

Charity number: 1116355

Walthamstow and Chingford Almshouse Charity

Trustees' report and financial statements

for the year ended 31 March 2022

Walthamstow and Chingford Almshouse Charity

Contents

	Page
Reference and administrative details of the charity, trustees and advisers	1 - 2
Trustees' report	3 - 10
Independent auditor's report on the financial statements	11 - 14
Statement of financial activities	15
Balance sheet	16
Statement of cash flows	17
Notes to the financial statements	18 - 36

Walthamstow and Chingford Almshouse Charity

**Reference and administrative details of the charity, its trustees and advisers
for the year ended 31 March 2022**

Directors of the Trustee Company (The Walthamstow & Chingford Almshouse Trustee Company Limited)

A Borkowska
V Conant
J Kearns
Rev. J Lewis-Anthony
S MacNulty
J J C Moss, Chairman
I Moyes, Vice Chairman
A J Moore
A Rich
S Smith Pryor
H Tredoux
P Williams
C McCann (appointed 1 May 2021)

Charity registered number

1116355

Principal office

Monoux Hall
Church End
Walthamstow
London
E17 9RL

Clerk to the Directors

E Abbott

Independent auditor

Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
Montague Place
Quayside
Chatham Maritime
Chatham
Kent
ME4 4QU

Bankers

Co-operative Bank
151-155 Hoe Street
Walthamstow
London
E17 3AN

Walthamstow and Chingford Almshouse Charity

**Reference and administrative details of the charity, its trustees and advisers (continued)
for the year ended 31 March 2022**

Solicitors

Stone King
16 St. John's Lane
London
EC1M 4BS

Solicitors

Hunt & Hunt
22 - 26 Eastern Road
Romford
RM1 3LT

Investment managers

Investec Wealth & Investment
2 Gresham Street
London
EC22 7QP

Walthamstow and Chingford Almshouse Charity

Trustees' report for the year ended 31 March 2022

The Trustees present their annual report together with the audited financial statements of the Charity for the year ended 31 March 2022.

Objectives and activities

a. Objectives

The objects of the Walthamstow and Chingford Almshouse Charity are the provision and continuing maintenance of the almshouses for the benefit of persons in conditions of financial need, who have been resident for one year within Walthamstow or Chingford, or for five consecutive years at any time prior to appointment. Residue income must be applied for the relief of persons in financial need residing within the area of benefit.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Grant-making policies

The objects of the Charity include the relief of persons in conditions of financial need in the area of benefit in such manner as the trustees see fit. Directors are focusing on the direct relief of poverty and in respect to other organisations working with beneficiaries in the area of benefit, to support those which alleviate the effects of poverty or which have an impact on preventing poverty.

The Charity collaborates with the LB Waltham Forest's Local Welfare Assistance (LWA) scheme to assist local people in need more effectively. The LWA undertake rigorous financial & associated checks of applicants to the fund and will make referrals to the Charity of families and individuals considered to require further assistance beyond the limited items the LWA is able to provide. In these cases, the Charity may provide additional household items that the LWA is unable to supply, and importantly, seek to provide support to local people who may not be eligible for relief from the LWA, which includes those with no recourse to public funds, or who do not meet the residency qualifications.

Referrals are also made by the local CAB, a single homeless Charity, council temporary housing section, health and social workers. Directors may visit a number of applicants to independently assess need. Applicants may also refer themselves.

Overall grants to individuals and organisations totalled £45,433 compared to £57,816 last year., grants to individuals and families has increased from £31,886 awarded to 44 applicants last year to 51 grants totalling £45,026 during 2021.22. A Grant of £407 was made to 1 organisation compared to £25,930 to 5 organisations last year. However two organisational grant awards were made at the end of March 2022, which will be accounted for in the next financial year.

Grant applications from individuals and families were up compared to the previous year, with 74 applications received compared to 60 in 2020.21.

Of the 74 applications received, during the year, 58 were awarded, of the 16 applications that were not included – 8 were ineligible or were not approved for a grant, and 4 were withdrawn by the applicant or the referring agency, and 4 are still pending subject to further information being received.

Of the overall grants made families and single people benefited from new household goods and furniture which accounts for approximately 57% of grant expenditure, floor coverings 31% of expenditure and white goods such as cookers and washing machines 12% of grant expenditure.

Grants to Organisations included the following:

The YMCA was awarded a grant of £400 for computer, desk and chairs for their young residents to use to enable them to complete benefit forms, to research job and training opportunities.

Walthamstow and Chingford Almshouse Charity

Trustees' report (continued) for the year ended 31 March 2022

Objectives and activities (continued)

Grant Application Process

There is a two-stage process for Charities or organisations to make an application for a grant. Charities/organisations are requested to provide a brief outline of their activities and what they require a grant for. The outline proposal is considered by the Grants' Committee, which decides whether a full submission on the Charities application form should be requested. Before a decision is made as to whether or not to award a grant, directors usually visit the applicant Charity/organisation before recommendations to the Grants and Accommodation Committee are made. Charities and organisations receiving grant are required to provide a written report of the use and impact of the grant after 12 months.

c. Spade Husbandry Allotments Charity

The Walthamstow and Chingford Almshouse Trustee Company is the trustee of the Spade Husbandry Charity.

