the updated criteria and updated application process but at a slightly reduced level to test the new criteria and processes and gain learnings. Further details are provided below, but we are delighted that the Charity received seven times more grant applications using the new framework than the prior ten-year historical average. This is not without its challenges either, as this meant we were unable to fund many worthy applications, but we are encouraged that our updated focus is proving helpful to those we are here to serve and support.

**Endowment Fund**

As noted in last year's report, the strategic review concluded that our investment portfolio was overly weighted to period residential property in Bath. Whilst this is a legacy from our founder, it is not consistent with prudent financial management, as demanded by the Charity Commission. The Trustees are required to sustainably maximise income for the Charity's core purpose of funding evangelism and discipleship in areas of the greatest deprivation. This objective can better be achieved by continuing to add to our Cazenove managed funds by selling the listed Georgian properties over time. Over the medium term, this will enable us to substantially increase our grant-making.

Significant work was undertaken in 2025 to start implementing this strategy. Due to the nature of our period properties, often listed, often located in dense clusters on the same streets, this exit from property is going to be a five-to-seven-year journey. Whilst recognising that some of our tenants have been with us for many years, the Charity must act as a responsible steward of the endowment it has been entrusted with.

**Endowment Fund (continued)**

By December 2025, two residential properties had been sold with monies received and re-invested. During 2025, one further property which had been empty for over 5 years was refurbished and re-let. As at May 2026, there are a further 9 properties at varying stages of the sale process: 3 sales have completed with monies received, 3 have exchanged but are yet to complete and 3 are subject to contract.

The proceeds of these sales have generally been slightly above the carrying value of the properties and section 119 valuations and the proceeds are being reinvested under the guidance of our investment advisors, Cazenove Capital.

**The day-to-day operations of the Charity**

**The Charity's Grant Making Activities**

In 2025, our grant-making programme provided £369k in new funding to nine grantees, while we continued to honour our commitments to 41 organisations awarded three-year funding in 2023 and 2024, reinforcing our long-term commitment to sustaining impactful ministries.

Our funding in 2025 supported a range of ministries focused on sharing the Christian faith and bringing hope to local communities. In line with our new strategy, priority was given to projects serving areas ranked within the top 5% of the Indices of Multiple Deprivation (IMD), as well as non-place-based communities experiencing high levels of disadvantage. Grants were awarded to organisations engaged in youth work, support for young families, addiction recovery, church planting, community outreach, and neighbourhood evangelism, reflecting a broad yet purposeful approach to promoting evangelism through practical and relational ministry. Funding was distributed across the North-West, Yorkshire and the Humber, the South-East, London, and nationally.

Following a review of the Charity's objects, we broadened our funding approach so that, in addition to supporting ministry staff, we are now also able to fund projects, resources, and materials that directly advance evangelism and help organisations extend their reach and impact. This development enabled us to support new strategic opportunities, including a Neighbourhood and Estates Planting Lead focused on strengthening gospel witness in underserved communities, and an individual undertaking training for future ministry in evangelism, through the funding of 50% of their stipend.

Grants were awarded for one, two, and three-year periods, enabling us to tailor support according to the needs and stage of each ministry. Annual grant amounts ranged from £7,000 to £20,000. This represented an increase on previous years, reflecting the Trustees' view that stronger levels of support were needed to provide recipients with greater stability and to maximise their effectiveness in ministry.

We remain committed to building strong partnerships with the organisations we support, ensuring our grants create meaningful and lasting impact. By working alongside trusted partners, we seek to ensure recipients receive the encouragement, accountability, and practical support needed to flourish in their roles and ministries. Through these partnerships, we aim to share the hope of Jesus, strengthen local leadership, and enable sustainable gospel work in communities where it is most needed.

The Charity's financial year runs from 1 January to 31 December. All grants awarded during the year were made to ministries and projects where the Willats Trust believed support could make a significant contribution to the promotion of evangelism and the long-term strengthening of Christian witness in local communities.

**Other Operations Overview**

The executive team remains the same as last year other than the addition of one new part-time person to assist with enhanced levels of property compliance and administration due to recent legislative updates and the ongoing property sale process. During 2025 and the early part of 2026, new financial and property management systems have been implemented to enable more effective administration and stewardship of assets. Various statutory compliance activities, including fire safety, legionella, and asbestos management, have been carried out throughout 2025 and into 2026. In addition, due to the sale of 19 Rivers Street, which also housed the Charity office in the basement, in April 2026, the Charity moved to a new rented office. The Charity also undertook planned preventative maintenance on certain properties which are likely to held for more than 3 years, either to adhere to landlord legislative requirements or because the financial return justified the investment.

