

## **Southwark Charities**

**Registered Charity No. 1137760 in England and Wales  
Registered Company No. 07340188**

**Trustees' report and financial statements for the year ended  
30 December 2020**

**SOUTHWARK CHARITIES**  
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**for the year ended 30 December 2020**

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**SOUTHWARK CHARITIES**  
**Legal and administrative information**  
**for the year ended 30 December 2020**

**Trustees:**

Captain Guy Brocklebank RN (Deceased 29/6/2020)  
Rev Jonathan Coore  
Mr Shelley Charik (Appointed 26th November 2020)  
Mr Patrick Crockford (Appointed 26th November 2020)  
Ms Caroline Croft (Chair)  
Ms Cecily Davies (Appointed 26th November 2020)  
Mr Ian Eggers  
Cdr Andrew Gordon-Lennox RN (Vice-chair)  
Mr Steven Graham  
Mr David Hart (Deceased 7/6/2020)  
Mr Lester Hicks CBE  
Cllr Lorraine Lauder MBE  
Alderman Timothy McNally  
Mr Krzysztof Mikata-Pralat  
Dr Patria Roman (Appointed 26th November 2020)  
Reverend Alan Wild  
Ms Laura Wilson  
Mr Edward Wingfield

**Ex-officio Trustees**

Rev Ian Mobsby (Rector, Christ Church Blackfriars) (Appointed 26th November 2020)

**Company registered number:**

7340188

**Charity registered number:**

1137760

**Registered office:**

39 Edward Edward's House  
Nicholson Street  
London  
SE1 0XL

**Company secretary:**

Mr M C Wilson

**Clerk to the Trustees:**

Mr M C Wilson

**Auditors:**

Moore Kingston Smith LLP  
Devonshire House  
Goswell Road  
London  
EC1M 7AD

**Bankers:**

The Co-operative Bank  
1 Balloon Street  
Manchester  
M60 4EP

**Fund Managers**

CCLA  
M&G

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 DECEMBER 2020**

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The Trustees (who are also directors of the charity for the purposes of the Companies Act) submit their annual report together with the audited financial statements of Southwark Charities (the company) for the year ended 30 December 2020. The Trustees confirm that the Annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **• Governance**

In August 2010, *Southwark Charities Ltd* was incorporated in the form of a company limited by guarantee, at which time the Trustees became directors of that company. The company "*Southwark Charities Ltd*" serves as sole trustee of Southwark (Christchurch & St Mary's) Charities, the Joseph Collier Holiday Trust and the St Mary Newington Educational Foundation. The Articles of Association serve as the governing document of *Southwark Charities*, whereas each charity has its own charitable scheme, describing its objectives.

### **• History of Governance**

Christchurch United Charities was formed by a scheme of the Charity Commission dated 7<sup>th</sup> June 1971 and 27<sup>th</sup> August 1975 merging the Edward Edwards' Charity, The Vaughan Pension Charities, a number of small Parochial Charities and the Albert Institution & Marlborough Street Estates Charity. The St Mary Newington United Charities were formed under a scheme of the Charity Commission dated 5<sup>th</sup> July 1904 merging a number of charitable trusts created by the wills of various persons dating from 1619 to 1862, the Henry Smith Charity under a scheme dated 10<sup>th</sup> December 1641, The Elephant & Castle Charity, Copyhold Estates Charity, the King & Queens Charity by a scheme of the High Court of Chancery dated 25<sup>th</sup> June 1852 and the Mann's Annuity Fund by a scheme of the High Court of Chancery dated 5<sup>th</sup> February 1870. The Christchurch United Charities and the St Mary Newington United Charities were subsequently merged by a scheme of the Charity Commission dated the 10<sup>th</sup> December 2010 under the title Southwark (Christchurch & St Mary's)

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**TRUSTEES' REPORT**  
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Charities.

The Joseph Collier Holiday Trust was established by a scheme of the Charity Commission dated 28<sup>th</sup> March 1985; it has since been wholly absorbed into Southwark (Christchurch & St Mary's) Charities.

• **Appointment of Trustees**

The Board of Trustees have developed a policy for the identification and recruitment of new Trustees. This involves the creation of a matrix of skills and experience required and this is considered in the context of the skills and experience of existing Trustees. The Trustees have agreed that ideally 12 to 15 Trustees should serve on the board at any one time. Potential Trustees are identified as follows:

- Candidates recommended by existing Trustees.
- Approaching other organisations for recommendations.
- Advertising in the local press or on the Charity's website.

All potential Trustees are provided with a comprehensive information pack; annual accounts, Company governing documents, committee structure and terms of reference, history of the Charities, sample minutes, reports and budgets. They meet with the Chair of Trustees and are also encouraged to consult our website, visit our offices and meet with the Clerk. A report is then provided to all Trustees and the application is considered at a meeting of the Board of Trustees.