There are 78 Full plots and 35 half plots on the Spade site, there is a site committee which encourages good practice gardening, organises deliveries for the site and operates a shed for the sale of vegetables and plants. The committee collects site fees for water rates and key deposits. Allotment rents due to the charity are paid to the Spade Husbandry bank account

There are three plots with bee hives on them. There are various levels of cultivation of plots on the site, which is not unexpected especially with the impact of the pandemic. A good number of the plots have been cultivated very well. There were a number of vacancies over the year, but the site now has full occupancy. Work was carried out to the double gates main entrance to the site. Unfortunately there was a fly tip of a large amount of materials during the summer, and the charity is working with the Corporation of London which owns the site to see if security can be improved. The committee has been pro-active with working with the charity's allotment manager particularly during the lockdowns and their help is much appreciated.

d. Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The Directors consider that the procedures in place to advertise almshouse vacancies reach as wide a section of the local community as possible, given the restrictions imposed by the Charity Scheme and the area of benefit. In addition to local advertising, details of the almshouses are posted on the Elderly Accommodation Counsel website, a national database of housing for older people. The charity will also seek nominations from the council if its direct applicants have insufficient priority need for a vacancy. All qualifying applications for accommodation are given careful consideration and when a vacancy arises those with sufficient priority are visited to assess their needs; the applicant's situation is assessed in respect of financial and housing need, social need and as to whether the applicant would benefit from living in supported housing. Accommodation is offered to those applicants with the greatest need. Almshouse accommodation charges are set to cover running costs, however certain costs are subsidised by the Charity, such as the support element of warden costs, water rates and TV licences amongst others.

Walthamstow and Chingford Almshouse Charity

Trustees' report (continued) for the year ended 31 March 2022

Achievements and performance

a. Financial review

Total income was £989,206 compared to £963,936 in 2020.2021, the increase is due to a weekly maintenance charge annual increase, and an £8,000 increase on investment income. Total expenditure has remained in line with the previous year.

The fixed asset investments value (investment properties and listed investments) increased from £13,558,701 to £15,845,007, largely due to gains on investments of £1.2m which included the revaluation of investment properties, that increased by £430,500 and investment of cash deposits.

b. Review of activities

The last two years have been extraordinary with the Corona-virus pandemic affecting populations globally. Naturally given the effects of the virus and subsequent lockdowns this had also affected how the charity was to carry on its operations.

2021 again saw life dramatically curtailed by lockdowns and other restrictions on our normal lives.

During the course of 2021, the majority of staff continued to work from home which has been successful, and the day-to-day running of the almshouses has continued well. Some members of staff have attended the almshouses regularly to undertake essential cleaning of communal areas, to let contractors onto site to undertake essential work, to check post and carry out periodic fire panel tests. Other than this, assistive technology has enabled staff to communicate daily with residents, with those residents liking an extra chat receiving additional telephone calls from staff. Technology also enables staff to give remote access to trusted contractors to carry out repairs, servicing and inspections within the communal areas, and to undertake gardening when the restrictions permitted. The CCTV installed in 2020 at The Monoux, Collard, Ridgers and Colby Lodge almshouses has proved invaluable, assisting staff with monitoring the security of buildings and the wellbeing of residents during lockdowns. There have been a number of particularly vulnerable residents who have required intensive support from the charity. This has included financial assistance where the resident has had no access to their bank accounts due to their shielding and where they lack the skills to use the internet for their banking, shopping etc.

Staff have helped residents with claiming benefits as necessary Staff have also taken on more complex cases where we consider that the residents will benefit from working with someone they know and trust, but also where other agencies have not been able to resolve the problem.

The charity was very fortunate during the course of 2020 not to lose any residents to Covid-19. There were two unrelated cases in separate almshouse buildings, and both had returned home following a relatively short stay in hospital. During the course of 2021.22 there were a few more residents catching Covid, but the protection of the vaccination programme has meant that no-one suffered serious ill effects, and remarkably there was little (if any) spread through the almshouse population. We can probably attribute this to most residents following the Covid advice and guidelines, along with the cleaning regime within the buildings, and thanks must go to cleaning staff for their work. Virtually all members of staff and a good number of trustees succumbed to Covid during the winter 2021.22. Luckily, the infections timings were staggered and did not impact too seriously on the day to day running of the almshouse buildings and services to residents. The charity has regularly provided guidance on the Covid -19 safety rules over the course of the year, and as the rules were eased and re-implemented. Staff also intervened on occasions as necessary to liaise directly with residents to ensure the safety of all residents, staff and contractors. Special & additional cleaning arrangements were implemented when required.

A local Charity CREST is using the garden room at Colby Lodge for two days each week to provide a day service for local elderly people, the accessibility standards at Colby Lodge makes the venue an ideal setting for the day service.

There were seven vacancies over the course of the year as at July 2022, all have been occupied by new residents. Since Coronavirus restrictions have been lifted, staff have been able to visit each priority applicant in their own home. Flats tend to be occupied by our residents for many years consequently the Charity usually carries out quite extensive refurbishment on voids including full redecorations and new floor coverings.

Walthamstow and Chingford Almshouse Charity

Trustees' report (continued) for the year ended 31 March 2022

Achievements and performance (continued)

Increasingly as the properties age, new kitchens and bathrooms may be fitted, along with heating and hot water improvements. The void loss of income for the year was 3%. The recommended minimum void loss provision is 5%, the maximum is 12.5%.

Resident Activities

A trip down the River Lea navigation canal was organised and enjoyed by a group of residents and part funded by the charity. When permitted some resident socials were organised in the gardens by residents themselves. Residents have kindly helped out their neighbours when they could, by assisting with shopping for example.

Thanks must go to all the staff who have worked so hard during the year to help keep residents safe and well, although working remotely, they have been able to liaise with clinicians, social workers etc. to make sure vulnerable resident's needs were addressed.