## FINANCIAL REVIEW

The Charity's work is entirely reliant on income and investment returns from its endowment fund. Only investment income is used to deliver charitable objectives. No fundraising activities were conducted, and no external funds have been received in this accounting period.

Before accounting for inter-fund transfers and asset revaluations, the Charity made an unrestricted surplus after grant-making of £253,939 (2024: deficit £53,029) in the year. After accounting for transfers and the revaluation adjustment, there was no change to the overall unrestricted surplus of £253,939 (2024: deficit of £158,031).

Ordinarily, we aim to grant around 90% of our underlying unrestricted surplus (before grant-making) in the year it arises to bring the Charity to a small overall surplus or deficit after grant-making and before revaluations, fund movements or other exceptional items. However, the unrestricted surplus before grant-making in 2025 was unusually high as we reduced expenditure on properties we intend to sell in 2026. A further consideration is that, because we are in the early stages of the new grant-making strategy, we wish to test impact before fully committing an enhanced level of grant-making. Finally, looking ahead to 2026 and 2027, we anticipate significant volatility in rental income as we sell properties, leading to temporary reductions in the unrestricted distributable surplus available for grant-making. Consequently, for 2025, the Directors decided to take the unrestricted surplus to reserves to protect grant-making in 2026, anticipating an increase on 2025 levels of grant-making and above the 2026 expected unrestricted surplus.

Unrestricted funds are reported as 3 amounts: unrestricted, designated: fixed assets, and designated: early end grants. Note 11 gives an analysis of the split across these elements, along with a prior year comparison.

The endowment fund brought forward at the start of the year was £28,902,102 (2024: £35,451,801). During the year the endowment fund made a surplus of £214,887 (2024: deficit of £6,549,699). The surplus in the year arose from realised gains on the disposal of 2 properties plus net gains on stock market investments. The movement for the year was added to the brought forward funds to give a total endowment fund of £29,116,989 (2024: £28,902,102) carried forward at the year end.

The total reserves carried forward at the year-end amounted to £30,053,494 (2024: £29,584,668).

## INVESTMENT POLICY AND PERFORMANCE

The investment powers of the Board are governed by the Trust Deed, as amended. The Charity holds a charity sustainable multi-asset fund, managed by Cazenove. The Board seeks to obtain, through its investment manager, a balance in income return and capital growth from the Charity's investments.

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 £77,995 (2024: £52,922). The income return was in line with expectations, and will grow in future years as proceeds from the sale of investment properties are transferred and invested in the portfolio. See note 5 for more details.

RESERVES POLICY

The Board has agreed that they will aim to maintain free unrestricted funds at a level that equates to approximately six months of its expenditure. This is an increase from the previous three months policy to allow for any loss of income from un-let periods prior to sale. 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 Board considers that this level of free reserves is sufficient given the regular and reliable income receivable from the rental of let properties and the quarterly income returns from the charity sustainable multi-asset fund held in investments.

Based on the expenditure in 2025, costs for six months amount to approximately £642k. The balance held in unrestricted funds at the end of the year was £936,505. After deducting designated funds of £65,133 in relation to the fixed assets and designated fund £145,289 in relation to early ending grants (see note 11) the Charity holds free reserves of £726,083 which exceeds the target set out in its reserves policy. The Board is comfortable holding excess funds in the unrestricted reserves of the Charity as we are aware that some of the property maintenance planned for previous years is still outstanding and may require additional funding.

PUBLIC BENEFIT

Under the terms of the governing document the charitable objectives of the Willats Trust are to support Christian Workers to share the good news about Jesus Christ in the most marginalised communities in the UK. The Board Directors confirm they have referred to the Charity Commissions guidance on public benefit when reviewing the Charity's aims and objectives, in setting grant making policy and also in planning how future activities will contribute to the delivery of the aims and objectives.

The funding of the work of the outreach workers enables people living in areas of deprivation to live out their faith, learning about the gospel and developing their knowledge and trust in Jesus. They do this by spending a proportion of their time directly undertaking evangelism, missionary and outreach work. As well as this work, outreach workers use their activity to give meaning and purpose to the lives of people in underserved areas, by providing pastoral care and comforting those in need.

GRANT MAKING POLICY

Grants are only made to charitable organizations and never to individuals.

