



The Trustees
153A Metchley Lane
Harborne
Birmingham
B17 0JL

Our ref: PW/CM/KR/T2306

11 May 2023

Dear Sirs

**REPORT TO MANAGEMENT
THE ANNE AND JOHN WALTERS CHARITABLE TRUST**

During the course of our audit for the year ended 5 April 2022 for The Anne and John Walters Charitable Trust (the "Charity") a number of matters arose which we consider should be brought to your attention.

Accompanying this letter is a memorandum noting these points together with any recommendations we have for possible improvements which could be made.

These matters came to light during the course of our normal audit tests which are designed to assist us in forming our opinion on the financial statements. Our tests may not necessarily disclose all errors or irregularities and should not be relied upon to do so. However, if any irregularity did come to our attention during our audit tests, we would, of course, inform you immediately.

We would be grateful if you could enter management's comments against each point under the "management response" column of the memorandum and return it to us in due course.

We have complied with the Ethical Standards for Auditors and all threats to our independence, as identified to you during our planning process, have been properly addressed through appropriate safeguards. No additional facts or matters have arisen during the course of the audit that we wish to draw to your attention and we confirm that we are independent and able to express an objective opinion on the financial statements.

This report has been prepared for the sole use of the directors of the Charity, and must not be shown to third parties without our prior consent. No responsibilities are accepted by Malcolm Piper & Company Limited towards any party acting or refraining from action as a result of this report.

Finally, we would like to express our thanks to all members of the Charity's staff who assisted us in carrying out our work.

Yours faithfully

Malcolm Piper & Company Limited

**THE ANNE AND JOHN WALTERS CHARITABLE TRUST
MATTERS ARISING DURING OUR AUDIT
FOR THE YEAR ENDED 5 APRIL 2022**

	Weakness identified	Potential implications and recommendations	Management response
1.	Property Portfolio		
1.1	On review of the investment property portfolio report provided, we identified a difference between the balance of investments held at 05 April 2021 and the final signed 2021 accounts of £2,302.	Whilst this amount is not material to our audit opinion, you should ensure that the property portfolio documents is updated regularly and agrees to the final 2021 and 2022 accounts.	
1.2	<p>Following our testing of lease depreciation rates and lease expiry dates we have tried to agree a sample from the previous accounts to your working papers but noted difference in 9 out of the 10 properties tested.</p> <p>The properties tested were as follows:</p> <ol style="list-style-type: none"> 1. 62 St Pauls Crescent, Coleshill; 2. 43a Dark Lane, Bedworth; 3. Flat 49 Meadow Drive, Hampton-in-Arden; 4. 5 Mansard Court, Blythe Rd, Coleshill; 5. 80 St Pauls Crescent, Coleshill; 6. 23 Woodleigh Court, Kings Norton; 7. 53 Meadow Drive, Hampton-in-Arden; 8. 3 Woodleigh Court, Redditch Road, Kings Norton; 9. 24 Woodleigh Court, Redditch Road, Kings Norton; 10. 66 St Pauls Crescent, Coleshill. 	Again, as noted above you should ensure that the property portfolio is up to date and includes the most recent lease extension details.	
2.	Property Title		
2.1	<p>We have tested a sample of 5 properties to land registry documentation to confirm ownership.</p> <p>It was noted that on one of the properties tested, the registered owner was the Trust which is not technically legal as an unincorporated Trust cannot own or hold assets in its own right.</p> <p>While it is possible for some or all of the trustees to hold the assets this would result in cost and additional administration if a Trustee was to stand down.</p>	<p>We recommend that you consider the best method to hold investment properties for the charity.</p> <p>We recommend that none are held in the name of the trust but that we discuss and consider the use of either:</p> <ol style="list-style-type: none"> a) Trustees; b) a limited company or CIO; c) The Official Custodian for Charities. 	