The Almshouses entered the London Almshouse Gardens competition and Collard Court was awarded a Bronze Certificate for its patio and courtyard display.

c. Fixed assets

The movements in tangible fixed assets during the year are set out in note 11 to the financial statements. The Trustee believes that the fixed asset Almshouse properties are worth considerably in excess of the net book value disclosed in these accounts: however, it is unable to quantify the excess without incurring significant unnecessary professional valuation fees.

d. Investment policy and performance

Listed investments

The Charity Commission Scheme regulating the Charity places no restrictions on the Directors' power to invest. The objectives of the Charity's Investment Policy are to ensure the creation of sufficient income and capital growth to enable the Charity to carry out its purposes year by year, with due and proper consideration for future needs and the maintenance of and, if possible, enhancement of the value of the invested funds. The policy is reviewed annually.

As at 31 March 2022, Investec Wealth and Investment Limited manage approximately 50% of the Charity's total investment portfolio on a discretionary basis. The directors preclude investment in companies involved in home collected credit; directors consider such investments to be in conflict with the Charity's objective of relief in need. No initial investment should exceed 7.5% of the total value of the funds under management. Trustees' objectives are to seek a balanced return from income and capital growth within moderate risk parameters. The performance of each asset class will be measured against relevant market indices. The overall performance is compared to a bespoke benchmark based on the midpoint of each asset class, measured against the underlying indices for each asset class.

Of the other 50% of the Charities' portfolio, the majority was invested in the M&G Charity Multi-Asset Fund, which replaced the National Association of Almshouses Common Investment Fund (NAACIF) in November 2019.

**Trustees' report (continued)
for the year ended 31 March 2022**

Achievements and performance (continued)

The Investec portfolio produced a positive total return of 7.1% for the 12 months compared to the benchmark return of 10.0%. Equity markets continued to deliver strong gains over the year with many of the cyclical sectors that had been hardest hit the preceding period, rebounding sharply as the world emerged from the worst of the Covid pandemic. Whilst the portfolio benefited from its exposure to equities which accounts for approximately 60% of the portfolio value, our limited exposure to these more cyclical companies and sectors detracted from the overall relative performance. Limited exposure to Fixed Income was a positive for performance given the weakness of this asset class amidst a backdrop of rising interest rates and higher inflation whilst good stock selection within Bonds was also a positive contributor. The commercial property investments in the portfolio delivered strong returns, helped by rising capital prices and a recovery in rental income post-Covid. Elsewhere, the alternative assets in the portfolio also performed well with infrastructure holdings delivering steady returns whilst the exposure to gold added value after a steep rise in the gold price over concerns around inflation and global growth prospects. The portfolio continues to be invested in high quality assets that Investec believe will deliver strong portfolio returns over the years ahead.'

Investment Properties

Investment properties were revalued in July 2022, by Savills (Chartered Surveyors) of London on an open market value for existing use basis, the surplus on revaluation is £430,500. The total value of the properties is £2,499,500.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The Trustee has reviewed the reserves policy and has concluded that free reserves of £900,000 should be retained, which equates to approximately one year's income.

c. Risk management

The directors have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The charity's senior staff report directly to a relevant committee or to the Chair and Vice Chair of the Board and to the Chair of the Finance and General Purposes Committee on risk management issues as appropriate. For example safeguarding concerns in respect of residents are reported to the Grants and Accommodation Committee as a matter of course, along with detail of action taken. The committee structure ultimately informs the board of risk arising and mitigation measures. Directors/Trustees are supportive of all employees and staff are encouraged to be open and honest about problems and errors so that incidents can be dealt with promptly with the aim of minimising any potential detriment to our beneficiaries, the Charity, its staff and directors/trustees.

Walthamstow and Chingford Almshouse Charity

Trustees' report (continued) for the year ended 31 March 2022

Structure, governance and management

a. Constitution and governance

Walthamstow and Chingford Almshouse Charity is a registered Charity, number 1116355, and is constituted under a Memorandum of Association.

The Charity is an amalgam of many charities, the first being endowed by Sir George Monoux upon the purchase of land from the Convent of the Holy Trinity Priory in Aldgate, London, in 1527, for building thirteen almshouses, a school and a feast room. In 1895 the numerous charities were regulated by a Scheme of the Charity Commission and were collectively called the Walthamstow Parochial Charities. There followed four varying Schemes of the Charity Commission and in 1957 a Charity Commission Scheme governed the thirty-three charities under the title of The Walthamstow Almshouse and General Charities. In June 2006 a Scheme was ordered to govern all the charities and amalgamate the Chingford Almshouse Charities with the Walthamstow Charities under the present-day title of the Walthamstow and Chingford Almshouse Charity.

A limited company, the Walthamstow and Chingford Almshouse Trustee Company was incorporated on 18th September 2007 and appointed by a Charity Commission Scheme of 28th September 2007 to administer the Charity. The directors of the company comprise the board which leads the charity and sets the charity's strategy.

The Charity Trustee is sole shareholder of the Walthamstow Almshouse Development Company Ltd. The Development Company was established to undertake the development of 20 new almshouses at the site acquired by the Charity in 2012, 1C The Drive, E17, completed in March 2018 and known as Colby Lodge.

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Directors who are nominated and co-opted under the terms of the Articles of Association. The Finance and General Purposes Committee takes the lead on recruitment of Directors.

c. Policies adopted for the induction and training of Trustees

New Directors are provided with a copy of the latest set of audited accounts, the Schemes dated 14th June 2006 and 28th September 2007, the Memorandum and Articles of Association of the Trustee Company, the latest minutes of meetings, a brief history of the Charity, the Charity's book "The Walthamstow Charities" and the Charity Commissions Publication "The Essential Trustee". The Director will be offered a subscription to relevant publications and Trustee training and seminars. The Clerk to the Directors will meet with the new Director regarding finances including investments, almshouse management and grant making. The Director will be given a tour of the almshouses and a number of the investment properties. The new Director may attend one or two Committee meetings as a guest before deciding which committee(s) to serve on.