- Stage 1: Applicants apply via an Expression of Interest (EOI) which is reviewed by the relevant members of the executive team for fit against the grant-making objectives and theory of change approved by the Directors.
- Stage 2: A number of these applicants where the fit seems strongest are then invited to an online meeting where the EOI is explored in more detail. Ultimately this leads to a scorecard which is completed for all applicants at Stage 2, based on quantitative and qualitative factors matching the Charity's criteria and theory of change.
- Stage 3: Based on funds available and the outcome of the assessment process, the CEO and Grants Manager make recommendations to the Grants Sub-Committee of the Board. Each Stage 2 applicant is reviewed, and discussions arise as to why applicants are being recommended or not recommended for funding. At this stage, further detail may also be sought from likely successful applicants concerning due diligence documents such as accounts, safeguarding policies, job descriptions for the role being funded and character references.
- Stage 4: Final recommendations are taken to the full Board for final approval.
- Stage 5: Following final approval, successful applicants are required to sign a terms and conditions documents which requires alignment to the Evangelical Alliance statement of faith and acceptance of the Charities' reporting and administrative expectations.

All new grants are awarded for a maximum period of three years. Summary annual reports are required from Grantees to continue to monitor impact and Grantees are usually visited in person at least once during the lifetime of the grant, with regular partnership conversations at conferences or online so the Charity can stay up to date with prayer needs of Grantees and offer other relevant non-financial support and advice.

RISK MANAGEMENT

The Board manages risk faced by The Willats Trust through our risk management framework, which is continually being reviewed and adapted to remain effective in the increasingly uncertain world around us. The Board regularly reviews principal risks to ensure they continue to represent the most significant risks to the Charity and ensure they are managed effectively.

**Principal Risks**

| Risk | Mitigating Actions |
|---|---|
| Insufficient Income and Reserves for the Charity to achieve its strategic objectives | • Investment policy developed.<br>• Investment strategy defines a balance of investment assets, without over-exposure to a single asset class.<br>• Reserves policy developed.<br>• Targets set for rent collection, voids and arrears. |
| The quality of the Charity's property portfolio declines as a result of the increasing costs of maintaining it. | • 10 year planned preventative programme (PPM) in place.<br>• Year 2 of PPM delivered in 2025.<br>• Properties requiring major repairs/ refurbishment identified and options appraisals carried out. |
| Failure to effectively manage the risks associated with ensuring the Charity's properties are compliant with Building Safety Regulations. | • Contractors in place for compliance work.<br>• Sourced and implemented a digital platform as compliance management tool.<br>• Monitoring regime in place. |
| Reputational risk with stakeholders as the Charity exits or refurbishes the property portfolio. | • Clear and timely communication with stakeholders as to the Charity's purpose and long-term intentions.<br>• Careful consideration of how the Charity can adhere to its financial stewardship obligations whilst treating tenants fairly as far as reasonably practical. |

PAY POLICY FOR KEY MANAGEMENT STAFF

The Board considers that the operational leads - the CEO, the Property Manager, the Grants and Projects Manager and the Finance Manager 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. Supplementary professional support is provided when required by contractors. The Board Directors give their time freely and no Board Director received remuneration in the year.

The pay for all staff is reviewed by the Board annually. The salaries of the employees may be increased in accordance with average salary increases nationally and those within the charity sector.

RELATED PARTIES

None of the Board 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. Further details of transactions with related parties can be found in note 12.

# Mr Willats' Charity

## STATEMENT OF THE CORPORATE TRUSTEE'S RESPONSIBILITIES

for the year ended 31 December 2025

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 is responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable it 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 July 2026

Signed by order of the Board:

**Rev'd R Driver**
**Chair of the Board**

## OPINION

We have audited the financial statements of Mr Willats' Charity for the year ended 31 December 2025 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 2025 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.

## 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 9, 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.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

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.

