CITY OF WELLS ALMSHOUSES

England & Wales · Charity number 1040554

Details

Other names	WELLS OLD ALMSHOUSES
Status	Registered
Legal form	Other
Registered	1994-09-08
Register	View on the Charity Commission register

Contact

Address	4 Bubwith Almshouses Wells BA5 2QE
Phone	01749675813
Email	ceo@wellsalmshouses.org.uk
Website	www.wellsalmshouses.org.uk

Activities

Objects: FOR THE BENEFIT OF THE RESIDENTS IN THE ALMSHOUSES OF THE CHARITY OR ANY OF THEM IN SUCH MANNER AS THE TRUSTEES THINK FIT FROM TIME TO TIME.

Activities: To provide affordable housing for older residents of The City of Wells or people with a strong connection to the City, who are unable to satisfy their own housing need with the resources available to them.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Accommodation/housing
- **Who:** Elderly/old People

Geography

- **Area of benefit:** WELLS, SOMERSET
- Somerset

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Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£605,077	£819,406	£8,304,472	4
2024-03-31	£320,307	£279,661	-	-
2023-03-31	£496,278	£256,372	-	-
2022-03-31	£281,892	£222,781	-	-
2021-03-31	£293,307	£205,417	-	-

Trustees

Name	Role	Appointed
City of Wells Almshouses CIO		2014-11-11

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CITY OF WELLS ALMSHOUSES

England & Wales - Charity number 1040554

Accounts

CITY OF WELLS ALMSHOUSES

Independently Examined Financial Statements

For the financial year ended 31st March 2025

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TRUSTEES, PROFESSIONAL ADVISERS, MANAGEMENT PERSONNEL and ADMINISTRATIVE DETAILS

The Board	City of Wells Almshouses CIO (Corporate Trustee)
CIO Trustee Board (date appointed)	Mr Stewart Cursley (May 2023) - Chair of Trustees Mrs Sarah Powell (Jan 2022) - Deputy Chair of Trustees The Very Revd Toby Wright (Apr 2024) - ex-officio (Dean of Wells Cathedral) The Venerable Anne Gell (Jan 2023) - resigned April 2024 Mr Louis Agabani (May 2025)- ex-officio (Mayor of Wells) Mrs Jasmine Browne - resigned May 2025 Ms Stella Ainsworth (Jul 2018) Mr Mark Shelton (Apr 2022) Mr Philip Welch (Jul 2020) Mr James Fane-Gladwin (Jan 2023) Ms Jenny Rust (Oct 2023) Ms Lynda Armstrong (Oct 2023) Mr Mark Bide (Oct 2023) The Revd Canon Jonathan Lloyd (Apr 2024) Mrs Wendy Ray (May 2025)
Chief Executive	Mrs Michelle J. Thomas
Finance Officer & Secretary	Mr Patrick M. McMahon MA FCA
Scheme Manager	Mrs Caroline Tollworthy
Principal Office	4 Bubwith Almshouses Wells, Somerset, BA5 2QE Telephone : 01749 675813 Email: info@wellsalmshouses.org.uk Website: www.wellsalmshouses.org.uk
Charity Number	1040554
Homes England Registration Number	A4055
Bankers	National Westminster Bank plc 7 High Street Wells, Somerset, BA5 2AD
Solicitors	Tozers Solicitors Broadwalk House, Southernhay West, Exeter, Devon, EX1 1UA
Examining Accountants	Monahans, Chartered Accountants, County Gate, County Way Trowbridge, Wiltshire, BA14 7FJ

Investment Managers

CCLA Investment Management Limited
One Angel Lane
London
EC4R 3AB

Property Advisers

Carter Jonas
St. Catherine's Court
Berkeley Place,
Bristol, BS8 1BQ

Salmon Planning
2 Priory Road
Wells
Somerset, BA5 1SY

Chantrey Conservation Architects Ltd
The Studio
St Omer,
The Street,
Draycott
Bath, BS27 3TH.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31st MARCH 2025

The Trustees of the City of Wells Almshouses (CWA) present their annual report and unaudited financial statements for the year ended 31st March, 2025.

The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Charity. This is the treatment required by the Housing SORP 2018 for registered social landlords which are also almshouses.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October, 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is a registered provider of social housing with the Regulator of Social Housing (number A4055) and is an unincorporated charitable trust registered with the Charity Commission (number 1040554).

As a registered provider of social housing the Charity has undertaken an assessment of its compliance with the Governance and Financial Viability Standard. The Trustees certify that they were compliant with the Standard during the course of the year and up until the date these accounts have been signed.

The Charity has one corporate trustee - the City of Wells Charitable Incorporated Organisation (CIO), registered with the Charity Commission (number 1159162), which in turn has a Board of Trustees, and it is they who administer the unincorporated trust.

The CIO Board: The CIO Board may comprise of:

* Two ex-officio members - the Mayor of the City of Wells and the Dean of Wells Cathedral.
* Four nominated Trustees (two from the City Council and two from the Chapter of the Cathedral)
* Up to eight appointed Trustees

Trustees appointed by the Charity are recruited by a formal application and interview process. There are currently 13 Trustees compared to a maximum of 14. As part of its commitment to resident involvement at all levels the CIO constitution allows for up to two Resident Trustees to join the Board.

Management: The day to day running of the Charity is delegated to the Chief Executive and their staff, operating within the agreed policies and procedures of the CIO. Delegated authority limits are established and there is a hierarchy for delegated decisions. The Trustees meet on a quarterly basis with the Chief Executive to review progress against targets. These targets are set out in the five year Business Plan. This, along with specific policies, are regularly reviewed by the full Board. The Finance and Estate Committees are the only standing committees in 2024/25 and their delegated authority has been approved by the Board. Other working parties are convened as and when required.

Staff: A small staff of four part-time employees manage the Charity on a day to day basis : the Chief Executive ; the Finance Officer/Charity Secretary; the Scheme Manager and the Handyman, all working from the Principal Office.

OBJECTIVES AND ACTIVITIES

The objectives of the Charity are :

* The provision of housing accommodation for beneficiaries; and
* Such charitable purposes, for the benefit of beneficiaries, as the CIO Board of Trustees decides.

Its main activity is the ownership and management of the 33 units of accommodation located within the five almshouses : (Bubwith, Willes', Still's, Bricks and Llewellyn's), which make up the Charity's housing complex located in the City of Wells, Somerset. The almshouses are occupied by older, single people, who have been assessed as being in housing need and meet the charitable objects of the Trust.

The five year business plan sets out the Trustees' ambitions based on three key workstreams - reputation and profile; growth and renewal and financial strength. In 2024/25, the focus was on growth and renewal - a major refurbishment of the 15th Century St. Saviour's Chapel with significant grant funding from the Heritage Lottery Fund; and also the renovation of an old Mortuary building within the alsmshouse estate, to provide storage and a work area for the handyman and gardeners to use. These were the major projects for the charity, with expenditure of nearly £520,000 in 2024/25. The aim is that income will be generated from increased bookings for use of the Chapel which is now a bright, warm and welcoming space for concerts, services and meetings. This aim fulfils both the reputation and profile and financial strength workstreams.

In 2024/25, the CEO and Trustees began to develop plans to both acquire existing property for conversion into more almshouse accommodation in Wells and also consider opportunities for developing new almshouses on brownfield land. These are longer term ambitions which it's hoped will begin to bear fruit by 2028/29.

ACHIEVEMENTS AND PERFORMANCE

The most significant achievements of 2024/25 were the Chapel refurbishment and Mortuary renovation. Following several years' of delay, both contracts were tendered, let and successfully completed, all within the financial year. Both contracts were delivered close to budget and with minimal delays. Whilst it was very disruptive for both staff and residents during the building works, this was handled with patience and forbearance by all concerned.

A residents' satisfaction survey was undertaken in January 2025, a requirement of the Consumer Standards regulations set down by the Social Housing Regulator. This demonstrated a high level of satisfaction amongst participants with 81% expressing overall satisfaction with the services provided by CWA.

FINANCIAL REVIEW

The Trustees' aim is that income from the Weekly Maintenance Contribution (WMC), paid by residents, covers the everyday maintenance costs associated with running the Almshouses. As a registered provider of social housing, and a Charitable Almshouse association, a Weekly Maintenance Contribution (WMC) is charged in lieu of rent. Accordingly, the WMC can only be increased in compliance with Government Policy. The Charity increased the WMC from April, 2024 in line with the Government's recommendation of 7.7%. Service Charges are charged depending on the actual costs to the Charity.

These costs have in recent years been of a level that may have caused hardship to individual residents if they had been charged to residents in full. Consequently to avoid hardship the Charity has absorbed a certain level of these costs such that the Service Charges are not grnerally increased by more than the percentage increase in the WMC.

The nature of these costs are explained in detail to residents and comprise such items as : health & safety checks, gardens maintenance, grass cutting, tree works, hedge trimming and waste removal; communal electricity in stairwells and entrance ways; lift repairs and maintenance; cleaning and heating of communal areas; outside window cleaning; fire safety; pest and rodent control and waste and recycling.

The total cost of maintaining, operating and improving the complex continues to be the major item of expenditure each year, especially as the historic nature of the buildings requires specialist craftsmen and materials to undertake the maintenance, improvement and upgrading of the properties. Nevertheless, the preservation of the buildings is critical to the wellbeing of our residents and is an essential aspect of our work.

The Charity's investments are a vital component in ensuring that new almshouse residences can continue to be created or converted.

The Charity has renovated its Grade II* listed Chapel and the Old Mortuary Building which are part of the almshouse estate. The total costs of this work in the year to 31st March 2025 were £400,899 for the Chapel and £118,717 for the Old Mortuary. Grants of £279,438 were received in respect of the refurbishment of the Chapel in the year. Because of the nature of these costs, the net amount of £240,178 has been treated as an expense in the year and included within the Statement of Financial Activities. The Statement shows a net deficit, before investment gains or losses, of £214,329 (2024 : net income of £40,646). But for the exceptional costs of the refurbishment work, the Charity would have had net income before investment losses of £25,849. The Trustees consider that this is a satisfactory result for the year.

During the course of the year our investments provided a net income of approximately £76,000 comprised of interest, dividends, agricultural land rents and wayleave payments. However, the value of these investments, managed by our fund managers, decreased in value by nearly £107,000.

The Charity has an ethical investment policy which excludes investments which generate a significant proportion of their revenue from activities which conflict with the aims of the Charity. For example, gambling, weekly-collected home credit and payday loans are excluded as these are potential causes of hardship and distress which could lead to homelessness. Also excluded are investments which could affect our supporter base such as the manufacture and supply of armaments, pornography and the manufacture and commercial distribution of tobacco. The extent of the market capitalisation excluded by the policy and therefore its potential financial detriment has been formally approved by the Trustees.

VALUE FOR MONEY (VfM)

In 2018 the Regulator of Social Housing (RSH) introduced a Value for Money (VfM) Standard which requires registered providers of social housing to publish in their financial statements a series of metrics designed to measure economy, efficiency and effectiveness on a comparable basis across the social housing sector.

In this context : Economy means minimising the cost of resources while having regard to quality; Efficiency is the relationship between the output from goods or services and the resources to produce them; Effectiveness is the extent to which objectives are achieved and the relationship between intended and actual impacts.

The CWA needs to ensure that it has sought to optimise the financial return from its assets and activities in so far as this is consistent with achievement of the Charity's wider organisational purposes. Social housing businesses generally receive a lower-than-market return on social housing assets, as renting properties below the market rate is an integral part of their social purpose.

Further, the CWA may at times opt not to receive maximum return from an asset, instead taking the decision to accept a lower return in furtherance of its social objectives; where this is the case our aim is to see that the rationale for this is clearly articulated and justified, for example, where historical covenants are in place, which restrict the sale or development of properties even when there are high maintenance costs.

These VfM metrics provide a tool for registered providers to demonstrate to the RSH, residents and any other stakeholders, that they are making the best use of their assets and resources. The social housing sector is very diverse and no single set of metrics can capture all of the measures that matter to each individual provider.

The standard metrics defined by the RSH are intended to achieve the different, but complementary, objective of providing measures with wide applicability which permit comparison across the social housing sector. Importantly, the suite of VfM metrics, is restricted to data derived from the registered providers' Annual Accounts.

The Standard requires providers not only to publish their own VfM metrics but also to set their own targets and analyse their performance alongside that of their peers on a comparable basis. The RSH has published a Technical note guidance (April 2024) setting out in detail how the metrics are to be calculated and in setting out the required metrics we have followed this guidance. The metric targets were approved by the Board of Trustees. In order to provide comparable data from other providers we have taken data from a report issued by the RSH (Value for Money Metrics Report - Annex to Global Accounts 2023); this data provides metrics from smaller providers which own less than 2,500 units.

Metric 1. Reinvestment and upgrading of existing units of accommodation

This metric looks at the current year investment in units as a percentage of the value of all properties held.

Peer Group	CWA Target	CWA 2025	CWA 2024	CWA 2023
3.70%	1.25%	0.92%	2.06%	1.75%

The CWA did not acquire or develop any new housing in the 2024-2025 financial year. It did however upgrade certain of the housing properties.

VALUE FOR MONEY (VfM)(continued)

Metric 2a. New supply of social housing units
Metric 2b. New supply of non-social housing units

These metrics set out the percentage number of housing units acquired or developed in the year.

	Peer Group	CWA Target	CWA 2025	CWA 2024	CWA 2023
Social	0.70%	0.00%	0.00%	0.00%	0.00%
Non-Social	0.00%	0.00%	0.00%	0.00%	0.00%

There has been no new supply of units for several years. There are plans to develop or otherwise acquire a number of new units in the next few years and the funds necessary to increase the number of units of accommodation are in place. There are potential challenges in obtaining planning consent for new homes and issues of viability around purchasing and converting existing property in Wells.

Metric 3. Gearing

This metric assesses how much of our property assets are made up of mortgage debt and our degree of dependence on debt finance.

Peer Group	CWA Target	CWA 2025	CWA 2024	CWA 2023
32.90%	3.00%	-1.06%	0.89%	0.89%

Our overall dependency on loan finance is very low compared with our peer group. The CWA has no borrowings at present and has adequate cash resources at present to meet all prospective needs.

Metric 4. EBITDA MRI (Earnings before Interest, Tax, Depreciation, Amortisation, Major Repairs Included)

The EBITDA MRI interest cover measure is a KEY INDICATOR for liquidity and investment capacity. It seeks to measure the level of surplus that a provider generates compared to interest charges payable.
The interest charges that we incur are very small as we have the resources to fund development without recourse to borrowing.

Peer Group	CWA Target	CWA 2025	CWA 2024	CWA 2023
171.00%	1000.00%	-93.03%	213.00%	3167.00%

CWA interest charges are small and indicate an opportunity for additional borrowing if required to meet our charitable objectives.

Metric 5. Headline Social Housing costs per unit

This metric quantifies all the expenditure costs associated with social housing. The costs include management costs,service costs, routine maintenance costs, major repairs expenditure, capitalised major repairs expenditure and community services.Inflationary pressures have caused significant cost increases.
This metric excludes non-cash items such a depreciation,amortisation and write downs.

Peer Group	CWA Target	CWA 2025	CWA 2024	CWA 2023
£5,720	£5,750	£8,238	£7,101	£5,842

VALUE FOR MONEY (VfM)(continued)

Metric 6a. Operating Margin of social housing lettings only.
Metric 6b. Operating margin overall.

This metric 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. In assessing this ratio, it is important to consider the registered providers' purposes and objectives (including their social objectives).

	Peer Group	CWA Target	CWA 2025	CWA 2024	CWA 2023
Social	18.70%	20.00%	-230.27%	22.44%	22.59%
Overall	16.80%	20.00%	-53.08%	12.69%	48.34%

Although we achieved our target in 2022 and 2023 was distorted by exceptional land sales revenue it is the case that between 2022 and 2024 our operating income increased by only 13% whereas our expenditures increased by over 35%. Our income from residents is effectively set by the Government whereas our expenditures depend on forces beyond our control e.g. the Ukraine war.

Metric 7. Return on Capital Employed (ROCE) %

ROCE compares the operating surplus (including sales of land) to total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources.

Peer Group	CWA Target	CWA 2025	CWA 2024	CWA 2023
2.10%	1.00%	-3.86%	0.48%	2.93%

It could well be that our target is over ambitious since we have operated for several years in a market where the rate of increase in our WMC and Service Charges are set by Government policy. Without the benefit of land sales the metric for 2023 would have been 0.43%. Fixed revenue increases and substantial increases in investment values will keep this metric at under 1%.

RESERVES POLICY

CWA has substantial reserves, some in the form of Permanent Endowment (which can only be spent on creating new almshouse provision) but a significant amount in more-or-less liquid and unrestricted funds that can and should be used in support of our charitable objectives.

In developing this Reserves Policy, the Trustees of CWA have borne in mind the following strategic principles:

1. Our charitable objectives and our responsibilities to both current and future beneficiaries
2. The historic nature of the listed buildings which make up our almshouse estate; the Board of Trustees at any one time can only be temporary stewards of the buildings and of an institution with centuries of history. It is our responsibility to pass these on to our successors - in good condition - looking forward to centuries to come.
3. Trustees and management are committed to maintaining the fabric of the estate to high standards. Maintenance is a process, not an event. A continuous maintenance regime is essential to avoid deterioration over the medium to long term. This presents a continuing challenge to management in financial, environmental and health & safety terms.
4. Our primary source of income as an almshouse charity is in the form of the Weekly Maintenance Contributions (WMC) made by our resident beneficiaries. These are set at a level which is calculated broadly to cover the budgeted day-to-day costs of running and maintaining the estate. However, we are also aware that year-by-year we have been consistently spending more - on maintenance - than we believe could reasonably be recovered from beneficiaries through the WMC. We are and will remain dependent on revenue we receive from investments to cover the balance of our running costs (and thus to be able to continue to meet our charitable objectives).

Reserves Policy 1:
We have designated a substantial investment reserve, to generate sufficient income to enable us to maintain the unceasing process of maintenance and renewal of our historic estate, without at the same time placing an undue financial burden on the beneficiaries at any one time. Our investment objective is to maintain the capital value of this investment reserve over time, in principle drawing down each year only that part of the investment income that exceeds the current rate of inflation, unless we face exceptional challenges in meeting our financial commitments. (see also the approved CWA Investment Policy dated 16th October,2024.)

Reserves Policy 2:
The Trustees made a strategic commitment (in 2023) to build or acquire a minimum of four new almshouse units within the next 5 years. We hold permanent endowment which can only be used to build or acquire new almshouses (subject to permission from the Charity Commission). The amount of permanent endowment which we hold would not however be sufficient to allow us to acquire the necessary land and to build 4 new almshouses in the city of Wells, if that is the ultimately chosen route to meeting this objective. The Trustees will therefore each year review and designate sufficient of our free reserves to ensure we have sufficient funds in total set aside to cover the estimated total project cost of a four-unit new build. There are inevitably significant uncertainties in our plans, including the challenges of finding suitable land within the city, of gaining planning permission, and of managing the project itself; however, the Trustees are convinced that a plan to turn this aspiration into action is essential to our continuing to meet our charitable objectives.

Reserves Policy 3:
Wherever non-routine maintenance projects have been identified and costed for future implementation, the Trustees will each year designate sufficient funds to cover the most recently estimated future completion costs of those.

RESERVES POLICY (continued)

Reserves Policy 4:
We will continue to explore through the Risk Register those risks which might have a significant financial impact which cannot be mitigated through insurance or other mechanisms. We believe that it is prudent for a charity of our size and type to maintain free reserves in a range between £250,000 - £500,000. This policy is reviewed annually by the Board.

Free Reserves as at 31st March, 2025

In line with policy:

We have maintained our designated Investment Reserve of £1,000,000

We have maintained our designated reserve for building new almshouses of £1,450,000 (about half of which is restricted funding.

No new major non-routine maintenance tasks had been identified at the year end. Looking now at existing projects, although the majority of the spending on repair and refurbishment of both the Chapel and the Old Mortuary was completed by the year end, there are some costs that had not yet been incurred (including contractual retentions); all restricted donations for the Chapel refurbishment have been recognised in the 2024/25 accounts. We have therefore carried forward sufficient designated unrestricted funds to cover estimated outstanding costs.

Our free reserves fall within our target range.

RESERVES POLICY (continued)

	£	£	Restricted Funds £	Unrestricted Funds £	Total £
Reserves					
Total reserves at 31st March 2025		8,319,472			
Less assets required for operation of the charity					
Property (Note 10)	5,283,448				
Equipment (Note 10)	8,676				
		(5,292,124)			
Realisable reserves		3,027,348			
Less:					
Permanent endowment (Note 16)	749,295	(749,295)	749,295		749,295
Unrestricted realisable funds		**2,278,053**		2,278,053	2,278,053
Realisable reserves			749,295	2,278,053	3,027,348
Designated funds					
Investment fund				1,000,000	1,000,000
Development of new units			749,295	700,705	1,450,000
Upgrades to three existing units				180,000	180,000
Chapel repairs/refurbishment (inc retention)				25,000	25,000
Old Mortuary refurbishment (inc retention)				50,000	50,000
Total designated funds			**749,295**	**1,955,705**	**2,705,000**
Balance free reserves			**-**	**322,348**	**322,348**

FINANCIAL CONTROLS

The Board considers that the Charity's governance structure, financial controls and procedures and the work of the Finance and Estate Committees are sufficient to enable the Charity to comply with all necessary standards set by Homes England, its official regulator.

The Finance and Estate Committees, comprising several Trustees, the Chief Executive and the Finance Officer undertakes the following duties:

* Monitors and oversees the performance of the Investment Manager and portfolios
* Reviews the agricultural land holdings in line with the Business Plan
* Monitors and oversees the contracts let for major works
* Monitors overall expenditure against budgets
* Monitors the Reserves Policy
* Monitors the cash flow and assesses the need to move funds between accounts
* Reviews and updates the Investment Strategy
* Maintains and updates the Risk Register, and
* Reports to the main Board on these matters

The Board agrees on an annual basis the income and expenditure and capital programmes for the next financial year. These are reviewed by the Finance and Estate Committees throughout the year. At each Board meeting key performance indicators (KPI's) are reported including progress against budget along with non-financial measures such as the number of residents attending meetings, whether repairs have been carried out on time, our social media targets and trustee involvement in the quarter. This combination of measures are reported to ensure that the Charity not only meets its financial targets but is also compliant and act responsibly.

The Charity's procedures for procurement, its financial controls and the functions of the Finance and Estate Committees ensure that value for money (VfM) is achieved in delivering its' objectives. The Board has agreed and reviews the threshold levels for quotations, for formal tendering and for delegations. All but the smallest amounts are subject to competition. However, when awarding contracts, the Charity also takes into account:

* The quality of workmanship
* Relationships with contractors and their performance
* The approach to working in residents' homes: and
* Residents' feedback.

This means that we do not necessarily always accept the lowest tender figure, but the one we feel will provide us with best value for money and quality workmanship. In addition, market testing exercises are periodically undertaken for those companies who provide professional services to the Charity.

RISKS AND UNCERTAINTIES

The Charity operates a Risk Register in order to identify risks and what can be done to manage these. The three main risks, after taking into account actions taken to reduce risk, are as follows:

* A major disaster, e.g fire, flood
* A failure to respond to emergency calls from residents and
* A collapsed/injured resident not found for some time

The Trustees are continuing to find ways of reducing risk so that the Charity is managed efficiently and its charitable objectives are met.

PLANS FOR THE FUTURE

The Trustees will adopt a new 5 year Business Plan later in this financial year after a full review of all our land holdings.

The Trustees are actively exploring various environmental developments concerning the provision of light and heating for our residents. This is a very large and complex project for which we have commissioned a report into the provision of air source heat pumps.

As the almshouse properties are all listed the cost of maintenance is one of the main sources of expenditure for the Charity. A Quinquennial survey was commissioned in 2023 which projected that costs in the region of £200,000 would be required in order to maintain all of the Charity's buildings over the upcoming five years.

The Quinquennial Report states that : "The property is in fair condition with only a few mainly isolated items of disrepair, some issues need addressing and some maintenance will be needed within the quinquennium. The flats and almshouses are all "decent" according to the Government's Decent Homes Standard."

The Trustees were aware that the Almshouses have not been well known by the local people of Wells. However over the last few years, the profile of the Almshouses has been raised within the community with talks, concerts and additional services being held. Two "Open Days" are held during the summer such that the general public can visit the properties and gardens and learn about their history.

Groups can visit the Almshouses for a tour by booking in advance. Additional opportunities for the community to come are planned with more concerts, talks and services, as well as the opening up of the historic chapel more regularly for the public to view.

In conjunction with the Charity's website the Charity uses its Facebook and Twitter pages to promote upcoming events and inform the general public about what the Almshouses have been doing. A regular newsletter is now being produced and sent to the Charity's supporters. A leaflet about the Almshouses is sited in prominent places around Wells. The Trustees hope that such actions will increase awareness of the Almshouses which may help to attract future beneficiaries, volunteers and additional sources of income.

PLANS FOR THE FUTURE (continued)

The Trustees are keen to ensure that all residents are consulted and involved in the decisions that are made concerning their homes and surroundings. Regular residents' meetings are held to form a basis for developing a structure of involvement for those who wish to participate.

A resident survey was conducted to understand more fully how the Charity can improve the housing facilities it provides to residents. Extremely high levels of satisfaction were recorded overall and of particular note is the appreciation expressed over the standards of residents' accommodation. The outcomes of the survey are being utilised to understand more fully the residents' priorities.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing a Trustees'Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).
Charity and Registered Social Housing legislation require 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, of the incoming resources and application of resources, including the income and expenditure for that period.

In preparing these financial statements, the Trustees are required to:

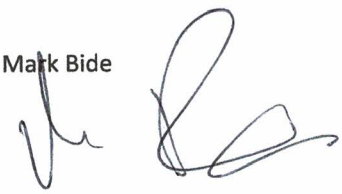
* Select suitable accounting policies and then apply them consistently
* Observe the methods and principles in the Charities SORP
* Make judgments and estimates that are reasonable and prudent
* State whether applicable UK accounting standards have been followed, subject to any material departures disclosed 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 Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with Charities Acts, the Housing and Regeneration Act 2008 and the Accounting Direction 2022 for private registered providers of social housing in England. They also have general responsibility for taking reasonable steps to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

The success of 2024/25 would not have been possible without the commitment and hard work of those involved with the Almshouses. The Trustees would like to thank Staff, Residents, Volunteers and members of the public who have provided such support.