Directors' meetings are held quarterly, the board is supported by five active Committees, which meet regularly. The Committees are:

- Finance and General Purposes' committee, whose responsibilities include preparing and monitoring annual budgets, recommending pay awards and weekly maintenance charges.
- Grants and Accommodation, which deals with grant and housing applications.
- Personnel, which deals with staffing matters including policy and procedure, remuneration and disciplinary and grievance matters.
- Development, which progresses Almshouse development and refurbishment projects.
- Allotment, which deals with matters pertaining to the Charity's four allotment sites.

Walthamstow and Chingford Almshouse Charity

Trustees' report (continued) for the year ended 31 March 2022

Structure, governance and management (continued)

d. Pay policy for key management personnel

In 2008, Directors appointed a Human Resources consultant to undertake salary benchmarking research for all staff employed by the Charity and to set up a job evaluation scheme. The research included salary data from other London almshouse Charities and data on smaller housing associations from two independent salary data providers. The job evaluation scheme was used by the consultant to recommend the salary ranges of senior and all other staff, and which were approved by the Board.

Plans for future periods

Almshouses

Directors will seek out opportunities to acquire or develop additional almshouses, as previously noted, it is in the charity's best interests for it to be able to provide affordable housing on its own investment land as this eliminates the very expensive land costs in this part of London. However other opportunities will be explored, such as acquiring a development site or linking up with a third party on a reciprocal basis. The charity is currently in discussions with a local church and directors are optimistic that a small development of 9 almshouse apartments will be built.

The communal heating system at the Ridgers Almshouse has been assessed for replacement with a number of site visits already having taken place. It is hoped that communal gas boilers combined with the solar collectors in place with the current system will be installed before the winter. Costs have recently been established for the project, which will be in the region of £100,000 to decommission the old system, and instal new communal plant and pipework.

Life is gradually returning to normal at the almshouses, and a garden party at the Monoux Almshouse is planned for August 2022, to thank three trustees who retired prior to, or during the pandemic, all three gave many years' service to the charity's board and committees.

The event will also be used to celebrate the retirement of a long serving scheme manager who retired this year after 22 years' service with the charity.

Trustees also mark the very sad loss of another long serving member of staff, Birgit Hubscher joined the charity in 2006 as the Allotment Manager, later also taking on the role of Grants and Administrative Officer. Birgit passed away on 18th June 2022 and will be missed by everyone associated with the charity.

Grantmaking

It is likely that many endowed funders have experienced a significant drop in income with which to provide funding to a Charity sector that was already struggling after years of austerity. The future is going to be very uncertain for charities that rely on fundraising for a large proportion of their income streams. Most at risk are the smaller, local, often 'specialised' charities, which work for the most vulnerable and marginalised in society - many of their beneficiaries fall between the cracks of national programmes and funding regimes.

Directors have committed to a budget for grants to individuals/families and organisations of £80,000 for 2022.2023, and will review grant-making in the round with other charity objectives, that is almshouse development, as the country slowly emerges from the effects of the pandemic, and grapples with high rates of inflation and the cost-of-living crisis.

Walthamstow and Chingford Almshouse Charity

Trustees' report (continued) for the year ended 31 March 2022

Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Memorandum of Association. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

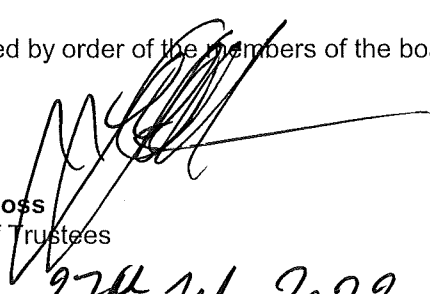
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, Kreston Reeves LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:


J J C Moss
Chair of Trustees

Date:

27th July 2022

Independent auditor's report to the Members of Walthamstow and Chingford Almshouse Charity

Opinion

We have audited the financial statements of Walthamstow and Chingford Almshouse Charity (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis 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's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

Walthamstow and Chingford Almshouse Charity

Independent auditor's report to the Members of Walthamstow and Chingford Almshouse Charity (continued)

Other information

The other information comprises the information included in the 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which 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.

**Independent auditor's report to the Members of Walthamstow and Chingford Almshouse Charity
(continued)**

Auditor's 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 the Act and relevant regulations made or having effect thereunder.

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, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the charity and industry, and through discussion with the directors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, data protection and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charity Statement of Recommended Practice and other charity regulation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined the principal risks related to posting inappropriate journal entries and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Conducting interviews with appropriate personnel to gain further insight into the control systems implemented, and the risk of irregularity; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Physical inspection of tangible assets susceptible to fraud or irregularity; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

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 a 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.

**Independent auditor's report to the Members of Walthamstow and Chingford Almshouse Charity
(continued)**

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP
Chartered Accountants
Chatham Maritime

Date: **29 July 2022**

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Walthamstow and Chingford Almshouse Charity

Statement of financial activities for the year ended 31 March 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:						
Charitable activities	3	575,184	4,913	-	580,097	562,478
Investments	4	408,828	281	-	409,109	401,458
Total income and endowments		984,012	5,194	-	989,206	963,936
Expenditure on:						
Raising funds	5	36,821	3,152	20,389	60,362	52,796
Charitable activities	7	504,753	558	141,991	647,302	652,356
Total expenditure		541,574	3,710	162,380	707,664	705,152
Net income/(expenditure) before net gains on investments		442,438	1,484	(162,380)	281,542	258,784
Net gains on investments		291,946	-	907,340	1,199,286	1,822,477
Net movement in funds		734,384	1,484	744,960	1,480,828	2,081,261
Reconciliation of funds:						
Total funds brought forward		12,712,059	16,883	11,011,316	23,740,258	21,658,997
Net movement in funds		734,384	1,484	744,960	1,480,828	2,081,261
Total funds carried forward		13,446,443	18,367	11,756,276	25,221,086	23,740,258

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 18 to 36 form part of these financial statements.