Saffery LLP

**Saffery LLP**
Statutory Auditors

St Catherine's Court
Berkeley Place
Bristol
BS8 1BQ

Date: 21 July 2026

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

# Mr Willats' Charity
## STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2025

| | Note | Unrestricted Funds £ | Endowment Funds £ | Total 2025 £ | Total 2024 £ |
|---|---|---|---|---|---|
| **Income and endowments from:** | | | | | |
| Investment property income | | 1,372,334 | - | 1,372,334 | 1,365,468 |
| Other investment income | | 167,243 | - | 167,243 | 118,453 |
| **Total income** | | 1,539,577 | - | 1,539,577 | 1,483,921 |
| **Expenditure on:** | | | | | |
| *Cost of raising funds:* | | | | | |
| Let property expenditure | 2 | 827,937 | - | 827,937 | 1,050,355 |
| Investment management fees | 2 | - | 3,053 | 3,053 | 5,216 |
| Property disposal costs | | - | 33,665 | 33,665 | - |
| *Expenditure on charitable activities:* | | | | | |
| Grants for parish Guides | 1,2 | 457,701 | - | 457,701 | 486,595 |
| **Total expenditure** | 2 | 1,285,638 | 36,718 | 1,322,356 | 1,542,166 |
| Loss on disposal of fixed assets | 3 | - | - | - | (2) |
| Unrealised gains/(losses) on revaluation of fixed assets | 3 | - | - | - | (105,000) |
| Unrealised gains/(losses) on revaluation of investment Properties | 4 | - | - | - | (6,541,296) |
| Realised gains/(losses) on sale of investment properties | | | 173,610 | 173,610 | (56,109) |
| Net gains on stock market investments | 5 | - | 77,995 | 77,995 | 52,922 |
| **Net income/(loss) on ordinary activities before transfers** | | 253,939 | 214,887 | 468,826 | (6,707,730) |
| Transfer of funds | 10 | - | - | - | - |
| **Net income/(loss) on ordinary activities** | | 253,939 | 214,887 | 468,826 | (6,707,730) |
| *Reconciliation of funds* | | | | | |
| **Funds brought forward** | | 682,566 | 28,902,102 | 29,584,668 | 36,292,398 |
| **Funds carried forward** | 11 | 936,505 | 29,116,989 | 30,053,494 | 29,584,668 |

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 15 for fund accounting comparative figures.

The notes on pages 16 to 29 form part of these financial statements.

# Mr Willats' Charity
BALANCE SHEET
as at 31 December 2025

| | Notes | 2025<br>£ | 2024<br>£ |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 3 | 65,133 | 63,303 |
| Investment property | 4 | 24,217,190 | 25,715,000 |
| Other investments | 5 | 2,718,153 | 643,211 |
| | | 27,000,476 | 26,421,514 |
| **Current assets** | | | |
| Debtors | 6 | 156,351 | 123,105 |
| Cash at bank | | 3,838,692 | 4,047,182 |
| | | 3,995,043 | 4,170,287 |
| **Creditors: amounts falling due within one year** | 7 | (720,721) | (740,790) |
| **Net current assets** | | 3,274,322 | 3,429,497 |
| **Creditors: amounts falling due after more than one year** | 8 | (221,304) | (266,343) |
| **Total net assets** | | 30,053,494 | 29,584,668 |
| **Funds:** | | | |
| **Endowment funds** | | 29,116,989 | 28,902,102 |
| **Unrestricted funds** | | | |
| - General | | 726,083 | 510,599 |
| - Designated: fixed assets | | 65,133 | 63,303 |
| - Designated: early-end grants | 1 | 145,289 | 108,664 |
| | 11 | 30,053,494 | 29,584,668 |

The notes on pages 16 to 29 form part of these financial statements.

The financial statements on pages 13 to 29 were approved and authorised for issue by the Board of Trustees on 5th July 2026 and signed on its behalf by:

**Rev'd R Driver**
**Chair of the Board**

# Mr Willats' Charity
CASH FLOW
as at 31 December 2025

| | Notes | 2025 £ | 2024 £ |
|---|---|---|---|
| **Net cash inflow from operating activities** | 16 | (41,950) | (115,942) |
| **Cash flows from investing activities:** | | | |
| Investment income received | | 167,243 | 118,453 |
| Movement of residual cash balance on investments | | 21,499 | (4,203) |
| **Cash flows from financing activities:** | | | |
| Expenditure on investment properties | 4 | (302,190) | - |
| Expenditure on tangible fixed assets | 3 | (5,203) | (10,168) |
| Proceeds from the sales of investment properties | | 1,973,610 | 2,543,891 |
| **Change in cash and cash equivalents in the year** | | 1,813,009 | 2,532,031 |
| **Cash and cash equivalents brought forward** | | 4,067,024 | 1,534,993 |
| **Cash and cash equivalents carried forward** | | 5,880,033 | 4,067,024 |

**Analysis of changes in cash and cash equivalents**

| | At 1 January 2025 | Cash flows | At 31 December 2025 |
|---|---|---|---|
| Cash and cash equivalents | | | |
| - Cash at bank | 4,047,182 | (208,490) | 3,838,692 |
| - Cash and cash equivalents held in investment portfolio | 19,842 | 2,021,499 | 2,041,341 |
| **Total** | **4,067,024** | **1,813,009** | **5,880,033** |

The notes on pages 16 to 29 form part of these financial statements

**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 financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

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.

**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. In 2023 the Board Directors created two new designated funds – one which represents the value of the fixed asset funds as these funds do not form part of the free reserves of the Charity and one which represents the value of grants previously awarded but ended early to enable these funds to be earmarked and added as additional grant funding available for distribution in subsequent years, over and above budgeted grant expenditure.

**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 and bank interest s recognised when it has been earned 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 outreach workers 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 if the impact is material.

