

**ALMSHOUSE CHARITY OF SIR WILLIAM POWELL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

Registered Charity Number: 247066
Registered Provider Number: A1137

ALMSHOUSE CHARITY OF SIR WILLIAM POWELL

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**ALMSHOUSE CHARITY OF SIR WILLIAM POWELL
LEGAL AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2021**

Chairperson:	Rev. Penny Seabrook (appointed 17/09/2020)
Deputy Chairperson:	Gilly Nester-Smith JP (appointed 17/09/2020)
Hon Treasurer:	Philip Hedges
Other Trustees:	Adronie Alford Sylvia Simmons Peter Fane Adrian Lusmore (resigned 22/09/2020) Caroline Needham Martin McGann (resigned 22/09/2020) Cllr Sharon Holder Cllr Ann Rosenberg Judy Graham Basil Henley Laura Auckland (appointed 22/09/2020) Christina Thomas (appointed 22/09/2020; resigned 20/05/2021)
Clerk to the Trustees:	Katie Arengo-Jones
Assistant Clerk to the Trustees:	Deborah Prescott
Registered office:	C/O The Lygon Almshouses 313-321 Fulham Palace Road Fulham London SW6 6TH
Bankers:	NatWest Bank 45 Fulham Broadway London SW6 1AG
Solicitors:	Woodfords Fulham High Street London SW6
Reporting accountant:	Beever and Struthers Chartered Accountants 15 Bunhill Row London EC1Y 8LP
Investment advisors:	Waverton Investment Management 21 St James's Square London SW1Y 4HB
Statutory registrations:	Registered Charity Number: L2 247066 Registered Provider Number A1137

**ALMSHOUSE CHARITY OF SIR WILLIAM POWELL
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

The Trustees present their report and unaudited accounts for the year ended 31 March 2021.

1. Constitution, objects and policies

The Charity is constituted by Trust Deed.

The Almshouse Charity of Sir William Powell was founded in 1680 for older women over 60 of the Parish of Fulham who were poor and of "good character". This scheme was amended on 23rd April 2003 to allow Trustees to accept applications from women over 55 living outside the London Borough of Hammersmith and Fulham but only in exceptional circumstances.

The Trust provides and manages 12 flats and is assisted in this task by The Lygon Almshouses who undertake administration management and maintenance functions for the Almshouses.

2. Governing document

The Governing Document of the Almshouse Charity is its "Scheme" or Trust Deed, the last amended version of which was sealed by the Charities Commissioner in October 2008.

3. Activities and achievements

The almshouses are managed by the Lygon Almshouses under the terms of a management agreement dated 22 March 2013 which includes the Clerk applying her time exclusively to managing the charity's almshouses. The Lygon Management fee for the year was increased by £500 to £16,000 pa for the year to cover increased staff costs. The Trustees are most grateful for Lygon's management input and support.

In 2020/21 the Charity was entitled to increase the weekly maintenance charge (WMC) by 2.7% as recommended by Almshouse Association and this rise was instituted. In previous years rises had been less than inflation. The service charge was maintained at the same level as the previous year.

Trustees have appointed Water Hygiene Management to ensure compliance with regulations. The annual Water Hygiene survey was completed in May 2020. The overall level of risk was reported as tolerable and Trustees are acting on recommendations.

A full EICR electrical survey was carried out on all flats and communal areas. All deviations found were rectified and the electricians issued a satisfactory report in August 2020 for electrical installations at the Almshouse.

The fire alarms and emergency lighting are tested regularly each year in all flats and communal areas. A fire safety survey certificate was issued in August 2018. Alarm upgrade was carried out and completed in March 2019. Alarms checked six monthly and fire equipment annually.

The General Data Protection Regulations (GDPR) review was carried out in September 2019 and all residents are informed in writing of its principles and their rights, following the Almshouse Association recommendations.

**ALMSHOUSE CHARITY OF SIR WILLIAM POWELL
TRUSTEES' ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021**

3. Activities and achievements (continued)

The Charity owns the freehold of Hurlingham Mansions subject to long leases on 23 flats and commercial property. The Charity continues to receive ground rent in respect of this property. There were no lease extensions sold during the year. The Trustees met with the Managing Agent for the property during the year to review the status of this property and with our solicitors dealt with leaseholder licences.