Walthamstow and Chingford Almshouse Charity

Balance sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	8,825,453	8,968,578
Investments	13	13,345,507	11,489,701
Investment property	12	2,499,500	2,069,000
		<u>24,670,460</u>	<u>22,527,279</u>
Current assets			
Debtors	14	63,133	78,472
Investments	15	418,779	1,052,980
Cash at bank and in hand		152,622	181,428
		<u>634,534</u>	<u>1,312,880</u>
Creditors: amounts falling due within one year	16	(83,908)	(99,901)
Net current assets		<u>550,626</u>	<u>1,212,979</u>
Total net assets		<u>25,221,086</u>	<u>23,740,258</u>
Charity funds			
Endowment funds	17	11,756,276	11,011,316
Restricted funds	17	18,367	16,883
Unrestricted funds	17	13,446,443	12,712,059
Total funds		<u>25,221,086</u>	<u>23,740,258</u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


J J C Moss
Chair of Trustees

Date:

27th July 2022

The notes on pages 18 to 36 form part of these financial statements.

Walthamstow and Chingford Almshouse Charity

Statement of cash flows for the year ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	20	<u>762,787</u>	<u>69,175</u>
Cash flows from investing activities			
Dividends, interests and rents from investments		409,109	401,458
Purchase of tangible fixed assets		(653)	(5,845)
Proceeds from sale of investments		792,539	497,360
Purchase of investments		<u>(1,992,588)</u>	<u>(868,399)</u>
Net cash (used in)/provided by investing activities		<u>(791,593)</u>	<u>24,574</u>
Change in cash and cash equivalents in the year		(28,806)	93,749
Cash and cash equivalents at the beginning of the year		<u>181,428</u>	<u>87,679</u>
Cash and cash equivalents at the end of the year	21	<u><u>152,622</u></u>	<u><u>181,428</u></u>

The notes on pages 18 to 36 form part of these financial statements

Walthamstow and Chingford Almshouse Charity

Notes to the financial statements for the year ended 31 March 2022

1. General information

Walthamstow and Chingford Almshouse Charity is a charity registered in England. The charity's registered address is Monoux Hall, Church End, Walthamstow, London, E17 9RL.

2. Accounting policies

2.1 Basis of preparation of financial statements

The charity constitutes a public benefit entity as defined by FRS 102. 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 United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 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 issued in October 2019.

Walthamstow and Chingford Almshouse Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

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

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**Notes to the financial statements
for the year ended 31 March 2022**

2. Accounting policies (continued)

2.3 Expenditure

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

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 50 or 80 years straight line
Freehold land	- Not depreciated
Almshouse equipment	- 20 years straight line
Computer and office equipment	- 5 years straight line

2.6 Investments

Listed investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

Investment properties are measured at fair value at each reporting date. Changes in fair value are recognised in 'Gains/(losses) on investments' in the Statement of financial activities.

**Notes to the financial statements
for the year ended 31 March 2022**

2. Accounting policies (continued)

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

2.10 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity 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. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Walthamstow and Chingford Almshouse Charity

Notes to the financial statements for the year ended 31 March 2022

3. Income from charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Almshouses - weekly maintenance contributions	573,044	-	573,044	557,254
Sundry income	2,140	-	2,140	-
Spade Husbandry	-	4,913	4,913	5,224
	<u>575,184</u>	<u>4,913</u>	<u>580,097</u>	<u>562,478</u>
Total 2021	<u>557,254</u>	<u>5,224</u>	<u>562,478</u>	

4. Investment income

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from investment properties	46,210	-	46,210	45,051
Dividends receivable	361,820	280	362,100	354,485
Deposit interest	798	1	799	1,922
	<u>408,828</u>	<u>281</u>	<u>409,109</u>	<u>401,458</u>
Total 2021	<u>401,142</u>	<u>316</u>	<u>401,458</u>	

Notes to the financial statements
for the year ended 31 March 2022

5. Expenditure on raising funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Allotment expenses	4,861	-	-	4,861	-
Telephone	758	-	-	758	700
Staff training and travel	227	-	-	227	41
Printing, postage and stationery	208	-	-	208	391
Computer costs	545	-	-	545	414
Subscriptions	215	-	-	215	174
Sundry costs	148	-	-	148	72
Investment managers' fees	10,195	-	20,389	30,584	27,650
Staff costs - gross salaries	19,045	2,900	-	21,945	21,290
Staff costs - NI	619	252	-	871	2,064
	<u>36,821</u>	<u>3,152</u>	<u>20,389</u>	<u>60,362</u>	<u>52,796</u>
Total 2021	<u>32,083</u>	<u>2,280</u>	<u>18,433</u>	<u>52,796</u>	

6. Analysis of grants

	Grants to Institutions 2022 £	Grants to Individuals 2022 £	Total funds 2022 £	Total funds 2021 £
Grants payable	<u>407</u>	<u>45,026</u>	<u>45,433</u>	<u>57,816</u>
Total 2021	<u>25,930</u>	<u>31,886</u>	<u>57,816</u>	

In both the current and previous financial year the total grants payable were all from unrestricted funds. The charity made 51 grants to individuals this year (2021: 44). Details of grants made to institutions can be found below.