**Cash and cash equivalents**

Cash and cash equivalents include cash at bank and in hand and short-term deposits with a maturity date of 100 days 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
- CEO

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 employer's contributions payable by the Charity to this pension fund amount to £5,811 (2024: £4,280). The total of the employee's and employer's pension liability in relation to this pension fund amounted to £1,228 (2024: £ nil) at the year end.

The Charity also makes contributions to private pension funds for certain employees. The pension charge within the accounts represents employer's contributions payable to these pension funds amounted to £3,805 (2024: £2,731). There was no liability representing the employee's and employer's pension liability in relation to this pension fund (2024: £1,413) at the year end.

**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. Purchases of items relating for furniture & fittings of rental properties are generally of an immaterial value and are expensed when purchased. A separate inventory of these items is maintained and checked regularly. The depreciation rates applied were as follows:

Office equipment – 20% straight line
Website – 25% straight line

Capital purchases in excess of £1,000 are treated as fixed assets.

**Critical accounting judgements and key sources of estimation uncertainty**

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the Board to have most significant effect on amounts recognised in the financial statements:

**Investment property valuations**

The Charity has a large property portfolio which is held for the purposes of rental income and, as such, is classified as investment properties. The fair value is assessed annually by the Board, further details on how the fair value is assessed is noted in note 4 of these accounts, 'Investment Properties'.

Investment property is not depreciated because the Board 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. A full professional revaluation of the properties held by the Charity was conducted in July 2023. This was conducted by CSquared, Bath in accordance with RICS Valuation – Global Standards, effective 31 January 2022. The Trustees have agreed that between professional revaluations, interim desktop revaluations would be undertaken either in-house or through consultation with an appropriately qualified professional individual. If there is some indication that impairment has occurred, the carrying value of the property would be reduced in accordance with that review.

**Investment assets**

*Properties:*
The Charity's investment properties are carried forward at market value, as noted in the previous section. Any cost of work carried out on improvements which give rise to future economic benefits 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.

## 1 Grants

| | 2025 £ | 2024 £ |
|---|---|---|
| **Net grant cost of grants awarded in the year** | 342,603 | 377,252 |
| Cost allocation | | |
| Salary costs: CEO/Interim Director | 47,597 | 30,090 |
| Salary costs: other staff | 48,799 | 38,142 |
| Audit, Accountancy & valuation fees | 6,294 | 9,324 |
| Administration costs | 22,824 | 31,787 |
| Less repayment of grants already settled in full | (10,416) | - |
| Total costs as stated in the SOFA (see note 2) | 457,701 | 486,595 |
| **Reconciliation of grant commitments** | | |
| New grants awarded in the year | 368,812 | 450,000 |
| Re-distribution of early-end grants | 6,708 | 19,540 |
| Repayment of previously awarded grants | (32,917) | (92,288) |
| | 342,603 | 377,252 |
| Commitment brought forward at the start of the year | 579,519 | 597,709 |
| Payments made during the year | (365,171) | (395,442) |
| Commitments carried forward at the end of the year | 556,951 | 579,519 |
| **Split of commitments carried forward:** | | |
| Grants due within one year (see note 7) | 335,647 | 313,176 |
| Grants due in greater than one year (see note 8) | 221,304 | 266,343 |
| | 556,951 | 579,519 |

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 fulfilling their ministry.

**Reconciliation of movement on the Designated Fund for Early End Grants**

| | | |
|---|---|---|
| Opening balance | 108,664 | 35,916 |
| Re-distribution of early-end grants | (6,708) | (19,540) |
| Repayment of previously awarded grants | 32,917 | 92,288 |
| Repayment of grants already settled in full | 10,416 | - |
| | 145,289 | 108,664 |

## 2 Total expenditure

**2025**

| | Salary Costs: CEO £ | Salary Costs: Other Staff £ | Audit & Accounts Services £ | Admin Costs £ | Other Direct Costs £ | Total £ |
|---|---|---|---|---|---|---|
| Let property expenditure | 47,598 | 90,631 | 11,688 | 42,386 | 635,634 | 827,937 |
| Investment management fees | - | - | - | - | 3,053 | 3,053 |
| Property disposal costs | - | - | - | - | 33,665 | 33,665 |
| Grants (see note 1) | 47,597 | 48,799 | 6,294 | 22,824 | 332,187 | 457,701 |
| | 95,195 | 139,430 | 17,982 | 65,210 | 1,004,539 | 1,322,356 |