On behalf of the Trustees

Mark Bide



Date: 23rd July, 2025

Independent Examiner's Report to the Trustees of City of Wells Almshouses

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31st March 2025 which are set out on pages 17 to 30.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the the requirements of the Charities Act 2011 ("the Act")

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in Section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and contents of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



James Gare FCA DCha
Monahans
Chartered Accountants
County Gate, County Way,
Trowbridge
BA14 7FJ

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Endowment Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
INCOME:						
Income from residents	2	248,100	-	-	248,100	230,982
Investment income	3	56,427	16,062	3,670	76,159	76,915
Grants & Donations	4	-	-	280,818	280,818	12,410
Total income		**304,527**	**16,062**	**284,488**	**605,077**	**320,307**
EXPENDITURE:						
Charitable activities	5	453,698	-	336,429	790,127	251,560
Professional management costs	8	29,279	-	-	29,279	28,101
Total expenditure		**482,977**	**-**	**336,429**	**819,406**	**279,661**
Net income before investment losses / gains		**(178,450)**	**16,062**	**(51,941)**	**(214,329)**	**40,646**
(Losses)/gains on investments	11	(30,881)	(75,937)	-	(106,818)	256,378
Revaluation gain / (loss) on investment land	12	(15,000)	-	-	(15,000)	231,000
Net income/(expenditure)		**(224,331)**	**(59,875)**	**(51,941)**	**(336,147)**	**528,024**
Transfers between funds		-	-	-	-	-
Net movement in funds		(224,331)	(59,875)	(51,941)	(336,147)	528,024
Reconciliation of funds:						
Total funds brought forward		7,779,508	809,170	51,941	8,640,619	8,112,595
Total funds carried forward		**7,555,177**	**749,295**	**-**	**8,304,472**	**8,640,619**

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing operations.

COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Endowment Funds £	Restricted Funds £	Total Funds 2024 £
INCOME:					
Income from residents	2	230,982	-	-	230,982
Investment income	3	54,905	21,015	995	76,915
Grants & Donations	4	-	-	12,410	12,410
Total income		**285,887**	**21,015**	**13,405**	**320,307**
EXPENDITURE:					
Charitable activities	5	251,560	-	-	251,560
Investment management costs	8	28,101	-	-	28,101
Total expenditure		**279,661**	**-**	**-**	**279,661**
Net income before investment & land gains		**6,226**	**21,015**	**13,405**	**40,646**
Net gains on investments	11	184,653	65,420	6,305	256,378
Revaluation gain on investment land	12	231,000	-	-	231,000
Net income		**421,879**	**86,435**	**19,710**	**528,024**
Transfers between funds		-	-	-	-
Net movement in funds		421,879	86,435	19,710	528,024
Reconciliation of funds:					
Total funds brought forward		7,357,629	722,735	32,231	8,112,595
Total funds carried forward		**7,779,508**	**809,170**	**51,941**	**8,640,619**

BALANCE SHEET

	Notes	£	2025 £	£	2024 £
FIXED ASSETS					
Property	10		5,283,448		5,340,955
Equipment	10		8,676		11,110
Investments	11		2,107,704		2,527,929
Investment land	12		805,000		820,000
Total fixed assets			8,204,828		8,699,994
CURRENT ASSETS					
Debtors	13	87,265		7,739	
Cash at bank and in hand		56,002		37,016	
		143,267		44,755	
CREDITORS: amounts falling due within one year	14	(43,623)		(104,130)	
NET CURRENT ASSETS / (LIABILITIES)			99,644		(59,375)
TOTAL ASSETS LESS CURRENT LIABILITIES			8,304,472		8,640,619
CREDITORS: amounts falling due after more than one year	15		-		-
NET ASSETS			**8,304,472**		**8,640,619**
THE FUNDS OF THE CHARITY					
Endowment reserves	16		749,295		809,170
Restricted reserves	16		-		51,941
Unrestricted reserves	16		7,555,177		7,779,508
TOTAL CHARITY FUNDS			**8,304,472**		**8,640,619**

The financial statements were approved by the Board of Trustees on 23rd July, 2025 and were signed on its behalf by:

Mark Bide **Mark Shelton**





NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

a) Basis of accounting

The City of Wells Almshouses is an unincorporated Charity registered in England and Wales. The address of the principal offices is given in the Officers and Professional Advisers information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are detailed within the Trustees' Annual Report.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities : Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October, 2019 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) , the Charities Act 2011, the Accounting Direction for private registered providers of social housing 2022 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a "true and fair" view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a "true and fair" view. This departure has involved following the Accounting and Reporting by Charities : Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather that the Accounting and Reporting by Charities : Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity meets the definition of a public benefit entity under FRS 102.

The accounts are prepared in accordance with the historical cost basis of accounting except as modified by the revaluation of investments and certain fixed assets.

In November 2014 the City of Wells Charitable Incorporated Organisation (CIO) was created, registered charity number 1159162. As sole trustee of the Trust it exercises control and so is effectively its parent. Consolidated accounts have not been prepared as group income is less than the threshold required to do so. Financial statements for the CIO can be obtained from 4 Bubwith Almshouse, Wells, BA5 2QE.

b) Preparation of the accounts on a going concern basis

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.

c) Income

All income is recognised once the Charity has entitlement to the income, there is sufficient certainty of receipt, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income represents letting income and other service charges receivable from social housing lettings included at their invoice value net of voids.

Donations or Grants are recognised when there is evidence of entitlement to the gift, receipt is probable and the amount can be measured reliably. All income is considered unrestricted unless specifically restricted by the donor, or raised in an appeal for a specific purpose.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and land. It includes dividends, interest and agricultural rents. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest, dividend and rental income are recognised once the Charity's right to receive payment is established.

No amount is included in the financial statements for volunteer time in line with SORP FRS (102)

d) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The City of Wells Almshouses is not registered for Value Added Tax (VAT). In these financial statements, where applicable, expenditure is shown inclusive of VAT.

e) Allocation of support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. All office costs, staff costs associated with the supporting element of the roles of the Finance Officer/ Charity Secretary and Chief Executive and governance costs are considered to be support costs.

f) Freehold property

Housing properties are principally properties available for occupation by the beneficiaries of the Charity and are initially stated at cost. Cost includes the cost of acquiring land and buildings and development costs.
Freehold property was revalued in 2015. The revalued amount has been used as the deemed cost of the property as at the 1 April 2014, this being the date of transition to the SORP (FRS 102).
Assets in the course of construction are capitalised at cost and not depreciated until they are ready for use.

g) Upgrades to properties

Works are capitalised if they result in an increase in the net rental income, a reduction in future maintenance costs or a significant extension to the life of the property. The net book value of these costs are depreciated over a 15 year period.

h) Impairment of freehold property

Reviews for impairment are carried out annually at the reporting date. Impairment is recognised when the carrying value of an asset exceeds its recoverable amount. Examples of indicators of impairment are a significant decrease in the market value of the property or significant physical damage.

i) Other Fixed Assets

Other fixed assets costing £200 or more are capitalised at cost. Other fixed assets include fixtures and fittings, equipment and IT equipment which are depreciated on a straight line basis between 3 to 5 years.

j) Land investments

The land owned by the Charity is let to agricultural businesses. Land is held in the balance sheet at fair value. The land was valued as at 31st March, 2024 by Carter Jonas an independent commercial property advisor and surveyor.

k) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

l) Investments

Investments are stated at market value at the balance sheet date. Net gains and losses arising on revaluation of unrestricted investments are shown in the Unrestricted Reserves. Investments are held within fixed assets on the basis that they are held to generate income in the longer term.

m) Cash

Cash at bank and in hand includes cash held in deposit accounts.

n) Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount to settle the obligation can be measured reliably.

o) Contingent Liabilities

A contingent liability will be disclosed if :

* A possible obligation arising from a past event whose existence will be confirmed only by some uncertain future event that is not wholly in control of the CWA
* A present obligation arising from a past event but where the transfer of funds is not probable or the amount of the obligation cannot be measured reliably.

p) Financial instruments

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. These are cash, creditors, and debtors other than prepayments. Basic financial instruments are initially measured at transaction value and subsequently measured at their settlement rate. There are two exceptions to this, the bank loan which is subsequently measured at amortised cost using the effective interest method and investments which are subsequently measured at fair value.

q) Reserves

Unrestricted Reserves are funds available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted Reserves are funds for which the donor has specifically restricted the purpose for which they can be used . The amounts in the funds represent the monies still remaining for future expenditure.

Endowment Reserves are a type of restricted fund and represent those assets which must be held permanently by the Charity. Income arising on the endowment funds can be used in accordance with the objectives of the Charity. Any capital gain or loss arising on the endowments form part of the Endowment Reserves.

r) Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2 INCOME FROM RESIDENTS

	Unrestricted Reserves 2025	Unrestricted Reserves 2024
	£	£
Weekly Maintenance Contributions (WMC)	**165,424**	153,906
Property related Service Charges	**82,676**	77,076
	248,100	230,982

WMC receivable is net of void losses of approximately £3,125 (2024 : £2,510). The Charity provided 33 units of housing for older people during the year (2024 : 33).

3 INVESTMENT INCOME

	Total Funds 2025 £	Total Funds 2024 £
Interest and Dividends	**64,566**	65,369
Agricultural Rents	**11,593**	11,546
	76,159	76,915

4 GRANTS & DONATIONS

	Restricted Funds 2025 £	Total Funds 2025 £	Restricted Funds 2024 £	Total Funds 2024 £
Chapel Restoration Donations	**1,380**	**1,380**	2,815	2,815
Chapel Restoration Grants	**279,438**	**279,438**	9,595	9,595
	280,818	**280,818**	12,410	12,410

During the year the Charity incurred Chapel fundraising costs of £218 (2024 : £3,546)

5 CHARITABLE ACTIVITIES

	Direct Costs 2025 £	Support Costs 2025 £	Total Costs 2025 £	Direct Costs 2024 £	Support Costs 2024 £	Total Costs 2024 £
Depreciation	**83,639**	-	**83,639**	77,842	-	77,842
Salaries & Pensions	**38,457**	**57,520**	**95,977**	33,519	35,892	69,411
Communal amenities	**15,511**	-	**15,511**	35,101	-	35,101
Professional Fees	**29,279**	-	**29,279**	28,101	-	28,101
Property maintenance	**538,806**	-	**538,806**	15,505	-	15,505
Insurance	**16,563**	-	**16,563**	11,218	-	11,218
Property running	**3,905**	-	**3,905**	5,273	-	5,273
Loan Fees	**2,553**	-	**2,553**	7,443	-	7,443
Governance	-	-	-	-	883	883
Other	**33,173**	-	**33,173**	28,884	-	28,884
	761,886	**57,520**	**819,406**	242,886	36,775	279,661

Professional Fees include independent examination fees of £3,300 (2024 : £3,300)

6 SALE OF LAND

There were no sales of land during the year (2024 : £Nil).

7 EMPLOYEES

	2025	2024
	£	£
Salaries	**87,300**	65,228
Pension Contributions	**3,010**	1,769
Staff Salaries & Pensions	**90,310**	66,997
Training, Welfare & Travel	**5,667**	2,414
Total employee related costs	**95,977**	69,411

The average number of employees during the year was 4 (2024 : 4)
The number of full time equivalents was 2 (2024 : 2)
Key management personnel received remuneration of £36,381 (2024 : £17,706)
They are a member of a pension scheme.
No employee received total benefits in excess of £60,000 (2024 : Nil).
The Trustees did not receive any remuneration from the Charity during the year (2024 : £Nil), neither were they reimbursed expenses during the year (2024 : £ Nil).

8 PROFESSIONAL MANAGEMENT COSTS

Professional expertise was sought in the areas of land management, independent financial examination, payroll preparation, fundraising, I.T.assistance, legal matters and surveying.

9 SOCIAL HOUSING OPERATING RESULT

	2025	2025	2024	2024
	£	£	£	£
Income from Residents (Note 2)		**248,100**		230,982
Total activities costs (Note 5)	**819,406**		279,661	
Less : Non-social housing costs:				
Non-social housing property maintenance	**(519,616)**			
Professional Fees (Note 5)	**(29,278)**		(28,101)	
Depreciation (Note 5)	**(83,638)**		(77,842)	
Loan Fees (Note 5)	**(2,553)**		(7,443)	
Chapel Fundraising costs (Note 4)	**(218)**		(3,546)	
Governance costs (Note 5)	-		(883)	
Total Social Housing Costs		**184,103**		161,846
Social Housing Operating Result		**63,997**		69,136

10 TANGIBLE ASSETS

	Freehold Property £	Property Upgrades £	Property Sub-total £	Equipment £	Total £
COST					
At 1st April 2024	**4,759,486**	**1,101,398**	**5,860,884**	**22,968**	**5,883,852**
Disposals	**(11,332)**	**(15,838)**	**(27,170)**	**(6,271)**	**(33,441)**
Additions	**-**	**48,640**	**48,640**	**2,228**	**50,868**
At 31st March 2025	**4,748,154**	**1,134,200**	**5,882,354**	**18,925**	**5,901,279**
DEPRECIATION					
At 1st April 2024	**213,669**	**306,260**	**519,929**	**11,858**	**531,787**
Disposals	**-**	**-**	**-**	**(6,271)**	**(6,271)**
Charge for year	**23,741**	**55,236**	**78,977**	**4,662**	**83,639**
At 31st March 2025	**237,410**	**361,496**	**598,906**	**10,249**	**609,155**
NET BOOK VALUE					
At 31st March 2025	**4,510,744**	**772,704**	**5,283,448**	**8,676**	**5,292,124**
At 31st March 2024	4,545,817	795,138	5,340,955	11,110	5,352,065

11 INVESTMENTS

	2025 £	2024 £
Market value as at 1st April, 2024	**2,527,929**	2,261,490
Additional investment at cost	**-**	10,061
Withdrawn investment at cost	**(320,000)**	-
Interest reinvested	**6,593**	
(Losses) / Gains on revaluation	**(106,818)**	256,378
Market value as at 31st March, 2025	**2,107,704**	2,527,929

Represented by:

	2025 £	2024 £
CCLA Charities Investment Funds	**2,107,704**	2,527,929
	2,107,704	2,527,929

12 INVESTMENT LAND

	2025 £	2024 £
Value as at 1st April 2024	820,000	589,000
Net gain / (loss) on revaluation	(15,000)	231,000
Value as at 31st March 2025	805,000	820,000

In 2024 the Trustees commissioned Carter Jonas to re-value the Charity's agricultural land. In 2025 this value was reduced by £15,000 based on a Knight Frank agricultural Farmland Index.

13 **DEBTORS**

	2025	2024
	£	£
Trade Debtors	-	2,102
Heritage Lottery Fund Grant	**68,822**	-
Listed Places of Worship Grant	**12,618**	-
Land rents receivable	**5,825**	5,637
	87,265	7,739

Social Housing Rent Arrears at 31/03/25 were £518 (31/03/24 : £407)

14 **CREDITORS : Amounts falling due within one year**

	2025	2024
	£	£
Trade creditors	**24,131**	8,373
Accruals	**12,349**	5,076
Bank loan	-	84,330
Sundry creditors	**7,143**	6,351
	43,623	104,130

The Bank loan was fully repaid on 19th July, 2024.

15 **CREDITORS : Amounts falling due after one year**

	2025	2024
	£	£
Between 1 to 2 years	-	-
Between 2 to 5 years	-	-
Due after 5 years	-	-
	-	-

16 RESERVES	Recoupment Endowment Reserves	Harpers Endowment Reserves	Chapel Restricted Reserves	Revenue Unrestricted Reserves	Total Reserves
As at 1st April, 2024	**267,406**	**541,764**	**51,941**	**7,779,508**	**8,640,619**
Investment income for 2024/25	5,308	10,754	3,670	56,427	76,159
Donations & Grants for 2024/25	-	-	280,818	-	280,818
Charitable income for 2024/25	-	-	-	248,100	248,100
Total income for 2024/25	**5,308**	**10,754**	**284,488**	**304,527**	**605,077**
Total expenditure for 2024/25	-	-	(336,429)	(482,977)	(819,406)
Investment losses for 2024/5	(24,916)	(51,021)	-	(30,881)	(106,818)
Investment land losses for 2024/25				(15,000)	(15,000)
As at 31st March, 2025	**247,798**	**501,497**	**-**	**7,555,177**	**8,304,472**
As at 1st April, 2023	238,842	483,893	32,231	7,357,629	8,112,595
Total income for 2023/24	6,945	14,070	13,405	285,887	320,307
Total expenditure for 2023/24	-	-	-	(279,661)	(279,661)
Investment gains/(losses) for 2023/24	21,619	43,801	6,305	184,653	256,378
Investment land gains for 2023/24	-	-	-	231,000	231,000
As at 31st March, 2024	267,406	541,764	51,941	7,779,508	8,640,619

Recoupment Endowment Reserves represented annual repayments of £4,200 to replace expenditure funded from permanent endowments as required by the Charity Commission.

In 2022 permission was received from the Charities Commission to transfer from the unrestricted reserves the sum of £105,000 being the next 25 years' worth of repayments thereby recouping the entire original endowment.

Harpers Endowment Reserves represent the proceeds of £354, 695 from the sale of the Harpers Almshouse which proceeds can only be expended on the construction of new almshouses.

17 **ANALYSIS OF NET ASSETS**	**Recoupment Endowment Reserves**	**Harpers Endowment Reserves**	**Chapel Restricted Reserves**	**Revenue Unrestricted Reserves**	**Total Reserves**
Tangible assets & equipment	-	-	-	5,292,124	5,292,124
Investments	247,798	501,497	-	1,358,409	2,107,704
Investment land	-	-	-	805,000	805,000
Cash at bank and in hand	-	-	-	56,002	56,002
Debtors	-	-	-	87,265	87,265
Other current liabilities	-	-	-	(43,623)	(43,623)
As at 31st March, 2025	**247,798**	**501,497**	-	**7,555,177**	**8,304,672**
Tangible assets & equipment	-	-	-	5,352,065	5,352,065
Investments	267,406	541,764	48,662	1,670,097	2,527,929
Investment land	-	-	-	820,000	820,000
Cash at bank and in hand	-	-	3,279	33,736	37,016
Other current assets	-	-	-	7,737	7,737
Other current liabilities	-	-	-	(104,130)	(104,130)
As at 31st March, 2024	267,406	541,764	51,941	7,779,508	8,640,619

18 CAPITAL COMMITMENTS

	2025	2024
	£	£
Authorised and contracted for	-	-

19 CONTINGENT LIABILITIES

In previous years two grant creditors totalling of £355,016 were released from long term creditors as there was no existing obligation to repay these. A grant of £322,000 had been received from the Housing Corporation, now known as Homes England, in 1995/96 for work to the Bubwith, Willes and Stills Almshouses. A further grant of £33,016 had been received from the Housing Corporation between 1999 and 2001 for works to the Bricks Almshouse. Both of these grants are only repayable if a relevant event occurs. A relevant event includes deregistration from Homes England or if the Almshouses are sold. As a relevant event has not occurred there is no present obligation to repay these grants. As a relevant event may occur in the future they have been disclosed as contingent liabilities.

20 RELATED PARTIES

During the year no related party transactions (2024 : £ Nil) were made.

CITY OF WELLS ALMSHOUSES

England & Wales - Charity number 1040554

Accounts

CITY OF WELLS ALMSHOUSES

Independently Examined Financial Statements

For the financial year ended 31st March 2024

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TRUSTEES, PROFESSIONAL ADVISERS, MANAGEMENT PERSONNEL and ADMINISTRATIVE DETAILS

The Board	City of Wells Almshouses CIO (Corporate Trustee)
CIO Board of Trustees	Mr Stewart Cursley - Chair of Trustees Mrs Sarah Powell - Deputy Chair of Trustees The Venerable Anne Gell : ex-officio (Acting Dean of Wells Cathedral) Mrs Tanys Pullin : ex-officio (Mayor of Wells) Ms Stella Ainsworth Mr Mark Shelton Mr Christopher Vigar - resigned 18th October, 2023 Mr Philip Welch Mr James Fane-Gladwin Ms Jenny Rust - appointed 18th October, 2023 Ms Lynda Armstrong - appointed 18th October, 2023 Mr Mark Bide - nominated 18th October, 2023
Chief Executive	Mrs Michelle J. Thomas - appointed 8th January, 2024
Financial Controller & Secretary	Mr Patrick M. McMahon MA FCA
Scheme Manager	Mrs Caroline Tollworthy
Principal Office	4 Bubwith Almshouses Wells, Somerset, BA5 2QE Telephone : 01749 675813 Email: info@wellsalmshouses.org.uk Website: www.wellsalmshouses.org.uk
Charity Number	1040554
Homes England Registration Number	A4055
Bankers	National Westminster Bank plc 7 High Street Wells, Somerset, BA5 2AD The Charity Bank Fosse House 182 High Street, Tonbridge, TN9 1BE
Solicitors	Tozers Solicitors Broadwalk House, Southernhay West, Exeter, Devon, EX1 1UA
Examining Accountants	Monahans, Chartered Accountants, County Gate, County Way Trowbridge, Wiltshire, BA14 7FJ

Investment Managers

CCLA Investment Management Limited
One Angel Lane
London
EC4R 3AB

Property Advisers

Carter Jonas
St. Catherine's Court
Berkeley Place,
Bristol, BS8 1BQ

Hill Reading Architects
Coach House Studio
34A Chamberlain St
Wells BA5 2PJ

Chantrey Conservation Architects Ltd
The Studio
St Omer,
The Street,
Draycott
Bath, BS27 3TH.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31st MARCH 2024

The Trustees of the City of Wells Almshouses (CWA) present their annual report and unaudited financial statements for the year ended 31st March, 2024.

The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Charity. This is the treatment required by the Housing SORP 2018 for registered social landlords which are also almshouses.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October, 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is a registered provider of social housing with the Regulator of Social Housing (number A4055) and is an unincorporated charitable trust registered with the Charity Commission (number 1040554).

As a registered provider of social housing the Charity has undertaken an assessment of its compliance with the Governance and Financial Viability Standard and the Trustees certify that they were compliant with the Standard during the course of the year and up until the date these accounts have been signed.

The Charity has one corporate trustee - the City of Wells Charitable Incorporated Organisation (CIO), registered with the Charity Commission (number 1159162), which in turn has a Board of Trustees, and it is they who administer the unincorporated trust.

The CIO Board: The CIO Board may comprise of:

* Two ex-officio members - the Mayor of the City of Wells and the Dean of Wells Cathedral.
* Four nominated Trustees (two from the City Council and two from the Chapter of the Cathedral)
* Up to eight appointed Trustees

Trustees appointed by the Charity are recruited by a formal application and interview process. There are currently 11 Trustees compared to a maximum of 14. As part of its commitment to resident involvement at all levels the CIO constitution allows for up to two Resident Trustees to join the Board.

Management: The day to day running of the Charity is delegated to the Chief Executive and their staff, operating within the agreed policies and procedures of the CIO. Delegated authority limits are established and there is a hierarchy for delegated decisions. The Trustees meet on a quarterly basis with the Chief Executive to review progress against targets. These targets are set out in the five year Business Plan. This, along with specific policies are reviewed by the full Board once a year. The Finance and Estate Committees are the only standing committees and their delegated authority has been approved by the Board. Other working parties are convened as and when required.

Staff: A small staff of four part-time employees manage the Charity on a day to day basis : the Chief Executive (appointed January, 2024); the Finance Officer/Charity Secretary; the Scheme Manager and the Handyman, all working from the Principal Office.

OBJECTIVES AND ACTIVITIES

The objectives of the Charity are :

* The provision of housing accommodation for beneficiaries; and
* Such charitable purposes, for the benefit of beneficiaries, as the CIO Board of Trustees decides.

Its main activity is the ownership and management of the 33 units of accommodation located within the five almshouses (Bubwith, Willes', Still's, Brickes and Llewellyn's), which make up the Charity's housing complex located in the City of Wells, Somerset. The almshouses are occupied by older, single people, who have been assessed as being in housing need. There have been no significant changes in the Charity's objectives since the last report.

The Trustees acknowledge the guidance issued by the Charity Commission in respect of our commitment to public benefit and we declare our commitment to it. The main activity of the Charity is the provision of accommodation to those in need in Wells and the surrounding area. In order to be considered for accommodation applicants must meet certain criteria , which allows the Charity to assess their need.

ACHIEVEMENTS AND PERFORMANCE

In order to comply with our charitable objectives, we have two prime responsibilities:

* To ensure that our existing residents are housed in comfortable, secure and pleasant accommodation that meets current day standards and expectations; and
* To ensure we are able to attract new residents to occupy our properties when vacancies occur.

The Charity's policy is to refurbish each property to a standard specification if it becomes void as the Trustees have found that residents do not generally wish to have their properties upgraded whilst they are in occupation, even though this might be desirable if they had lived in their homes for a number of years. However, the following major works have been completed : two new bathrooms/wetrooms have been installed, secondary glazing to the Guildroom windows , new coping stones in Llewellyn's, a new boiler in Llewellyn's, complete re-paving at Llewellyn's and repointing of the Chamberlain Street wall. Also, in total, there are now only three of the Charity's properties which will need completely refurbishing when they become void.

FINANCIAL REVIEW

The Trustees' aim is that income from the Weekly Maintenance Contribution (WMC), paid by residents, covers the everyday maintenance costs associated with running the Almshouses. As a registered provider of social housing, and a Charitable Almshouse association, a Weekly Maintenance Contribution (WMC) is charged in lieu of rent. Accordingly, the WMC can only be increased in compliance with Government Policy. The Charity increased the WMC from April, 2023 in line with the Government's recommendation of 7%. Service Charges are charged depending on the actual costs to the Charity.

These costs have in recent years been of a level that may have caused hardship to individual residents if they had been charged to residents in full. Consequently to avoid hardship the Charity has absorbed a certain level of these costs such that the Service Charges are not increased by more than the percentage increase in the WMC.

The nature of these costs are explained in detail to residents and comprise such items as : non-structural plumbing, electrical, gas and decoration repairs and safety checks; gardens maintenance, grass cutting, tree works, hedge trimming, and waste removal; communal electricity in stairwells and entrance ways; lift repairs and maintenance; cleaning and heating of communal areas; outside window cleaning; fire safety; pest and rodent control; waste and recycling.

