

William Jones's Almshouse Charity

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended

31 March 2013

William Jones's Almshouse Charity

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William Jones's Almshouse Charity

TRUSTEES, OFFICERS AND ADVISERS

for the year ended 31 March 2013

Trustees	<p>Bristol Charities The Trustees of Bristol Charities are: Andrew Hillman, A.C.A. (Chairman of Trustees) Dudley Lewis, Solicitor (Vice Chairman of Trustees) Laura Claydon, LL.B., Solicitor Kamala Das, LL.M., Barrister Barry England, O.B.E., D.L., A.C.I.B. Richard Gore, LL.B., Solicitor Susan Hampton, D.L., J.P., B.A. Tony Harris, M.Sc., F.C.A. The Very Revd. Dr David Hoyle, (resigned 19 February 2013) Dr. Ros Kennedy, MB, BS, MRCP, MRCPGP, DCH Sonia Mills, (appointed 24 July 2013) Alfred Morris, C.B.E., D.L., Hon. LL.D., F.C.A. Helen E Moss O.B.E. Vanessa Stevenson David Watts, J.P., M.A., F.R.I.C.S. John Webster, B.A., B.Arch., R.I.B.A., M.R.T.P.I.</p>
Chief Executive	Anne Anketell, B.A. (appointed 14 October 2013)
Interim Chief Executive	Sarah Davies, M.Sc. (appointed 10 June 2013, resigned 13 October 2013)
Former Chief Executive	David W Jones, M. Phil., LL.B. (resigned 9 June 2013)
Principal Office/ Registered Office	<p>17 St Augustine's Parade Bristol BS1 4UL Telephone 0117 9300301 Email: info@bristolcharities.org.uk Website: www.bristolcharities.org.uk</p>
Property Advisers	<p>Jones Lang LaSalle Chartered Surveyors 40 Berkeley Square Bristol BS8 1HU</p>
Independent Examiner	<p>Deloitte LLP 3 Rivergate Temple Quay Bristol BS1 6GD</p>
Bankers	<p>HSBC Bank Plc PO Box 120 49 Corn Street Bristol BS99 7PP</p>

William Jones's Almshouse Charity

REPORT OF THE TRUSTEES

for the year ended 31 March 2013

The Trustees present their annual report on the affairs of William Jones's Almshouse Charity, together with the financial statements and auditor's report, for the year ended 31 March 2013.

Constitution

There have been almshouses at Monmouth and at Newland, funded by bequest from William Jones, since the 17th century. The charity is governed now by a Scheme of the Charity Commission dated 12 July 2001, modified by a Scheme dated 3 October 2007 and by special resolution of the trustee dated 23 June 2011.

Objects

The primary object of the charity is to provide housing accommodation for beneficiaries who are in need, hardship or distress, and have resided in Monmouthshire, with a preference for the town of Monmouth, or in the parishes of Newland, Coleford, or Lydbrook and West Dean, Gloucestershire, for not less than two years.

Transfer of trusteeship

On 24 June 2011 the sole trusteeship of William Jones's Almshouse Charity was transferred from The Haberdashers' Company to Bristol Charities.

The Haberdashers' Company retains a role as Patron of the charity, recognising the historical links between William Jones, the communities of Monmouth and Newland, the Haberdashers' Company itself and its schools at Monmouth.

Appointment of Trustees

The Nominations Committee, whose membership consists of the Chairman, Vice Chairman and the chairmen of the various committees, has developed a policy for the identification and recruitment of new Trustees. This involves the creation of a matrix of skills and experience required and this is considered in the context of the skills and experience of existing Trustees. The Nominations Committee meets at least once a year to review the contents of the matrix, in the light of the changing requirements of Bristol Charities, and anticipates those gaps in the matrix that may be created by retirement or other changes. Potential Trustees are identified as follows:

- Candidates recommended by existing Trustees;
- Approaching other organisations for recommendations; and
- Advertising with the local press and other appropriate outlets.

All potential Trustees are provided with a comprehensive pack of information, annual accounts, Company governing documents, committee structure and the terms of reference, a history of the Charities, sample minutes, reports and budgets. They meet with the chairman of Trustees and they are also encouraged to consult our comprehensive website, visit our offices and meet with the Chief Executive. All candidates are interviewed by the Chairman and at least one other member of the Nominations Committee. A curriculum vitae and report is then provided to all Trustees and the application is considered at a meeting of the board of Trustees.

Following a Trustee's appointment, a full briefing is provided by the Chief Executive and new Trustees are encouraged to visit the almshouses, day centres and other premises. Appointments to appropriate committees follow, once new Trustees have had an opportunity to observe Committee meetings.

A process of triennial rotation of Trustees is in place.