**2024**

| | Salary Costs: CEO/Interim Director £ | Salary Costs: Other Staff £ | Audit & Accounts Services £ | Admin Costs £ | Other Direct Costs £ | Total £ |
|---|---|---|---|---|---|---|
| Let property expenditure | 30,090 | 71,200 | 17,316 | 58,999 | 872,750 | 1,050,355 |
| Investment management fees | - | - | - | - | 5,216 | 5,216 |
| Grants (see note 1) | 30,090 | 38,142 | 9,324 | 31,787 | 377,252 | 486,595 |
| | 60,180 | 109,342 | 26,640 | 90,786 | 1,255,218 | 1,542,166 |

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

| | CEO/Interim Director % | Staff Costs % | Audit & Accountancy % | Admin Costs % |
|---|---|---|---|---|
| **2025** | | | | |
| Let property | 50 | 65 | 65 | 65 |
| Grants for parish Guides | 50 | 35 | 35 | 35 |
| | 100 | 100 | 100 | 100 |
| **2024** | | | | |
| Let property | 50 | 65 | 65 | 65 |
| Grants for parish Guides | 50 | 35 | 35 | 35 |
| | 100 | 100 | 100 | 100 |

**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 the net grant expenditure of £332,187 (2024: £377,252) are individual grants payable. All grants are given for the same charitable purpose which is the advancement of the Christian religion by the provision of grants to individuals or organisations to provide for and support the mission and evangelistic ministry of outreach workers by contributing towards the salaries/expenses of grantees.

Total governance costs were £101,456 (2024: £99,497). These costs have been split proportionately between let property costs and grants for evangelistic ministry of outreach workers.

**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 £15,756 (2024: £20,440); no other fees (2024: £nil) were paid to the auditors during the year.

**3 Tangible fixed assets**

**2025**

| | Freehold Property £ | Office Equipment £ | Website £ | Total £ |
|---|---|---|---|---|
| **Cost** | | | | |
| At the start of the year | 50,000 | 25,851 | 22,948 | 98,799 |
| Additions | - | 1,153 | 4,050 | 5,203 |
| Disposals | - | - | - | - |
| Revaluation | - | - | - | - |
| As the end of the year | 50,000 | 27,004 | 26,998 | 104,002 |
| **Depreciation** | | | | |
| At the start of the year | - | 12,548 | 22,948 | 35,496 |
| Charge for the year | - | 3,373 | - | 3,373 |
| Write back on disposal | - | - | - | |
| As the end of the year | - | 15,921 | 22,948 | 38,869 |
| **Net book value** | | | | |
| As the end of the year | 50,000 | 11,083 | 4,050 | 65,133 |

The furniture and fittings in property rental units are below the fixed assets threshold of £1,000 and are not included on the asset register. These items are checked annually on a separate property inventory.

**3 Tangible fixed assets (continued)**

**2024**

| | Freehold Property £ | Office Equipment £ | Furniture & Fittings £ | Website £ | Total £ |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| At the start of the year | 155,000 | 42,443 | 277,352 | 22,948 | 497,743 |
| Additions | - | 10,168 | - | - | 10,168 |
| Disposals | - | (26,760) | (277,352) | - | (304,112) |
| Revaluation | (105,000) | - | - | - | (105,000) |
| As the end of the year | 50,000 | 25,851 | - | 22,948 | 98,799 |
| **Depreciation** | | | | | |
| At the start of the year | - | 37,528 | 276,812 | 22,948 | 337,288 |
| Charge for the year | - | 1,778 | 540 | - | 2,318 |
| Write back on disposal | - | (26,758) | (277,352) | - | (304,110) |
| As the end of the year | - | 12,548 | - | 22,948 | 35,496 |
| **Net book value** | | | | | |
| As the end of the year | 50,000 | 13,303 | - | - | 63,303 |

## 4 Investment properties

| **2025** | Commercial<br>£ | Residential<br>£ | Total<br>£ |
|---|---|---|---|
| Valuation at the start of the year | 3,130,000 | 22,585,000 | 25,715,000 |
| Improvements at cost during year | 302,190 | - | 302,190 |
| Property disposal during the year | - | (1,800,000) | (1,800,000) |
| Revaluation of property during year | - | - | - |
| Valuation at the end of the year | 3,432,190 | 20,785,000 | 24,217,190 |

| **2024** | Commercial<br>£ | Residential<br>£ | Total<br>£ |
|---|---|---|---|
| Valuation at the start of the year | 3,130,000 | 31,726,296 | 34,856,296 |
| Improvements at cost during year | - | - | - |
| Property disposal during the year | - | (2,600,000) | (2,600,000) |
| Revaluation of property during year | - | (6,541,296) | (6,541,296) |
| Valuation at the end of the year | 3,130,000 | 22,585,000 | 25,715,000 |

The strategic plan regarding the endowment assets is to minimise investment property and increase investments in stocks, shares, gilts, etc. This is explained more fully in the Trustees report. The plans include selling properties as a whole unit to minimise loss of rental income and reduce fees of selling compared to individual flats.