Due to their circumstances, many of our residents are in receipt of Housing Benefit payable by the Local Authority. We need to be aware that some Local Authorities are under severe financial strain and are looking for Central Government support.

The total cost of maintaining, operating and improving the complex continues to be the major item of expenditure each year, especially as the historic nature of the buildings requires specialist craftsmen and materials to undertake the maintenance, improvement and upgrading of the properties. Nevertheless, the preservation of the buildings is critical to the wellbeing of our residents and is an essential aspect of our work.

The Charity's investments are a vital component in ensuring that new almshouse residences can continue to be created or converted.

During the course of the year our investments provided a net income of approximately £77,000 comprised of interest, dividends, agricultural land rents and wayleave payments. In addition, the value of these investments, managed by our fund managers, increased in value by nearly £256,000. The Trustees commissioned Carter Jonas, Chartered Surveyors to review and re-value the agricultural land under the Charity's ownership. The revaluation increased the value of the land by £231,000.

The Charity has an ethical investment policy which excludes investments which generate a significant proportion of their revenue from activities which conflict with the aims of the Charity. For example, gambling, weekly-collected home credit and payday loans are excluded as these are potential causes of hardship and distress which could lead to homelessness. Also excluded are investments which could affect our supporter base such as the manufacture and supply of armaments, pornography and the manufacture and commercial distribution of tobacco. The extent of the market capitalisation excluded by the policy and therefore its potential financial detriment has been formally approved by the Trustees.

VALUE FOR MONEY (VfM)

In 2018 the Regulator of Social Housing (RSH) introduced a Value for Money (VfM) Standard which requires registered providers of social housing (such as the CWA) to publish in their financial statements a series of metrics designed to measure economy, efficiency and effectiveness on a comparable basis across the social housing sector.

In this context : Economy means minimising the cost of resources while having regard to quality; Efficiency is the relationship between the output from goods or services and the resources to produce them; Effectiveness is the extent to which objectives are achieved and the relationship between intended and actual impacts.

The CWA needs to ensure that it has sought to optimise the financial return from its assets and activities in so far as this is consistent with achievement of the Charity's wider organisational purposes. Social housing businesses generally receive a lower-than-market return on social housing assets, as renting properties below the market rate is an integral part of their social purpose.

Further, the CWA may at times opt not to receive maximum return from an asset, instead taking the decision to accept a lower return in furtherance of its social objectives; where this is the case our aim is to see that the rationale for this is clearly articulated and justified, for example, where historical covenants are in place, which restrict the sale or development of properties even when there are high maintenance costs.

These VfM metrics provide a tool for registered providers to demonstrate to the RSH, residents and any other stakeholders, that they are making the best use of their assets and resources. The social housing sector is very diverse and no single set of metrics can capture all of the measures that matter to each individual provider.

The standard metrics defined by the RSH are intended to achieve the different, but complementary, objective of providing measures with wide applicability which permit comparison across the social housing sector. Importantly, the suite of VfM metrics, is restricted to data derived from the registered providers' Annual Accounts.

The Standard requires providers not only to publish their own VfM metrics but also to set their own VfM targets and analyse their performance alongside that of their peers on a comparable basis. The RSH has published a Technical note guidance (May 2022) setting out in detail how the metrics are to be calculated and in setting out the required metrics (below) we have followed this guidance. The metric targets were approved by the Board of Trustees at their meeting in July, 2023. In order to provide comparable data from other providers we have taken data from a report issued by the RSH (Value for Money Metrics Report - Annex to Global Accounts 2023); this data provides metrics from smaller providers which own less than 2,500 units.

Metric 1. Reinvestment and upgrading of existing units of accommodation

This metric looks at the current year investment in units as a percentage of the value of all properties held.

Peer Group	CWA Target	CWA 2024	CWA 2023	CWA 2022
3.70%	1.25%	2.06%	1.75%	1.34%

The CWA did not acquire or develop any new housing in the 2023-2024 financial year.

The amount of capital works undertaken during the year (£110,014) is comparable to that done last year (£92,938) and reflects our commitment to provide safe and affordable accommodation to our residents. Our capital works programme of maintenance and, where appropriate, modernisation of existing stock incorporates all works prescribed in our 2023 Quinquennial report. Comparison with other providers needs to take into account that our properties are all independently valued as being Grade 2 or Grade2* listed thereby understating the percentage impact of our capital works.

VALUE FOR MONEY (VfM)(continued)

Metric 2a. New supply of social housing units
Metric 2b. New supply of non-social housing units

These metrics set out the percentage number of housing units acquired or developed in the year.

	Peer Group	CWA Target	CWA 2024	CWA 2023	CWA 2022
Social	0.70%	0.00%	0.00%	0.00%	0.00%
Non-Social	0.00%	0.00%	0.00%	0.00%	0.00%

There has been no new supply of units for several years. There are plans to develop or otherwise acquire a number of new units in the next few years and the funds necessary to increase the number of units of accommodation are in place. We are aware however of potential challenges in obtaining planning consent.

Metric 3. Gearing

This metric assesses how much of our property assets are made up of mortgage debt and our degree of dependence on debt finance.

Peer Group	CWA Target	CWA 2024	CWA 2023	CWA 2022
32.90%	3.00%	0.89%	0.89%	2.60%

Our overall dependency on loan finance is very low compared with our peer group. The CWA has very little in borrowings and has adequate cash resources at present to meet all prospective needs.

Metric 4. EBITDA MRI (Earnings before Interest, Tax, Depreciation, Amortisation, Major Repairs Included)

The EBITDA MRI interest cover measure is a KEY INDICATOR for liquidity and investment capacity. It seeks to measure the level of surplus that a provider generates compared to interest charges payable.
The interest charges that we incur are very small as we have the resources to fund development without recourse to borrowing. By putting our target at 1000% we are effectively stating that in a financial year our borrowing costs are one tenth of our earnings as was the case in 2022. Our Peer group is estimating that its borrowing costs are about 55% of earnings. In 2024 our borrowing costs were approximately 47% of our adjusted earnings. In 2023 our metric was substantially distorted by the receipt of substantial net earnings from sales of agricultural land.

Peer Group	CWA Target	CWA 2024	CWA 2023	CWA 2022
171.00%	1000.00%	213.00%	3167.00%	1113.00%

CWA interest charges are small and indicate an opportunity for additional borrowing if required to meet our charitable objectives.

Metric 5. Headline Social Housing costs per unit

This metric quantifies all the expenditure costs associated with social housing. The costs include management costs,service costs, routine maintenance costs, major repairs expenditure, capitalised major repairs expenditure and community services.Inflationary pressures have caused significant cost increases.

Peer Group	CWA Target	CWA 2024	CWA 2023	CWA 2022
£5,720	£5,750	£8,238	£7,101	£5,842

VALUE FOR MONEY (VfM)(continued)

Metric 6a. Operating Margin of social housing lettings only.
Metric 6b. Operating margin overall.

This metric 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. In assessing this ratio, it is important to consider the registered providers' purposes and objectives (including their social objectives).

	Peer Group	CWA Target	CWA 2024	CWA 2023	CWA 2022
Social	18.70%	20.00%	22.44%	22.59%	25.07%
Overall	16.80%	20.00%	12.69%	48.34%	20.97%

Although we achieved our target in 2022 and 2023 was distorted by exceptional land sales revenue it is the case that between 2022 and 2024 our operating income increased by only 13% whereas our expenditures increased by over 35%. Our income from residents is effectively set by the Government whereas our expenditures depend on forces beyond our control e.g. the Ukraine war.

Metric 7. Return on Capital Employed (ROCE) %

ROCE compares the operating surplus (including sales of land) to total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources.

Peer Group	CWA Target	CWA 2024	CWA 2023	CWA 2022
2.10%	1.00%	0.48%	2.93%	0.73%

It could well be that our target is over ambitious since we have operated for several years in a market where the rate of increase in our WMC and Service Charges are set by Government policy. Without the benefit of land sales the metric for 2023 would have been 0.43%. Fixed revenue increases and substantial increases in investment values will keep this metric at under 1%.

RESERVES POLICY

CWA has substantial reserves, some in the form of Permanent Endowment (which can only be spent on creating new almshouse provision) but also a significant amount in more-or-less liquid funds that can and should be used in support of our charitable objectives.

The Trustees have been undertaking a complete review of strategy and considering the implications of that strategy on our approach to managing our reserves. In this exercise, we have borne in mind not only our responsibility to our current and future beneficiaries but also the historic nature of the listed buildings which make up our almshouse estate. We recognise that we can only ever be temporary stewards of buildings which have their origins and much of their structure dating back five or six centuries and which it is our responsibility to pass on to our successors - in good condition - in centuries to come.

While most of the estate is in very good condition despite its age, and all but three of the current stock of almshouses have been recently modernised, the maintenance of these buildings presents a continuing challenge in financial, environmental, and health and safety terms. We are committed to maintaining the estate to the highest possible standards, but this is a process not a single event.

An example of this is our current project, partly funded by the National Lottery Heritage Fund and other donations and grants, to refurbish and revitalise our C15th chapel. We are at the same time undertaking renovation on the "Old Mortuary", an ancient building used now primarily for storage and as a workshop. A recent survey has revealed, inter alia, the need to remove asbestos.

Our primary source of income as an almshouse charity is in the form of the Weekly Maintenance Contributions (WMC) made by our resident beneficiaries. These are set at a level which is calculated broadly to cover the budgeted day-to-day costs of running and maintaining the estate. However, we are also aware that year-by-year we have been consistently spending more - specifically on maintenance - than could reasonably be recovered by the WMC. We are dependent on revenue we receive from investments to cover the balance of our running costs (and thus to be able to continue to meet our charitable objectives). Historically, this revenue (from both our investment funds and from our investment land) has been around £70,000 annually. We believe that we should set aside £1,000,000 of our free reserves to hold as an investment fund, with a view to providing us with of the order of £25,000 - 40,000 of additional cash revenues annually.

We believe that it is prudent to assume that the revenue from this investment will continue to be needed for maintenance of the estate over the long term, with any increase in the underlying asset value compensating for inflation.

We have recently undertaken revaluation of our land holdings which has been reflected in these accounts. The Trustees made a decision several years ago to liquidate all of our holdings in land, as these have historically provided a poor rate of return on capital in comparison with our other investments. This policy was temporarily suspended, following recent changes in management. It is likely that sales of our land holdings will continue in future as opportunities present themselves, although there is no urgency.

The Trustees have made a strategic commitment to building four new almshouse units within the next five years. We have £809,000 of permanent endowment which we believe ought to be used to build new almshouses (subject to specific permission from the Charity Commission). We calculate that we need to set aside a total of £1,450,000 to meet this ambition (including the purchase of land). We have therefore designated £641,000 of our free reserves to this project.

RESERVES POLICY (continued)

There are significant uncertainties in our plans for this project, including the challenges of finding suitable land within the city, of gaining planning permission, and of managing the project itself, but the Trustees are convinced that a plan to turn this aspiration into action is essential to our continuing to meet our charitable objectives.

In comparison with these plans to build new almshouses, our other designations of funds are relatively lightweight.

We have three units to be modernised when they are next vacant. Based on recent experience, we have designated £180,000 to cover this work. Other maintainance, in line with our most recent quinquennial inspection, can easily be carried out within our regular manitenance budget.

We have already touched on the projects to renovate the Chapel and the Old Mortuary. The total costs of the work on the Chapel has now been estimated at £420,000. Subsequent to the end of the financial year,we were awarded a grant o £158,000 (receipts from which will be recorded in the next set of financial statements) from the National Heritage Lottery Fund and hold a further £51,000 in restricted funding from grants and donations; although we are optimistic that further funds might be forthcoming from elsewhere, we believe it prudent to designate £210,000 of our free reserves to completion of the Chapel project. Similarly, work on the Old Mortuary has been estimated at £135,000. The whole of this amount has been designated from our free reserves.

Any further requirement for free reserves beyond our designated funds is limited; however, we have identified one risk which needs to be covered. In the event of a major event which seriously damaged or destroyed some part of the estate, rebuilding costs would be covered by our insurance. However, we could face some consequential responsibilities to those of our beneficiaries who might be rendered homeless, in terms of finding them alternative affordable accommodation; we do not believe that this would be a legal obligation,but it would certainly be a moral one. We believe that the costs of doing this could be in the range of £200,000 - £300,000. The balance of our free reserves falls within this range.

The following table sets out our reserves position in detail:

RESERVES POLICY (continued)

	£	£	Restricted Funds £	Unrestricted Funds £	Total £
Reserves					
Total reserves at 31st March 2024		8,640,619			
Less assets requires for operation of charity					
Property	5,340,955				
Equipment	11,110				
		(5,352,065)			
Realisable reserves		3,288,554			
Less:					
Restricted funds	51,941		51,941		51,941
Permanent endowment	809,170		809,170		809,170
		(861,111)			
Unrestricted realisable funds		**2,427,443**		2,427,443	2,427,443
Realisable reserves			861,111	2,427,443	3,288,554
Designated funds					
Investment fund				1,000,000	1,000,000
Developments of new units			809,170	641,080	1,450,250
Upgrading three remaining units				180,000	180,000
Chapel repairs/refurbishment			51,941	210,000	261,941
Old Mortuary refurbishment				135,000	135,000
Total designated funds			**861,111**	**2,166,080**	**3,027,191**
Balance free reserves			**-**	**261,363**	**261,363**

FINANCIAL CONTROLS

The Board considers that the Charity's governance structure, financial controls and procedures and the work of the Finance and Estate Committees are sufficient to enable the Charity to comply with all necessary standards set by Homes England, its official regulator.

The Finance and Estate Committees, comprising several Trustees, the Chief Executive and the Finance Officer undertakes the following duties:

* Monitors and oversees the performance of the Investment Manager and portfolios
* Reviews the agricultural land holdings in line with the Business Plan
* Monitors and oversees the contracts let for major works
* Monitors overall expenditure against budgets
* Monitors the Reserves Policy
* Monitors the cash flow and assesses the need to move funds between accounts
* Reviews and updates the Investment Strategy
* Maintains and updates the Risk Register, and
* Reports to the main Board on these matters

The Board agrees on an annual basis the income and expenditure and capital programmes for the next financial year. These are reviewed by the Finance and Estate Committees throughout the year. At each Board meeting key performance indicators (KPI's) are reported including progress against budget along with non-financial measures such as the number of residents attending meetings, whether repairs have been carried out on time, our social media targets and trustee involvement in the quarter. This combination of measures are reported to ensure that the Charity not only meets its financial targets but is also compliant and act responsibly.

The Charity's procedures for procurement, its financial controls and the functions of the Finance and Estate Committees ensure that value for money (VfM) is achieved in delivering its' objectives. The Board has agreed and reviews the threshold levels for quotations, for formal tendering and for delegations. All but the smallest amounts are subject to competition. However, when awarding contracts, the Charity also takes into account:

* The quality of workmanship
* Relationships with contractors and their performance
* The approach to working in residents' homes: and
* Residents' feedback.

This means that we do not necessarily always accept the lowest tender figure, but the one we feel will provide us with best value for money and quality workmanship. In addition, market testing exercises are periodically undertaken for those companies who provide professional services to the Charity.

RISKS AND UNCERTAINTIES

The Charity operates a Risk Register in order to identify risks and what can be done to manage these. The three main risks, after taking into account actions taken to reduce risk, are as follows:

* A major disaster, e.g fire, flood
* A failure to respond to emergency calls from residents and
* A collapsed/injured resident not found for some time

The Trustees are continuing to find ways of reducing risk so that the Charity is managed efficiently and its charitable objectives are met.

PLANS FOR THE FUTURE

The Trustees will adopt a new 5 year Business Plan later in this financial year after a full review of all our land holdings.

The Trustees are actively exploring various environmental developments concerning the provision of light and heating for our residents. This is a very large and complex project for which we have commissioned a report into the provision of air source heat pumps.

As the almshouse properties are all listed the cost of maintenance is one of the main sources of expenditure for the Charity. A Quinquennial survey was commissioned in 2023 which projected that costs in the region of £200,000 would be required in order to maintain all of the Charity's buildings over the upcoming five years.

The Quinquennial Report states that : "The property is in fair condition with only a few mainly isolated items of disrepair, some issues need addressing and some maintenance will be needed within the quinquennium. The flats and almshouses are all "decent" according to the Government's Decent Homes Standard."

The Trustees have an obligation to preserve the Chapel as a Grade II* listed building and an asset of the City of Wells. The Trustees have now appointed an architect to help the Charity to create a programme of works which will make the Chapel more comfortable and easier to use, for example, by improving the heating system, the lighting and a possible reconfiguring of the layout. It is hoped that by doing so the local community will use the Chapel more frequently. The Charity has obtained external funding for some of these costs.

The Old Mortuary building will be refurbished and will not now be considered for residential accommodation.

The Trustees were aware that the Almshouses have not been well known by the local people of Wells. However over the last few years, the profile of the Almshouses has been raised within the community with talks, concerts and additional services being held. Two "Open Days" are held during the summer such that the general public can visit the properties and gardens and learn about their history.

Groups can visit the Almshouses for a tour by booking in advance. Additional opportunities for the community to come are planned with more concerts, talks and services, as well as the opening up of the historic chapel more regularly for the public to view.

PLANS FOR THE FUTURE (continued)

In conjunction with the Charity's website the Charity uses its Facebook and Twitter pages to promote upcoming events and inform the general public about what the Almshouses have been doing. A regular newsletter is now being produced and sent to the Charity's supporters. A leaflet about the Almshouses is sited in prominent places around Wells. The Trustees hope that such actions will increase awareness of the Almshouses which may help to attract future beneficiaries, volunteers and additional sources of income.

The Trustees are keen to ensure that all residents are consulted and involved in the decisions that are made concerning their homes and surroundings. Regular residents' meetings are held to form a basis for developing a structure of involvement for those who wish to participate.

A resident survey was conducted to understand more fully how the Charity can improve the housing facilities it provides to residents. Extremely high levels of satisfaction were recorded overall and of particular note is the appreciation expressed over the standards of residents' accommodation. The outcomes of the survey are being utilised to understand more fully the residents' priorities.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing a Trustees'Annual Report and financial statementsin accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).
Charity and Registered Social Housing legislation require 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, of the incoming resources and application of resources, including the income and expenditure for that period.

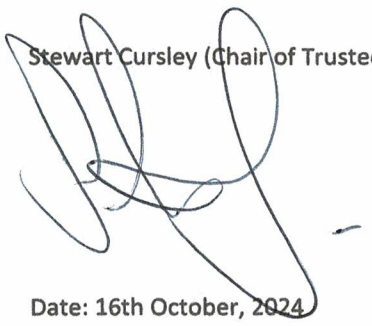
In preparing these financial statements, the Trustees are required to:

* Select suitable accounting policies and then apply them consistently
* Observe the methods and principles in the Charities SORP
* Make judgments and estimates that are reasonable and prudent
* State whether applicable UK 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 Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with Charities Acts, the Housing and Regeneration Act 2008 and the Accounting Direction 2022 for private registered providers of social housing in England. They also have general responsibility for taking reasonable steps to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

The success of 2023/24 would not have been possible without the commitment and hard work of those involved with the Almshouses. The Trustees would like to thank Staff, Residents, Volunteers and members of the public who have provided such support.

On behalf of the Trustees



Stewart Cursley (Chair of Trustees).

Date: 16th October, 2024

Independent Examiner's Report to the Trustees of City of Wells Almshouses

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31st March 2024 which are set out on pages 17 to 30

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the the requirements of the Charities Act 2011 ("the Act")

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in Section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and contents of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

James Gare FCA DCha
Monahans
Chartered Accountants
County Gate, County Way,
Trowbridge
BA14 7FJ

Date : 12 November 2024

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Endowment Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
INCOME:						
Income from residents	2	230,982	-	-	230,982	214,480
Investment income	3	54,905	21,015	995	76,915	70,675
Grants & Donations	4	-	-	12,410	12,410	6,078
Gains on sale of land	6	-	-	-	-	205,045
Total income		**285,887**	**21,015**	**13,405**	**320,307**	**496,278**
EXPENDITURE:						
Charitable activities	5	251,560	-	-	251,560	254,485
Professional management costs	8	28,101	-	-	28,101	1,887
Total expenditure		**279,661**	**-**	**-**	**279,661**	**256,372**
Net income before investment & land gains		**6,226**	**21,015**	**13,405**	**40,646**	**239,906**
Net gains on investments	11	184,653	65,420	6,305	256,378	(59,724)
Revaluation gain on investment land	12	231,000	-	-	231,000	
Net income/(expenditure)		**421,879**	**86,435**	**19,710**	**528,024**	**180,182**
Transfers between funds	15	-	-	-	-	-
Net movement in funds		421,879	86,435	19,710	528,024	180,182
Reconciliation of funds:	15					
Total funds brought forward		7,357,629	722,735	32,231	8,112,595	7,932,413
Total funds carried forward		**7,779,508**	**809,170**	**51,941**	**8,640,619**	**8,112,595**

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing operations.

COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Endowment Funds £	Restricted Funds £	Total Funds 2023 £
INCOME:					
Income from residents	2	214,480	-	-	214,480
Investment income	3	70,675	-	-	70,675
Grants & Donations	4	-	-	6,078	6,078
Gain on sale of land	6	205,045	-	-	205,045
Total income		**490,200**	**-**	**6,078**	**496,278**
EXPENDITURE:					
Charitable activities	5	254,485	-	-	254,485
Investment management costs	8	1,887	-	-	1,887
Total expenditure		**256,372**	**-**	**-**	**256,372**
Net income before investment & land gains		**233,828**	**-**	**6,078**	**239,906**
Net gains on investments	11	(35,515)	(24,551)	342	(59,724)
Net income		**198,313**	**(24,551)**	**6,420**	**180,182**
Transfers between funds	15	(100,800)	100,800	-	-
Net movement in funds		97,513	76,249	6,420	180,182
Reconciliation of funds:	15				
Total funds brought forward		7,260,116	646,486	25,811	7,932,413
Total funds carried forward		**7,357,629**	**722,735**	**32,231**	**8,112,595**

BALANCE SHEET

	Notes	£	2024 £	£	2023 £
FIXED ASSETS					
Property	10		5,340,955		5,304,205
Equipment	10		11,110		10,806
Investments	11		2,527,929		2,261,490
Investment land	12		820,000		589,000
Total fixed assets			8,699,994		8,165,501
CURRENT ASSETS					
Debtors	13	7,739		22,949	
Cash at bank and in hand		37,016		27,323	
Investment land held for resale		-		-	
		44,755		50,272	
CREDITORS: amounts falling due within one year	14	(104,130)		(19,006)	
NET CURRENT (LIABILITIES) / ASSETS			(59,375)		31,266
TOTAL ASSETS LESS CURRENT LIABILITIES			8,640,619		8,196,767
CREDITORS: amounts falling due after more than one year	15		-		(84,172)
NET ASSETS			8,640,619		8,112,595
THE FUNDS OF THE CHARITY					
Endowment reserves	16		809,170		722,735
Restricted reserves	16		51,941		32,231
Unrestricted reserves	16		7,779,508		7,357,629
TOTAL CHARITY FUNDS			8,640,619		8,112,595

The financial statements were approved by the Board of Trustees on 16th October, 2024 and were signed on its behalf by:

Mark Bide

Stewart Cursley

NOTES TO THE FINANCIAL STATEMENTS

1 **ACCOUNTING POLICIES**

a) Basis of accounting

The City of Wells Almshouses is an unincorporated Charity registered in England and Wales. The address of the principal offices is given in the Officers and Professional Advisers information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are detailed within the Trustees' Annual Report.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities : Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October, 2019 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) , the Charities Act 2011, the Accounting Direction for private registered providers of social housing 2022 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a "true and fair" view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a "true and fair" view. This departure has involved following the Accounting and Reporting by Charities : Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather that the Accounting and Reporting by Charities : Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity meets the definition of a public benefit entity under FRS 102.

The accounts are prepared in accordance with the historical cost basis of accounting except as modified by the revaluation of investments and certain fixed assets.

In November 2014 the City of Wells Charitable Incorporated Organisation (CIO) was created, registered charity number 1159162. As sole trustee of the Trust it exercises control and so is effectively its parent. Consolidated accounts have not been prepared as group income is less than the threshold required to do so. Financial statements for the CIO can be obtained from 4 Bubwith Almshouse, Wells, BA5 2QE.

b) Preparation of the accounts on a going concern basis

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.

c) Income

All income is recognised once the Charity has entitlement to the income, there is sufficient certainty of receipt, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income represents letting income and other service charges receivable from social housing lettings included at their invoice value net of voids.

Donations or Grants are recognised when there is evidence of entitlement to the gift, receipt is probable and the amount can be measured reliably. All income is considered unrestricted unless specifically restricted by the donor, or raised in an appeal for a specific purpose.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and land. It includes dividends, interest and agricultural rents. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest, dividend and rental income are recognised once the Charity's right to receive payment is established.