Development strategy

The new almshouse of 24 one-bedroom 'independent-living' flats, was completed at the end of June 2011. The first residents moved in during July 2013.

William Jones's Almshouse Charity

REPORT OF THE TRUSTEES (*continued*)

for the year ended 31 March 2013

Health and safety

The Trustees have formally accepted their responsibility for the health and safety of the residents and staff. An external firm of specialist contractors is commissioned to advise on such matters; its recommendations are then actioned. Training is given to staff, on such matters as risk assessment and first aid.

Equality

The Trustees have formally adopted policies to ensure equality of opportunity in the selection of residents and the appointment of staff in accordance with the law in this, as in all other aspects.

Treasury

Cleared funds are held in an interest-bearing bank account.

Public benefit, as defined by the Charities Act 2011

The Trustees can report that the two key principles that underpin 'public benefit' have been met:

- there is always an identifiable benefit or benefits and these are apparent from the contents of the Annual Report and are all related to the aims of the charities; and
- there is a benefit to the public or a section of the public. The beneficiaries of the William Jones's Almshouse Charity are those people who reside in the area of benefit which is the County of Monmouthshire with a preference for the town of Monmouth and four named Parishes in the County of Gloucestershire. The aims and objects of William Jones's Almshouse Charity are contained in the charity's Scheme. The Trustees confirm that they:
 - ensure that they pursue the aims and objects of the various charities for the public benefit, as defined by the Charities Act 2011;
 - have proper regard to the guidance published by the Charity Commission in respect of the subject of public benefit; and
 - confirm that this Annual Report provides sufficient information as to the ways in which the public benefit is achieved.

Reserves policy

The general reserve of £54,668 is available to cover the charity's running costs until the almshouses re-open. Bristol Charities has undertaken to support William Jones's Almshouse until it is fully operational.

Risk management

Risk management was reviewed by the Audit Committee on 7 March 2013. Major risks were identified and services in place and procedures were reviewed. The Trustees have established a framework that allows them to:

- identify the major risks that apply to the charity;
- make decisions about how to respond to the risks it faces; and
- make an appropriate statement regarding risk management in the Trustee's annual report.

The framework is reviewed annually.

The Trustees of William Jones's Almshouse Charity are ultimately responsible for the system of internal financial control which is designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information.

Trustees of William Jones's Almshouse Charity

Details of persons serving as Trustees of William Jones's Almshouse Charity during the period to 31 March 2013 and to the date of signing are given on page 1. No Trustee has any interest in any functional property of the Charity or in any contracts entered into during the period.

Financial review

Incoming resources for the period to 31 March 2013 were £481,675 (period to 31 March 2012: £2,386); and outgoing resources were £6,709 (period to 31 March 2012: £4,096). The incoming resources includes £480,380 received from the almshouse building contractor in exchange for the right to build 10 private houses on the site. This has been wholly invested in building the almshouse.

William Jones's Almshouse Charity

REPORT OF THE TRUSTEES (*continued*)

for the year ended 31 March 2013

Independent examiner

An independent examination was requested from Deloitte LLP for the period for the assurance of the Trustees, though the turnover of the charity was below the threshold.

Deloitte LLP has indicated its willingness to continue in office.

Going concern

The Trustees consider that the demand for the charity's services will continue once the almshouses are fully constructed in June 2013. The Trustees have a reasonable expectation that the charity has adequate resources to continue for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the report of the Trustees and financial statements.

William Jones’s Almshouse Charity

REPORT OF THE TRUSTEES *(continued)*

for the year ended 31 March 2013

Trustees’ Responsibilities Statement

The trustees are responsible for preparing the Trustees' Annual 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are 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 Trustees and signed on their behalf by:

.....
Andrew Hillman, A.C.A. (Chairman of Trustees)

Date

INDEPENDENT EXAMINER’S REPORT TO THE TRUSTEES OF WILLIAM JONES’S
ALMSHOUSE CHARITY

I report on the accounts of the Charity for the year ended 31 March 2013 comprising the Statement of Financial Activities, the Balance Sheet and the related notes 1 to 13.

This report is made solely to the charity’s trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the charity’s trustees those matters I am required to state to them in an independent examiner’s report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity’s trustees as a body, for my work, for this report, or for the opinions I have formed.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity’s trustees consider that an audit is not required for this period under section 144(1) of the Charities Act 2011 and that an independent examination is needed. The charity is preparing accrued accounts and I am qualified to undertake the examination by being a qualified member of ICAEW.