THE ANNE AND JOHN WALTERS CHARITABLE TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

for the year ended 5 April 2022

Registered Charity number: 1040859

THE ANNE AND JOHN WALTERS CHARITABLE TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022

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THE ANNE AND JOHN WALTERS CHARITABLE TRUST

ADMINISTRATIVE INFORMATION

Trustees:	R Wishart - Chair I G Humphrey A Fisher
Registered office:	153a Metchley Lane Harborne Birmingham B17 0JL
Bankers:	Unity Trust Bank Four Brindley Place Birmingham B1 2JB
Auditors:	Malcolm Piper & Company Limited Kingsnorth House Blenheim Way Birmingham B44 8LS
Property managers:	Fishers (Harborne) Limited 30 Harborne Road Birmingham B15 3AA Pennycuik Collins Chartered Surveyors 54 Hagley Road Birmingham B16 8PE
Registered Charity number:	1040859
Enquiries	Mr R Wishart C/o 153a Metchley Lane Harborne Birmingham B17 0JL

THE ANNE AND JOHN WALTERS CHARITABLE TRUST

TRUSTEES' REPORT

The Trustees present their report and the audited financial statements for the year ended 5 April 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.

NATURE OF THE GOVERNING INSTRUMENT

The Anne and John Walters Charitable Trust ("the Charitable Trust") is registered as a Charitable Trust (registered Charity number 1040859) and constituted under a Trust Deed dated 19 July 1994.

TRUSTEES

The Trustees who held office during the year were as follows:

R Wishart - Chair
I G Humphrey
A Fisher

The selection and appointment of new Trustees is determined by the Board of Trustees. Where they become aware of individuals with an interest in the Charitable Trust's activities, or where it is perceived that a Trustee can complement the age profile, experience or skills held by the current Trustees, a plan is put in place to provide relevant training.

OBJECTIVES AND ACTIVITY

The object of the Charitable Trust is to provide charitable donations to organisations that support the prevention and treatment of epilepsy, care for those suffering from epilepsy and their families and any other local charitable causes, which the Trustees may from time to time determine.

The Trustees aim to generate income from a balanced property portfolio to make grants to support national and local charities whose activities are related to the Charitable Trust's objectives. In order to achieve this aim the Trustees monitor their assets and the income generated to enable them to make grants at an appropriate level.

The Trustees carefully consider any grants to be made, based upon available resources and the suitability of the charities to be assisted.

The Charitable Trust does not have any paid employees or volunteers.

PUBLIC BENEFIT

The Trustees are mindful of the guidance contained in the Charity Commission's general guidance on public benefit, when reviewing the Charitable Trust's aims and objectives and in planning future activities and setting the grant making policy for the year.

ACHIEVEMENT AND PERFORMANCE

The results for the year and financial position of the Charitable Trust are shown in the Statement of Financial Activities on page 9 and the Balance Sheet on page 10.

The gross income of the Charitable Trust for the year ended 5 April 2022 amounted to £346,536 (2021: £157,536). Direct Charitable expenditure in the form of support costs and donations, grants and other benefits paid totalled £199,999 (2021: £163,580) and governance costs totalled £6,600 (2021: £2,400). This resulted in a balance of net income before gains and losses on investments of £139,937 (2021 (net expenditure): £8,444).

Investments increased in value during the year by £768,763 (2021: £204,945) resulting in an increase in the reserves of £908,700 (2021: £196,501).

TRUSTEES' REPORT

INVESTMENTS

The Trustees continue to review their asset portfolio with a view to determining how best the Charitable Trust can fulfil its objectives. To assist them in properly managing their portfolio they have appointed a property surveyor to assist in assessing the portfolio. The Trustees endeavour to ensure that the portfolio is utilised to ensure they best fulfil the charitable objectives.

The property portfolio and the yield it has provided are considered satisfactory.

The Trustees aim is for the property portfolio to be professionally reviewed every three years and for the results to be incorporated into the financial statements. The Trustees will consider the value in the intervening years on the basis of market conditions and movements in the portfolio.

DONATIONS POLICY

All donations are made in accordance with the Charitable Trusts objectives and are subject to approval by the Trustees.

RESERVES POLICY

At 5 April 2022, the Charitable Trust held reserves, less investment assets, of £60,513 (2021: £266,076). Investment assets are invested to provide a future income for the Trust and are therefore not considered to be distributable assets.

The annual expenditure for the year for the on-going activities was £98,199 (2021: £66,780). The cash reserves therefore represent approximately 7 months (2021: 3 years and 11 months) of annual expenditure. Reserves are necessary because:

- A substantial part of the income is derived from investments in the properties held. These distributions are variable and dependent upon the economic climate and the rental to tenants of the properties.
- The investment properties held require, from time to time, significant expenditure to maintain its intrinsic value.