4. Investment powers and policy

The Trust Deed authorises the Trustees to invest cash not required for the immediate working purposes of the Charity and Waverton Investment Management is appointed to undertake this.

The Trustees have a limited appetite for risk and have instructed the investment manager that the investment mandate should be cautious, with the long-term objective to outperform the Consumer Price Inflation by 2.5% per annum. To achieve this the portfolio was switched into the Waverton Multi-Asset Income Fund during the year with income reinvested.

5. Organisation and administrative information

The Charity is organised under the direction of the Trustees with the day-to-day administration, management and maintenance activities delegated to the Clerk of the Trustees, Katie Arengo-Jones and the Assistant Clerk, Deborah Prescott, who are both employed by The Lygon Almshouses.

The Trust appoints property agent Acland & Lensam to manage its Freehold properties let on leases and receives regular reports from the agent who attends the Trustee meetings upon request.

The administrative information on page three forms part of this report.

6. Financial review

Income from charitable activities, principally charges to residents, amounted to £77,761 (2020: £77,063). There was a loss of income due to void periods of 5 months for one flat. This was compensated by increased income from investments £20,066 (2020: £18,001).

The Wavertons investment portfolio performed in line with cautious and balanced index benchmarks, however the year-end valuation marked a considerable valuation gain on the previous year. At 31st March 2021 stock markets had recovered to pre-pandemic levels whereas at 31st March 2020 there was the valuation fall due to the Covid pandemic lockdown affecting stock markets around the world.

Expenditure on charitable activities increased to £76,848 (2020: £59,406) largely due to plumbing upgrades and repair works needed during the year. After net gains realised on the sale of investments £11,221 and unrealised gains of £93,587 (2020: loss £59,000) on the movement of investments valuations at 31st March 2021, net income for the year was £122,307 (2020: £27,194).

Net cash inflow from operating activities was £8,674 (2020: £42,104). Cash at bank £56,333 (2020: £84,430) is supplemented by £104,658 cash held in Wavertons investment portfolio to provide for likely maintenance costs resulting from the Quinquennial survey due in 2021/22 year. The Charity is budgeted to achieve £23,000 operating surplus of income over expenditure in 2021/22.

7. Risks

The Trustees have overall responsibility for ensuring that the Charity has appropriate systems of controls, financial and otherwise. The systems of financial controls at the Charity are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include an annual budget, approved by the Trustees, regular review of actual results and variances from budget, and delegation of authority and segregation of duties as far as possible. The Trust has Financial Standing Orders and has a risk map in place which was reviewed in December 2020, with updates for approval at Trustees meetings. The risk map covers all areas of risk management, viz. residents, property, safety and financial governance. The Charity has no employees. The Charity remains cash generative before exceptional repairs or expenditure and also has adequate reserves to meet expenditure as it falls due.

**ALMHOUSE CHARITY OF SIR WILLIAM POWELL
TRUSTEES' ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021**

8. Reserves

The Charity's designated and revenue reserves are held to ensure its sustainability. A planned maintenance Reserve is set aside to fund extraordinary repairs, which arise principally out of quinquennial surveys. The most recent such survey took place during 2016. Annual surpluses are accumulated in the Income and Expenditure Account and the Revaluation Reserve reflects the unrealised gains and losses on revaluation of investments and investment properties. The social housing grant is a restricted reserve. The levels of these reserves are shown in Note 13 to the accounts.

9. Public benefit

The Trustees have due regard to guidance published by the Charity Commission on public benefit and confirm they have complied with the duty in section 17 of the Charities Act 2011.

The Trustees consider that the Charity delivers public benefit through the provision of social housing in the Almshouse flats. When flats become vacant new residents are found by public advertisement or nominations from Hammersmith and Fulham Council or, failing this, other referral agencies.

10. Value for money

The Trustees are mindful of the need to obtain value for money in all transactions entered into on behalf of the Charity. When major works are undertaken a competitive tender is carried out whenever practical. The Charity reviewed its utility supply arrangements during the year and our energy broker recommended locking into a 36 month contract to April 2023 to maximise discounts available.