Notes to the financial statements
for the year ended 31 March 2022

6. Analysis of grants (continued)

The Charity has made the following material grants to institutions during the year:

	2022 £	2021 £
Name of institution		
CAP Organisation	-	7,000
Christian Kitchen	-	10,000
	-	17,000
Other grants less than £5,000 to institutions	407	8,930
	407	25,930

Recipients of grants must reside or operate within Walthamstow or Chingford. Applications are submitted on a standard form and checked for eligibility before usually passing to two Directors of the Trustee Company who will visit the applicant. The visiting Directors report back to the Grants and Accommodation Committee and make a recommendation as to whether the grant should be approved and then agree upon the amount to be awarded.

More details of grant giving are provided within the Trustee's Report.

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Charitable activities	504,753	558	141,991	647,302	652,356
Total 2021	509,914	450	141,992	652,356	

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Charitable activities	528,967	45,433	72,902	647,302	652,356
Total 2021	530,684	57,816	63,856	652,356	

Notes to the financial statements
for the year ended 31 March 2022

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	151,849	143,161
Depreciation	143,778	143,779
Legal and professional fees	6,114	10,799
Routine repairs	94,560	104,543
Computer costs	-	650
Light and heat	54,001	53,545
Water rates	20,871	17,666
Council tax for empty flats	218	210
Security	14,880	11,916
Residents outings and parties	2,594	2,704
Residents TV licences	815	905
Insurance	17,359	17,403
Cleaning	10,685	10,537
Garden maintenance	11,243	12,866
	528,967	530,684

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	30,403	28,984
Telephone	7,652	7,066
Staff training and travel	2,282	411
Printing, postage and stationery	1,862	3,496
Computer costs	5,517	4,188
Subscriptions	2,185	1,770
Sundry costs	1,418	727
Trustee meetings and expenses	85	-
Audit fee and statutory accounts production	13,080	11,815
Legal and professional fees	8,418	4,815
Bad debt expense	-	584
	72,902	63,856

Walthamstow and Chingford Almshouse Charity

Notes to the financial statements for the year ended 31 March 2022

9. Staff costs

	2022 £	2021 £
Wages and salaries	182,635	174,142
Social security costs	12,308	11,563
Other pension costs	10,125	9,794
	<u>205,068</u>	<u>195,499</u>

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	2021 No.
Office staff	4	4
Operational staff	4	4
	<u>8</u>	<u>8</u>

The average headcount expressed as full-time equivalents was:

	2022	2021
Office staff	2	2
Operational staff	3	3
	<u>5</u>	<u>5</u>

No employee received remuneration amounting to more than £60,000 in either year.

The total remuneration and benefits received by the charity's key management personnel during the financial year was £88,771 (2021: £82,471).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

Walthamstow and Chingford Almshouse Charity

Notes to the financial statements for the year ended 31 March 2022

11. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 April 2021	10,414,170	35,743	7,805	10,457,718
Additions	653	-	-	653
At 31 March 2022	<u>10,414,823</u>	<u>35,743</u>	<u>7,805</u>	<u>10,458,371</u>
Depreciation				
At 1 April 2021	1,464,387	16,949	7,804	1,489,140
Charge for the year	141,991	1,787	-	143,778
At 31 March 2022	<u>1,606,378</u>	<u>18,736</u>	<u>7,804</u>	<u>1,632,918</u>
Net book value				
At 31 March 2022	<u>8,808,445</u>	<u>17,007</u>	<u>1</u>	<u>8,825,453</u>
At 31 March 2021	<u>8,949,783</u>	<u>18,794</u>	<u>1</u>	<u>8,968,578</u>

The Charity's freehold land, with the exception of the freehold almshouse at 1C The Drive, was all donated and was not capitalised; given that the gifts were made many years ago the Directors of the Trustee Company believe the value when given was not material. Hence no land value is included above for the original properties and the full cost of the buildings is being depreciated.

Original cost of freehold property

	2022 £
The Ridgers Almshouses	955,748
Monoux Almshouses	647,819
Squires Almshouses	133,830
Collard Almshouses	1,506,825
1C The Drive (see below)	7,164,103
	<u>10,408,325</u>

Most of the above cost represents rehabilitation and renovation work carried out over the last 23 years.

1C The Drive, Walthamstow was purchased as a freehold property by the charity for £900,000. The demolition of the existing property has been treated as part of the land cost. This and all related costs have been capitalised above under 'Freehold property'.

The Directors of the Trustee Company do not consider it practical or helpful (given that the properties are all held for the long-term) to quantify the difference between the net book value of freehold buildings and their market values at the year end.

Notes to the financial statements
for the year ended 31 March 2022

12. Investment property

	Freehold investment property £
Valuation	
At 1 April 2021	2,069,000
Surplus on revaluation	430,500
At 31 March 2022	<u>2,499,500</u>

The 2022 valuations were made by Savills (Chartered Surveyors) of London as of 1 July 2022, on an open market value for existing use basis. Investment properties consist of:

Land used as allotments:

Hale End Road (8.0 Acres)
Honeybone Lane (3.2 Acres)
Trencherfield (3.8 Acres)

Other Land:

South Side of Shernhall Street, London E17 (0.2 Acres).