PLANS FOR FUTURE PERIODS

The Trustees intend to continue with the provision of donations, grants and other benefits in the furtherance of the general charitable objects of the Charitable Trust. They intend to continue to review these on an annual basis and may designate certain funds for particular purposes.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charitable Trust was established by a Trust Deed on 19 July 1994. The governance of the Charitable Trust is conducted jointly by the Trustees who are responsible for the overall control and decision making of the Trust in order to achieve its stated objectives.

The Trustees formally meet during the year to discuss the affairs of the Charitable Trust. Between meetings they keep in regular contact as matters arise.

Changes to Trustees are infrequent. Any new appointments are made in accordance with the Trust's constitution, with suitable training and induction given.

The Trustees have assessed the risks to which the Charitable Trust is exposed, and are satisfied that adequate and appropriate systems are in place to mitigate these.

A significant financial risk would be any circumstances that gave rise to an unexpected fall in income, which would affect the Charitable Trust's ability to make grants.

TRUSTEES' RESPONSIBILITIES

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

The law applicable to Charities in England and Wales law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Charitable Trust and of the incoming resources and application of the resources of the Charitable Trust for that year. 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 (FRS 102)
- make judgements and estimates that are reasonable and prudent;
- act in accordance with the rules of the Charitable Trust, the Charity Commission and the Trust Deed;
- state whether applicable accounting standards have been followed, subject to any material departures discussed and explained in the financial statements;
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Trust will continue in operation.

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

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

We, the Trustees of the Charitable Trust who held office at the date of approval of these financial statements, as set out above, each confirm so far as we are aware, that:

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

THE ANNE AND JOHN WALTERS CHARITABLE TRUST

TRUSTEES' REPORT

AUDITORS

Malcolm Piper & Company Limited were appointed as auditors during the current financial year and have indicated their willingness to continue in office.

Approved by the Trustees on 11 May 2023 and signed on its behalf by:-

.....
A Fisher
Trustee

.....
I G Humphrey
Trustee

.....
R Wishart
Trustee

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF
THE ANNE AND JOHN WALTERS CHARITABLE TRUST

Opinion

We have audited the financial statements of The Anne and John Walters Charitable Trust (the "Charity") for the year ended 5 April 2022 which comprise the Statement of Financial Activities, Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 5 April 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the Charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

(Continued...)

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF
THE ANNE AND JOHN WALTERS CHARITABLE TRUST
(CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities statement set out on page 3, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, including fraud are detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to The Anne and John Walters Charitable Trust, ("the Charity") and determined that the most significant are those that relate to the UK reporting framework under which the Charity prepares its accounts and reports its results and the relevant UK tax compliance regulations. In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements and those laws and regulations include those relating to health and safety, employee matters, environmental, and bribery and corruption practices;
- Having due regard to ISA 240 (Redrafted), The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements, we planned and designed our audit procedures to undertake such enquiry and testing which we deemed necessary to understand how the Charity is complying with those frameworks. We made enquiries of the Trustees, senior management and those responsible for legal and compliance procedures within the Charity and we corroborated our enquiries by reference to other documentary evidence, where available, or other complimentary or compensating evidence and with other correspondence received and noted that there was no contradictory evidence;
- In designing the scope and depth of our work to assess the likely impact on the financial statements of fraud and other irregularities, we calculate a materiality level which is a percentage based upon turnover, profitability and gross balance sheet assets. This calculation produces a figure against which financial statement errors and irregularities are compared and indicates a level at which, in our opinion and judgement, this would cause transactions and balances within the financial statements to be misleading or materially incorrect.
- We also assessed the susceptibility of the Financial Statements of the Charity to material misstatement using qualitative as well as quantitative factors, including how fraud might occur, and designed our audit testing and enquiries in such a way so as to enable us to identify the fraud risks across various parts of the business. In addition, we utilised internal and external information to perform a fraud risk assessment as part of our audit planning and testing procedures.

(Continued...)