No amount is included in the financial statements for volunteer time in line with SORP FRS (102)

d) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The City of Wells Almshouses is not registered for Value Added Tax (VAT). In these financial statements, where applicable, expenditure is shown inclusive of VAT.

e) Allocation of support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. All office costs, staff costs associated with the supporting element of the roles of Financial Controller/ Charity Secretary and Chief Executive and governance costs are considered to be support costs.

f) Freehold property

Housing properties are principally properties available for occupation by the beneficiaries of the Charity and are initially stated at cost. Cost includes the cost of acquiring land and buildings and development costs.
Freehold property was revalued in 2015. The revalued amount has been used as the deemed cost of the property as at the 1 April 2014, this being the date of transition to the SORP (FRS 102). Assets in the course of construction are capitalised at cost and not depreciated until they are ready for use.

g) Upgrades to properties

Works are capitalised if they result in an increase in the net rental income, a reduction in future maintenance costs or a significant extension to the life of the property. The net book value of these costs are depreciated over a 15 year period.

h) Impairment of freehold property

Reviews for impairment are carried out annually at the reporting date. Impairment is recognised when the carrying value of an asset exceeds its recoverable amount. Examples of indicators of impairment are a significant decrease in the market value of the property or significant physical damage.

i) Other Fixed Assets

Other fixed assets costing £200 or more are capitalised at cost. Other fixed assets include fixtures and fittings, equipment and IT equipment which are depreciated on a straight line basis between 3 to 5 years.

j) Land investments

The land owned by the Charity is let to agricultural businesses. Land is held in the balance sheet at fair value. The land was valued as at 31st March, 2024 by Carter Jonas an independent commercial property advisor and surveyor.

k) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

l) Investments

Investments are stated at market value at the balance sheet date. Net gains and losses arising on revaluation of unrestricted investments are shown in the Unrestricted Reserves. Investments are held within fixed assets on the basis that they are held to generate income in the longer term.

m) Cash

Cash at bank and in hand includes cash held in deposit accounts.

n) Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount to settle the obligation can be measured reliably.

o) Contingent Liabilities

A contingent liability will be disclosed if :

* A possible obligation arising from a past event whose existence will be confirmed only by some uncertain future event that is not wholly in control of the CWA
* A present obligation arising from a past event but where the transfer of funds is not probable or the amount of the obligation cannot be measured reliably.

p) Financial instruments

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. These are cash, creditors, and debtors other than prepayments. Basic financial instruments are initially measured at transaction value and subsequently measured at their settlement rate. There are two exceptions to this, the bank loan which is subsequently measured at amortised cost using the effective interest method and investments which are subsequently measured at fair value.

q) Reserves

Unrestricted Reserves are funds available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted Reserves are funds for which the donor has specifically restricted the purpose for which they can be used . The amounts in the funds represent the monies still remaining for future expenditure.

Endowment Reserves are a type of restricted fund and represent those assets which must be held permanently by the Charity. Income arising on the endowment funds can be used in accordance with the objectives of the Charity. Any capital gain or loss arising on the endowments form part of the Endowment Reserves.

r) Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2 INCOME FROM RESIDENTS

	Unrestricted Reserves 2024	Unrestricted Reserves 2023
	£	£
Weekly Maintenance Contributions (WMC)	**153,719**	143,978
Property related Service Charges	**77,076**	70,232
Use of the guest room and other income	**187**	270
	230,982	214,480

WMC receivable is net of void losses of £2,510 (2023 : £41). The Charity provided 33 units of housing for older people during the year (2023 : 33).

3 INVESTMENT INCOME

	Total Funds 2024 £	Total Funds 2023 £
Interest and Dividends	65,369	59,138
Agricultural Rents	11,546	11,537
	76,915	70,675

4 GRANTS & DONATIONS

	Restricted Funds 2024 £	Total Funds 2024 £	Restricted Funds 2023 £	Total Funds 2023 £
Chapel Restoration Donations	2,815	2,815	673	673
Chapel Restoration Grants	9,595	9,595	5,405	5,405
	12,410	12,410	6,078	6,078

During the year the Charity incurred Chapel fundraising costs of £3,546 (2023 : £216)

5 CHARITABLE ACTIVITIES

	Direct Costs 2024 £	Support Costs 2024 £	Total Costs 2024 £	Direct Costs 2023 £	Support Costs 2023 £	Total Costs 2023 £
Depreciation	77,842	-	77,842	75,492	-	75,492
Salaries & Pensions	33,519	35,892	69,411	30,695	38,395	69,090
Communal amenities	35,101	-	35,101	27,341	-	27,341
Professional Fees	28,101	-	28,101	25,996	-	25,996
Property maintenance	15,505	-	15,505	12,779	-	12,779
Insurance	11,218	-	11,218	9,010	-	9,010
Property running	5,273	-	5,273	5,399	-	5,399
Loan Fees	7,443	-	7,443	7,254	-	7,254
Governance	-	883	883	-	4,131	4,131
Other	28,884	-	28,884	17,993	-	17,993
	242,886	36,775	279,661	211,959	42,526	254,485

Professional Fees include independent examination fees of £3,300 (2023 : £3,126)

6 GAINS ON SALE OF LAND

There were no sales of land during the year (2023 ; £205,045).

7 EMPLOYEES

	2024	2023
	£	£
Salaries	65,228	64,847
Pension Contributions	1,769	1,338
Staff Salaries & Pensions	66,997	66,185
Training, Welfare & Travel	2,414	2,905
Total employee related costs	69,411	69,090

The average number of employees during the year was 4 (2023 : 4)
The number of full time equivalents was 2 (2023 : 2)
Key management personnel received remuneration of £17,706 (2023 : £21,560)
They are a member of a pension scheme.
No employee received total benefits in excess of £60,000 (2023 : Nil).
The Trustees did not receive any remuneration from the Charity during the year (2023 : £Nil), neither were they reimbursed expenses during the year (2023 : £ Nil).

8 PROFESSIONAL MANAGEMENT COSTS

Professional expertise was sought in the areas of land management, independent financial examination, payroll preparation, fundraising, I.T.assistance, legal matters and surveying.

9 SOCIAL HOUSING OPERATING RESULT

	2024	2024	2023	2023
	£	£	£	£
Income from Residents (Note 2)		230,982		214,480
Total activities costs (Note 5)	279,661		254,485	
Less : Non-social housing costs:				
Professional Fees (Note 5)	(28,101)		(25,996)	
Depreciation (Note 5)	(77,842)		(75,492)	
Loan Fees (Note 5)	(7,443)		(7,254)	
Chapel Fundraising costs (Note 4)	(3,546)		(216)	
Governance costs (Note 5)	(883)		(4,131)	
Total Social Housing Costs		161,846		141,396
Social Housing Operating Result		69,136		73,084

10 TANGIBLE ASSETS

	Freehold Property	Property Upgrades	Property Sub-total	Equipment	Total
	£	£	£	£	£
COST					
At 1st April 2023	**4,759,486**	**991,384**	**5,750,870**	**27,523**	**5,778,393**
Disposals	**-**	**-**	**-**	**(9,438)**	**(9,438)**
Additions	**-**	**110,014**	**110,014**	**4,883**	**114,897**
At 31st March 2024	**4,759,486**	**1,101,398**	**5,860,884**	**22,968**	**5,883,852**
DEPRECIATION					
At 1st April 2023	**189,928**	**256,737**	**446,665**	**16,717**	**463,382**
Disposals	**-**	**-**	**-**	**(9,438)**	**(9,438)**
Charge for year	**23,741**	**49,523**	**73,264**	**4,579**	**77,843**
At 31st March 2024	**213,669**	**306,260**	**519,929**	**11,858**	**531,787**
NET BOOK VALUE					
At 31st March 2024	**4,545,817**	**795,138**	**5,340,955**	**11,110**	**5,352,065**
At 31st March 2023	4,569,558	734,647	5,304,205	10,806	5,315,011

11 INVESTMENTS

	2024	2023
	£	£
Market value as at 1st April, 2023	**2,261,490**	2,085,092
Additional investment at cost	**10,061**	358,418
Withdrawn investment at cost	**-**	(120,000)
Gains / (Losses) on revaluation	**256,378**	(59,724)
Net sales/purchases & transaction costs	**-**	(2,296)
Market value as at 31st March, 2024	**2,527,929**	2,261,490

Represented by:

	2024	2023
	£	£
CCLA Charities Investment Funds	**2,527,929**	2,261,490
	2,527,929	2,261,490

12 INVESTMENT LAND

	2024	2023
	£	£
Value as at 1st April 2023	589,000	589,000
Net gain on revaluation	231,000	
Value as at 31st March 2024	820,000	589,000

In 2024 the Trustees commissioned Carter Jonas, Chartered Surveyors to review and re-value the agricultural land under the Charity's ownership.

13 DEBTORS

	2024	2023
	£	£
Trade Debtors	2,102	210
Prepayments	-	4,689
Due from Solicitors	-	12,500
Dividends receivable	-	-
Land rents receivable	5,637	5,500
Other receivables	-	50
	7,739	22,949

Social Housing Rent Arrears at 31/03/24 were £407 (31/03/23 : £122)

14 CREDITORS : Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	8,373	9,579
Accruals	5,076	3,350
Bank loan	84,330	2,596
Sundry creditors	6,351	3,481
	104,130	19,006

Trade creditors includes a prepaid sum of £3,000 in respect of an insurance creditor. (2023 : Nil)

15 CREDITORS : Amounts falling due after one year

The Bank loan is secured on a fixed legal charge on 1-16 Llewellyn's Almshouses and is due to be repaid as follows:

	2024	2023
	£	£
Between 1 to 2 years	-	2,796
Between 2 to 5 years	-	9,778
Due after 5 years	-	71,598
	-	84,172

The Bank loan was fully repaid on 19th July, 2024.

16 RESERVES

	Recoupment Endowment Reserves	Harpers Endowment Reserves	Chapel Restricted Reserves	Revenue Unrestricted Reserves	Total Reserves
As at 1st April, 2023	**238,842**	**483,893**	**32,231**	**7,357,629**	**8,112,595**
Total income for 2023/24	6,945	14,070	13,405	285,887	320,307
Total expenditure for 2023/24	-	-	-	(279,661)	(279,661)
Investment gains for 2023/24	21,619	43,801	6,305	184,653	256,378
Investment land gains for 2023/24	-	-	-	231,000	231,000
As at 31st March, 2024	**267,406**	**541,764**	**51,941**	**7,779,508**	**8,640,619**
As at 1st April, 2022	143,562	502,924	25,811	7,260,116	7,932,413
Total income for 2022/23	-	-	6,078	490,200	496,278
Total expenditure for 2022/23	-	-	-	(256,372)	(256,372)
Investment gains/(losses) for 2022/23	(5,520)	(19,031)	342	(35,515)	(59,724)
Transfer from Revenue Reserves	105,000	-	-	(105,000)	-
Transfer from Revenue Reserves	(4,200)			4,200	
As at 31st March, 2023	238,842	483,893	32,231	7,357,629	8,112,595

Recoupment Endowment Reserves represented annual repayments of £4,200 to replace expenditure funded from permanent endowments as required by the Charity Commission.

In 2022 permission was received from the Charities Commission to transfer from the unrestricted reserves the sum of £105,000 being the next 25 years' worth of repayments thereby recouping the entire original endowment.

Harpers Endowment Reserves represent the proceeds of £354, 695 from the sale of the Harpers Almshouse which proceeds can only be expended on the construction of new almshouses.

17 ANALYSIS OF NET ASSETS	Recoupment Endowment Reserves	Harpers Endowment Reserves	Chapel Restricted Reserves	Revenue Unrestricted Reserves	Total Reserves
Tangible assets & equipment	-	-	-	5,352,065	5,352,065
Investments	267,406	541,764	48,662	1,670,097	2,527,929
Investment land	-	-	-	820,000	820,000
Cash at bank and in hand	-	-	3,279	33,736	37,016
Other current assets	-	-	-	7,737	7,737
Other current liabilities	-	-	-	(104,130)	(104,130)
As at 31st March, 2024	**267,406**	**541,764**	**51,941**	**7,779,508**	**8,640,619**
Tangible assets & equipment	-	11,332	-	5,303,679	5,315,011
Investments	238,842	483,893	32,762	1,505,993	2,261,490
Investment land	-	-	-	589,000	589,000
Cash at bank and in hand	-	(11,332)	(531)	51,686	39,823
Other current assets	-	-	-	10,449	10,449
Other current liabilities	-	-	-	(21,633)	(21,633)
Creditors over one year	-	-	-	(81,545)	(81,545)
As at 31st March, 2023	238,842	483,893	32,231	7,357,629	8,112,595

18 CAPITAL COMMITMENTS

	2024	2023
	£	£
Authorised and contracted for	-	-

19 CONTINGENT LIABILITIES

In previous years two grant creditors totalling of £355,016 were released from long term creditors as there was no existing obligation to repay these. A grant of £322,000 had been received from the Housing Corporation, now known as Homes England, in 1995/96 for work to the Bubwith, Willes and Stills Almshouses. A further grant of £33,016 had been received from the Housing Corporation between 1999 and 2001 for works to the Bricks Almshouse. Both of these grants are only repayable if a relevant event occurs. A relevant event includes deregistration from Homes England or if the Almshouses are sold. As a relevant event has not occurred there is no present obligation to repay these grants. As a relevant event may occur in the future they have been disclosed as contingent liabilities.

20 RELATED PARTIES

During the year no related party transactions (2023 : £ Nil) were made.

CITY OF WELLS ALMSHOUSES

England & Wales - Charity number 1040554

Accounts

CITY OF WELLS ALMSHOUSES

Independently Examined Financial Statements

For the financial year ended 31st March 2023

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TRUSTEES, PROFESSIONAL ADVISERS, MANAGEMENT and ADMINISTRATIVE DETAILS

The Board	City of Wells Almshouses CIO (Corporate Trustee)
CIO Board of Trustees	Ms Stella Ainsworth Mr Charles Cain - resigned October, 2022 Mr Stewart Cursley The Venerable Anne Gell : ex-officio (Acting Dean of Wells Cathedral) Ms Claire Green - resigned January, 2023 Mr John North - resigned May, 2023 Mrs Sarah Powell Mrs Tanys Pullin : ex-officio (Mayor of Wells) Mr Richard Quarry - resigned January, 2023 Mr Tony Robbins - resigned January, 2023 Mr Mark Shelton Mr Christopher Vigar Mrs Shirley Watt - resigned May, 2023 Mr Philip Welch
Chief Executive	The Reverend Dr Martin Thomas
Financial Controller & Secretary	Mr P M McMahon MA FCA
Scheme Manager	Mrs C Tollworthy
Principal Office	4 Bubwith Almshouses Wells, Somerset, BA5 2QE Telephone : 01749 675813 Email: info@wellsalmshouses.org.uk Website: www.wellsalmshouses.org.uk
Charity Number	1040554
Homes England Registration Number	A4055
Bankers	National Westminster Bank plc 7 High Street Wells, Somerset, BA5 2AD The Charity Bank Fosse House 182 High Street, Tonbridge, TN9 1BE
Solicitors	Tozers Solicitors Broadwalk House, Southernhay West, Exeter, Devon, EX1 1UA
Examining Accountants	Monahans, Chartered Accountants, County Gate, County Way Trowbridge, Wiltshire, BA14 7FJ

Investment Managers

CCLA Investment Management Limited
One Angel Lane
London
EC4R 3AB

Property Advisers

Carter Jonas
St. Catherine's Court
Berkeley Place,
Bristol, BS8 1BQ

Hill Reading Architects
Coach House Studio
34A Chamberlain St
Wells BA5 2PJ

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31st MARCH 2023

The Trustees of the City of Wells Almshouses (CWA) present their annual report and unaudited financial statements for the year ended 31st March, 2023.

The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Charity. This is the treatment required by the Housing SORP 2018 for registered social landlords which are also almshouses.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October, 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is a registered provider of social housing with the Regulator of Social Housing (number A4055) and is an unincorporated charitable trust registered with the Charity Commission (number 1040554).

As a registered provider of social housing the Charity has undertaken an assessment of its compliance with the Governance and Financial Viability Standard and the Trustees certify that they were compliant with the Standard during the course of the year and up until the date these accounts have been signed.

The Charity has one corporate trustee - the City of Wells Charitable Incorporated Organisation (CIO), registered with the Charity Commission (number 1159162), which in turn has a Board of Trustees, and it is they who administer the unincorporated trust.

The CIO Board: The CIO Board may comprise of:

* Four nominated Trustees (two from the City Council and two from the Chapter of the Cathedral)
* Up to eight appointed Trustees (of whom two may be Resident Trustees) and
* Two ex-officio members - the Mayor of the City of Wells and the Dean of Wells Cathedral.

Trustees appointed by the Charity are recruited by a formal application and interview process. There are currently 8 Trustees compared to a maximum of 14. As part of its commitment to resident involvement at all levels the CIO constitution allows for up to two Resident Trustees to join the Board.

Management: The day to day running of the Charity is delegated to the Chief Executive and his staff, operating within the agreed policies and procedures of the CIO. Delegated authority limits are established and there is a hierarchy for delegated decisions. The Trustees meet on a quarterly basis with the Chief Executive to review progress against targets. These targets are set out in the five year Business Plan. This, along with specific policies are reviewed by the full Board once a year. The Finance and Land Committee is the only standing committee and its' delegated authority has been approved by the Board. Other working parties are convened as and when required.

Staff: A small staff of four part-time employees manage the Charity on a day to day basis : the Chief Executive; the Financial Controller/Charity Secretary; the Scheme Manager and the Handyman, all working from the Principal Office.

OBJECTIVES AND ACTIVITIES

The objectives of the Charity are :

* The provision of housing accommodation for beneficiaries; and
* Such charitable purposes, for the benefit of beneficiaries, as the CIO Board of Trustees decides.

Its main activity is the ownership and management of the 33 units of accommodation located within the five almshouses (Bubwith, Willes', Still's, Brickes and Llewellyn's), which make up the Charity's housing complex located in the City of Wells, Somerset. The almshouses are mainly occupied by older, single people, who have been assessed as being in housing need. There have been no significant changes in the Charity's objectives since the last report.

The Trustees acknowledge the guidance issued by the Charity Commission in respect of our commitment to public benefit and we declare our commitment to it. The main activity of the Charity is the provision of accommodation to those in need in Wells and the surrounding area. In order to be considered for accommodation applicants must meet certain criteria , which allows the Charity to assess their need.

ACHIEVEMENTS AND PERFORMANCE

In order to comply with our charitable objectives, we have two prime responsibilities:

* To ensure that our existing residents are housed in comfortable, secure and pleasant accommodation that meets current day standards and expectations; and
* To ensure we are able to attract new residents to occupy our properties when vacancies occur.

The Charity's policy is to refurbish each property to a standard specification if it becomes void as the Trustees have found that residents do not generally wish to have their properties upgraded whilst they are in occupation, even though this might be desirable if they had lived in their homes for a number of years. However, the following major works have been completed : three new bathrooms/wetrooms have been installed, secondary glazing to the Guildroom windows , new coping stones in Llewellyn's, a new boiler in Llewellyn's, complete re-paving at Llewellyn's and repointing of the Chamberlain Street wall. Also, in total, there are now only three of the Charity's properties which will need completely refurbishing when they become void.

FINANCIAL REVIEW

The Trustees' aim is that income from the Weekly Maintenance Contribution (WMC), paid by residents, covers the everyday maintenance costs associated with running the Almshouses. As a registered provider of social housing, and a Charitable Almshouse association, a Weekly Maintenance Contribution (WMC) is charged in lieu of rent. Accordingly, the WMC can only be increased in compliance with Government Policy. The Charity increased the WMC from April, 2022 in line with the Government's policy formula of CPI +1% - CPI being measured as of September, 2021. Service Charges are charged depending on the actual costs to the Charity.

These costs have in recent years been of a level that may have caused hardship to individual residents if they had been charged to residents in full. Consequently to avoid hardship the Charity has absorbed a certain level of these costs such that the Service Charges are not increased by more than the percentage increase in the WMC.

The nature of these costs are explained in detail to residents and comprise such items as : non-structural plumbing, electrical, gas and decoration repairs and safety checks; gardens maintenance, grass cutting, tree works, hedge trimming, and waste removal; communal electricity in stairwells and entrance ways; lift repairs and maintenance; cleaning and heating of communal areas; outside window cleaning; fire safety; pest and rodent control; waste and recycling.

Due to their circumstances, many of our residents are in receipt of Housing Benefit payable by the Local Authority. The Government is consulting on changes to Housing Benefit. As a result of this uncertainty the Charity has taken account of this in its Reserves Policy. We also need to be aware that some Local Authorities are under severe financial strain and are looking for Central Government support.

The total cost of maintaining, operating and improving the complex continues to be the major item of expenditure each year, especially as the historic nature of the buildings requires specialist craftsmen and materials to undertake the maintenance, improvement and upgrading of the properties. Nevertheless, the preservation of the buildings is critical to the wellbeing of our residents and is an essential aspect of our work.

The Charity's investments are a vital component in ensuring that new almshouse residences can continue to be created or converted.

During the course of the year our investments provided a net income of approximately £70,000 comprised of interest, dividends, agricultural land rents and wayleave. In addition, the value of these investments, managed by our fund managers, decreased in value by nearly £60,000. However, since the start of this new financial year, the events in Ukraine, Inflation and certain other factors have resulted in a decrease in our investments value of some £23,000. However the Charity is financially resilient and is in a position to meet its capital programme objectives.

The Charity has an ethical investment policy which excludes investments which generate a significant proportion of their revenue from activities which conflict with the aims of the Charity. For example, gambling, weekly-collected home credit and payday loans are excluded as these are potential causes of hardship and distress which could lead to homelessness. Also excluded are investments which could affect our supporter base such as the manufacture and supply of armaments, pornography and the manufacture and commercial distribution of tobacco. The extent of the market capitalisation excluded by the policy and therefore its potential financial detriment has been formally approved by the Trustees.

VALUE FOR MONEY (VfM)

In 2018 the Regulator of Social Housing (RSH) introduced a Value for Money (VfM) Standard which requires registered providers of social housing (such as the CWA) to publish in their financial statements a series of metrics designed to measure economy, efficiency and effectiveness on a comparable basis across the social housing sector.

In this context : Economy means minimising the cost of resources while having regard to quality; Efficiency is the relationship between the output from goods or services and the resources to produce them; Effectiveness is the extent to which objectives are achieved and the relationship between intended and actual impacts.

The CWA needs to ensure that it has sought to optimise the financial return from its' assets and activities in so far as this is consistent with achievement of the Charity's wider organisational purposes. Social housing businesses generally receive a lower-than-market return on social housing assets, as renting properties below the market rate is an integral part of their social purpose.

Further, the CWA may at times opt not to receive maximum return from an asset, instead taking the decision to accept a lower return in furtherance of its' social objectives; where this is the case our aim is to see that the rationale for this is clearly articulated and justified, for example where historical covenants are in place, which restrict the sale or development of properties even when there are high maintenance costs.

These VfM metrics provide a tool for registered providers to demonstrate to the RSH, residents and any other stakeholders, that they are making the best use of their assets and resources. The social housing sector is very diverse and no single set of metrics can capture all of the measures that matter to each individual provider.

The standard metrics defined by the RSH are intended to achieve the different, but complementary, objective of providing measures with wide applicability which permit comparison across the social housing sector. Importantly, the suite of VfM metrics, is restricted to data derived from the registered providers'Annual Accounts.

The Standard requires providers not only to publish their own VfM metrics but also to set their own VfM targets and analyse their performance alongside that of their peers on a comparable basis. The RSH has published a Technical note guidance (May 2022) setting out in detail how the metrics are to be calculated and in setting out the required metrics (below) we have followed this guidance. The metric targets were approved by the Board of Trustees at their meeting in July, 2022. In order to provide comparable data from other providers we have taken data from a report issued by the RSH (Value for Money Metrics Report - Annex to Global Accounts 2021); this data provides metrics from (i) smaller providers which own less than 2,500 units (ii) providers with at least 30% supported housing stock and (iii) providers with at least 30% housing for older people stock.

Metric 1. Reinvestment and upgrading of existing units of accommodation

This metric looks at the current year investment in units as a percentage of the value of all properties held.

CWA 2023	CWA 2022	CWA Target	Under 2,500 units	30% Supported	30% Older People
1.75%	1.34%	1.25%	4.60%	4.10%	5.90%

The amount of capital works undertaken during the year (£92,938) is comparable to that done last year (£70,620) and reflects our commitment to provide safe and affordable accommodation to our residents. Our capital works programme of maintenance and, where appropriate, modernisation of existing stock incorporates all works prescribed in our 2017 Decennial report. The quantum of work that has been able to be undertaken has been impacted by the coronovirus pandemic which has limited access to our site by contractors. Comparison with other providers needs to take into account that our properties are all independently valued as being Grade 2 or Grade2* listed thereby understating the percentage impact of our capital works.

Metric 2a. New supply of social housing units
Metric 2b. New supply of non-social housing units

These metrics set out the percentage number of housing units acquired or developed in the year.

	CWA 2023	CWA 2022	CWA Target	Under 2,500 units	30% Supported	30% Older People
Social	0.00%	0.00%	0.00%	0.80%	1.50%	1.10%
Non-Social	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

There has been no new supply of units for several years. There are plans to develop several new units in the next few years but these plans have encountered considerable problems in obtaining planning consent.

Metric 3. Gearing

This metric assesses how much of our property assets are made up of mortgage debt and the degree of dependence on debt finance.

CWA 2023	CWA 2022	CWA Target	Under 2,500 units	30% Supported	30% Older People
0.89%	2.60%	3.00%	33.70%	11.60%	34.80%

Our overall dependency on loan finance is very low compared with the peer groups. The CWA has very little in borrowings and has adequate cash resources to meet all prospective needs.

Metric 4. EBITDA MRI (Earnings before Interest, Tax, Depreciation, Amortisation, Major Repairs Included)

The EBITDA MRI interest cover measure is a KEY INDICATOR for liquidity and investment capacity. It seeks to measure the level of surplus that a provider generates compared to interest charges payable; the measure avoids any distortions stemming from the depreciation charge.

CWA 2023	CWA 2022	CWA Target	Under 2,500 units	30% Supported	30% Older People
3167.00%	1113.00%	1000.00%	205.00%	309.00%	133.00%

The CWA interest charges are very small and indicate ample opportunity for additional borrowing.

Metric 5. Headline Social Housing costs per unit

This metric quantifies all the expenditure costs associated with social housing. The costs include management costs, service costs, routine maintenance costs, major repairs expenditure, capitalised major repairs expenditure and community services.

CWA 2023	CWA 2022	CWA Target	Under 2,500 units	30% Supported	30% Older People
£7,101	£5,842	£5,750	£4,790	£9,680	£5,550

Metric 6a. Operating Margin of social housing lettings only
Metric 6b. Operating Margin overall

This metric 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. In assessing this ratio, it is important to consider the registered providers' purposes and objectives (including their social objectives).

	CWA 2023	CWA 2022	CWA Target	Under 2,500 units	30% Supported	30% Older People
Social	22.59%	25.10%	20.00%	25.10%	13.40%	18.10%
Overall	48.34%	21.00%	20.00%	22.10%	7.40%	16.70%

Metric 7. Return on Capital Employed (ROCE) %

The ROCE 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.