The regulator has recently issued value for money metrics to ensure performance is measured consistently for each Registered Provider. We have adopted these which are reported below:

Indicator	2021 Target	Actual 2021	Actual 2020	2022 Target
1. Reinvestment in development and capital works	0.7%	1.3%	0.0%	1.0%
2a. New supply delivered (Social housing units)	0.0%	0.0%	0.0%	0.0%
2b. New supply delivered (Non-social housing units)	0.0%	0.0%	0.0%	0.0%
3. Gearing	-	-	-	-
4. Interest cover including capitalised repairs (EBITDA-MRI)	-	-	-	-
5. Social housing cost per unit	£3,985	£5,334	£3,945	£5,000
6. Operating margin (Social housing lettings)	7.0%	1.2%	22.9%	2.0%
7. Operating margin (overall)	21.6%	17.9%	47.7%	24.0%
8. Return on capital employed	1.4%	1.2%	4.1%	2.0%

- 1. Reinvestment** – looks at the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held. *Minor capital works were carried out on the Almshouses this year.*

**ALMSHOUSE CHARITY OF SIR WILLIAM POWELL
TRUSTEES' ANNUAL REPORT (*continued*)
FOR THE YEAR ENDED 31 MARCH 2021**

10. Value for money (continued)

2. **New supply social housing units** – sets out the number of new social housing and non-social housing units that have been acquired or developed in the year as a proportion of total social housing units and non-social housing units owned at period end. *The Charity is not developing any new properties.*
3. **Gearing** – assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance. *The Charity does not have any debt or debt finance.*
4. **Earnings before interest, tax, depreciation, amortisation, major repairs included** – interest cover measure is a key indicator for liquidity and investment capacity. It seeks to measure the level of surplus that a registered provider generates compared to interest payable; avoiding any distortions arising from depreciation. *The Charity does not have any loans.*
5. **Heading social housing cost per unit** – assesses the headline social housing cost per unit as defined by the Regulator of Social Housing. *The Charity's headline costs per unit are higher than the target due to emergency plumbing repairs during the year.*
6. **Operating margin for social housing lettings and overall** – demonstrates the profitability of operating assets before exceptional expenses are taken into account. Increasing margins are one way to improve the financial efficiency of a business. *Social housing margins were lower than target due to emergency repairs during year, and in prior year there was a receipt of one-off other income.*
7. **Return on capital employed** – compares the operating surplus to total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources. The ROCE metric would support registered providers with capital investment programmes. *Reduction this year due to emergency repairs during year and lack of one-off income settlement received in prior year.*

11. Related parties

Four of the Trustees who served during the year were also Trustees of The Lygon Almshouses. On all matters affecting the Charity's dealings with The Lygon Almshouses, these four Trustees abstain from voting at Trustees' meetings on related party matters

12. Going concern

The Trustees have reviewed the financial position of the Charity and considered its financial forecasts and commitments for the following year and concluded that there are no material uncertainties that cast doubt on the Charity's ability to continue as a going concern for the immediate future.

13. Corporate governance

The Trustees have reviewed the National Housing Federation's (NHF) Code of Governance 2015 and comply with its provisions as appropriate to the relative size of the Almshouse as a small non-developing organisation.

The Trustees are committed to integrity and accountability in the stewardship of the Almshouse's affairs and consider that the Trustees have complied throughout the period under review with the provisions of the NHF's Code of Governance 2015 except as follows:

The Trustees do not consider it appropriate to appoint an audit committee for a small organisation. The Governing Document provides for trustees to serve for terms of four years and does not require a maximum length of service. The Governing Document also provides that certain trustees must be appointed in ex-officio capacity and for others to be nominated by the Council of the London Borough of Hammersmith and Fulham.