In line with this strategy, 2 property sales were completed during 2025, with further property sales planned in 2026.

The Board estimates that the market value of the freehold investment properties at 31 December 2025 is £23,817,190 (2024: £25,315,000), plus leasehold properties of £400,000 (2024: £400,000).

If revalued assets were stated on an historical cost basis rather than a fair value basis, the carrying amounts would have been approximately £339,000 (2024 - £365,000).

## 5 Other investments

| | 2025 £ | 2024 £ |
|---|---|---|
| Market value at the start of the year | 643,211 | 595,505 |
| Portfolio fees | (3,053) | (5,216) |
| Funds transferred in from property sales | 2,000,000 | - |
| Net gain/(loss) | 77,995 | 52,922 |
| Market value at the end of the year | 2,718,153 | 643,211 |
| Historical cost at the end of the year | 2,683,075 | 566,984 |

| The investments are held as follows: | 2025 £ | 2024 £ |
|---|---|---|
| Equities and convertible stocks | 520,308 | 331,144 |
| Gilts and other fixed interest stocks | 156,504 | 292,225 |
| Cash and cash equivalents | 2,041,341 | 19,842 |
| | 2,718,153 | 643,211 |

| Analysis by geographical sector | 2025 £ | 2024 £ |
|---|---|---|
| Investment assets in the UK | 2,087,215 | 101,452 |
| Investment assets outside of the UK | 630,938 | 541,759 |
| | 2,718,153 | 643,211 |

## 6 Debtors

| | 2025 £ | 2024 £ |
|---|---|---|
| Rents receivable | 22,567 | 20,368 |
| Other debtors | - | 10 |
| Prepayments | 133,784 | 102,727 |
| | 156,351 | 123,105 |

## 7 Creditors: amounts falling due within one year

| | 2025 £ | 2024 £ |
|---|---|---|
| Rents invoiced in advance | 34,454 | 61,950 |
| Rents received in advance | 12,202 | 14,035 |
| Trade creditors | 154,428 | 113,993 |
| Tax and social security | 5,673 | 4,653 |
| Accruals | 45,225 | 86,802 |
| Other creditors | 133,092 | 146,181 |
| Grants due to Parish Guides | 335,647 | 313,176 |
| | 720,721 | 740,790 |

## 8 Creditors: amounts falling due after more than one year

| | 2025 £ | 2024 £ |
|---|---|---|
| Grants due to Parish Guides | 221,304 | 266,343 |

## 9 Staff costs

| | 2025 £ | 2024 £ |
|---|---|---|
| Salaries | 194,919 | 142,547 |
| Employer's NI | 13,520 | 9,556 |
| Pension contributions | 9,616 | 7,010 |
| | 218,055 | 159,113 |
| Average weekly number of employees during the year, calculated on an average headcount basis | 5 | 4 |

One individual employed by the charity received remuneration in excess of £60,000 during the current year (2024: none).

The Key Management personnel of the Charity, as previously stated in the Trustees' Report, comprise of the Directors of the Corporate Trustee, the CEO, the Property Manager, the Finance Manager and the Grants and Project Manager. The total remuneration paid by the Charity to the Key Management personnel was £194,919 (2024: £147,330).

## 10 Transfers

The Charity holds significant endowment funds, the majority of which are invested in property. The Board believes 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. At the end of the financial year, the endowment held a cash reserve of £2,181,645 (2024: £2,543,891).

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 Board believes that the preservation of the property portfolio has resulted in higher future income generation for that fund.

In 2025, all capital expenditure for property enhancements were paid from the endowment cash reserves, leaving no requirement for any transfers (2024: £nil).

## 11 Analysis of net assets between funds

**2025**

| | Investment Property £ | Other Investments £ | Fixed Assets £ | Net Assets/ (Liabilities) £ | Total £ |
|---|---|---|---|---|---|
| Endowment funds | 24,217,190 | 2,718,153 | - | 2,181,646 | 29,116,989 |
| Unrestricted funds | | | | | |
| - General | - | - | - | 726,083 | 726,083 |
| - Designated: fixed assets | - | - | 65,133 | - | 65,133 |
| - Designated: early-end grants | - | - | - | 145,289 | 145,289 |
| | 24,217,190 | 2,718,153 | 65,133 | 3,053,018 | 30,053,494 |