CWA 2023	CWA 2022	CWA Target	Under 2,500 units	30% Supported	30% Older People
2.93%	0.73%	1.00%	2.90%	3.30%	3.20%

RESERVES POLICY

The Trustees reviewed the Charity's reserve policy in 2018 as a result of the decennial survey of the properties. The Trustees have decided that reserves in the range of £265,000 to £305,000 are required by the Charity. The reserves range has been set to allow the Charity to manage fluctuations in the value of investments held, unexpected property repairs, a future requirement to upgrade our careline system from analogue to digital and uncertainty about the Government's sheltered housing policy. This Policy is reviewed annually by the Board of Trustees.

Total Reserves as at 31st March 2023 were £8,112,595 of which £722,735 are endowments and £32,231 are Restricted Reserves. The Trustees have Unrestricted Reserves of £7,357,629 for several purposes in line with the Reserves Policy. Principally these are £5,904,011 of non-investment fixed assets and land which are not readily transferable into liquid assets and are needed to enable the Charity to fulfil its Charitable objectives.

The Trustees have several other potential uses for their remaining Unrestricted Reserves including completion of its planned capital programme, acquisition of additional properties and development of adjacent land. The remaining funds are the Charity's free reserves and their amount falls within the reserves policy range set by the Trustees. The Trustees continue to monitor the level of Unrestricted Reserves at its regular meetings.

FINANCIAL CONTROLS

The Board considers that the Charity's governance structure, financial controls and procedures and the work of the Finance and Land Committee are sufficient to enable the Charity to comply with all necessary standards set by Homes England, its official regulator.

The Finance and Land Committee, comprising several Trustees, the Chief Executive and the Financial Controller undertakes the following duties:

* Monitors and oversees the performance of the Investment Manager and portfolios
* Reviews the agricultural land holdings in line with the Business Plan 2022 - 2027
* Monitors and oversees the contracts let for major works
* Monitors overall expenditure against budgets
* Monitors the Reserves Policy
* Monitors the cash flow and assesses the need to move funds between accounts
* Reviews and updates the Investment Strategy
* Maintains and updates the Risk Register, and
* Reports to the main Board on these matters

The Board agrees on an annual basis the income and expenditure and capital programmes for the next financial year. These are reviewed by the Finance and Land Committee throughout the year. At each Board meeting key performance indicators (KPI's) are reported including progress against budget along with non-financial measures such as the number of residents attending meetings, whether repairs have been carried out on time, our social media targets and trustee involvement in the quarter. This combination of measures are reported to ensure that the Charity not only meets its financial targets but are also compliant and act responsibly.

The Charity's procedures for procurement, its financial controls and the functions of the Finance and Land Committee ensure that value for money (VfM) is achieved in delivering its' objectives. The Board has agreed and reviews the threshold levels for quotations, for formal tendering and for delegations. All but the smallest amounts are subject to competition. However, when awarding contracts, the Charity also takes into account:

* The quality of workmanship
* Relationships with contractors and their performance
* The approach to working in residents' homes: and
* Residents feedback.

This means that we do not necessarily always accept the lowest tender figure, but the one we feel will provide us with best value for money and quality workmanship. In addition, market testing exercises are periodically undertaken for those companies who provide professional services to the Charity.

RISKS AND UNCERTAINTIES

The Charity operates a Risk Register in order to identify risks and what can be done to manage these. The three main risks, after taking into account actions taken to reduce risk, are as follows:

* A major disaster, e.g fire, flood
* A failure to respond to emergency calls from residents and
* A collapsed/injured resident not found for some time

The Trustees are continuing to find ways of reducing risk so that the Charity is managed efficiently and its charitable objectives are met.

PLANS FOR THE FUTURE

The Trustees have adopted a new Business Plan for the period 2022 - 2027. As part of this Plan we have conducted a full review of our land holdings and we are now actively seeking to dispose of some of these where appropriate. We are also looking to develop new residential units on land contiguous to our own.

The Trustees are actively exploring various environmental developments concerning the provision of light and heating for our residents. This is a very large and complex project for which we have commissioned a report into the provision of air and ground source heat pumps and solar panels over our entire site.

As the almshouse properties are all listed the cost of maintenance is one of the main sources of expenditure for the Charity. A decennial survey was commissioned in 2017 which projected that costs in the region of £660,000 would be required in order to maintain all of the Charity's buildings over the upcoming ten years. A Quinquennial survey has recently been commissioned and will report its findings in June, 2023

The Charity owns a building, the former mortuary, which is currently used as a storage shed. The Trustees are investigating whether this building can be converted into an additional residential property.

Of the non-accommodation costs reported in the decennial survey some £110,000 relate to the Chapel. There are services held in the Chapel every Thursday which are open to the residents and the general public.

The Trustees have an obligation to preserve the Chapel as a Grade II* listed building and an asset of the City of Wells. The Trustees have now appointed an architect to help the Charity to create a programme of works which will make the Chapel more comfortable and easier to use, for example, by improving the heating system, the lighting and a possible reconfiguring of the layout. It is hoped that by doing so the local community will use the Chapel more frequently. The Charity hopes to obtain external funding for the majority of these costs.

The Trustees were aware that the Almshouses have not been well known by the local people of Wells. However over the last few years, the profile of the Almshouses has been raised within the community with talks, concerts and additional services being held. Normally a number of "open days"would be held during the summer such that the general public could visit the properties and gardens and learn about their history.

Groups can visit the Almshouses for a tour by booking in advance. Additional opportunities for the community to come are planned with more concerts, talks and services, as well as the opening up of the historic chapel more regularly for the public to view.

In conjunction with the Charity's website the Charity uses its Facebook and Twitter pages to promote upcoming events and inform the general public about what the Almshouses have been doing. A regular newsletter is now being produced and sent to the Charity's supporters. A leaflet about the Almshouses is sited in prominent places around Wells. The Trustees hope that such actions will increase awareness of the Almshouses which may help to attract future beneficiaries, volunteers and additional sources of income.

The Trustees are keen to ensure that all residents are consulted and involved in the decisions that are made concerning their homes and surroundings. Regular residents' meetings are held to form a basis for developing a structure of involvement for those who wish to participate and the places on the Board for Trustees further demonstrates our commitment to include residents in everything we do. Please note that a few of these meetings have been cancelled by the covid restrictions. Our residents will also be involved in the redesign of the Chapel referred to above.

A resident survey has been conducted to understand more fully how the Charity can improve the housing facilities it provides to residents. Extremely high levels of satisfaction were recorded overall and of particular note is the appreciation expressed over the standards of residents' accommodation. The outcomes of the survey are being utilised to understand more fully the residents' priorities.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity and Registered Social Housing legislation require 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, of the incoming resources and application of resources, including the income and expenditure for that period.

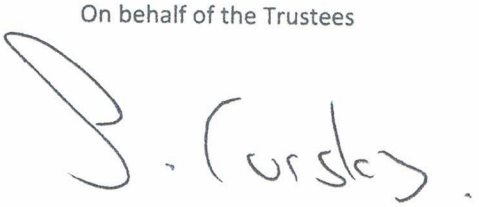
In preparing these financial statements, the Trustees are required to:

* Select suitable accounting policies and then apply them consistently
* Observe the methods and principles in the Charities SORP
* Make judgments and estimates that are reasonable and prudent
* State whether applicable UK 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 Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with Charities Acts, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2022. They also have general responsibility for taking reasonable steps to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

The success of 2022/23 would not have been possible without the commitment and hard work of those involved with the Almshouses. The Trustees would like to thank Staff, Residents, Volunteers and members of the public who have provided such support.

On behalf of the Trustees



Stewart Cursley (Chair of Trustees).

Date: 19th July, 2023

Independent Examiner's Report to the Trustees of City of Wells Almshouses

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2023 which are set out on pages 13 to 26

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the the requirements of the Charities Act 2011 ("the Act")

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in Section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and contents of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

James Gare FCA DCha
Monahans
Chartered Accountants
County Gate, County Way,
Trowbridge
BA14 7FJ

Date : 11/09/23

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Endowment Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOME:						
Income from residents	2	214,480	-	-	214,480	205,564
Investment income	3	70,675	-	-	70,675	69,306
Grants & Donations	4	-	-	6,078	6,078	7,022
Gain on sale of land	6	205,045	-	-	205,045	
Total income		**490,200**	**-**	**6,078**	**496,278**	**281,892**
EXPENDITURE:						
Charitable activities	5	254,485	-	-	254,485	213,309
Professional management costs	8	1,887	-	-	1,887	9,472
Total expenditure		**256,372**	**-**	**-**	**256,372**	**222,781**
Net income before investment & land gains		**233,828**	**-**	**6,078**	**239,906**	**59,111**
Net gains / (losses) on investments	11	(35,515)	(24,551)	342	(59,724)	89,113
Net income/(expenditure)		**198,313**	**(24,551)**	**6,420**	**180,182**	**148,224**
Transfers between funds	15	(100,800)	100,800	-	-	-
Net movement in funds		97,513	76,249	6,420	180,182	148,224
Reconciliation of funds:	15					
Total funds brought forward		7,260,116	646,486	25,811	7,932,413	7,784,189
Total funds carried forward		**7,357,629**	**722,735**	**32,231**	**8,112,595**	**7,932,413**

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing operations.

COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

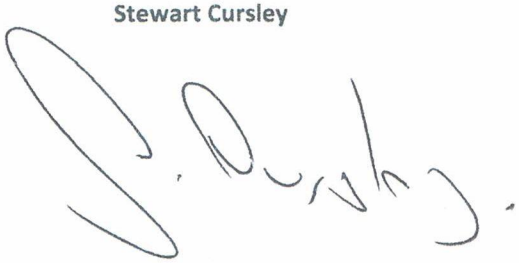
	Notes	Unrestricted Funds £	Endowment Funds £	Restricted Funds £	Total Funds 2022 £
INCOME:					
Income from residents	2	205,564	-	-	205,564
Investment income	3	69,306	-	-	69,306
Grants & Donations	4	-	-	7,022	7,022
Gain on sale of land	6	-	-	-	-
Total income		**274,870**	**-**	**7,022**	**281,892**
EXPENDITURE:					
Charitable activities	5	213,309	-	-	213,309
Investment management costs	8	9,472	-	-	9,472
Total expenditure		**222,781**	**-**	**-**	**222,781**
Net income before investment & land gains		**52,089**	**-**	**7,022**	**59,111**
Net gains on investments	11	37,604	50,680	829	89,113
Net income		**89,693**	**50,680**	**7,851**	**366,075**
Transfers between funds	15	(4,200)	4,200	-	-
Net movement in funds		85,493	54,880	7,851	148,224
Reconciliation of funds:	15				
Total funds brought forward		7,174,623	591,606	17,960	7,784,189
Total funds carried forward		**7,260,116**	**646,486**	**25,811**	**7,932,413**

BALANCE SHEET

	Notes	£	2023 £	£	2022 £
FIXED ASSETS					
Property	10		5,304,205		5,282,584
Equipment	10		10,806		6,611
Investments	11		2,261,490		2,085,092
Investment land			589,000		598,000
Total fixed assets			8,165,501		7,972,287
CURRENT ASSETS					
Debtors	12	22,949		14,133	
Cash at bank and in hand		27,323		24,180	
Investment land held for resale		-		135,000	
		50,272		173,313	
CREDITORS: amounts falling due within one year	13	(19,006)		(58,022)	
NET CURRENT ASSETS			31,266		115,291
TOTAL ASSETS LESS CURRENT LIABILITIES			8,196,767		8,087,578
CREDITORS: amounts falling due after more than one year	14		(84,172)		(155,165)
NET ASSETS			**8,112,595**		**7,932,413**
THE FUNDS OF THE CHARITY					
Endowment reserves	15		722,735		646,486
Restricted reserves	15		32,231		25,812
Unrestricted reserves	15		7,357,629		7,260,115
TOTAL CHARITY FUNDS			**8,112,595**		**7,932,413**

The financial statements were approved by the Board of Trustees on 19th July, 2023 and were signed on its behalf by:

Stewart Cursley **Mark Shelton**





NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

a) Basis of accounting

The City of Wells Almshouses is an unincorporated Charity registered in England and Wales. The address of the principal offices is given in the Officers and Professional Advisers information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are detailed within the Trustees' Annual Report.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities : Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October, 2019 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) , the Charities Act 2011, the Accounting Direction for private registered providers of social housing 2022 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a "true and fair" view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a "true and fair" view. This departure has involved following the Accounting and Reporting by Charities : Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather that the Accounting and Reporting by Charities : Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity meets the definition of a public benefit entity under FRS 102.

The accounts are prepared in accordance with the historical cost basis of accounting except as modified by the revaluation of investments and certain fixed assets.

In November 2014 the City of Wells Charitable Incorporated Organisation (CIO) was created, registered charity number 1159162. As sole trustee of the Trust it exercises control as so is effectively its parent. Consolidated accounts have not been prepared as group income is less than the threshold required to do so. Financial statements for the CIO can be obtained from 4 Bubwith Almshouse, Wells, BA5 2QE.

b) Preparation of the accounts on a going concern basis

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.

c) Income

All income is recognised once the Charity has entitlement to the income, there is sufficient certainty of receipt, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income represents letting income and other service charges receivable from social housing lettings included at their invoice value net of voids.

Donations or Grants are recognised when there is evidence of entitlement to the gift, receipt is probable and the amount can be measured reliably. All income is considered unrestricted unless specifically restricted by the donor, or raised in an appeal for a specific purpose.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and land. It includes dividends, interest and agricultural rents. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest, dividend and rental income are recognised once the Charity's right to receive payment is established.

No amount is included in the financial statements for volunteer time in line with SORP FRS (102)

d) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The City of Wells Almshouses is not registered for Value Added Tax (VAT). In these financial statements, where applicable, expenditure is shown inclusive of VAT.

e) Allocation of support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. All office costs, staff costs associated with the supporting element of the roles of Financial Controller/ Charity Secretary and Chief Executive and governance costs are considered to be support costs.

f) Freehold property

Housing properties are principally properties available for occupation by the beneficiaries of the Charity and are initially stated at cost. Cost includes the cost of acquiring land and buildings and development costs.

Freehold property was revalued in 2015. The revalued amount has been used as the deemed cost of the property as at the 1 April 2014, this being the date of transition to the SORP (FRS 102).

Assets in the course of construction are capitalised at cost and not depreciated until they are ready for use.

g) Upgrades to properties

Works are capitalised if they result in an increase in the net rental income, a reduction in future maintenance costs or a significant extension to the life of the property. The net book value of these costs are depreciated over a 15 year period.

h) Impairment of freehold property

Reviews for impairment are carried out annually at the reporting date. Impairment is recognised when the carrying value of an asset exceeds its recoverable amount. Examples of indicators of impairment are a significant decrease in the market value of the property or significant physical damage.

i) Other Fixed Assets

Other fixed assets costing £200 or more are capitalised at cost. Other fixed assets include fixtures and fittings, equipment and IT equipment which are depreciated on a straight line basis between 3 to 5 years.

j) Land investments

The land owned by the Charity is let to agricultural businesses. Land is held in the balance sheet on a valuation basis.

k) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

l) Investments

Investments are stated at market value at the balance sheet date. Net gains and losses arising on revaluation of unrestricted investments are shown in the Unrestricted Reserves. Investments are held within fixed assets on the basis that they are held to generate income in the longer term.

m) Cash

Cash at bank and in hand includes cash held in deposit accounts.

n) Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount to settle the obligation can be measured reliably.

o) Contingent Liabilities

A contingent liability will be disclosed if :

* A possible obligation arising from a past event whose existence will be confirmed only by some uncertain future event that is not wholly in control of the CWA
* A present obligation arising from a past event but where the transfer of funds is not probable or the amount of the obligation cannot be measured reliably.

p) Financial instruments

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. These are cash, creditors, and debtors other than prepayments. Basic financial instruments are initially measured at transaction value and subsequently measured at their settlement rate. There are two exceptions to this, the bank loan which is subsequently measured at amortised cost using the effective interest method and investments which are subsequently measured at fair value.

q) Reserves

Unrestricted Reserves are funds available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted Reserves are funds for which the donor has specifically restricted the purpose for which they can be used . The amounts in the funds represent the monies still remaining for future expenditure.

Endowment Reserves are a type of restricted fund and represent those assets which must be held permanently by the Charity. Income arising on the endowment funds can be used in accordance with the objectives of the Charity. Any capital gain or loss arising on the endowments form part of the Endowment Reserves.

r) Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2 INCOME FROM RESIDENTS

	Unrestricted Reserves 2023 £	Unrestricted Reserves 2022 £
Weekly Maintenance Contributions (WMC)	**143,978**	142,443
Property related Service Charges	**70,232**	63,032
Use of the guest room and other income	**270**	89
	214,480	**205,564**

WMC receivable is net of void losses of £41 (2022 : £1,066). The Charity provided 33 units of housing for older people during the year (2022 : 33).

3 INVESTMENT INCOME

	Unrestricted Funds 2023 £	Unrestricted Funds 2022 £
Interest and Dividends	59,138	55,168
Agricultural Rents	11,537	14,138
	70,675	69,306

4 GRANTS & DONATIONS

	Restricted Funds 2023 £	Total Funds 2023 £	Restricted Funds 2022 £	Total Funds 2022 £
Chapel Restoration Donations	673	673	7,022	7,022
Chapel Restoration Grants	5,405	5,405	-	-
	6,078	6,078	7,022	7,022

5 CHARITABLE ACTIVITIES

	Direct Costs 2023 £	Support Costs 2023 £	Total Costs 2023 £	Direct Costs 2022 £	Support Costs 2022 £	Total Costs 2022 £
Depreciation	75,492	-	75,492	72,735	-	72,735
Salaries & Pensions	30,695	38,395	69,090	28,822	34,513	63,335
Communal amenities	27,341	-	27,341	20,318	-	20,318
Professional Fees	25,996	-	25,996	7,722	-	7,722
Property running	5,399	-	5,399	9,595	-	9,595
Loan Fees	7,254	-	7,254	6,047	-	6,047
Insurance	9,010	-	9,010	7,126	-	7,126
Governance	-	4,131	4,131	-	2,500	2,500
Property maintenance	12,779	-	12,779	12,982	-	12,982
Other	17,993	-	17,993	10,949	-	10,949
	211,959	42,526	254,485	176,296	37,013	213,309

Governance costs include independent examination fees of £2,700 (2022 : £2,600)

6 GAIN ON SALE OF LAND

During the year the Charity sold 7 lots of land for a gain of £205,045. (2022 : no land sales)

7 EMPLOYEES

	2023	2022
	£	£
Salaries	64,847	58,256
Pension Contributions	1,338	1,669
Former CEO consultancy	-	3,410
Staff Salaries & Pensions	66,185	63,335
Training, Welfare & Travel	2,905	2,326
Total employee related costs	69,090	65,661

The average number of employees during the year was 4 (2022 : 4)
The number of full time equivalents was 2 (2022 : 2)
Key management personnel received remuneration of £21,560 (2022 : £17,160)
They are not a member of a pension scheme.
No employee received total benefits in excess of £60,000 (2022 : Nil).
The Trustees did not receive any remuneration from the Charity during the year (2022 : £Nil), neither were they reimbursed expenses during the year (2022 :£ Nil)

8 PROFESSIONAL MANAGER COSTS

	2023	2022
	£	£
Investment Manager Fees	-	7,428
Agricultural Land Manager Fees	1,887	2,044
	1,887	9,472

9 SOCIAL HOUSING OPERATING RESULT

	2023	2023	2022	2022
	£	£	£	£
Income from Residents (Note 2)		214,480		205,564
Total activities costs (Note 5)	254,485		213,309	
Less : Non-social housing costs:				
Professional Fees (Note 5)	(25,996)		(7,722)	
Depreciation (Note 5)	(75,492)		(72,735)	
Loan Fees (Note 5)	(7,254)		(6,047)	
Chapel Fundraising costs	(216)		(2,144)	
Governance costs (Note 5)	(4,131)		(2,500)	
Total Social Housing Costs		141,396		122,161
Social Housing Operating Result		73,084		83,403

10 TANGIBLE ASSETS

	Freehold Property £	Property Upgrades £	Property Sub-total £	Equipment £	Total £
COST					
At 1st April 2022	4,757,914	900,018	5,657,932	21,946	5,679,878
Disposals	-	-	-	(2,794)	(2,794)
Additions	1,572	91,366	92,938	8,371	101,309
At 31st March 2023	4,759,486	991,384	5,750,870	27,523	5,778,393
DEPRECIATION					
At 1st April 2022	166,187	209,162	375,349	15,335	390,684
Disposals	-	-	-	(2,794)	(2,794)
Charge for year	23,741	47,575	71,316	4,176	75,492
At 31st March 2023	189,928	256,737	446,665	16,717	463,382
NET BOOK VALUE					
At 31st March 2023	4,569,558	734,647	5,304,205	10,806	5,315,011
At 31st March 2022	4,591,727	690,856	5,282,584	6,611	5,289,195

11 INVESTMENTS

	2023 £	2022 £
Market value as at 1st April, 2022	2,085,092	1,910,007
Additional investment at cost	358,418	89,200
Withdrawn investment at cost	(120,000)	-
(Losses)/Gains on revaluation	(59,724)	89,113
Net sales/purchases & transaction costs	(2,296)	(3,228)
Market value as at 31st March, 2023	2,261,490	2,085,092

Represented by:

	2023 £	2022 £
CCLA Charities Investment Funds	2,261,490	1,010,198
Listed investments with Brewin Dolphin	-	1,074,894
	2,261,490	2,085,092

12 **DEBTORS**

	2023	2022
	£	£
Trade Debtors	210	638
Prepayments	4,689	4,451
Due from Solicitors	12,500	-
Dividends receivable	-	2,044
Land rents receivable	5,500	7,000
Other receivables	50	-
	22,949	14,133

Social Housing Rent Arrears at 31/03/23 were £122 (31/03/22 : £523)

13 **CREDITORS : Amounts falling due within one year**

	2023	2022
	£	£
Trade creditors	9,579	39,218
Accruals	3,350	5,950
Bank loan	2,596	6,165
Sundry creditors	3,481	4,394
	19,006	55,727

14 **CREDITORS : Amounts falling due after one year**

The Bank loan is secured on a fixed legal charge on 1-16 Llewellyn's Almshouses and is due to be repaid as follows:

	2023	2022
	£	£
Between 1 to 2 years	2,796	6,410
Between 2 to 5 years	9,778	20,939
Due after 5 years	71,598	127,816
	84,172	155,165

During the current year a lump sum repayment was made from the Charities Investment Funds in the sum of £70,000

15 **RESERVES**

	Recoupment Endowment Reserves	Harpers Endowment Reserves	Chapel Restricted Reserves	Revenue Unrestricted Reserves	Total Reserves
As at 1st April, 2022	**143,562**	**502,924**	**25,811**	**7,260,116**	**7,932,413**
Total income for 2022/23 per SOFA	-	-	6,078	490,200	496,278
Total expenditure for 2022/23 per SOFA	-	-	-	(256,372)	(256,372)
Investment gains/(losses) for 2022/23 per SOFA	(5,520)	(19,031)	342	(35,515)	(59,724)
Transfer from Revenue Reserves	105,000	-	-	(105,000)	-
Transfer from Revenue Reserves	(4,200)	-	-	4,200	-
As at 31st March, 2023	**238,842**	**483,893**	**32,231**	**7,357,629**	**8,112,595**
As at 1st April, 2021	128,638	462,968	17,960	7,174,623	7,784,189
Total income for 2021/22 per SOFA	-	-	7,022	274,870	281,892
Total expenditure for 2021/22 per SOFA	-	-	-	(222,782)	(222,782)
Investment gains/(losses) for 2021/22 per SOFA	10,724	39,956	829	37,605	89,114
Transfer from Revenue Reserves	4,200	-	-	(4,200)	-
As at 31st March, 2022	143,562	502,924	25,811	7,260,116	7,932,413

Recoupment Endowment Reserves represented annual repayments of £4,200 to replace expenditure funded from permanent endowments as required by the Charity Commission. In 2022 permission was received from the Charities Commission to transfer from unrestricted reserves the sum of £105,000 being the next 25 years' worth of repayments.

Harpers Endowment Reserves represent the proceeds of £354, 695 from the sale of the Harpers Almshouse, which proceeds can only be expended on the construction of new almshouses.

The Chapel Restricted Reserves represent donations and grants to restore the Chapel located within the Bubwith site.

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Recoupment Endowment Reserves	Harpers Endowment Reserves	Chapel Restricted Reserves	Revenue Unrestricted Reserves	Total Reserves
Tangible assets & equipment	-	11,332	-	5,303,679	5,315,011
Investments	238,842	483,893	32,762	1,505,993	2,261,490
Investment land	-	-	-	589,000	589,000
Cash at bank and in hand	-	(11,332)	(531)	51,686	39,823
Other current assets	-	-	-	10,449	10,449
Other current liabilities	-	-	-	(21,633)	(21,633)
Creditors over one year	-	-	-	(81,545)	(81,545)
As at 31st March, 2023	**238,842**	**483,893**	**32,231**	**7,357,629**	**8,112,595**
Tangible assets & equipment	-	9,760	-	5,279,435	5,289,195
Investments	139,362	502,924	10,712	1,429,798	2,082,797
Investment land	-	-	-	598,000	598,000
Cash at bank and in hand	4,200	(9,760)	15,099	14,661	24,180
Other current assets	-	-	-	149,133	149,133
Other current liabilities	-	-	-	(55,727)	(55,727)
Creditors over one year	-	-	-	(155,165)	(155,165)
As at 31st March, 2022	143,562	502,924	25,811	7,260,116	7,932,413

17 CAPITAL COMMITMENTS

	2023	2022
	£	£
Authorised and contracted for	-	-

18 CONTINGENT LIABILITIES

In previous years two grant creditors totalling of £355,016 were released from long term creditors as there was no existing obligation to repay these. A grant of £322,000 had been received from the Housing Corporation, now known as Homes England, in 1995/96 for work to the Bubwith, Willes and Stills Almshouses. A further grant of £33,016 had been received from the Housing Corporation between 1999 and 2001 for works to the Bricks Almshouse. Both of these grants are only repayable if a relevant event occurs. A relevant event includes deregistration from Homes England or if the Almshouses are sold. As a relevant event has not occurred there is no present obligation to repay these grants. As a relevant event may occur in the future they have been disclosed as contingent liabilities.