**ALMSHOUSE CHARITY OF SIR WILLIAM POWELL
TRUSTEES' ANNUAL REPORT (*continued*)
FOR THE YEAR ENDED 31 MARCH 2021**

14. Trustees

The Trustees who served from 1 April 2020 to the date of approval of these accounts were as follows:

Chair: Rev. Penny Seabrook (appointed 17/09/2020)
Deputy Chair: Gilly Nester-Smith JP (appointed 17/09/2020)
Hon Treasurer: Philip Hedges
Adronie Alford
Sylvia Simmons
Peter Fane
Adrian Lusmore (resigned 22/09/2020)
Caroline Needham
Martin McGann (resigned 22/09/2020)
Cllr Sharon Holder
Cllr Ann Rosenberg
Judy Graham
Basil Henley
Laura Auckland (appointed 22/09/2020)
Christina Thomas (appointed 22/09/2020 resigned 20/05/2021)

Gilly Nester-Smith was appointed Interim Chairperson from 1st June 2019 in the absence of a Chairperson following Reverend Joe Hawes retirement as Trustee ex-officio Vicar of the Parish on 1st June 2019, and Esmond Jackson's retirement as Trustee Vice-Chairman on 16th June 2019.

15. Statement of disclosure of information to reporting accountant

We, the Trustees of the Almshouse who held office at the date of approval of these Financial Statements, as set out above, each confirm so far as we are aware, that:

- there is no relevant examination information of which the Almshouse's reporting accountant is unaware; and we have taken all the steps that we ought to have taken as Trustees in order to make ourselves aware of any relevant examination information and to establish that the Almshouse's reporting accountant is aware of that information.

16. Trustees responsibilities

The Charities Act 2011 and the Housing and Regeneration Act 2008 require the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Almshouse and of its income and expenditure for that period.

In preparing these financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Almshouse will continue in business.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Almshouse and enable it to ensure that the financial statements comply with the Charities Act 2011, and the Housing and Regeneration Act 2008. It has general responsibility for taking reasonable steps to safeguard the assets of the Almshouse and to prevent and detect fraud and other irregularities.

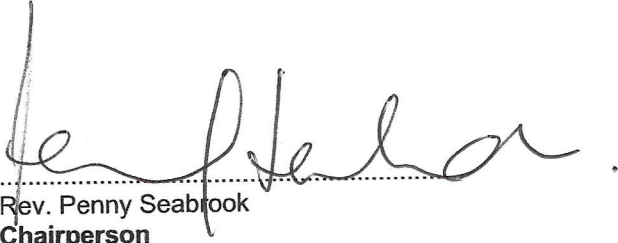
**ALMSHOUSE CHARITY OF SIR WILLIAM POWELL
TRUSTEES' ANNUAL REPORT (*continued*)
FOR THE YEAR ENDED 31 MARCH 2021**

17. Independent Accountant

A resolution to appoint the reporting accountants, Beever and Struthers, has been approved by the Trustees.

18. Approval

This Report and the Accounts were approved by the Trustees and signed on their behalf by:



.....
Rev. Penny Seabrook
Chairperson

Date: 23.9.21.

**ACCOUNTANTS' REPORT TO THE TRUSTEES OF
ALMSHOUSE CHARITY OF SIR WILLIAM POWELL
YEAR ENDED 31 MARCH 2021**

Accountants' report to the Trustees on the unaudited accounts of The Almshouse Charity of Sir William Powell

We report on the accounts for the year ended 31 March 2021 set out on pages 11 to 24.

Respective responsibilities of the Board and reporting accountants

The Board of the Registered Social Housing Provider is responsible for the preparation of the accounts, and they consider that the Registered Social Housing Provider is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our procedures consisted of comparing the accounts with the accounting records kept by the Registered Social Housing Provider and making such enquiries of the officers of the Registered Social Housing Provider as we considered necessary for the purpose of this report. These procedures provide the only assurance expressed in our opinion.

Opinion

In our opinion:

- the accounts for year ended 31 March 2021 are in accordance with the accounting records kept by the Registered Social Housing Provider under paragraph 135(2)(a) of the Housing and Regeneration Act 2008;
- having regard only to, and on the basis of the information contained in the accounting records:
- the accounts comply with the requirements of the Charities Act 2011;
- the Registered Social Housing Provider has satisfied the conditions for exemption from an audit of the accounts for the year ended 31 March 2021 specified in section 136(3) of the Housing and Regeneration Act 2008;
- the accounts comply with the requirements of the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