**2024**

| | Investment Property £ | Other Investments £ | Fixed Assets £ | Net Assets/ (Liabilities) £ | Total £ |
|---|---|---|---|---|---|
| Endowment funds | 25,715,000 | 643,211 | - | 2,543,891 | 28,902,102 |
| Unrestricted funds | | | | | |
| - General | - | - | - | 510,599 | 510,599 |
| - Designated: fixed assets | - | - | 63,303 | - | 63,303 |
| - Designated: early-end grants | - | - | - | 108,664 | 108,664 |
| | 25,715,000 | 643,211 | 63,303 | 3,163,154 | 29,584,668 |

## 12 Related party transactions and Board Directors' expenses and remuneration

One Board member is also a Trustee of St John's Charity. During the year the Charity paid £nil (2024: £2,444) to St John's Charity for room hire and refreshments. No other related party transactions were entered into during the current or previous year.

During the year, no Board Director received any remuneration (2024: £nil) but expenses amounting to £1,876 (2024: £1,900) were claimed by 4 (2024: 4) Trustees in relation to travel and accommodation costs. Of this, £104 (2024: £402) was unpaid at the year end and has been included within the accruals figure reported in note 7.

## 13 Capital commitments

There were no capital commitments as at the year end (2024: £210,000).

## 14 Post balance sheet events

Following the year end, the Charity has continued to implement its strategy of reducing its direct property holdings and increasing its allocation to financial investments. As part of this process, a number of investment properties have either been sold or are currently subject to ongoing sale processes.

At the date of approval of the financial statements, completed and anticipated transactions relate to properties with an aggregate carrying value of approximately £8.0 million as at 31 December 2025. Based on completed sales and current market evidence available to the Trustees, the aggregate net proceeds anticipated from these transactions are expected to exceed the corresponding carrying values and remain consistent with the requirements of section 119 of the Charities Act 2011 where applicable. The final financial outcome will be dependent upon completion of remaining transactions and associated selling costs.

Following the disposal of one of the Charity's operational properties, the Charity relocated its office accommodation to leased premises at 2 Queen's Parade, Bath BA1 2NJ.

## 15 Fund accounting comparative figures

**2024**

| | Unrestricted Funds £ | Endowment Funds £ | Total 2024 £ |
|---|---|---|---|
| **Income and endowments from:** | | | |
| Investment property income | 1,365,468 | - | 1,365,468 |
| Other investment income | 118,453 | - | 118,453 |
| **Total income** | 1,483,921 | - | 1,483,921 |
| **Expenditure on:** | | | |
| *Cost of raising funds:* | | | |
| Let property expenditure | 1,050,355 | - | 1,050,355 |
| Investment management fees | - | 5,216 | 5,216 |
| *Expenditure on charitable activities:* | | | |
| Grants for parish Guides | 486,595 | - | 486,595 |
| **Total expenditure** | 1,536,950 | 5,216 | 1,542,166 |
| Loss on disposal of fixed assets | (2) | - | (2) |
| Unrealised loss on revaluation of fixed assets | (105,000) | - | (105,000) |
| Unrealised loss on revaluation of investment properties | - | (6,541,296) | (6,541,296) |
| Realised loss on sale of investment properties | - | (56,109) | (56,109) |
| Net gains on stock market investments | - | 52,922 | 52,922 |
| **Net loss on ordinary activities** | (158,031) | (6,549,699) | (6,707,730) |
| Transfer of funds | - | - | - |
| **Net loss on ordinary activities** | (158,031) | (6,549,699) | (6,707,730) |
| *Reconciliation of funds* | | | |
| **Funds brought forward** | 840,597 | 35,451,801 | 36,292,398 |
| **Funds carried forward** | 682,566 | 28,902,102 | 29,584,668 |

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

| | 2025<br>£ | 2024<br>£ |
|---|---|---|
| **Continuing activities** | | |
| Net movement in funds | 468,826 | (6,707,730) |
| Deduct investment income | (167,243) | (118,453) |
| Add back depreciation of tangible fixed assets | 3,373 | 2,318 |
| Deduct gains on investments | (77,995) | (52,922) |
| Add back losses on fixed asset disposals | - | 2 |
| Add back investment management fees | 3,053 | 5,216 |
| Add decrease / deduct increase in debtors | (33,246) | 18,466 |
| Add back increase / deduct decrease in creditors | (65,108) | 34,756 |
| Add back loss / deduct gain on sale of investment property | (173,610) | 56,109 |
| Unrealised loss/(gain) on revaluations of investment properties | - | 6,541,296 |
| Unrealised loss/(gain) on revaluations of fixed assets | - | 105,000 |
| Net cash outflow from operating activities | (41,950) | (115,942) |