19 RELATED PARTIES

During the year no related party transactions (2022:£ Nil) were made.

CITY OF WELLS ALMSHOUSES

England & Wales - Charity number 1040554

Accounts

CITY OF WELLS ALMSHOUSES

Unaudited Financial Statements

For the financial year ended 31st March 2022

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TRUSTEES, PROFESSIONAL ADVISERS, MANAGEMENT and ADMINISTRATIVE DETAILS

The Board	City of Wells Almshouses CIO (Corporate Trustee)
CIO Board of Trustees	Ms Stella Ainsworth Mr Charles Cain - Chair Ms Carol Cox (resigned July 2021) The Very Reverend Dr John Davies : ex-officio (Dean of Wells Cathedral) Mr Andrew Fawcett (resigned July 2021) Ms Claire Green Mr John North - Vice Chair Mrs Sarah Powell - nominated January, 2022 Mr Richard Quarry Mr Tony Robbins - nominated January, 2022 Mr Mark Shelton - appointed April, 2022 Mr Christopher Vigar Mrs Shirley Watt Councillor Philip Welch: ex-officio (Mayor of the City of Wells) Mr Nick Wilson
Chief Executive	The Reverend Dr Martin Thomas
Financial Controller & Secretary	Mr P M McMahon MA FCA
Scheme Manager	Mrs C Tollworthy
Principal Office	4 Bubwith Almshouses Wells, Somerset, BA5 2QE Telephone : 01749 675813 Email: info@wellsalmshouses.org.uk Website: www.wellsalmshouses.org.uk
Charity Number	1040554
Homes England Registration Number	A4055
Bankers	National Westminster Bank plc 7 High Street Wells, Somerset, BA5 2AD The Charity Bank Fosse House 182 High Street, Tonbridge, TN9 1BE
Solicitors	Tozers Solicitors Broadwalk House, Southernhay West, Exeter, Devon, EX1 1UA
Examining Accountants	Monahans, Chartered Accountants, Fortescue House, Court Street, Trowbridge, Wiltshire, BA14 8FA

Investment Managers	Brewin Dolphin Limited 9 Colmore Row, Birmingham, B3 2BJ
	CCLA Investment Management Limited Senator House, 85 Queen Victoria Street, London, EC4V 4ET
Property Advisers	Carter Jonas St. Catherine's Court Berkeley Place, Bristol, BS8 1BQ

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31st MARCH 2022

The Trustees of the City of Wells Almshouses (CWA) present their annual report and unaudited financial statements for the year ended 31st March, 2022.

The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Charity. This is the treatment required by the Housing SORP 2018 for registered social landlords which are also almshouses.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October, 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is a registered provider of social housing with the Regulator of Social Housing (number A4055) and is an unincorporated charitable trust registered with the Charity Commission (number 1040554).

As a registered provider of social housing the Charity has undertaken an assessment of its compliance with the Governance and Financial Viability Standard and the Trustees certify that they were compliant with the Standard during the course of the year and up until the date these accounts have been signed.

The Charity has one corporate trustee - the City of Wells Charitable Incorporated Organisation (CIO), registered with the Charity Commission (number 1159162), which in turn has a Board of Trustees, and it is they who administer the unincorporated trust.

The CIO Board: The CIO Board may comprise of:

* Four nominated Trustees (two from the City Council and two from the Chapter of the Cathedral)
* Up to eight appointed Trustees (of whom two may be Resident Trustees) and
* Two ex-officio members - the Mayor of the City of Wells and the Dean of Wells Cathedral.

Trustees appointed by the Charity are recruited by a formal application and interview process. There are currently 13 Trustees compared to a maximum of 14. As part of its commitment to resident involvement at all levels the CIO constitution allows for up to two Resident Trustees to join the Board.

Management: The day to day running of the Charity is delegated to the Chief Executive and his staff, operating within the agreed policies and procedures of the CIO. Delegated authority limits are established and there is a hierarchy for delegated decisions. The Chair and Vice Chair of Trustees meet regularly with the Chief Executive to review progress against targets. These targets are set out in the five year Business Plan. This, along with specific policies are reviewed by the full Board once a year. The Finance and Land Committee is the only standing committee and its' delegated authority has been approved by the Board. Other working parties are convened as and when required.

Staff: A small staff of four part-time employees manage the Charity on a day to day basis : the Chief Executive; the Financial Controller/Charity Secretary; the Scheme Manager and the Handyman, all working from the Principal Office.

OBJECTIVES AND ACTIVITIES

The objectives of the Charity are :

* The provision of housing accommodation for beneficiaries; and
* Such charitable purposes, for the benefit of beneficiaries, as the CIO Board of Trustees decides..

Its main activity is the ownership and management of the 33 units of accommodation located within the five almshouses (Bubwith, Willes', Still's, Brickes and Llewellyn's), which make up the Charity's housing complex located in the City of Wells, Somerset. The almshouses are mainly occupied by older, single people, who have been assessed as being in housing need. There have been no significant changes in the Charity's objectives since the last report.

The Trustees acknowledge the guidance issued by the Charity Commission in respect of our commitment to public benefit and we declare our commitment to it. The main activity of the Charity is the provision of accommodation to those in need in Wells and the surrounding area. In order to be considered for accommodation applicants must meet certain criteria , which allows the Charity to assess their need.

The Charity is of sufficient size that a team of staff is required to manage its day to day activities. However, there are many smaller almshouses which do not employ staff and so do not have access to the same resources. In 2014 the Charity set up the Somerset Small Almshouses Forum with the aim of disseminating and sharing information, to demonstrate good practice and to provide support, to those almshouses.

ACHIEVEMENTS AND PERFORMANCE

In order to comply with our charitable objectives, we have two prime responsibilities:

* To ensure that our existing residents are housed in comfortable, secure and pleasant accommodation that meets current day standards and expectations; and
* To ensure we are able to attract new residents to occupy our properties when vacancies occur.

The Charity's policy is to refurbish each property to a standard specification if it becomes void. However the Trustees have found that residents do not generally wish to have their properties upgraded whilst they are in occupation, even though this might be desirable if they had lived in their homes for a number of years. However, the following major works have been completed : three new bathrooms/wetrooms have been installed, secondary glazing to the Guildroom windows , new coping stones in Llewellyn's, a new boiler in Llewellyn's, complete re-paving at Llewellyn's and repointing of the Chamberlain Street wall. Also, in total, there are now only three of the Charity's properties which will need completely refurbishing when they become void.

FINANCIAL REVIEW

The Trustees' aim is that income from the Weekly Maintenance Contribution (WMC), paid by residents, covers the everyday maintenance costs associated with running the Almshouses. As a registered provider of social housing, the WMC is essentially rent although not referred to as such. Accordingly the WMC can only be increased in compliance with Government policy. The Charity increased the WMC from April, 2021 in line with the Government's policy formula of CPI plus 1% - CPI being measured as of September, 2020. Service Charges are charged depending on the actual costs to the Charity.

These costs have in recent years been of a level that may have caused hardship to individual residents if they had been charged to residents in full. Consequently to avoid hardship the Charity has absorbed a certain level of these costs such that the Service Charges are not increased by more than the percentage increase in the WMC.

The nature of these costs are explained in detail to residents and comprise such items as : non-structural plumbing, electrical, gas and decoration repairs and safety checks; gardens maintenance, grass cutting, tree works, hedge trimming, and waste removal; communal electricity in stairwells and entrance ways; lift repairs and maintenance; cleaning and heating of communal areas; outside window cleaning; fire safety; pest and rodent control; waste and recycling.

Due to their circumstances, many of our residents are in receipt of Housing Benefit payable by the Local Authority. The Government is consulting on changes to Housing Benefit. As a result of this uncertainty the Charity has taken account of this in its Reserves Policy. We also need to be aware that some Local Authorities are under severe financial strain and are looking for Central Government support.

The total cost of maintaining, operating and improving the complex continues to be the major item of expenditure each year, especially as the historic nature of the buildings requires specialist craftsmen and materials to undertake the maintenance, improvement and upgrading of the properties. Nevertheless, the preservation of the buildings is critical to the wellbeing of our residents and is an essential aspect of our work.

The Charity's investments are a vital component in ensuring that new almshouse residences can continue to be created or converted.

During the course of the year our investments provided a net income of approximately £70,000 comprised of interest, dividends, agricultural land rents and wayleave. In addition, the value of these investments, managed by our two fund managers, increased in value by over £90,000. However, since the start of the new financial year, the events in Ukraine, Inflation and certain other factors have resulted in a decrease in our investments' value of approximately 7.50%. However the Charity is financially resilient and is in a position to meet its capital programme objectives.

The Charity has an ethical investment policy which excludes investments which generate a significant proportion of their revenue from activities which conflict with the aims of the Charity. For example, gambling, weekly-collected home credit and payday loans are excluded as these are potential causes of hardship and distress which could lead to homelessness. Also excluded are investments which could affect our supporter base such as the manufacture and supply of armaments, pornography and the manufacture and commercial distribution of tobacco. The extent of the market capitalisation excluded by the policy and therefore its potential financial detriment has been formally approved by the Trustees.

VALUE FOR MONEY (VfM)

In 2018 the Regulator of Social Housing (RSH) introduced a Value for Money (VfM) Standard which requires registered providers of social housing (such as the CWA) to publish in their financial statements a series of metrics designed to measure economy, efficiency and effectiveness on a comparable basis across the social housing sector.

In this context : Economy means minimising the cost of resources while having regard to quality; Efficiency is the relationship between the output from goods or services and the resources to produce them; Effectiveness is the extent to which objectives are achieved and the relationship between intended and actual impacts.

The CWA needs to ensure that it has sought to optimise the financial return from its' assets and activities in so far as this is consistent with achievement of the Charity's wider organisational purposes. Social housing businesses generally receive a lower-than-market return on social housing assets, as renting properties below the market rate is an integral part of their social purpose.

Further, the CWA may at times opt not to receive maximum return from an asset, instead taking the decision to accept a lower return in furtherance of its' social objectives; where this is the case our aim is to see that the rationale for this is clearly articulated and justified, for example where historical covenants are in place, which restrict the sale or development of properties even when there are high maintenance costs.

These VfM metrics provide a tool for registered providers to demonstrate to the RSH, residents and any other stakeholders, that they are making the best use of their assets and resources. The social housing sector is very diverse and no single set of metrics can capture all of the measures that matter to each individual provider.

The standard metrics defined by the RSH are intended to achieve the different, but complementary, objective of providing measures with wide applicability which permit comparison across the social housing sector. Importantly, the suite of VfM metrics, is restricted to data derived from the registered providers'Annual Accounts.

The Standard requires providers not only to publish their own VfM metrics but also to set their own VfM targets and analyse their performance alongside that of their peers on a comparable basis. The RSH has published a Technical note guidance (May 2022) setting out in detail how the metrics are to be calculated and in setting out the required metrics (below) we have followed this guidance. The metric targets were approved by the Board of Trustees at their meeting in July, 2022. In order to provide comparable data from other providers we have taken data from a report issued by the RSH (Value for Money Metrics Report - Annex to Global Accounts 2021); this data provides metrics from (i) smaller providers which own less than 2,500 units (ii) providers with at least 30% supported housing stock and (iii) providers with at least 30% housing for older people stock.

Metric 1. Reinvestment and upgrading of existing units of accommodation

This metric looks at the current year investment in units as a percentage of the value of all properties held.

CWA 2022	CWA 2021	CWA Target	Under 2,500 units	30% Supported	30% Older People
1.34%	1.47%	1.25%	4.60%	4.10%	5.90%

The amount of capital works undertaken during the year (£70,600) is very comparable to that done last year (£77,800) and reflects our commitment to provide safe and affordable accommodation to our residents. Our capital works programme of maintenance and, where appropriate, modernisation of existing stock incorporates all works prescribed in our 2017 Decennial report. The quantum of work that has been able to be undertaken has been impacted by the coronovirus pandemic which has limited access to our site by contractors. Comparison with other providers needs to take into account that our properties are all independently valued as being Grade 2 or Grade2* listed thereby understating the percentage impact of our capital works.

Metric 2a. New supply of social housing units
Metric 2b. New supply of non-social housing units
These metrics set out the percentage number of housing units acquired or developed in the year.

	CWA 2022	CWA 2021	CWA Target	Under 2,500 units	30% Supported	30% Older People
Social	0.00%	0.00%	0.00%	0.80%	1.50%	1.10%
Non-Social	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

There has been no new supply of units for several years. There are plans to develop several new units in the next few years but these plans have encountered considerable problems in obtaining planning consent.

Metric 3. Gearing
This metric assesses how much of our property assets are made up of mortgage debt and the degree of dependence on debt finance.

CWA 2022	CWA 2021	CWA Target	Under 2,500 units	30% Supported	30% Older People
2.60%	2.68%	3.00%	33.70%	11.60%	34.80%

Our overall dependency on loan finance is very low compared with the peer groups. The CWA has very little in borrowings and has adequate cash resources to meet all prospective needs.

Metric 4. EBITDA MRI (Earnings before Interest, Tax, Depreciation, Amortisation, Major Repairs Included)
The EBITDA MRI interest cover measure is a KEY INDICATOR for liquidity and investment capacity. It seeks to measure the level of surplus that a provider generates compared to interest charges payable; the measure avoids any distortions stemming from the depreciation charge.

CWA 2022	CWA 2021	CWA Target	Under 2,500 units	30% Supported	30% Older People
1113.00%	1521.00%	1000.00%	205.00%	309.00%	133.00%

The CWA interest charges are very small and indicate ample opportunity for additional borrowing.

Metric 5. Headline Social Housing costs per unit
This metric quantifies all the expenditure costs associated with social housing. The costs include management costs, service costs, routine maintenance costs, major repairs expenditure, capitalised major repairs expenditure and community services.

CWA 2022	CWA 2021	CWA Target	Under 2,500 units	30% Supported	30% Older People
£5,842	£5,539	£5,750	£4,790	£9,680	£5,550

Metric 6a. Operating Margin of social housing lettings only
Metric 6b. Operating Margin overall
This metric 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. In assessing this ratio, it is important to consider the registered providers' purposes and objectives (including their social objectives).

	CWA 2022	CWA 2021	CWA Target	Under 2,500 units	30% Supported	30% Older People
Social	25.10%	13.40%	20.00%	25.10%	13.40%	18.10%
Overall	21.00%	31.40%	20.00%	22.10%	7.40%	16.70%

Metric 7. Return on Capital Employed (ROCE) %
The ROCE 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.

CWA 2022	CWA 2021	CWA Target	Under 2,500 units	30% Supported	30% Older People
0.73%	1.18%	1.00%	2.90%	3.30%	3.20%

RESERVES POLICY

The Trustees reviewed the Charity's reserve policy in 2018 as a result of the decennial survey of the properties. The Trustees have decided that reserves in the range of £265,000 to £305,000 are required by the Charity. The reserves range has been set to allow the Charity to manage fluctuations in the value of investments held, unexpected property repairs, a future requirement to upgrade our careline system from analogue to digital and uncertainty about the Government's sheltered housing policy. This Policy is reviewed annually by the Board of Trustees.

Total Reserves as at 31st March 2022 were £7,932,413 of which £646,486 are endowments and £25,812 are Restricted Reserves. The Trustees have Unrestricted Reserves of £7,260,115 for several purposes in line with the Reserves Policy. Principally these are £5,887,195 of non-investment fixed assets and land which are not readily transferable into liquid assets and are needed to enable the Charity to fulfil its Charitable objectives.

The Trustees have several other potential uses for their remaining Unrestricted Reserves including completion of its planned capital programme, acquisition of additional properties and development of adjacent land. The remaining funds are the Charity's free reserves and their amount falls within the reserves policy range set by the Trustees. The Trustees continue to monitor the level of Unrestricted Reserves at its regular meetings.

FINANCIAL CONTROLS

The Board considers that the Charity's governance structure, financial controls and procedures and the work of the Finance and Land Committee are sufficient to enable the Charity to comply with all necessary standards set by Homes England, its official regulator.

The Finance and Land Committee, comprising four Trustees, the Chief Executive and the Financial Controller undertakes the following duties:

* Monitors and oversees the performance of the Investment Managers and portfolios
* Reviews the agricultural land holdings in line with the Business Plan 2022 - 2027
* Monitors and oversees the contracts let for major works
* Monitors overall expenditure against budgets
* Monitors the Reserves Policy
* Monitors the cash flow and assesses the need to move funds between accounts
* Reviews and updates the Investment Strategy
* Maintains and updates the Risk Register, and
* Reports to the main Board on these matters

The Board agrees on an annual basis the income and expenditure and capital programmes for the next financial year. These are reviewed by the Finance and Land Committee throughout the year. At each Board meeting key performance indicators (KPI's) are reported including progress against budget along with non-financial measures such as the number of residents attending meetings, whether repairs have been carried out on time, our social media targets and trustee involvement in the quarter. This combination of measures are reported to ensure that the Charity not only meets its financial targets but are also compliant and act responsibly.

The Charity's procedures for procurement, its financial controls and the functions of the Finance and Land Committee ensure that value for money (VfM) is achieved in delivering its' objectives. The Board has agreed and reviews the threshold levels for quotations, for formal tendering and for delegations. All but the smallest amounts are subject to competition. However, when awarding contracts, the Charity also takes into account:

* The quality of workmanship
* Relationships with contractors and their performance
* The approach to working in residents' homes: and
* Residents feedback.

This means that we do not necessarily always accept the lowest tender figure, but the one we feel will provide us with best value for money and quality workmanship. In addition, market testing exercises are periodically undertaken for those companies who provide professional services to the Charity.

RISKS AND UNCERTAINTIES

The Charity operates a Risk Register in order to identify risks and what can be done to manage these. The three main risks, after taking into account actions taken to reduce risk, are as follows:

* A major disaster, e.g fire, flood
* A failure to respond to emergency calls from residents and
* A collapsed/injured resident not found for some time

The Trustees are continuing to find ways of reducing risk so that the Charity is managed efficiently and its charitable objectives are met.

PLANS FOR THE FUTURE

The Trustees have adopted a new Business Plan for the period 2022 - 2027. As part of this Plan we have conducted a full review of our land holdings and we are now actively seeking to dispose of some of these where appropriate. We are also looking to develop new residential units on land contiguous to our own.

The Trustees are actively exploring various environmental developments concerning the provision of light and heating for our residents. This is a very large and complex project for which we have commissioned a report into the provision of air and ground source heat pumps and solar panels over our entire site.

As the almshouse properties are all listed the cost of maintenance is one of the main sources of expenditure for the Charity. A decennial survey was commissioned in 2017 which projected that costs in the region of £660,000 would be required in order to maintain all of the Charity's buildings over the upcoming ten years.

The Charity owns a building, the former mortuary, which is currently used as a storage shed. The Trustees are investigating whether this building can be converted into an additional residential property.

Of the non-accommodation costs reported in the decennial survey some £110,000 relate to the Chapel. There are services held in the Chapel every Thursday which are open to the residents and the general public.

The Trustees have an obligation to preserve the Chapel as a Grade II* listed building and an asset of the City of Wells. The Trustees have now appointed an architect to help the Charity to create a programme of works which will make the Chapel more comfortable and easier to use, for example, by improving the heating system, the lighting and a possible reconfiguring of the layout. It is hoped that by doing so the local community will use the Chapel more frequently. The Charity hopes to obtain external funding for the majority of these costs.

The Trustees were aware that the Almshouses have not been well known by the local people of Wells. However over the last few years, the profile of the Almshouses has been raised within the community with talks, concerts and additional services being held. Normally a series of "open days"would be held during the summer such that the general public could visit the properties and gardens and learn about their history. This year, unfortunately, this has not been possible as a result of the pandemic and the covid restrictions that have been in place nationally. Hopefully the pattern of opening up will resume in the coming year.

Groups can visit the Almshouses for a tour by booking in advance. Additional opportunities for the community to come are planned with more concerts, talks and services, as well as the opening up of the historic chapel more regularly for the public to view.

In conjunction with the Charity's website the Charity uses its Facebook and Twitter pages to promote upcoming events and inform the general public about what the Almshouses have been doing. A regular newsletter is now being produced and sent to the Charity's supporters. A leaflet about the Almshouses is sited in prominent places around Wells. The Trustees hope that such actions will increase awareness of the Almshouses which may help to attract future beneficiaries, volunteers and additional sources of income.

The Trustees are keen to ensure that all residents are consulted and involved in the decisions that are made concerning their homes and surroundings. Regular residents' meetings are held to form a basis for developing a structure of involvement for those who wish to participate and the places on the Board for Trustees further demonstrates our commitment to include residents in everything we do. Please note that many of these meetings have been cancelled by the covid restrictions. Our residents will also be involved in the redesign of the Chapel referred to above.

A resident survey has been conducted to understand more fully how the Charity can improve the housing facilities it provides to residents. Extremely high levels of satisfaction were recorded overall and of particular note is the appreciation expressed over the standards of residents' accommodation. The outcomes of the survey are being utilised to understand more fully the residents' priorities.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity and Registered Social Housing legislation require 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, of the incoming resources and application of resources, including the income and expenditure 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 UK 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 Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with Charities Acts, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019. They also have general responsibility for taking reasonable steps to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

The success of 2021/22 would not have been possible without the commitment and hard work of those involved with the Almshouses. The Trustees would like to thank Staff, Residents, Volunteers and members of the public who have provided such support particularly during the worst times of the Covid 19 pandemic..

On behalf of the Trustees

Charles Cain (Chair of Trustees)

Date: 20th July, 2022

Independent Examiner's Report to the Trustees of City of Wells Almshouses

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2022 which are set out on pages 13 to 26

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the the requirements of the Charities Act 2011 ("the Act")

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in Section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and contents of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

James Gare FCA DCha
Monahans
Chartered Accountants
Fortescue House
Trowbridge
BA14 8FA

Date : 27/7/22

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Endowment Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
INCOME:						
Income from residents	2	205,564	-	-	205,564	202,834
Investment income	3	69,306	-	-	69,306	63,323
Grants & Donations	4	-	-	7,022	7,022	9,052
Gain on sale of land	6	-	-	-	-	24,098
Total income		**274,870**	**-**	**7,022**	**281,892**	**299,307**
EXPENDITURE:						
Charitable activities	5	213,309	-	-	213,309	196,941
Investment management costs	8	9,472	-	-	9,472	8,476
Total expenditure		**222,781**	**-**	**-**	**222,781**	**205,417**
Net income before investment & land gains		**52,089**	**-**	**7,022**	**59,111**	**93,890**
Net gains on investments	11	37,604	50,680	829	89,113	272,185
Net income/(expenditure)		**89,693**	**50,680**	**7,851**	**148,224**	**366,075**
Transfers between funds	15	(4,200)	4,200	-	-	-
Net movement in funds		85,493	54,880	7,851	148,224	366,075
Reconciliation of funds:	15					
Total funds brought forward		7,174,623	591,606	17,960	7,784,189	7,418,114
Total funds carried forward		**7,260,116**	**646,486**	**25,811**	**7,932,413**	7,784,189

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing operations.

COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Endowment Funds £	Restricted Funds £	Total Funds 2021 £
INCOME:					
Income from residents	2	202,834	-	-	202,834
Investment income	3	63,323	-	-	63,323
Grants & Donations	4	3,052	-	6,000	9,052
Gain on sale of land	6	24,098	-	-	24,098
Total income		**293,307**	**-**	**6,000**	**299,307**
EXPENDITURE:					
Charitable activities	5	196,941	-	-	196,941
Investment management costs	8	8,476	-	-	8,476
Total expenditure		**205,417**	**-**	**-**	**205,417**
Net income before investment & land gains		**87,890**	**-**	**6,000**	**93,890**
Net gains/(losses) on investments	11	172,268	100,034	(117)	272,185
Net income		**260,158**	**100,034**	**5,883**	**366,075**
Transfers between funds	15	(6,376)	4,200	2,176	-
Net movement in funds		253,782	104,234	8,059	366,075
Reconciliation of funds:	15				
Total funds brought forward		6,920,841	487,372	9,901	7,418,114
Total funds carried forward		7,174,623	591,606	17,960	7,784,189

BALANCE SHEET

	Notes	£	2022 £	£	Restated 2021 £
FIXED ASSETS					
Property	10		5,282,584		5,279,687
Equipment	10		6,611		6,495
Investments	11		2,085,092		1,910,007
Investment land			598,000		733,000
Total fixed assets			7,972,287		7,929,189
CURRENT ASSETS					
Debtors	12	14,133		15,868	
Cash at bank and in hand		24,180		25,985	
Investment land held for resale		135,000		-	
		173,313		41,853	
CREDITORS: amounts falling due within one year	13	(58,022)		(25,545)	
NET CURRENT ASSETS			115,291		16,308
TOTAL ASSETS LESS CURRENT LIABILITIES			8,087,578		7,945,497
CREDITORS: amounts falling due after more than one year	14		(155,165)		(161,308)
NET ASSETS			**7,932,413**		7,784,189
THE FUNDS OF THE CHARITY					
Endowment reserves	15		646,486		591,606
Restricted reserves	15		25,812		17,960
Unrestricted reserves	15		7,260,115		7,174,623
TOTAL CHARITY FUNDS			**7,932,413**		7,784,189

The financial statements were approved by the Board of Trustees on 20th July, 2022 and were signed on its behalf by:

C CAIN

J NORTH

NOTES TO THE FINANCIAL STATEMENTS

1 **ACCOUNTING POLICIES**

a) Basis of accounting

The City of Wells Almshouses is an unincorporated Charity registered in England and Wales. The address of the principal offices is given in the Officers and Professional Advisers information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are detailed within the Trustees' Annual Report.

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

The financial statements have been prepared to give a "true and fair" view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a "true and fair" view. This departure has involved following the Accounting and Reporting by Charities : Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather that the Accounting and Reporting by Charities : Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity meets the definition of a public benefit entity under FRS 102.

The accounts are prepared in accordance with the historical cost basis of accounting except as modified by the revaluation of investments and certain fixed assets.

In November 2014 the City of Wells Charitable Incorporated Organisation (CIO) was created, registered charity number 1159162. As sole trustee of the Trust it exercises control as so is effectively its parent. Consolidated accounts have not been prepared as group income is less than the threshold required to do so. Financial statements for the CIO can be obtained from 4 Bubwith Almshouse, Wells, BA5 2QE.

b) Preparation of the accounts on a going concern basis

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. The trustees have considered the potential ongoing impact of the Covid - 19 pandemic and have concluded that this will not affect the going concern status of the charity.

c) Income

All income is recognised once the Charity has entitlement to the income, there is sufficient certainty of receipt, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income represents letting income and other service charges receivable from social housing lettings included at their invoice value net of voids.