Beever and Struthers

*Beever and Struthers
Reporting Accountant
15 Bunhill Row
London
EC1Y 8LP*

Date 24 September 2021

**ALMSHOUSE CHARITY OF SIR WILLIAM POWELL
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted Funds £	2021 Restricted Funds £	Total £	2020 Total £
Income from:					
Charitable activities	2	77,761	-	77,761	77,063
Investments	3	20,066	-	20,066	18,001
Other Income	4	-	-	-	25,000
Total income		97,827	-	97,827	120,064
Expenditure on:					
Charitable activities	5	76,848	-	76,848	59,406
Other	6	3,480	-	3,480	3,444
Total expenditure		80,328	-	80,328	62,850
Net gain / (losses) on sale of investments		11,221	-	11,221	28,980
Net gain / (losses) on movement of investments	10	93,587	-	93,587	(59,000)
Net income / (expenditure)		122,307	-	122,307	27,194
Transfers between funds		-	-	-	-
Net movement in funds		122,307	-	122,307	27,194
Reconciliation of funds:					
Total funds brought forward	13	1,123,763	255,230	1,378,993	1,351,799
Total funds carried forward	13	1,246,070	255,230	1,501,300	1,378,993

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

The financial statements on pages 11 to 24 were approved and authorised for issue by the Board on 23.9.21

Signed on behalf of the Board of Trustees

Signature: 
Name: PENNY SEABROOK

Signature: 
Name: PHILIP HEDDERLEY

PENNY SEABROOK, 23/9/21

The notes on pages 14 to 24 form part of these financial statements.

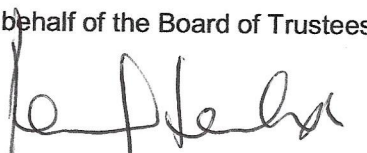
**ALMSHOUSE CHARITY OF SIR WILLIAM POWELL
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	8	601,196	605,914
Investment property	9	60,000	60,000
Investments	10	785,466	631,891
		1,446,662	1,297,805
Current assets			
Debtors	11	3,567	2,856
Cash at bank and in hand		56,333	84,340
		59,900	87,196
Creditors: amounts falling due within one year	12	(5,262)	(6,008)
Net current assets		54,638	81,188
Net assets/(liabilities)		1,501,300	1,378,993
Restricted and unrestricted funds	13		
Unrestricted funds		1,246,070	1,123,763
Restricted funds		255,230	255,230
Total charity funds	14	1,501,300	1,378,993

The financial statements on pages 11 to 24 were approved and authorised for issue by the Board on 23.9.21


Signed on behalf of the Board of Trustees

Signature:


Name: PENELOPE SEABROOK.

Signature:

Name:


Name: PHILIP. HEDGER

The notes on pages 14 to 24 form part of these financial statements.

**ALMSHOUSE CHARITY OF SIR WILLIAM POWELL
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £	2020 £
Cash flow from operating activities	15	8,674	42,104
Net cash flow from operating activities		<u>8,674</u>	<u>42,104</u>
Cash flow from investing activities			
Purchase of tangible fixed assets		(7,980)	(946)
Payments to acquire investments		(30,000)	-
Proceeds/(loss) from sale of investments		(18,767)	(16,046)
Dividends received		18,766	16,051
Ground rent received from investment property		1,300	1,950
Net cash flow from investing activities		<u>(36,681)</u>	<u>1,009</u>
Cash flow from financing activities			
Repayment of borrowings		-	-
Net increase in cash and cash equivalents		(28,007)	43,113
Cash and cash equivalents at 1 April 2020		84,340	41,227
Cash and cash equivalents at 31 March 2021		<u>56,333</u>	<u>84,340</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		56,333	84,340
Cash and cash equivalents at 31 March 2021		<u>56,333</u>	<u>84,340</u>

The notes on pages 14 to 24 form part of these financial statements.

**ALMSHOUSE CHARITY OF SIR WILLIAM POWELL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

Legal Form

The Almshouse Charity of Sir William Powell is a registered charity in England with the Charity Commission. The address of its registered office is The Lygon Almshouses, 313-321 Fulham Palace Road, Fulham, London SW6 6TH. Its place of business is The Sir William Powell Almshouses, Church Gate, Fulham, London, SW6 3LD.