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF
THE ANNE AND JOHN WALTERS CHARITABLE TRUST
(CONTINUED)

- We considered the risk of fraud through management override of controls and systems and, in response, we incorporated testing of large or unusual manual journal entries into our audit approach. We also considered the possibility of fraudulent or corrupt payments made through third parties and conducted detailed analytical review and substantive transaction testing on third party suppliers. Where instances of unusual behaviour patterns were identified through our testing, we performed additional audit procedures to address each identified risk. These procedures included testing of transactions back to source information and were designed to provide reasonable assurance that the financial statements were free from fraud or error. We also conducted specific audit procedures in relation to the risk of bribery and corruption by means of review of any marketing, promotion or discount activity determined by a risk-based process;
- Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above. Our procedures involved journal entry testing, with a focus on journals meeting our defined risk criteria based on our understanding of the business and enquiries of the Charity's management; and
- If any instances of non-compliance with laws and regulations were identified, the audit team performed sufficient and appropriate audit procedures.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at:
<https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

Other matters which we are required to address

This is the first year the Charity has required an audit, having breached the audit threshold. Therefore, the balances in the prior year financial statements were not subject to audit. We have performed such additional work and audit procedures on the prior year balances as we deemed necessary to satisfy ourselves that they are free from material misstatement. This included procedures to establish the existence and validity of prior year transactions and balances and assurances gained from reviewing the impact on balance sheet movements in the current year. We also performed analytical and substantive testing on these prior year transactions and balances.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Peter Whitehead FCA
Senior Statutory Auditor
For and on behalf of
Malcolm Piper & Company Limited

Kingsnorth House
Blenheim Way
Birmingham
B44 8LS

Date: 11 May 2023

THE ANNE AND JOHN WALTERS CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(Including summary of income and expenditure account)

AS AT 5 APRIL 2022

	Restricted funds £	Unrestricted funds £	2022 Total £	Restricted fund £	Unrestricted fund £	2021 Total £
Income						
Investments						
Rental Income	-	158,424	158,424	-	157,536	157,536
Sale of Freeholds (net proceeds)	-	188,112	188,112	-	-	-
Total income	-	346,536	346,536	-	157,536	157,536
Expenditure on:						
Charitable activities						
Donations, grants and other benefits paid	-	(108,400)	(108,400)	-	(99,200)	(99,200)
Support costs (note 3)	-	(91,599)	(91,599)	-	(64,380)	(64,380)
Governance costs (note 5)	-	(6,600)	(6,600)	-	(2,400)	(2,400)
Total expenditure	-	(206,599)	(206,599)	-	(165,980)	(165,980)
Net income / (expenditure) before gains and losses	-	139,937	139,937	-	(8,444)	(8,444)
Net gains on investments	-	768,763	768,763	-	204,945	204,945
Net surplus and Net movement in funds	-	908,700	908,700	-	196,501	196,501
Total funds brought forward at 6 April 2021	-	6,954,169	6,954,169	-	6,757,668	6,757,668
Total funds carried forward at 5 April 2022	-	7,862,869	7,862,869	-	6,954,169	6,954,169

The statement of Financial Activities includes all gains and losses recognised in the year.

All income & expenditure is derived from continuing activities.

The notes on pages 12 to 16 form part of the financial statements.

THE ANNE AND JOHN WALTERS CHARITABLE TRUST

BALANCE SHEET

AS AT 5 APRIL 2022

	Note	2022 £	2021 £
MONETARY ASSETS			
Cash and bank account balances:			
Current account		<u>423,206</u>	<u>616,702</u>
		<u>423,206</u>	<u>616,702</u>
Other monetary assets:			
Debtors	7	<u>3,594</u>	<u>13,477</u>
		<u>3,594</u>	<u>13,477</u>
Current liabilities:			
Accruals and other creditors		(6,600)	(2,400)
Deferred income	9	<u>(359,687)</u>	<u>(361,703)</u>
	8	<u>(366,287)</u>	<u>(364,103)</u>
Total monetary assets		<u>64,713</u>	<u>266,076</u>
INVESTMENT ASSETS			
Investment property	6	<u>7,802,356</u>	<u>6,688,093</u>
		<u>7,802,356</u>	<u>6,688,093</u>
Net assets		<u>7,862,869</u>	<u>6,954,169</u>
Charity Funds			
Unrestricted funds	10	<u>7,862,869</u>	<u>6,954,169</u>
Total Charity Funds		<u>7,862,869</u>	<u>6,954,169</u>

These financial statements were approved and authorised for issue by the Board on 11 May 2023.