Donations or Grants are recognised when there is evidence of entitlement to the gift, receipt is probable and the amount can be measured reliably. All income is considered unrestricted unless specifically restricted by the donor, or raised in an appeal for a specific purpose.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and land. It includes dividends, interest and agricultural rents. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest, dividend and rental income are recognised once the Charity's right to receive payment is established.

No amount is included in the financial statements for volunteer time in line with SORP FRS (102)

d) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The City of Wells Almshouses is not registered for Value Added Tax (VAT). In these financial statements, where applicable, expenditure is shown inclusive of VAT.

e) Allocation of support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. All office costs, staff costs associated with the supporting element of the roles of Financial Controller/ Charity Secretary and Chief Executive and governance costs are considered to be support costs.

f) Freehold property

Housing properties are principally properties available for occupation by the beneficiaries of the Charity and are initially stated at cost. Cost includes the cost of acquiring land and buildings and development costs.

Freehold property was revalued in 2015. The revalued amount has been used as the deemed cost of the property as at the 1 April 2014, this being the date of transition to the SORP (FRS 102).

Assets in the course of construction are capitalised at cost and not depreciated until they are ready for use.

g) Upgrades to properties

Works are capitalised if they result in an increase in the net rental income, a reduction in future maintenance costs or a significant extension to the life of the property. The net book value of these costs are depreciated over a 15 year period.

h) Impairment of freehold property

Reviews for impairment are carried out annually at the reporting date. Impairment is recognised when the carrying value of an asset exceeds its recoverable amount. Examples of indicators of impairment are a significant decrease in the market value of the property or significant physical damage.

i) Other Fixed Assets

Other fixed assets costing £200 or more are capitalised at cost. Other fixed assets include fixtures and fittings, equipment and IT equipment which are depreciated on a straight line basis between 3 to 5 years.

j) Land investments

The land owned by the Charity is let to agricultural businesses. Land is held in the balance sheet on a valuation basis.

k) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

l) Investments

Investments are stated at market value at the balance sheet date. Net gains and losses arising on revaluation of unrestricted investments are shown in the Unrestricted Reserves. Investments are held within fixed assets on the basis that they are held to generate income in the longer term.

m) Cash

Cash at bank and in hand includes cash held in deposit accounts.

n) Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount to settle the obligation can be measured reliably.

o) Contingent Liabilities

A contingent liability will be disclosed if :

* A possible obligation arising from a past event whose existence will be confirmed only by some uncertain future event that is not wholly in control of the CWA
* A present obligation arising from a past event but where the transfer of funds is not probable or the amount of the obligation cannot be measured reliably.

p) Financial instruments

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. These are cash, creditors, and debtors other than prepayments. Basic financial instruments are initially measured at transaction value and subsequently measured at their settlement rate. There are two exceptions to this, the bank loan which is subsequently measured at amortised cost using the effective interest method and investments which are subsequently measured at fair value.

q) Reserves

Unrestricted Reserves are funds available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted Reserves are funds for which the donor has specifically restricted the purpose for which they can be used . The amounts in the funds represent the monies still remaining for future expenditure

Endowment Reserves are a type of restricted fund and represent those assets which must be held permanently by the Charity. Income arising on the endowment funds can be used in accordance with the objectives of the Charity. Any capital gain or loss arising on the endowments form part of the Endowment Reserves.

r) Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2 INCOME FROM RESIDENTS

	Unrestricted Reserves 2022 £	Unrestricted Reserves 2021 £
Weekly Maintenance Contributions (WMC)	142,443	140,461
Property related Service Charges	63,032	62,373
Use of the guest room and other income	89	-
	205,564	202,834

WMC receivable is net of void losses of £1,066 (2021 : £1,085). The Charity provided 33 units of housing for older people during the year (2021 : 33).

3 INVESTMENT INCOME

	Unrestricted Funds 2022 £	Unrestricted Funds 2021 £
Interest and Dividends	55,168	47,999
Agricultural Rents	14,138	15,324
	69,306	63,323

4 GRANTS & DONATIONS

	Restricted Funds 2022 £	Total Funds 2022 £	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Chapel Restoration Donations	7,022	7,022	-	3,500	3,500
Chapel Restoration Grants	-	-	-	2,500	2,500
Government Furlough Grants	-	-	3,052	-	3,052
	7,022	**7,022**	3,052	6,000	9,052

5 CHARITABLE ACTIVITIES

	Direct Costs 2022 £	Support Costs 2022 £	Total Costs 2022 £	Direct Costs 2021 £	Support Costs 2021 £	Total Costs 2021 £
Depreciation	72,735	-	72,735	71,392	-	71,392
Salaries & Pensions	28,822	34,513	63,335	26,456	30,281	56,737
Communal amenities	20,318	-	20,318	17,369	-	17,369
Professional Fees	7,722	-	7,722	9,007	-	9,007
Property running	9,595	-	9,595	10,358	-	10,358
Loan Fees	6,047	-	6,047	6,156	-	6,156
Insurance	7,126	-	7,126	6,155	-	6,155
Governance	-	2,500	2,500	-	2,600	2,600
Property maintenance	12,982	-	12,982	8,425	-	8,425
Other	10,949	-	10,949	8,743	-	8,743
	176,296	**37,013**	**213,309**	164,060	32,881	196,941

Governance costs include independent examination fees of £2,500 (2021 : £2,600)

6 GAIN ON SALE OF LAND

During the year the Charity did not sell any land. (2021 : gain of £24,098)

7 EMPLOYEES

	2022	2021
	£	£
Salaries	58,256	54,793
National Insurance Costs	-	455
Pension Contributions	1,669	1,489
Former CEO consultancy	3,410	-
Staff Salaries & Pensions	63,335	56,737
Training, Welfare & Travel	2,326	89
Total employee related costs	**65,661**	56,826

The average number of employees during the year was 4 (2021 : 4)

The number of full time equivalents was 2 (2021 : 2)

Key management personnel received remuneration of £17,160 (2021 : £17,588)
They are not a member of a pension scheme.

No employee received total benefits in excess of £60,000 (2021 : Nil).

The Trustees did not receive any remuneration from the Charity during the year (2021 : £Nil), neither were they reimbursed expenses during the year (2021 :£ Nil)

8 PROFESSIONAL MANAGER COSTS

	2022	2021
	£	£
Investment Manager Fees	7,428	6,581
Agricultural Land Manager Fees	2,044	1,895
	9,472	8,476

9 SOCIAL HOUSING OPERATING RESULT

	2022	2022	2021	2021
	£	£	£	£
Income from Residents (Note 2)		205,564		202,834
Total activities costs (Note 5)	213,309		196,941	
Less : Non-social housing costs:				
Professional Fees (Note 5)	(7,722)		(9,007)	
Depreciation (Note 5)	(72,735)		(71,392)	
Loan Fees (Note 5)	(6,047)		(6,156)	
Chapel Fundraising costs	(2,144)		(2,828)	
Governance costs (Note 5)	(2,500)		(2,600)	
Total Social Housing Costs		122,162		104,958
Social Housing Operating Result		**83,402**		97,876

10 TANGIBLE ASSETS

	Freehold Property £	Property Upgrades £	Property Sub-total £	Equipment £	Total £
COST					
At 1st April 2021	4,757,914	829,398	5,587,312	59,513	5,646,825
Disposals	-	-	-	(42,694)	(42,694)
Additions	-	70,620	70,620	5,127	75,748
At 31st March 2022	**4,757,914**	**900,018**	**5,657,932**	**21,946**	**5,679,878**
DEPRECIATION					
At 1st April 2021	142,446	165,179	307,625	53,018	360,643
Disposals	-	-	-	(42,694)	(42,694)
Charge for year	23,741	43,983	67,724	5,011	72,735
At 31st March 2022	**166,187**	**209,162**	**375,349**	**15,335**	**390,684**
NET BOOK VALUE					
At 31st March 2022	**4,591,727**	**690,856**	**5,282,584**	**6,611**	**5,289,195**
At 31st March 2021	4,615,468	664,219	5,279,687	6,495	5,286,182

11 INVESTMENTS

	2022 £	Restated 2021 £
Market value as at 1st April, 2021	1,910,007	1,300,209
Additional investment at cost	89,200	314,200
Gains on revaluation	89,113	272,185
Net sales/purchases & transaction costs	(6,023)	(14,285)
Cash account re-classification	-	37,698
Market value as at 31st March, 2022	**2,082,297**	1,910,007

Represented by:

	2022 £	Restated 2021 £
Listed investments with Brewin Dolphin	1,012,099	996,011
CCLA Charities Investment Funds	1,072,099	913,996
	2,084,198	1,910,007

In the prior year the Brewin Dolphin Cash Account (£28,299) and the CCLA Cash Account (£9,399) were classified separately as current assets. In the current year the equivalent amounts (Brewin Dolphin £23,149 : CCLA £9,402) have been more appropriately classified as Investment assets. The prior year figures have been adjusted to reflect this change.

12 DEBTORS

	2022	2021
	£	£
Trade Debtors	638	1,590
Prepayments	4,451	4,043
Dividends receivable	2,044	2,468
Land rents receivable	7,000	7,000
Other receivables	-	767
	14,133	15,868

Social Housing Rent Arrears at 31/03/22 were £523 (31/03/21 : £1,590)

13 CREDITORS : Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	39,218	12,669
Accruals	5,950	3,560
Bank loan	6,165	6,268
Sundry creditors	4,394	3,048
	55,727	25,545

14 CREDITORS : Amounts falling due after one year

The Bank loan is secured on a fixed legal charge on 1-16 Llewellyn's Almshouses and is due to be repaid as follows:

	2022	2021
	£	£
Between 1 to 2 years	6,410	6,548
Between 2 to 5 years	20,939	21,062
Due after 5 years	127,816	133,698
	155,165	161,308

15 **RESERVES**

	Recoupment Endowment Reserves	Harpers Endowment Reserves	Chapel Restricted Reserves	Revenue Unrestricted Reserves	Total Reserves
As at 1st April, 2021	**128,638**	**462,968**	**17,960**	**7,174,623**	**7,784,189**
Total income for 2021/22 per SOFA	-	-	7,022	274,870	281,893
Total expenditure for 2021/22 per SOFA	-	-	-	(222,782)	(222,782)
Investment gains for 2021/22 per SOFA	10,724	39,956	829	37,604	89,113
Transfer from Revenue Reserves	4,200	-	-	(4,200)	-
As at 31st March, 2022	**143,562**	**502,924**	**25,811**	**7,260,115**	**7,932,413**
As at 1st April, 2020	**103,690**	**383,682**	**9,901**	**6,920,841**	**7,418,114**
Total income for 2020/21 per SOFA	-	-	6,000	293,307	299,307
Total expenditure for 2020/21 per SOFA	-	-	-	(205,417)	(205,417)
Investment gains/(losses) for 2020/21 per SOFA	20,748	79,286	(117)	172,268	272,185
Transfer from Revenue Reserves	4,200	-	-	(4,200)	-
Transfer from Revenue Reserves	-	-	2,176	(2,176)	-
As at 31st March, 2021	128,638	462,968	17,960	7,174,623	7,784,189

Recoupment Endowment Reserves represent annual repayments of £4,200 to replace expenditure funded from permanent endowments as required by the Charity Commission. Total repayment of £210,000 is to be made over 50 years.

Harpers Endowment Reserves represent the proceeds of £354, 695 from the sale of the Harpers Almshouse, which proceeds can only be expended on the construction of new almshouses.

The Chapel Restricted Reserves represent donations and grants to restore the Chapel located within the Bubwith site.

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Recoupment Endowment Reserves	Harpers Endowment Reserves	Chapel Restricted Reserves	Revenue Unrestricted Reserves	Total Reserves
Tangible assets & equipment	-	9,760	-	5,279,435	5,289,195
Investments	139,362	502,924	10,713	1,429,798	2,082,797
Investment land	-	-	-	598,000	598,000
Cash at bank and in hand	4,200	(9,760)	15,099	14,661	24,180
Other current assets	-	-	-	149,133	149,133
Other current liabilities	-	-	-	(55,727)	(55,727)
Creditors over one year	-	-	-	(155,165)	(155,165)
As at 31st March, 2022	**143,562**	**502,924**	**25,812**	**7,260,115**	**7,932,413**
Tangible assets & equipment	-	9,759	-	5,276,424	5,286,182
Investments	124,438	462,968	9,883	1,275,020	1,910,007
Investment land	-	-	-	733,000	733,000
Cash at bank and in hand	4,200	(9,759)	8,077	23,467	25,985
Other current assets	-	-	-	53,565	15,868
Other current liabilities	-	-	-	(25,545)	(25,545)
Creditors over one year	-	-	-	(161,308)	(161,308)
Restated as at 31st March, 2021	128,638	462,968	17,960	7,174,623	7,784,189

17 CAPITAL COMMITMENTS

	2022	2021
	£	£
Authorised and contracted for	-	-

18 CONTINGENT LIABILITIES

In previous years two grant creditors totalling of £355,016 were released from long term creditors as there was no existing obligation to repay these. A grant of £322,000 had been received from the Housing Corporation, now known as Homes England, in 1995/96 for work to the Bubwith, Willes and Stills Almshouses. A further grant of £33,016 had been received from the Housing Corporation between 1999 and 2001 for works to the Bricks Almshouse. Both of these grants are only repayable if a relevant event occurs. A relevant event includes deregistration from Homes England or if the Almshouses are sold. As a relevant event has not occurred there is no present obligation to repay these grants. As a relevant event may occur in the future they have been disclosed as contingent liabilities.

19 RELATED PARTIES

During the year no related party transactions (2021:£Nil) were made.

20 POST BALANCE SHEET EVENTS

In early 2020, a new coronavirus, COVID - 19, impacted a significant number of countries globally. COVID - 19 has caused disruption to economic activity which has been reflected in recent fluctuations in global stock markets and, in turn, in the valuation of investments held by the charity. The Trustees consider the emergence and spread of COVID - 19 to be a non-adjusting post balance sheet event. The Trustees have designated and implemented the charity's investment strategy taking a long term view and have built in resilience to withstand short term fluctuations. Given the inherent uncertainties and volatility of the markets, it is not practicable at this time to provide a quantitative estimate of the medium term impact of the virus.

CITY OF WELLS ALMSHOUSES

England & Wales - Charity number 1040554

Accounts

CITY OF WELLS ALMSHOUSES

Unaudited Financial Statements

For the financial year ended 31st March 2021

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TRUSTEES, PROFESSIONAL ADVISERS, MANAGEMENT and ADMINISTRATIVE DETAILS

The Board	City of Wells Almshouses CIO (Corporate Trustee)
CIO Board of Trustees	Ms Stella Ainsworth Mr Charles Cain - Vice Chair Ms Carol Cox The Very Reverend Dr John Davies : ex-officio (Dean of Wells) Mr Andrew Fawcett Ms Claire Green Mr John North Councillor John Osman : ex-officio (Mayor of Wells)-resigned October 2020 Mr Richard Quarry Mr Christopher Vigar Mrs Shirley Watt Councillor Philip Welch: ex-officio (Mayor of Wells)-appointed October 2020 Mr Nick Wilson - Chair Ms Celia Wride (resigned April 2020)
Chief Executive	Mrs A Howarth
Financial Controller & Secretary	Mr P M McMahon MA FCA
Scheme Manager	Mrs C Tollworthy
Principal Office	4 Bubwith Almshouses Wells, Somerset, BA5 2QE Telephone : 01749 675813 Email: info@wellsalmshouses.org.uk Website: www.wellsalmshouses.org.uk
Charity Number	1040554
Homes England Registration Number	A4055
Bankers	National Westminster Bank plc 7 High Street Wells, Somerset, BA5 2AD The Charity Bank Fosse House 182 High Street, Tonbridge, TN9 1BE
Solicitors	Tozers Solicitors Broadwalk House, Southernhay West, Exeter, Devon, EX1 1UA
Examining Accountants	MHA Monahans, Chartered Accountants, Fortescue House, Court Street, Trowbridge, Wiltshire, BA14 8FA

Investment Managers	Brewin Dolphin Limited 9 Colmore Row, Birmingham, B3 2BJ CCLA Investment Management Limited Senator House, 85 Queen Victoria Street, London, EC4V 4ET
Property Advisers	Carter Jonas St. Catherine's Court Berkeley Place, Bristol, BS8 1BQ

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31st MARCH 2021

The Trustees of the City of Wells Almshouses (CWA) present their annual report and unaudited financial statements for the year ended 31st March, 2021.

The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Charity. This is the treatment required by the Housing SORP 2018 for registered social landlords which are also almshouses.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October, 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is a registered provider of social housing with the Regulator of Social Housing (number A4055) and is an unincorporated charitable trust registered with the Charity Commission (number 1040554).

As a registered provider of social housing the Charity has undertaken an assessment of its compliance with the Governance and Financial Viability Standard and the Trustees certify that they were compliant with the Standard during the course of the year and up until the date these accounts have been signed.

The Charity has one corporate trustee - the City of Wells Charitable Incorporated Organisation (CIO), registered with the Charity Commission (number 1159162), which in turn has a Board of Trustees, and it is they who administer the unincorporated trust.

The CIO Board: The CIO Board may comprise of:

* Four nominated Trustees (two from the City Council and two from the Chapter of the Cathedral)
* Up to eight appointed Trustees (of whom two may be Resident Trustees) and
* Two ex-officio members - the Mayor of the City of Wells and the Dean of Wells.

Trustees appointed by the Charity are recruited by a formal application and interview process. There are currently 12 Trustees compared to a maximum of 14. As part of its commitment to resident involvement at all levels the CIO constitution allows for up to two Resident Trustees to join the Board.

Management: The day to day running of the Charity is delegated to the Chief Executive and her staff, operating within the agreed policies and procedures of the CIO. Delegated authority limits are established and there is a hierarchy for delegated decisions. The Chair and Vice Chair meet regularly with the Chief Executive to review progress against targets. These targets are set out in the five year Business Plan. This, along with specific policies are reviewed by the full Board once a year. The Investment Sub-Committee and the Land Holdings & Development Committee are the only standing committees and their delegated authority has been approved by the Board. Other working parties are convened as and when required.

Staff: A small staff of four part-time employees manage the Charity on a day to day basis : the Chief Executive; the Financial Controller/Charity Secretary; the Scheme Manager and the Handyman, working from the Principal Office.

OBJECTIVES AND ACTIVITIES

The objectives of the Charity are :

* The provision of housing accommodation for beneficiaries; and
* Such charitable purposes for the benefit of the beneficiaries as the Trustees decide.

Its main activity is the ownership and management of the 33 units of accommodation located within the five almshouses Bubwith, Willes', Still's, Brick's and Llewellyn's, which make up the Charity's housing complex located in the centre of the City of Wells, Somerset. The almshouses are mainly occupied by older, single people, who have been assessed as being in housing need. There have been no significant changes in the Charity's objectives since the last report.

The Trustees acknowledge the guidance issued by the Charity Commission in respect of our commitment to public benefit and we declare our commitment to it. The main activity of the Charity is the provision of accommodation to those in need in Wells and the surrounding area. In order to be considered for accommodation applicants must meet certain criteria , which allows the Charity to assess their need.

The Charity is of sufficient size that a team of staff is required to manage its day to day activities. However, there are many smaller almshouses which do not employ staff and so do not have access to the same resources. In 2014 the Charity set up the Somerset Small Almshouses Forum with the aim of disseminating and sharing information, to demonstrate good practice and to provide support, to those almshouses.

ACHIEVEMENTS AND PERFORMANCE

In order to comply with our charitable objectives, we have two prime responsibilities:

* To ensure that our existing residents are housed in comfortable, secure and pleasant accommodation that meets current day standards and expectations; and
* To ensure we are able to attract new residents to occupy our properties when vacancies occur.

The Charity's policy is to refurbish each property to a standard specification if it becomes void. However the Trustees have found that residents do not generally wish to have their properties upgraded whilst they are in occupation, even though this might be desirable if they had lived in their homes for a number of years. However, the following major works have been completed : a french drain installed, two wetrooms installed to enable residents to maintain their independence; two gas boilers replaced and, additionally, one property has been refurbished during a void period with a new bathroom. Also, in total, there are now only three of the Charity's properties which will need completely refurbishing when they become void.

The Charity has several plots of land which generate income through agricultural tenancies. A plot in North Wootton was sold in the financial year at a gain of over £24,000.

FINANCIAL REVIEW

The Trustees' aim is that income from the Weekly Maintenance Charge (WMC), paid by residents, covers the everyday maintenance costs associated with running the Almshouses. As a registered provider of social housing, the WMC is essentially rent although not referred to as such. Accordingly the WMC can only be increased in compliance with Government policy. The Charity increased the WMC from April, 2020 in line with the Government's policy formula of CPI plus 1% - CPI being measured as of September, 2019. Service Charges are charged depending on the actual costs to the Charity; however, since the greater part of the Service Charges are in respect of Housing and Renovation costs, these have in recent years been of a level that may have caused hardship to individual residents if they had been charged to residents in full. Consequently to avoid hardship the Charity has absorbed a certain level of these costs such that Service Charges are not increased by more than the percentage increase in the WMC.

Due to their circumstances, many of our residents are in receipt of Housing Benefit payable by the Local Authority. The Government is consulting on changes to Housing Benefit. As a result of this uncertainty the Charity has taken account of this in its Reserves Policy. We also need to be aware that some Local Authorities are under severe financial strain and are looking for Central Government support.

The total cost of maintaining, operating and improving the complex continues to be the major item of expenditure each year, especially as the historic nature of the buildings requires specialist craftsmen and materials to undertake the maintenance, improvement and upgrading of the properties. Nevertheless, the preservation of the buildings is critical to the wellbeing of our residents and is an essential aspect of our work.

The costs incurred in upgrading and improving our properties are capitalised and depreciated over a period of 15 years. These depreciated charges are allocated amongst the residents and are recovered in the service charges to their residences over the 15 year period. Since January, 2013 when the major refurbishment programme began £1,330,000 has been spent on new residential almshouses and capital improvements.

The Charity's investments are a vital component in ensuring that new almshouse residences can continue to be created or converted.

Last year the dramatic fall in the markets during February and March meant that the Charity investments went down by some £112,000 or nearly 8% of their value. During the course of this year our securities investments have increased in value by some £572,000. We transferred £314,000 from our cash resources to investments as interest rates remained very low. Our total portfolio had security gains of some £272,185 or over 20% during the course of the year making up for all last year's losses. Since 31st March, 2021 the portfolio has gained a further 5% in value.

As we anticipated last year many businesses reduced their dividend payments in order to conserve cash balances and our dividend income for the year fell by some 4%. However the Charity is financially resilient and will be in a position to meet its capital programme objectives.

The Charity has an ethical investment policy which excludes investments which generate a significant proportion of their revenue from activities which conflict with the aims of the Charity. For example, gambling, weekly-collected home credit and payday loans are excluded as these are potential causes of hardship and distress which could lead to homelessness. Also excluded are investments which could affect our supporter base such as the manufacture and supply of armaments, pornography and the manufacture and commercial distribution of tobacco. The extent of the market capitalisation excluded by the policy and therefore its potential financial detriment has been formally approved by the Trustees.

VALUE FOR MONEY (VfM)

In April 2018, the Regulator of Social Housing (RSH) introduced a new Value for Money(VfM) Standard which introduced a requirement for providers, such as the CWA, to publish performance against their own VfM targets, and a series of common metrics set by the Regulator - the metrics are designed to measure economy, efficiency and effectiveness. In April 2020, the Regulator stated that where problems arising from the coronavirus outbreak meant providers were unable to fully comply with the reporting requirements, the Regulator would take a proportionate response but that it was still the expectation that providers would publish their VfM metrics.

The Trustees intend to fully comply with the requirements of the Regulator but have found that the logistical difficulties arising from the coronavirus outbreak have severely limited their ability to fully develop and refine their own VfM targets. Consequently, in setting out the VfM metrics stipulated by the Regulator, the Trustees will, this year, compare each metric to the result as achieved in the previous financial year. In future years the metric will be compared to the Trustees own VfM targets once these have been finalised.

Metric name	2021	2020	
Reinvestment. This metric looks at the investment in properties as a % of all properties held.	1.47%	1.49%	Over the last five years CWA has re-invested some £750,000 in its housing stock and is constantly seeking to upgrade the fabric of its' existing residential units.
New supply delivered	0.00%	0.00%	This metric sets out the number of new social housing units acquired or developed in the year. There was no new supply of units in either year.
Gearing	2.68%	-1.80%	This metric assesses how much of the property assets are made up of debt and the degree of dependence on debt finance. CWA has low gearing and has adequate cash resources to meet all prospective needs.
EBITDA Interest Cover	15.21%	2.30%	This metric is a key indicator for liquidity and investment capacity i.e. what level of surplus does CWA generate compared to interest payable?
Social Housing Cost	£5,539	£6,695	This metric assesses the social housing cost of the 33 units. Refer to Note 9 for the details of the Social Housing costs.
Operating Margin on Social Housing Units	13.40%	24.20%	This metric demonstrates the profitability of the social housing units.
Operating Margin on all activities	31.40%	4.50%	This Operating Margin demonstrates the overall profitability of the CWA. In 2019/20 non-recurring costs relating to land for sale and the Sedilia together with a revision of estimated depreciable lives increased costs.
Return on Capital Employed	1.18%	0.20%	This metric compares the operating surplus to total net assets and indicates the efficient use of resources.

RESERVES POLICY

The Trustees reviewed the Charity's reserve policy in 2018 as a result of the decennial survey of the properties. The Trustees have decided that reserves in the range of £265,000 to £305,000 are required by the Charity. The reserves range has been set to allow the Charity to manage fluctuations in the value of investments held, unexpected property repairs, a future requirement to upgrade our careline system from analogue to digital and uncertainty about the Government's sheltered housing policy. This Policy is reviewed annually by the Board of Trustees.