1. PRINCIPAL ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 (SORP 2019), the Charities Act 2011, the Accounting Direction for private registered providers of social housing in England 2019, the Housing and Regeneration Act 2008 and UK Generally Accepted Accounting Practice.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared under the historical cost convention on an accruals basis. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

Incoming resources/income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Outgoing resources (expenditure)

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under the headings that aggregate all costs related to the category.

Costs of charitable activities include all costs relating to the maintenance of the housing properties as well as the support and welfare of the residents.

Other expenditure includes the cost of governance arrangements which relate to the general running of the charity. Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative costs.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Kitchens	20 years	Boilers	15 years
Bathrooms	30 years	Equipment	5 years
Plumbing	30 years	Structure (shell) including stonework	100 years
Electrics	40 years	Land	Indefinite

**ALMSHOUSE CHARITY OF SIR WILLIAM POWELL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Debtors

Amounts receivable (or paid in advance) at the end of the period are included in the accounts under debtors. These include invoiced services and prepaid expenditure.

Liabilities

Amounts payable at the end of the period are included in the accounts under amounts payable within or after one year as appropriate. This includes amounts due to suppliers and accrued expenditure (due but not invoiced and income received in advance).

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Investment Property

The Almshouse owns the freehold and reversionary interest of Hurlingham Mansions, New Kings Road, SW6 4PA, which comprises 23 flats and commercial property sold on long leases. This interest is valued on the basis of the current open market value discounted by the period of the unexpired leases.

Improvements to properties

The Charity capitalises expenditure on housing properties which adds to the value of the property or extends its useful life. Improvements to property that relate to assets that have a separately identifiable life to the property concerned are also capitalised but under a category separate from the property.

Provisions

Provisions are recognised when the Charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year.

**ALMSHOUSE CHARITY OF SIR WILLIAM POWELL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. PRINCIPAL ACCOUNTING POLICIES (continued)

However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had an effect on amounts recognised in the financial statements:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Reserves

Designated reserves

Designated reserves are part of unrestricted reserves which have been earmarked by the Trustees for a particular purpose. Such designations may be reversed by future Trustee decisions. Expenditure cannot be directly set against designated reserves but is taken through the income and expenditure account. A transfer is then made from designated reserves as appropriate.

The Almshouse designates those reserves set aside for future major repairs on all of its housing properties. The amounts set aside are based on a stock condition survey of the Almshouse's housing properties and represents the expenditure that cannot be met from the Almshouse's future rental income stream. The designated reserve is the amount that the Trustees estimate is required for future major repairs.

Restricted reserves

Restricted reserves represent the social housing grant from the Homes and Communities Agency (now Homes England). If the Almshouse's housing properties were to be sold this would be repayable.

Revaluation reserves

Revaluation reserves represents the revaluation value of the investment property and the difference between the market value and cost of the current asset investments.

Taxation

The Charity has charitable status with HM Revenue and Customs and is exempt from UK tax on its primary purpose trading income and investment income.

Financial instruments

Financial instruments such as loans, accounts payables, accounts receivables and cash are classified either as basic or complex. All financial instruments are initially measured at their fair values at the time the transactions occur. Subsequently all basic instruments are measured at amortised cost and all complex financial instruments are measured at a fair value through the comprehensive income.

Financial instruments held by the Charity are classified as follows:

- Cash is held at cost,
- Fixed asset investments are held at fair value,
- Other financial assets such as current asset investments and receivables are classified as loans and receivables and held at amortised cost using the effective interest method,
- Financial liabilities such as bonds and loans are held at amortised cost using the effective interest method.