It is my responsibility to

- examine the accounts under section 145 of the Charities Act 2011;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

Our examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a “true and fair view” and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the following requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Charities Act 2011have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Mark Hill (Senior statutory auditor)
For and on behalf of **Deloitte LLP**
Chartered Accountants and Statutory Auditor
Bristol, United Kingdom

Date

William Jones's Almshouse Charity

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 March 2013

	Notes	Unrestricted funds £	Permanent Endowment fund £	2013 £	2012 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Investment income	2	1,295	-	1,295	2,386
Other incoming resources	3	-	480,380	480,380	-
Total incoming resources		1,295	480,380	481,675	2,386
RESOURCES EXPENDED					
Charitable activities	4	(3,041)	-	(3,041)	(37)
Governance costs		(3,668)	-	(3,668)	(4,059)
Total resources expended		(6,709)	-	(6,709)	(4,096)
Net incoming/(outgoing) resources before other recognised gains and losses		(5,414)	480,380	474,966	(1,710)
OTHER RECOGNISED GAINS					
Gains on investment assets		-	-	-	42,538
Net movement in funds		-	-	-	40,828
RECONCILIATION OF FUNDS					
Total funds brought forward at beginning of year	11	60,082	849,189	909,271	868,443
Total funds carried forward at end of year		54,668	1,329,569	1,384,237	909,271

All results relate to continuing operations.

There are no other recognised gains or losses in the year, and so no Statement of Gains and Losses has been prepared.

William Jones's Almshouse Charity

BALANCE SHEET

as at 31 March 2013

	Notes	31 March 2013 £	31 March 2012 £
FIXED ASSETS			
Tangible assets	5	1,970,103	578,845
CURRENT ASSETS			
Debtors	8	187,997	406,607
Cash at bank and in hand		771	5,126
Total current assets		<u>188,768</u>	<u>411,733</u>
LIABILITIES			
Creditors: Amounts falling due within one year	9	(146,258)	(81,307)
Net current assets		<u>42,510</u>	<u>330,426</u>
Total assets less current liabilities		2,012,613	909,271
Creditors: Amounts falling due after more than one year	10	(628,376)	-
Total net assets		<u>1,384,237</u>	<u>909,271</u>
FUNDS			
Endowment funds	12	1,329,569	849,189
Unrestricted income funds	12	54,668	60,082
Total charity funds		<u>1,384,237</u>	<u>909,271</u>

The notes on pages 9 to 12 form part of these accounts.

The financial statements of William Jones's Almshouse Charity were approved by the Board of Trustees and authorised for issue on _____ and signed on their behalf by:

.....
Chairman, Andrew Hillman

William Jones's Almshouse Charity

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2013

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements are prepared in accordance with Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) revised in 2010 and applicable United Kingdom accounting standards and the Charities Act 2011. The principal accounting policies are summarised below. They have all been applied consistently throughout the year and preceding year.

The accounts are prepared under the historic cost convention and on a going concern basis.

Going concern

William Jones's Almshouse Charity's activities and future plans are set out in the Trustees' report.

The Trustees forecasts and projections, taking account of reasonably foreseeable changes in income and expenditure, show that William Jones's Almshouse Charity should be able to continue to operate on the going concern basis.

Once the almshouse residents move in, from late summer 2013, rental income will represent William Jones's Almshouse Charity's largest income stream.

Based on the above the Trustees have a reasonable expectation that the charity has adequate resources to continue for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the report of the Trustees and financial statements.

Incoming resources

All income is recognised in the statement of financial activities on an accruals basis. Income has been recognised gross on the basis of entitlement, certainty and measurement.

Resources expended

Expenditure is recognised when a liability is incurred. Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. The majority of costs are directly attributable to activities in furtherance of the objects of the charity.

Value added tax

Value added tax (VAT) is not recoverable by the Charity and expenditure is shown in the accounts inclusive of VAT.

Tangible fixed assets

Housing properties are initially stated at cost. The cost of such properties includes the cost of acquiring land and buildings, development expenditure, and expenditure incurred in respect of improvements which increase the future net income stream. Interest is capitalised up to the date of practical completion of the relevant scheme. Assets in the course of construction are capitalised at cost and not depreciated until the work is complete and the assets are transferred to other categories.

No value is attributed to the land owned by the Charity. Historical cost information is no longer available for this property and the Trustees consider that attempts to provide valuations on an existing use basis would produce no useful or reliable information. If it were possible to base a provision for depreciation on historical cost, it is probable that the amount would not be material.

Capital and reserves

Endowment reserves represent the original endowment of the Charity as increased by the surpluses arising on the disposal and revaluation of investments and investment properties.

Unrestricted income funds represent income received which is expendable at the discretion of the trustees in furtherance of the objects of the Charity.

Cash flow statement

Exemption has been taken from preparing a cash flow statement on the grounds that the charity falls below the small companies threshold and is a wholly-owned subsidiary, in line with FRS 1.