Total Reserves as at 31st March 2021 were £7,781,985 of which £591,606 are endowments and £17,960 are Restricted Reserves. The Trustees have Unrestricted Reserves of £7,172,419 for several purposes in line with the Reserves Policy. Principally these are £6,010,483 of non-investment fixed assets and land which are not readily transferable into liquid assets and are needed to enable the Charity to fulfil its Charitable objectives.

The Trustees have several other potential uses for their remaining Unrestricted Reserves including completion of its planned capital programme, acquisition of additional properties and development of adjacent land. The remaining funds are the Charity's free reserves and their amount falls within the reserves policy range set by the Trustees. The Trustees continue to monitor the level of Unrestricted Reserves at its regular meetings and in view of the current uncertain times the Trustees have determined not to specifically designate any of its Unrestricted Reserves.

FINANCIAL CONTROLS

The Board considers that the Charity's governance structure, financial controls and procedures and the work of the Investment Sub - Committee are sufficient to enable the Charity to comply with all necessary standards set by Homes England, its official regulator.

The Investment Sub-Committee, comprising three Trustees, the Chief Executive and the Financial Controller undertakes the following duties:

* Monitors and oversees the performance of the Investment Managers and portfolios
* Monitors and oversees the contracts let for major works
* Monitors overall expenditure against budgets
* Monitors the Reserves Policy
* Monitors the cash flow and assesses the need to move funds between accounts
* Reviews and updates the Investment Strategy
* Maintains and updates the Risk Register, and
* Reports to the main Board on these matters

The Board agrees on an annual basis the income and expenditure and capital programmes for the next financial year. These are reviewed by the Investment Sub-Committee throughout the year. At each Board meeting key performance indicators (KPI's) are reported including progress against budgets along with non-financial measures such as the number of residents attending meetings, whether repairs have been carried out on time, our social media targets and trustee involvement in the quarter. This combination of measures are reported to ensure that the Charity not only meets its financial targets but are also compliant and act responsibly.

The Charity's procedures for procurement, its financial controls and functions of the Investment Sub-Committee ensure that value for money (VfM) is achieved in delivering our objectives. The Board has agreed and reviews the threshold levels for quotations, for formal tendering and for delegations. All but the smallest amounts are subject to competition. However, when awarding contracts, the Charity also takes into account:

* The quality of workmanship
* Relationships with contractors and their performance
* The approach to working in residents' homes: and
* Residents feedback.

This means that we do not necessarily always accept the lowest tender figure, but the one we feel will provide us with best value for money and quality workmanship. In addition, market testing exercises are periodically undertaken for those companies who provide professional services to the Charity.

RISKS AND UNCERTAINTIES

The Charity operates a Risk Register in order to identify risks and what can be done to manage these. The three main risks, after taking into account actions taken to reduce risk, are as follows:

* A major disaster, e.g fire, flood
* A failure to respond to emergency calls from residents and
* A collapsed/injured resident not found for some time

The Trustees are continuing to find ways of reducing risk so that the Charity is managed efficiently and its charitable objectives are met.

PLANS FOR THE FUTURE

During the year the Trustee Board continued to develop its activities and plans for the future. The Project Group consisting of the Chief Executive and three Trustees have continued to consider how to make the Charity sustainable and financially resilient in the long term.

As the almshouse properties are all listed the cost of maintenance is one of the main sources of expenditure for the Charity. A decennial survey was commissioned in 2017 which projected that costs in the region of £660,000 would be required in order to maintain all of the Charity's buildings over the upcoming ten years.

Of the non-accommodation costs reported in the decennial survey some £110,000 relate to the Chapel. There are services held in the Chapel every Thursday which are open to the residents and the general public. In addition the Chapel has been a venue for meetings, talks and concerts.

The Trustees have an obligation to preserve the Chapel as a Grade II* listed building and an asset of the City of Wells. The Trustees have now appointed an architect to help the Charity to create a programme of works which will make the Chapel more comfortable and easier to use, for example, by improving the heating system, the lighting and a possible reconfiguring of the layout. It is hoped that by doing so the local community will use the Chapel more frequently. The Charity hopes to obtain external funding for the majority of these costs.

The Charity owns a building, the former mortuary, which is currently used as a storage shed. This Trustees are investigating whether this building can be converted into an additional residential property.

The Trustees are continuing to consider potential uses of the land held by the Charity to determine whether letting is the best use of this asset. A Land Management Group consisting of the Chair, Vice-Chair, two Trustees, 1 co-opted member and the Chief Executive continue to take this review forward.

The Trustees were aware that the Almshouses have not been well known by the local people of Wells. However over the last few years, the profile of the Almshouses has been raised within the community with talks, concerts and additional services being held. Normally a seies of "open days"would be held during the summer such that the general public could visit the properties and gardens and learn about their history. This year, unfortunately, this has not been possible as a result of the pandemic and the covid restrictions that have been in place nationally. Hopefully the pattern of opening up will resume in the future once the pandemic is under control.

Groups can visit the Almshouses for a tour by booking in advance. Additional opportunities for the community to come are planned with more concerts, talks and services, as well as the opening up of the historic chapel more regularly for the public to view.

In conjunction with the Charity's website the Charity uses its Facebook and Twitter pages to promote upcoming events and inform the general public about what the Almshouses have been doing. A regular newsletter is now being produced and sent to the Charity's supporters. A leaflet about the Almshouses is sited in prominent places around Wells. The Trustees hope that such actions will increase awareness of the Almshouses which may help to attract future beneficiaries, volunteers and additional sources of income.

The Trustees are keen to ensure that all residents are consulted and involved in the decisions that are made concerning their homes and surroundings. Regular residents' meetings are held to form a basis for developing a structure of involvement for those who wish to participate and the places on the Board for Trustees further demonstrate our commitment to include residents in everything we do. Please note that many of these meetings have been cancelled by the covid restrictions. Our residents will also be involved in the redesign of the Chapel referred to above.

A resident survey has been conducted to understand more fully how the Charity can improve the housing facilities it provides to residents. Extremely high levels of satisfaction were recorded overall and of particular note is the appreciation expressed over the standards of residents' accommodation. The outcomes of the survey are being utilised to understand more fully the residents' priorities.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity and Registered Social Housing legislation require 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, of the incoming resources and application of resources, including the income and expenditure 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 UK 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 Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with Charities Acts, Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019. They also have general responsibility for taking reasonable steps to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

The success of 2020/21 would not have been possible without the commitment and hard work of those involved with the Almshouses. The Trustees would like to thank Staff, Residents, Volunteers and members of the public who have provided such support.

On behalf of the Trustees

Nick Wilson (Chair)

Date: 21-07-21

Independent Examiner's Report to the Trustees of City of Wells Almshouses

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 12 to 25

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the the requirements of the Charities Act 2011 ("the Act")

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in Section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and contents of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

James Gare FCA DCha
MHA Monahans
Chartered Accountants
Fortescue House
Trowbridge
BA14 8FA

Date : 28/7/21.

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Endowment Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOME:						
Income from residents	2	202,834	-	-	202,834	200,998
Investment income	3	63,323	-	-	63,323	66,177
Grants & Donations	4	3,052	-	6,000	9,052	19,793
Gain on sale of land	6	24,098	-	-	24,098	-
Total income		**293,307**	**-**	**6,000**	**299,307**	**286,968**
EXPENDITURE:						
Charitable activities	5	196,941	-	-	196,941	265,826
Investment management costs	8	8,476	-	-	8,476	8,147
Total expenditure		**205,417**	**-**	**-**	**205,417**	**273,973**
Net income before investment & land gains/(losses)		**87,890**	**-**	**6,000**	**93,890**	**12,995**
Net gains/(losses) on investments	11	172,268	100,034	(117)	272,185	(111,718)
Net income/(expenditure)		**260,158**	**100,034**	**5,883**	**366,075**	**(98,723)**
Transfers between funds	15	(6,376)	4,200	2,176	-	-
Net movement in funds		253,782	104,234	8,059	366,075	(98,723)
Reconciliation of funds:	15					
Total funds brought forward		6,920,841	487,372	9,901	7,418,114	7,516,837
Total funds carried forward		7,174,623	591,606	17,960	7,784,189	7,418,114

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing operations.

COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Endowment Funds £	Restricted Funds £	Total Funds 2020 £
INCOME:					
Income from residents	2	200,998	-	-	200,998
Investment income	3	66,177	-	-	66,177
Grants & Donations	4	-	-	19,793	19,793
Gain on sale of land	6	-	-	-	-
Total income		**267,175**	**-**	**19,793**	**286,968**
EXPENDITURE:					
Charitable activities	5	246,626	-	19,200	265,826
Investment management costs	8	8,147	-	-	8,147
Total expenditure		**254,773**	**-**	**19,200**	**273,973**
Net income before investment & land gains		**12,402**	**-**	**593**	**12,995**
Net losses on investments	11	(95,799)	(15,919)	-	(111,718)
Net income		**(83,397)**	**(15,919)**	**593**	**(98,723)**
Transfers between funds	15	(4,745)	4,200	545	-
Net movement in funds		(88,142)	(11,719)	1,138	(98,723)
Reconciliation of funds:	15				
Total funds brought forward		7,008,983	499,091	8,763	7,516,837
Total funds carried forward		6,920,841	487,372	9,901	7,418,114

BALANCE SHEET

	Notes	£	2021 £	£	2020 £
FIXED ASSETS					
Property	10		5,279,687		5,268,474
Equipment	10		6,495		9,416
Investments	11		1,872,309		1,300,209
Investment land			733,000		733,000
Total fixed assets			7,891,491		7,311,099
CURRENT ASSETS					
Debtors	12	15,868		17,174	
Brewin Dolphin cash accounts		28,299		20,596	
CCLA Cash account		9,399		9,387	
Cash at bank and in hand		25,985		260,298	
Investment land held for resale		-		20,000	
		79,551		327,455	
CREDITORS: amounts falling due within one year	13	(25,545)		(52,865)	
NET CURRENT ASSETS			54,006		274,590
TOTAL ASSETS LESS CURRENT LIABILITIES			7,945,497		7,585,689
CREDITORS: amounts falling due after more than one year	14		(161,308)		(167,575)
NET ASSETS			7,784,189		7,418,114
THE FUNDS OF THE CHARITY					
Endowment reserves	15		591,606		487,372
Restricted reserves	15		17,960		9,901
Unrestricted reserves	15		7,174,623		6,920,841
TOTAL CHARITY FUNDS			7,784,189		7,418,114

The financial statements were approved by the Board of Trustees on 21st July, 2021 and were signed on its behalf by :

N WILSON

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NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

a) Basis of accounting

The City of Wells Almshouses is an unincorporated Charity registered in England and Wales. The address of the principal offices is given in the Officers and Professional Advisers information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are detailed within the Trustees' Annual Report.

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

The financial statements have been prepared to give a "true and fair" view and have departed from the Charities (Acoounts and Reports) Regulations 2008 only to the extent required to provide a "true and fair" view. This departure has involved following the Accounting and Reporting by Charities : Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather that the Accounting and Reporting by Charities : Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity meets the definition of a public benefit entity under FRS 102.

The accounts are prepared in accordance with the historical cost basis of accounting except as modified by the revaluation of investments and certain fixed assets.

In November 2014 the City of Wells Charitable Incorporated Organisation (CIO) was created, registered charity number 1159162. As sole trustee of the Trust it exercises control as so is effectively its parent. Consolidated accounts have not been prepared as group income is less than the threshold required to do so. Financial statements for the CIO can be obtained from 4 Bubwith Almshouse, Wells, BA5 2QE.

b) Preparation of the accounts on a going concern basis

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. The trustees have considered the potential ongoing impact of the Covid - 19 pandemic and have concluded that this will not affect the going concern status of the charity.

c) Income

All income is recognised once the Charity has entitlement to the income, there is sufficient certainty of receipt, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income represents letting income and other service charges receivable from social housing lettings included at their invoice value net of voids.

Donations or Grants are recognised when there is evidence of entitlement to the gift, receipt is probable and the amount can be measured reliably. All income is considered unrestricted unless specifically restricted by the donor, or raised in an appeal for a specific purpose.

Investment income is earned through holding assets for investment purposes such as shares and land. It includes dividends, interest and agricultural rents. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured realiably. Interest, dividend and rent income are recognised once the Charity's right to receive payment is established.

No amount is included in the financial statements for volunteer time in line with SORP FRS (102)

d) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The City of Wells Almshouses is not registered for Value Added Tax (VAT). In these financial statements, where applicable, expenditure is shown inclusive of VAT.

e) Allocation of support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. All office costs, staff costs associated with the supporting element of the roles of Financial Controller/ Charity Secretary and Chief Executive and governance costs are considered to be support costs.

f) Freehold property

Housing properties are principally properties available for occupation by the beneficiaries of the Charity and are initially stated at cost. Cost includes the cost of acquiring land and buildings and development costs.

Freehold property was revalued in 2015. The revalued amount has been used as the deemed cost of the property as at the 1 April 2014, this being the date of transition to the SORP (FRS 102).

Freehold property is depreciated on a straight line basis over 200 years.

Assets in the course of construction are capitalised at cost and not depreciated until they are ready for use.

g) Upgrades to properties

Works are capitalised if they result in an increase in the net rental income, a reduction in future maintenance costs or a significant extension to the life of the property. The net book value of these costs are depreciated over a 15 year period.

h) Impairment of freehold property

Reviews for impairment are carried out annually at the reporting date. Impairment is recognised when the carrying value of an asset exceeds its recoverable amount. Examples of indicators of impairment are a significant decrease in the market value of the property or significant physical damage.

i) Other Fixed Assets

Other fixed assets costing £200 or more are capitalised at cost. Other fixed assets include fixtures and fittings, equipment and IT equipment which are depreciated on a straight line basis between 3 to 5 years.

j) Land investments

The land owned by the Charity is let to agricultural businesses. Land is held in the balance sheet on a valuation basis.

k) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

l) Investments

Investments are stated at market value at the balance sheet date. Net gains and losses arising on revaluation of unrestricted investments are shown in the Unrestricted Reserves. Investments are held within fixed assets on the basis that they are held to generate income in the longer term.

m) Cash

Cash at bank and in hand includes cash held in deposit accounts.

n) Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount to settle the obligation can be measured reliably.

o) Contingent Liabilities

A contingent liability will be disclosed if :

* A possible obligation arising from a past event whose existence will be confirmed only by some uncertain future event that is not wholly in control of the CWA
* A present obligation arising from a past event but where the transfer of funds is not probable or the amount of the obligation cannot be measured reliably.

p) Financial instruments

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. These are cash, creditors, and debtors other than prepayments. Basic financial instruments are initially measured at transaction value and subsequently measured at their settlement rate. There are two exceptions to this, the bank loan which is subsequently measured at amortised cost using the effective interest method and investments which are subsequently measured at fair value.

q) Reserves

Unrestricted Reserves are funds available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted Reserves are funds for which the donor has specifically restricted the purpose for which they can be used . The amounts in the funds represent the monies still remaining for future expenditure

Endowment Reserves are a type of restricted fund and represent those assets which must be held permanently by the Charity. Income arising on the endowment funds can be used in accordance with the objectives of the Charity. Any capital gain or loss arising on the endowments form part of the Endowment Reserves.

r) Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2 INCOME FROM RESIDENTS

	Unrestricted Reserves 2021	Unrestricted Reserves 2020
	£	£
Weekly Maintenance Contributions (WMC)	140,461	134,737
Property related Service Charges	62,373	65,891
Use of the guest room and other income	-	370
	202,834	200,998

WMC receivable is net of void losses of £1,085 (2020 : £Nil). The Charity provided 33 units of housing for older people during the year (2020 : 33).

3 INVESTMENT INCOME

	Unrestricted Funds 2021	Unrestricted Funds 2020
	£	£
Interest and Dividends	47,999	53,310
Agricultural Rents	15,324	12,867
	63,323	**66,177**

4 GRANTS & DONATIONS

	Unrestricted Funds 2021	Restricted Funds 2021	Total Funds 2021	Restricted Funds 2020	Total Funds 2020
	£	£	£	£	£
Chapel Restoration Grants	-	2,500	2,500	5,000	5,000
Chapel Restoration Donations	-	3,500	3,500	4,293	4,293
Sedilia Restoration Grants	-	-	-	10,500	10,500
Government Furlough Grants	3,052	-	3,052	-	-
	3,052	**6,000**	**9,052**	19,793	19,793

5 CHARITABLE ACTIVITIES

	Direct Costs 2021	Support Costs 2021	Total Costs 2021	Direct Costs 2020	Support Costs 2020	Total Costs 2020
	£	£	£	£	£	£
Depreciation	71,392	-	71,392	75,147	-	75,147
Salaries & Pensions	26,456	30,281	56,737	25,938	35,237	61,175
Communal amenities	17,369	-	17,369	35,045	-	35,045
Professional Fees	9,007	-	9,007	33,246	-	33,246
Property running	10,358	-	10,358	13,705	-	13,705
Loan Fees	6,156	-	6,156	7,740	-	7,740
Insurance	6,155	-	6,155	7,236	-	7,236
Governance	-	2,600	2,600	-	3,272	3,272
Property maintenance	8,425	-	8,425	22,433	-	22,433
Other	8,743	-	8,743	6,827	-	6,827
	164,060	32,881	196,941	227,317	38,509	265,826

Governance costs include independent examination fees of £2,600 (2020 : £2,600)

6 GAIN ON SALE OF LAND

During the year the Charity sold a plot of land in North Wootton for a gain of £24,098

7 EMPLOYEES

	2021	2020
	£	£
Salaries	54,793	59,712
Social Security Costs	455	-
Pension Contributions	1,489	1,463
Staff Salaries & Pensions	56,737	61,175
Training, Welfare & Travel	89	627
Total employee related costs	**56,826**	**61,802**

The average number of employees during the year was 4 (2020 : 4)
The number of full time equivalents was 2 (2020 : 2)
Key management personnel received remuneration of £17,588 (2020 : £21,022)
They are not a member of a pension scheme.
No employee received total benefits in excess of £60,000 (2020 : Nil).
The Trustees did not receive any remuneration from the Charity during the year 2020 : £Nil), neither were they reimbursed expenses during the year (2020 :£ Nil)

8 PROFESSIONAL MANAGER COSTS

	2021	2020
	£	£
Investment Manager Fees	6,581	6,740
Agricultural Manager Fees	1,895	1,407
Sub-total - investment management	8,476	8,147
Agricultural Survey	-	2,400
Land Clearance Costs	-	30,390
	8,476	**40,937**

9 SOCIAL HOUSING OPERATING RESULT

	2021	2021	2020	2020
	£	£	£	£
Income from Residents (Note 2)		202,834		200,998
Total activities costs (Note 5)	196,941		265,826	
Less : Non-social housing costs:				
Professional Fees (Note 5)	(9,007)		(33,246)	
Depreciation (Note 5)	(71,392)		(75,147)	
Loan Fees (Note 5)	(6,156)		(7,740)	
Repairs to the Sedillia (Note 15)	-		(17,025)	
Chapel Fundraising costs	(2,828)		(2,176)	
Governance costs (Note 5)	(2,600)		(3,272)	
Total Social Housing Costs		104,958		127,220
Social Housing Operating Result		**97,879**		**73,778**

10 **TANGIBLE ASSETS**

	Freehold Property £	Property Upgrades £	Property Sub-total £	Equipment £	Total £
COST					
At 1st April 2020	4,752,696	756,795	5,509,491	57,650	5,567,141
Additions	5,218	72,603	77,821	1,863	79,684
At 31st March 2021	4,757,914	829,398	5,587,312	59,513	5,646,825
DEPRECIATION					
At 1st April 2020	118,705	122,312	241,017	48,234	289,251
Charge for year	23,741	42,867	66,608	4,784	71,392
At 31st March 2021	142,446	165,179	307,625	53,018	360,643
NET BOOK VALUE					
At 31st March 2021	4,615,468	664,219	5,279,687	6,495	5,286,182
At 31st March 2020	4,633,991	634,483	5,268,474	9,416	5,277,890

11 **INVESTMENTS**

	2021 £	2020 £
Market value as at 1st April, 2020	1,300,209	1,423,777
Additional investment at cost	314,200	4,200
Gains/(losses) on sale or revaluation	272,185	(111,718)
Sale proceeds in year	(161,312)	(123,902)
Acquisition & other costs in year	147,027	107,852
Market value as at 31st March, 2021	1,872,309	1,300,209

Represented by:

	2021 £	2020 £
Listed investments with Brewin Dolphin	967,712	817,037
CCLA Charities Investment Funds	904,597	483,172
	1,872,309	1,300,209

12 **DEBTORS**

	2021	2020
	£	£
Trade Debtors	1,590	2,136
Prepayments	4,043	5,962
Dividends receivable	2,468	3,076
Land rents receivable	7,000	6,000
Other receivables	767	-
	15,868	17,174

Social Housing Rent Arrears at 31/03/21 were £1,590 (31/03/20 : £2,136)

13 **CREDITORS : Amounts falling due within one year**

	2021	2020
	£	£
Trade creditors	12,669	33,894
Accruals	3,560	7,509
Bank loan	6,268	6,075
Sundry creditors	3,048	5,387
	25,545	52,865

14 **CREDITORS : Amounts falling due after one year**

The Bank loan is secured on a fixed legal charge on 1-16 Llewellyn's Almshouses and is due to be repaid as follows:

	2021	2020
	£	£
Due 1 to 2 years	6,548	6,300
Due 2 to 5 years	21,062	20,303
Due after 5 years	133,698	140,972
	161,308	167,575

15 **RESERVES**

	Recoupment Endowment Reserves	Harpers Endowment Reserves	Sedilia Restricted Reserves	Chapel Restricted Reserves	Revenue Unrestricted Reserves	Total Reserves
As at 1st April, 2020	**103,690**	**383,682**	-	**9,901**	**6,920,841**	**7,418,114**
Total income for 2020/21 per SOFA	-	-	-	6,000	293,307	299,307
Total expenditure for 2020/21 per SOFA	-	-	-	-	(205,417)	(205,417)
Investment gains/(losses) for 2020/21 per SOFA	20,748	79,286	-	(117)	172,268	272,185
Transfer from Revenue Reserves	4,200	-	-	-	(4,200)	-
Transfer from Revenue Reserves	-	-	-	2,176	(2,176)	-
As at 31st March, 2021	**128,638**	**462,968**	**-**	**17,960**	**7,174,623**	**7,784,189**
As at 1st April, 2019	**102,862**	**396,229**	**5,980**	**2,783**	**7,008,983**	**7,516,837**
Total income for 2019/20 per SOFA	-	-	10,500	9,293	267,175	286,968
Total expenditure for 2019/20 per SOFA	-	-	(17,025)	(2,176)	(254,773)	(273,973)
Investment losses for 2019/20 per SOFA	(3,372)	(12,547)	-	-	(95,799)	(111,718)
Transfer from Revenue Reserves	4,200	-	-	-	(4,200)	-
Transfer from Revenue Reserves	-	-	545	-	(545)	-
As at 31st March, 2020	**103,690**	**383,682**	**-**	**9,901**	**6,920,841**	**7,418,114**

Recoupment Endowment Reserves represent annual repayments of £4,200 to replace expenditure funded from permanent endowments as required by the Charity Commission. Total repayment of £210,000 is to be made over 50 years.

Harpers Endowment Reserves represent the proceeds of £354, 695 from the sale of the Harpers Almshouse, which proceeds can only be expended on the construction new almshouses.

The Sedilia Restricted Reserves represented grants for the restoration of the stone sedilia outside the frontage to Bricks Almshouses.

The Chapel Restricted Reserves represent donations and grants to restore the Chapel located within the Bubwith buildings.

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Recoupment Endowment Reserves	Harpers Endowment Reserves	Sedilia Restricted Reserves	Chapel Restricted Reserves	Revenue Unrestricted Reserves	Total Reserves
Tangible assets & equipment	-	9,759	-	-	5,276,424	5,286,183
Investments	124,438	462,968	-	9,883	1,275,020	1,872,309
Investment land	-	-	-	-	733,000	733,000
Cash at bank and in hand	4,200	(9,759)	-	8,077	23,467	25,985
Other current assets	-	-	-	-	53,565	53,565
Other current liabilities	-	-	-	-	(25,545)	(25,545)
Creditors over one year	-	-	-	-	(161,308)	(161,308)
As at 31st March, 2021	**128,638**	**462,968**	**-**	**17,960**	**7,174,623**	**7,784,189**
Tangible assets & equipment	-	4,542	-	-	5,273,348	5,277,890
Investments	99,490	383,682	-	-	817,037	1,300,209
Investment land	-	-	-	-	733,000	733,000
Cash at bank and in hand	4,200	(4,542)	-	9,901	260,126	269,685
Other current assets	-	-	-	-	57,767	57,767
Other current liabilities	-	-	-	-	(52,865)	(52,865)
Creditors over one year	-	-	-	-	(167,575)	(167,575)
As at 31st March, 2020	**103,690**	**383,682**	**-**	**9,901**	**6,920,841**	**7,418,114**

17 CAPITAL COMMITMENTS

	2021	2020
	£	£
Authorised and contracted for	-	-

18 CONTINGENT LIABILITIES

In previous years two grant creditors totalling of £355,016 were released from long term creditors as there was no existing obligation to repay these. A grant of £322,000 had been received from the Housing Corporation, now known as Homes England, in 1995/96 for work to the Bubwith, Willes and Stills Almshouses. A further grant of £33,016 had been received from the Housing Corporation between 1999 and 2001 for works to the Bricks Almshouse. Both of these grants are only repayable if a relevant event occurs. A relevant event includes deregistration from Homes England or if the Almshouses are sold. As a relevant event has not occurred there is no present obligation to repay these grants. As a relevant event may occur in the future they have been disclosed as contingent liabilities.

19 RELATED PARTIES

During the year no related party transactions (2020:£ Nil) were made.

20 POST BALANCE SHEET EVENTS

In early 2020, a new coronavirus, COVID - 19, impacted a significant number of countries globally. COVID - 19 has caused disruption to economic activity which has been reflected in recent fluctuations in global stock markets and, in turn, in the valuation of investments held by the charity. The Trustees consider the emergence and spread of COVID - 19 to be a non-adjusting post balance sheet event. The Trustees have designated and implemented the charity's investment strategy taking a long term view and have built in resilience to withstand short term fluctuations. Given the inherent uncertainties and volatility of the markets, it is not practicable at this time to provide a quantitative estimate of the medium term impact of the virus.