**ALMSHOUSE CHARITY OF SIR WILLIAM POWELL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2 Income from charitable activities

	2021 £	2020 £
Charges to residents net of voids	76,261	76,563
Donations	1,500	500
	<u>77,761</u>	<u>77,063</u>
Loss of income due to void periods	(2,759)	-

3 Income from investments

	2021 £	2020 £
Dividend income	18,766	16,051
Ground rent	1,300	1,950
Lease extension	-	-
	<u>20,066</u>	<u>18,001</u>

4 Other Income

	2021 £	2020 £
Settlement amount received	-	25,000
	<u>-</u>	<u>25,000</u>

**ALMSHOUSE CHARITY F SIR WILLIAM POWELL
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5 Analysis of resources expended

	Other Direct Support Costs	Total 2021	Other Direct Support Costs and Total 2020
	£	£	£
<u>Charitable activities</u>			
Management fee	16,000	16,000	15,500
Insurance	3,033	3,033	3,044
Professional fees	1,884	1,884	1,216
Bank charges	134	134	172
Depreciation	12,698	12,698	11,894
Gas	4,583	4,583	4,312
Lighting	2,517	2,517	1,320
Water	978	978	961
Telephone	323	323	280
Gardening	4,398	4,398	4,551
Equipment Hire and maintenance	6,476	6,476	3,852
Routine maintenance	5,574	5,574	3,080
Welfare and Office costs	3,338	3,338	1,155
Bad debts	-	-	-
Major repairs	14,912	14,912	8,069
	76,848	76,848	59,406

There were no staff employed by the Almshouse Charity of Sir William Powell during the year (2020: none).

6 Other expenditure

	2021 £	2020 £
Reporting Accountants' Fee (including VAT)	3,480	3,444
	3,480	3,444

The accountants' remuneration amounts to an examination fee excluding VAT of £1,865 (2020: £1,845) and other services of £1,034 (2020: £1,025).

In common with many other organisations of our size and nature we use our accountants to assist with the preparation of the financial statements.

The trustees neither received nor waived any remuneration during the year (2020: £Nil). No expenses were reimbursed or paid for by the charity to trustees (2020: £Nil).

**ALMSHOUSE CHARITY OF SIR WILLIAM POWELL
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7 Net income / expenditure for the year ending 31 March

Net income / expenditure is stated after charging / (crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	12,698	11,894

8 Tangible fixed assets

	Almshouse Property £	Almshouse Components £	Equipment £	Total £
Cost				
At 1 April 2020	4,953	811,990	28,201	845,144
Additions	-	7,980	-	7,980
Disposals	-	(15,921)	-	(15,921)
At 31 March 2021	4,953	804,049	28,201	837,203
Depreciation:				
At 1 April 2020	-	216,191	23,038	239,229
Charge for the year	-	11,370	1,328	12,698
Disposal	-	(15,921)	-	(15,921)
At 31 March 2021	-	211,640	24,366	236,006
Net book value:				
At 31 March 2021	4,953	592,409	3,835	601,197
At 31 March 2020	4,953	595,799	5,162	605,914

The net book value of land and buildings comprise of freehold property.

9 Investment properties

	2021 £	2020 £
Freehold property	60,000	60,000

No records are available of the cost of the investment property. In the opinion of the Trustees the market value of the freehold reversion of the investment properties is £60,000. The freehold is subject to long leases on 23 flats and commercial property and the reversionary interest for leases in this area of London, together with ground rent is estimated to be not less than £60,000. This valuation is based on informal advice from a chartered surveyor.

**ALMSHOUSE CHARITY OF SIR WILLIAM POWELL
NOTES TO THE FINANCIAL STATEMENTS
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10 Investments

	Total Funds
	£
As at 1 April 2019	645,860
Revaluations	(59,000)
Additions	45,031
Disposals	-
As at 1 April 2020	631,891
Revaluations	93,587
Additions	29,988
Disposals	-
Cash additions	30,000
As at 31 March 2021	785,466

The historical cost of listed investments held as at 31 March 2021 is £742,419 (2020: £689,624).
The management fee incurred for the investments is £8,635 (2020: £8,566).

11 Debtors

	2021	2020
	£	£
Residents' arrears	1,892	994
Prepayments and accrued income	1,675	1,862
	3,567	2,856
	3,567	2,856

12 Creditors: amounts falling due within one year

	2021	2020
	£	£
Prepaid Rent	159	207
Other Creditors	303	408
Accruals	4,800	5,195
Deferred Income	-	198
	5,262	6,008
	5,262	6,008

**ALMSHOUSE CHARITY OF SIR WILLIAM POWELL
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13 Reserve funds reconciliation

	Balance at 31 March 2020	Income	Expenditure	Gains/ (losses)	Transfer s	Balance at 31 March 2021
	£	£	£	£	£	£
Revenue reserve	372,659	97,827	(80,328)	104,808	(43,047)	451,919
Revaluation reserve	60,000	-	-	-	43,047	103,047
Designated reserve	691,104	-	-	-	-	691,104
Restricted reserve	255,230	-	-	-	-	255,230
Total	1,378,993	97,827	(80,328)	104,808	-	1,501,300

Information on individual reserve balances and purposes held is included in note 1.