William Jones's Almshouse Charity

NOTES TO THE FINANCIAL STATEMENTS (*continued*)

for the year ended 31 March 2013

2. INVESTMENT INCOME

Investment income relates to interest on cash held by Bristol Charities in an interest-bearing deposit account during the period, on William Jones's Almshouse Charity's behalf. This cash is included within the debtor owed by Bristol Charities; which is why no investment is shown in the balance sheet.

3. OTHER INCOMING RESOURCES

Other incoming resources is the fee received from the building contractors in exchange for the right to build 10 houses on the site in Monmouth. This was paid directly into the building project escrow account, used to fund the building of the new almshouse.

4. ANALYSIS OF EXPENDITURE

	Charitable activities	Governance costs	2013	2012
	£	£	£	£
Costs directly allocated to charitable activities				
Expenses relating to recruiting and meeting new residents	324	-	324	-
Accounting software set-up	900	-	900	-
Total direct running costs	1,224	-	1,224	-
Other costs				
Allocated direct costs:				
Surveying costs	1,800	-	1,800	-
Independent examiner fees	-	3,600	3,600	3,600
Bank charges	17	-	17	37
Meetings and travel	-	68	68	459
Total resources expended	3,041	3,668	6,709	4,096

5. TANGIBLE FIXED ASSETS

	2013	2012
	£	£
Tangible assets		
Almshouse property in the course of construction		
Cost brought forward	578,845	182,814
Additions	1,391,258	396,031
Net book value at year end	1,970,103	578,845

William Jones's Almshouse Charity

NOTES TO THE FINANCIAL STATEMENTS (*continued*)

for the year ended 31 March 2013

6. RELATED PARTY TRANSACTIONS

During the year there were the following related party transactions:

- The Trustee, Bristol Charities, made a loan to William Jones's Almshouse Charity for £650,000. (See note 10 for more details.) £12,346 interest was charged on the loan during the year.
- Fees of £45,000 were accrued as owing to Bristol Charities in respect of the management of the construction project as there is no separate executive or management team.
- William Jones's Almshouse Charity made a payment of £143,160 to Bristol Charities towards fees owed in respect of the management of the construction project.
- Bristol Charities paid various expenses on behalf of William Jones's Almshouse Charity, which are included within the inter-company account debtor balance.
- No Trustees received any expenses or remuneration in the year.

7. TAXATION

William Jones's Almshouse Charity is a registered charity and as such is entitled to relevant tax exemptions on its charitable income and gains properly applied under normal circumstances for its charitable purposes.

8. DEBTORS

	2013	2012
	£	£
Due within one year:		
Bristol Charities inter-company account balance	187,997	404,130
Amounts owed by the Haberdashers' Company	-	2,477
	<u>187,997</u>	<u>406,607</u>

9. CREDITORS

	2013	2012
	£	£
Due within one year:		
Repayments due on loan from Bristol Charities	33,971	-
William Jones's Schools Foundation, unsecured interest-free loan	6,240	6,240
Accruals	105,957	75,067
Other creditors	90	-
	<u>146,258</u>	<u>81,307</u>

10. LOAN FROM BRISTOL CHARITIES

Bristol Charities has agreed to lend to William Jones's Almshouse charity up to £750,000. Within the year £650,000 was drawn down from the available balance.

Interest is charged on the outstanding balance, compounded monthly, at an interest rate of 2.73% above the annual Bank of England base rate. The loan term is 21 years from 1 August 2013 (when it expected the almshouse will be operational) and is repayable from the same date in equal monthly instalments of capital plus interest.

£33,971 is repayable within one year (see note 9), with the remaining £628,376 due after more than one year.

William Jones's Almshouse Charity

NOTES TO THE FINANCIAL STATEMENTS (*continued*)

for the year ended 31 March 2013

11. STATEMENT OF FUNDS

	Balance at 1 April 2012	Incoming resources	Resources expended	Gains and losses	Balance at 31 March 2013
		£	£	£	£
Unrestricted income funds	60,082	1,295	(6,709)	-	54,668
Endowment funds	849,189	480,380	-	-	1,329,569
	<u>909,271</u>	<u>481,675</u>	<u>(6,709)</u>	<u>-</u>	<u>1,384,237</u>

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Endowment funds £	Total £
Tangible assets	-	1,970,103	1,970,103
Current assets	64,844	123,924	188,768
Current liabilities	(10,176)	(136,082)	(146,258)
Amounts falling due after more than one year	-	(628,376)	(628,376)
Total net assets	<u>54,668</u>	<u>1,329,569</u>	<u>1,384,237</u>

13. ULTIMATE CONTROLLING PARTY

Ultimate control over the entity is held by Bristol Charities as sole Trustee of William Jones's Almshouse Charity.