Signed on behalf of the board of Trustees:

.....
A Fisher - Trustee

.....
I G Humphrey - Trustee

.....
R Wishart - Trustee

THE ANNE AND JOHN WALTERS CHARITABLE TRUST

CASH FLOW STATEMENT

FOR THE YEAR ENDED 5 APRIL 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operation	13	<u>152,004</u>	<u>(20,570)</u>
Net cash inflow from operating activities		<u>152,004</u>	<u>(20,570)</u>
Investing activities			
Payments to acquire tangible fixed		(552,500)	-
Receipts from the sale of tangible fixed assets		<u>207,000</u>	<u>89,000</u>
Net cash used in investing activities		<u>(345,500)</u>	<u>89,000</u>
Net (decrease) / increase in cash and cash equivalents		(193,496)	68,430
Cash and cash equivalents at beginning of year		<u>616,702</u>	<u>548,272</u>
Cash and cash equivalents at end of year		<u><u>423,206</u></u>	<u><u>616,702</u></u>

The notes on pages 12 to 16 form part of the financial statements.

THE ANNE AND JOHN WALTERS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2022

1 ACCOUNTING POLICIES

a. Charity status

The Charitable Trust is constituted under a Trust Deed in the United Kingdom and registered with the Charity Commission in England. The address of the principal office is given in the Charitable Trust's information on page 1 of these financial statements. The nature of the Charitable Trust's operations and principal activities are given on page 2.

b. Basis of accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" as applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102 (FRS 102) applicable in the United Kingdom and Republic of Ireland and the Charities Act 2011.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include investment properties at market value.

The presentation currency of the financial statements is the pound sterling (£).

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

c. Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objective of the Charitable Trust and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. Income arising on designated funds can be used in accordance with the objects of the Charitable Trust and is included in unrestricted funds.

Restricted funds represent funds which must be used in accordance with specific restrictions imposed by donors or which have been raised by the Charitable Trust for particular purposes. The cost of raising and administering such funds are charged against the specific fund. Income arising on each restricted fund is applied to the same restricted purpose.

d. Income recognition

All income is included in the SOFA when the Charitable Trust is legally entitled to the income after any performance conditions have been met; the amount can be quantified with reasonable accuracy; and it is probable that the income will be received.

Rental income, which is earned through the letting out of the Charitable Trust's rental property, is recognised in the accounting period to which it relates.

Premiums received when leases are extended are credited to the SOFA over the term of the lease.

THE ANNE AND JOHN WALTERS CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 5 APRIL 2022

1 ACCOUNTING POLICIES (Continued)

e. Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of the resources. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes donations, grants and benefits paid;
- Investment management costs relate to costs of professional property managers and
- Other expenditure represents those items not falling into the above categories.

f. Investment properties

Investment properties are disclosed at fair value where the property can be measured reliably without undue cost or effort. The fair value of investment property is reviewed on an annual basis. The SOFA includes the net gains and losses arising on revaluation during the year. No depreciation is provided in respect of Investment properties.

The Trustees review investment property for evidence of potential impairment on an annual basis having due regard for market conditions and other similar local properties. The carrying value of the property is adjusted accordingly.

g. Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

h. Tax

The Charitable Trust is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes.

i. Going Concern

The financial statements have been prepared on a going concern basis, as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for the 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.

2 TRUSTEES' REMUNERATION

No remuneration has been paid or is payable to the Trustees either directly or indirectly in the current or prior year.

THE ANNE AND JOHN WALTERS CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 5 APRIL 2022

3 SUPPORT COSTS

	2022 £	2021 £
Management fees	22,739	23,435
Rent, rates and water	5,587	5,521
Insurance	5,409	9,713
Repairs and maintenance	49,940	20,897
Bank charges	121	87
Management and administration	3,443	1,170
Legal fees	4,286	2,824
Lighting and heating	74	733
	<u>91,599</u>	<u>64,380</u>

All support costs are incurred in the furtherance of the Charitable Trust's principal activity.

4 EMPLOYEES

There were no full or part time employees during the year (2021: Nil).

5 GOVERNANCE COSTS

	2022 £	2021 £
Professional fees (including auditors' remuneration)	<u>6,600</u>	<u>2,400</u>

6 INVESTMENTS PROPERTIES

	Freehold Properties £	Freehold Ground Rents £	Leasehold Properties £	Leasehold Ground Rents £	Total £
At 6 April 2021	4,180,000	2,252,268	255,000	825	6,688,093
Disposals	-	(207,000)	-	-	(207,000)
Additions	552,500	-	-	-	552,500
Revaluations during the year	717,500	46,263	5,000	-	768,763
	<u>5,450,000</u>	<u>2,091,531</u>	<u>260,000</u>	<u>825</u>	<u>7,802,356</u>
Total Funds	<u>5,450,000</u>	<u>2,091,531</u>	<u>260,000</u>	<u>825</u>	<u>7,802,356</u>