14 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	1,191,432	255,230	1,446,662
Current assets	59,952	-	59,952
Current liabilities	(5,314)	-	(5,314)
Total	1,246,070	255,230	1,501,300

**ALMSHOUSE CHARITY OF SIR WILLIAM POWELL
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15 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2021	2020
	£	£
Net income for year	122,307	27,194
Dividends received	(18,766)	(16,051)
Gain on sale of investment	(11,221)	(28,980)
Depreciation and impairment of tangible fixed assets	12,698	11,894
(Gains) / losses on investments	(93,587)	59,000
Ground rents from investment property	(1,300)	(1,950)
(Increase) / decrease in debtors	(711)	1,445
Increase / (decrease) in creditors	(746)	(10,448)
Net cash flow from operating activities	8,674	42,104

116 Analysis of changes in net debt

	2020	Cash flows	2021
	£	£	£
Short and long term loan liabilities	-	-	-
Total liabilities	-	-	-
Cash and cash equivalents	(84,340)	28,007	(56,333)
Total net debt	(84,340)	28,007	(56,393)

17 Related party transactions

The Lygon Almshouses is a related party they manage the Almshouse Charity of Sir William Powell and have several trustees in common. There were four Trustees in common between the two charities during the year; Mrs A Alford, Reverend P Seabrook, Cllr A Rosenberg, and Ms C Needham. During the year Lygon Almshouses has provided management services to Almshouse Charity of Sir William Powell for which it charged a fee of £16,000 (2020: £15,500) plus expenses of £nil (2020: £nil).

18 Capital Commitments

	2021	2020
	£	£
Capital expenditure contracted for and not provided for in the accounts	-	-

**ALMSHOUSE CHARITY OF SIR WILLIAM POWELL
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FOR THE YEAR ENDED 31 MARCH 2021**

19 Operating Leases

At 31 March the charity had total commitments under non-cancellable operating leases as follows:

	2021 £	2020 £
Expiry date:		
Within one year:	-	-
In one year or more but less than two years	-	-
In two years or more and less than five years	-	-
	<u>-</u>	<u>-</u>

During the year the charity paid a total of £373 (2020: £648) in relation to commitments under non-cancellable operating leases relating to a washing machine.

20 Financial instruments

The carrying amounts of the charity's financial instruments are as follows:

	2021 £	2020 £
<i>Financial assets</i>		
Measured at fair value through net income / expenditure:		
- Fixed asset listed investments (note 10)	785,466	631,891
Measured at cost:		
- Cash at bank and in hand	56,333	84,340
Debt instruments measured at amortised cost:		
- Debtors (note 11)	1,892	994
Total financial assets	<u>843,691</u>	<u>717,225</u>
<i>Financial liabilities</i>		
Measured at amortised cost		
- Trade and other creditors (note 12)	462	813
Total financial liabilities	<u>462</u>	<u>813</u>

**ALMSHOUSE CHARITY OF SIR WILLIAM POWELL
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21 Prior year Statement of Financial Activities

	Unrestricted Funds £	2020 Restricted Funds £	Total £
Income from:			
Charitable activities	77,063	-	77,063
Investments	18,001	-	18,001
Other	25,000	-	25,000
Total income	120,064	-	120,064
Expenditure on:			
Charitable activities	59,406	-	59,406
Other	3,444	-	3,444
Total expenditure	62,850	-	62,850
Net gain / (losses) on sale of investments	28,980	-	28,980
Net gain / (losses) on movement of investments	(59,000)	-	(59,000)
Net income / (expenditure)	27,194	-	27,194
Reconciliation of funds:			
Total funds brought forward	1,096,569	255,230	1,351,799
Total funds carried forward	1,123,763	255,230	1,378,993