Properties:

880 Forest Road, London, E17
882 - 884 Forest Road, London, E17
886 - 888 Forest Road, London, E17
William E. Whittingham School
Flats at Dennis Court, London, E17
85 Albert Road, London, E17
26 Brierley Road, London, E11

Notes to the financial statements
for the year ended 31 March 2022

13. Fixed asset investments

	Unlisted securities £	Listed securities £	Total £
Cost or valuation			
At 1 April 2021	1	11,489,700	11,489,701
Additions	-	1,992,588	1,992,588
Disposals	-	(792,539)	(792,539)
Revaluations	-	655,757	655,757
At 31 March 2022	<u>1</u>	<u>13,345,506</u>	<u>13,345,507</u>
Net book value			
At 31 March 2022	<u>1</u>	<u>13,345,506</u>	<u>13,345,507</u>
At 31 March 2021	<u>1</u>	<u>11,489,700</u>	<u>11,489,701</u>

Walthamstow and Chingford Almshouse Charity

Notes to the financial statements for the year ended 31 March 2022

13. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity
Walthamstow Almshouse Development Company Limited	08393301	C/o Walthamstow & Chingford Almshouse Charity, Monoux Hall, Church End, London, E17 9RL	For the development of a new almshouse at 1C, The Drive, Walthamstow.

Class of shares	Holding
Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £
Walthamstow Almshouse Development Company Limited	3	3

The turnover has historically been incorporated in the financial statements of the charity as the largest part of the capital expenditure on 1C The Drive and is very close to the historic trading expenditure. Other income and expenditure is not considered to be material to the charity. Similarly balance sheet amounts are not considered to be material to the charity. Accordingly consolidated financial statements would not vary materially from the Charity financial statements and hence have not been prepared.

14. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	3,576	9,292
Other debtors	4,724	5,254
Prepayments and accrued income	54,833	63,926
	63,133	78,472

Walthamstow and Chingford Almshouse Charity

Notes to the financial statements for the year ended 31 March 2022

15. Current asset investments

	2022 £	2021 £
Investment deposit funds	418,779	1,052,980

16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	22,729	23,081
Amounts owed to group undertakings	16,401	17,581
Other creditors	363	273
Accruals and deferred income	44,415	58,966
	83,908	99,901

	2022 £	2021 £
Deferred income at 1 April 2021	12,374	10,625
Resources deferred during the year	11,903	12,374
Amounts released from previous periods	(12,374)	(10,625)
Deferred income at 31 March 2022	11,903	12,374

Notes to the financial statements
for the year ended 31 March 2022

17. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds						
Designated funds						
Almshouse building	9,879,507	-	-	398,489	155,758	10,433,754
Extraordinary repairs	1,449,118	-	(5,755)	42,633	88,740	1,574,736
Cyclical maintenance	483,434	-	(15,664)	70,183	-	537,953
	<u>11,812,059</u>	<u>-</u>	<u>(21,419)</u>	<u>511,305</u>	<u>244,498</u>	<u>12,546,443</u>
General funds						
General funds	<u>900,000</u>	<u>984,012</u>	<u>(520,155)</u>	<u>(511,305)</u>	<u>47,448</u>	<u>900,000</u>
Total Unrestricted funds	<u>12,712,059</u>	<u>984,012</u>	<u>(541,574)</u>	<u>-</u>	<u>291,946</u>	<u>13,446,443</u>
Endowment funds						
Capital fund	11,004,038	-	(162,380)	-	906,833	11,748,491
Spade Husbandry	7,278	-	-	-	507	7,785
	<u>11,011,316</u>	<u>-</u>	<u>(162,380)</u>	<u>-</u>	<u>907,340</u>	<u>11,756,276</u>

A designated fund is held for the newly completed construction of a new almshouse project and future almshouse development. Directors of the Trustee Company have decided to move funds in the general fund in excess of around one year's income (2021: £900,000) to designated funds. The fund at the end of the year is principally represented by investment deposit funds, with the balance represented by fixed asset investments and the capitalised costs of the new almshouse.

The Charity also holds designated funds for extraordinary repairs to its almshouses (represented by investments) and cyclical maintenance carried out every 5 years on the almshouses (represented by investment deposits).

Notes to the financial statements
for the year ended 31 March 2022

17. Statement of funds (continued)

The Capital fund represents the Charity's endowments from the various different charities that have been amalgamated to create it. It comprises all freehold properties (except 1C The Drive) and all investment properties, together with a balance of non-property investments. The percentage of non-property investments held within the fund at the year end was 62.0% which is applied to investment gains and losses and investment management costs in order to apportion these to the fund.

Please see the note below on the Spade income fund for details of the Spade Husbandry Allotments endowment fund, which is mainly represented by investments with the balance in the bank (the associated land is owned by the Corporation of London who allow its use as allotments in accordance with Act of Parliament).

**Restricted
funds**

Spade income	<u>16,883</u>	<u>5,194</u>	<u>(3,710)</u>	<u>-</u>	<u>-</u>	<u>18,367</u>
--------------	---------------	--------------	----------------	----------	----------	---------------

The Spade income fund represents money held for the Spade Husbandry Allotments Charity. The Charity acts as Trustee of Spade Husbandry Allotments and in particular holds its endowment fund (see above). Income from the endowment fund, along with rent from the charity's allotments (which are included in land owned by the Corporation of London, with the charity having statutory rights to the land), is used to manage the allotments. The income and expenditure for the year is as shown for the restricted fund above.