THE ANNE AND JOHN WALTERS CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 5 APRIL 2022

7 DEBTORS

	2022 £	2021 £
Rent Receivable	<u>3,594</u>	<u>13,477</u>

8 CREDITORS: Amounts falling due within one year:

	2022 £	2021 £
Accruals	6,600	2,400
Deferred income	<u>359,687</u>	<u>361,703</u>
	<u><u>366,287</u></u>	<u><u>364,103</u></u>

See deferred income note 9.

9 DEFERRED INCOME

	2022 £	2021 £
At 6 April 2021	361,703	370,199
Lease extensions during the year	6,535	-
Credited to SOFA in the year	(8,551)	(8,496)
	<u>359,687</u>	<u>361,703</u>
At 5 April 2022	<u><u>359,687</u></u>	<u><u>361,703</u></u>

As stated in note 1d, premiums to extend leases are credited to the income statement over the period of the lease.

10 STATEMENT OF FUNDS

	At 6 April 2021 £	Income £	Expenditure £	Net gain on Investments £	At 5 April 2022 £
Unrestricted funds	6,954,169	346,536	(206,599)	768,763	<u>7,862,869</u>

Details of the funds are given in note 1c.

THE ANNE AND JOHN WALTERS CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 5 APRIL 2022

11 RELATED PARTIES

There are no related party disclosures required.

12 TRANSACTIONS INVOLVING TRUSTEES

No Trustee has had any beneficial interest in any material contract undertaken, or on behalf of the charity.

13 CASH GENERATED FROM OPERATIONS

	2022 £	2021 £
Net income for the year	908,700	196,501
Unrealised revaluation in the year	(768,763)	(210,500)
Decrease in debtors	9,883	2,032
Increase/ (decrease) in creditors	2,184	(8,603)
	<u>152,004</u>	<u>(20,570)</u>

14 ANALYSIS OF CHANGES IN NET DEBT

	6 April 2021 £	Cash flows	5 April 2022 £
Cash at bank and in hand	616,702	(193,496)	423,206

Anne & John Walters Charitable Trust

Malcolm Piper & Company Limited
Kingsnorth House
Blenheim Way
Kingstanding
Birmingham
B44 8LS

11 May 2023

Dear Sirs

Anne and John Walters Charitable Trust

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the Charity's financial statements for the year ended 5 April 2022. These enquiries have included inspection of supporting documentation where appropriate. All representations are made to the best of our knowledge and belief.

General

- 1 We have fulfilled our responsibilities as Trustees as set out in the terms of your engagement letter dated 27 April 2023, under the Charities Act 2011 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
- 2 All the transactions undertaken by the charity have been properly reflected and recorded in the accounting records.
- 3 All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the charity and with all other records and related information requested, including minutes of all management and Trustee meetings and correspondence with The Charity Commission.
- 4 We confirm there have been no correspondence, during the period under review or subsequently, with The Charity Commission or Care Quality Commission.
- 5 The financial statements are free of material misstatements, including omissions.
- 6 The effects of uncorrected misstatements (as set out in the appendix to this letter) are immaterial both individually and in total.

Internal control and fraud

- 7 We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud and error. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.
- 8 We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.
- 9 We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

Assets and liabilities

- 10 The charity has satisfactory title to all assets and there are no liens or encumbrances on the charity's assets, except for those that are disclosed in the notes to the financial statements.
- 11 All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
- 12 We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.

13 We confirm that no remuneration has been received by Trustees during the year.

Accounting estimates

14 The methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework.

Loans and arrangements

15 The charity has not granted any advances or credits to, or made guarantees on behalf of, trustees other than those disclosed in the financial statements.

Legal claims

16 We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for, and disclosed in, the financial statements.

Laws and regulations

17 We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

Related parties

18 Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with legislative and accounting standards requirements.

Subsequent events

19 All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Going concern

20 We believe that the charity's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. We also confirm our plans for future action required to enable the charity to continue as a going concern are feasible. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the charity's ability to continue as a going concern need to be made in the financial statements.

Grants and donations

21 All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

Each Trustee has taken all the steps that he ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully

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Signed on behalf of the board of Trustees

11 May 2023