Total of funds	<u><u>23,740,258</u></u>	<u><u>989,206</u></u>	<u><u>(707,664)</u></u>	<u><u>-</u></u>	<u><u>1,199,286</u></u>	<u><u>25,221,086</u></u>
-----------------------	--------------------------	-----------------------	-------------------------	-----------------	-------------------------	--------------------------

Notes to the financial statements
for the year ended 31 March 2022

17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds						
Designated funds						
Almshouse building	9,067,252	-	-	443,045	369,210	9,879,507
Extraordinary repairs	1,203,215	-	(11,846)	47,399	210,350	1,449,118
Cyclical maintenance	433,164	-	(27,760)	78,030	-	483,434
	<u>10,703,631</u>	<u>-</u>	<u>(39,606)</u>	<u>568,474</u>	<u>579,560</u>	<u>11,812,059</u>
General funds						
General funds	<u>900,000</u>	<u>958,396</u>	<u>(502,391)</u>	<u>(568,474)</u>	<u>112,469</u>	<u>900,000</u>
Total Unrestricted funds	<u>11,603,631</u>	<u>958,396</u>	<u>(541,997)</u>	<u>-</u>	<u>692,029</u>	<u>12,712,059</u>
Endowment funds						
Capital fund	10,035,363	-	(160,425)	-	1,129,100	11,004,038
Spade Husbandry	5,930	-	-	-	1,348	7,278
	<u>10,041,293</u>	<u>-</u>	<u>(160,425)</u>	<u>-</u>	<u>1,130,448</u>	<u>11,011,316</u>
Restricted funds						
Spade income	<u>14,073</u>	<u>5,540</u>	<u>(2,730)</u>	<u>-</u>	<u>-</u>	<u>16,883</u>
Total of funds	<u>21,658,997</u>	<u>963,936</u>	<u>(705,152)</u>	<u>-</u>	<u>1,822,477</u>	<u>23,740,258</u>

Notes to the financial statements
for the year ended 31 March 2022

18. Summary of funds

Summary of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Designated funds	11,812,059	-	(21,419)	511,305	244,498	12,546,443
General funds	900,000	984,012	(520,155)	(511,305)	47,448	900,000
Endowment funds	11,011,316	-	(162,380)	-	907,340	11,756,276
Restricted funds	16,883	5,194	(3,710)	-	-	18,367
	<u>23,740,258</u>	<u>989,206</u>	<u>(707,664)</u>	<u>-</u>	<u>1,199,286</u>	<u>25,221,086</u>

Summary of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Designated funds	10,703,631	-	(39,606)	568,474	579,560	11,812,059
General funds	900,000	958,396	(502,391)	(568,474)	112,469	900,000
Endowment funds	10,041,293	-	(160,425)	-	1,130,448	11,011,316
Restricted funds	14,073	5,540	(2,730)	-	-	16,883
	<u>21,658,997</u>	<u>963,936</u>	<u>(705,152)</u>	<u>-</u>	<u>1,822,477</u>	<u>23,740,258</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Tangible fixed assets	6,878,509	-	1,946,944	8,825,453
Fixed asset investments	6,035,675	-	7,309,832	13,345,507
Investment property	-	-	2,499,500	2,499,500
Current assets	628,768	18,367	-	647,135
Creditors due within one year	(96,509)	-	-	(96,509)
Total	<u>13,446,443</u>	<u>18,367</u>	<u>11,756,276</u>	<u>25,221,086</u>

Notes to the financial statements
for the year ended 31 March 2022

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £
Tangible fixed assets	7,052,625	-	1,915,953	8,968,578
Fixed asset investments	4,463,338	-	7,026,363	11,489,701
Investment property	-	-	2,069,000	2,069,000
Current assets	1,295,997	16,883	-	1,312,880
Creditors due within one year	(99,901)	-	-	(99,901)
Total	12,712,059	16,883	11,011,316	23,740,258

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	1,480,828	2,081,261
Adjustments for:		
Depreciation charges	143,778	143,779
(Gains) on investments	(1,086,257)	(1,779,382)
Dividends, interests and rents from investments	(409,109)	(401,458)
Decrease in debtors	2,738	34,470
Decrease in creditors	(3,392)	(37,574)
Decrease/(increase) in current asset investments	634,201	28,079
Net cash provided by operating activities	762,787	69,175

21. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	152,622	181,428

Walthamstow and Chingford Almshouse Charity

Notes to the financial statements for the year ended 31 March 2022

22. Analysis of changes in net debt

	At 1 April 2021	Cash flows	At 31 March 2022
	£	£	£
Cash at bank and in hand	181,428	(28,806)	152,622
Liquid investments	1,052,980	(634,201)	418,779
	<u>1,234,408</u>	<u>(663,007)</u>	<u>571,401</u>

23. Pension commitments

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £10,125 (2021: £9,794). No contributions were payable to the fund at the balance sheet date in either year.

24. Related party transactions

J J C Moss, a Director of the Trustee Company, is an elected official of LB Waltham Forest. During the year the Charity received from LB Waltham Forest income amounting to £16 (2021: £19,746) in respect of the construction of the new almshouses. The Charity also made purchases from LB Waltham Forest of £3,379 (2021: £3,918). In addition to the above figures, debtors include a further £4,375 that will be receivable when the retention on Colby Lodge is paid (2021: £4,375). The charity was also owed £16 at year end (2021: £Nil).

Rev V Conant, is the Team Rector of St Mary's Church. At year end £20 was owed by St Mary's Church (2021: £20).

S Kearns, the husband of J Kearns, is a Board Member of Christian Kitchen. In 2022 the Charity paid a grant in the year of £6,469 (2021: £10,000). At the balance sheet date amounts outstanding were £1,976 (2021: £6,396).

H Tredoux is the CEO of Waltham Forest Community Transport Ltd and during the year purchases of £306 (2021: £Nil) were made from this company. No balances remained outstanding at year end.

The Directors concerned in the above transactions were not involved in the decision making process relating to these awards.

25. Controlling party

The Walthamstow and Chingford Almshouse Trustee Company Limited, a company limited by guarantee, is the charity's Trustee and therefore controls the charity. The company is dormant and has never had any assets or liabilities. The members and directors of the company are as shown on page 1.