The Trustees note the Charity Governance Code guidance with regards to Trustees' length of service. They accept the objective that Trustee terms should not normally exceed ten years, but in the interests of continuity have chosen to transition to that position over a period of time. This involves the reappointment of some long-standing Trustees beyond the ten-year period whilst new Trustees gain the experience and knowledge of the Charity which will be needed for them to take and grow the Charity's activities. The Charity continues to seek to recruit new Trustees with strong links to the community in the Area of Benefit.

Following a Trustee's appointment, the new Trustee is invited to visit the almshouses.

Sadly two trustees died during the course of the year, Captain Guy Brocklebank RN and Mr David Hart – neither of them from Covid-19. They will be greatly missed. To replace them the charity appointed four new trustees.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 DECEMBER 2020**

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The Charity notes the Charity Governance Code guidance with respect to Equality, Diversity and Inclusion. This is particularly important to the Charity because the community it serves is highly diverse. In seeking new trustees, the Charity particularly sought nominations from women and ethnic minority candidates, both of whom are underrepresented on the Board.

• **Organisation and structure**

The strategy, long-term planning and monitoring of performance are the responsibility of the Board of Trustees, which meets 3 to 4 times per year or at other times if required to deal with urgent business. In order to make the meetings more accessible to working trustees, and thus help to increase the diversity of the Board, these meetings are now held in the evenings.

Trustee responsibility for the operational output of Southwark Charities is delegated to three main sub-committees which meet on a regular basis, each chaired by a Trustee. These committees are as follows:

- **Appointments & Grants Committee:** The Appointments & Grants Committee is responsible for agreeing the criteria for the appointment of applicants for residence in the almshouses, grant giving and appointment of "pensioner" members. The Committee meets 3 to 4 times a year.
- **Finance & General Purposes Committee:** The Finance & General Purposes Committee is responsible for reviewing the performance of the investment assets, including an assessment of risk, asset allocation and selection of investment managers. The Committee is also responsible for overseeing the administration of the charity, the appointment of staff, for reviewing and monitoring the annual capital and revenue budgets and to review and identify any major risks to Southwark Charities. The Committee meets quarterly.
- **Site Development Committee:** The Site Development Committee is mandated by the Board to advise them on all matters related to the development of the site at 216-230 Blackfriars Road. The Committee meets as required by the exigencies of the development.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 DECEMBER 2020**

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Because of the pandemic, from March onwards all meetings were held virtually via Zoom.

**PUBLIC BENEFIT** (as defined by the Charities Act 2011).

In reviewing the disparate work of the charities that form Southwark Charities, the Trustees can report that the two key principles that underpin "public benefit" have been met:

- There is always an identifiable benefit or benefits and these are apparent from the contents of the Annual Report and are related to the aims of the charities.
- There is a benefit to the public or section of the public. The beneficiaries are appropriate as laid down by the aims of the two charities and there are no unreasonable restrictions. It is recognised that the trustees exercise discretion upon who will benefit from the two charities but that this is permissible under the aims and objects of the charities concerned and the beneficiaries constitute a "section of the public" and therefore this is a reasonable exercise of discretion.

The aims and objects of Southwark Charities are contained in the company's Articles of Association. The Trustees confirm that they:

- ensure that they pursue the aims and objects of the two charities for the public benefit as defined by the Charities Act 2011.
- have proper regard to the guidance published by the Charity Commission in respect of the subject of public benefit.
- confirm that this report provides sufficient information as to the ways in which public benefit is achieved.

**OBJECTIVES AND ACTIVITIES**

**Almshouses:** In 2020 there were two groups of almshouses administered by Southwark Charities, Edward Edwards' House located in Nicholson Street, Blackfriars, London SE1 0XL and St Mary Newington Close, Surrey Square, London SE17 2LP.

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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD ENDED 30 DECEMBER 2020**

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There are currently 26 residents in 23 flats at Edward Edwards' House and 46 residents in 41 flats at St Mary Newington Close. Each almshouse has guest accommodation for the use of residents' friends and families.

**Grant giving:** The grant giving charities are Southwark (Christchurch & St Mary's) Charities and the Joseph Collier Holiday Trust. Discretionary payments are made to individuals (known as "members") every quarter and financial assistance towards the cost of a holiday is also available. In addition grants are made to other local charities and organisations who provide a variety of welfare and support services to the elderly. The charity has been increasing its grants budget for organisations every year, and during 2020 the expenditure rose to £148,361; a list of recipients is shown in Note 9. During the year the number of discretionary payments to individuals was increased to 200, although there are vacancies which we are actively seeking to fill; eligible recipients received £200 pa, plus a Christmas Bonus, which in 2020 amounted to £100. In addition to these payments, both residents and members are invited to participate in a wide variety of social and community events, including day trips and excursions; visits to the theatre; garden parties and teas, and week-long holidays at a holiday village which caters specially for elderly people. Due to the pandemic apart from a single theatre visit there were no outings or holidays. The funding was instead diverted to grants.

## **FINANCIAL REVIEW, INVESTMENT AND RESERVE POLICY**

Southwark Charities is financially strong with reserves of £31,323,167 (2019: £31,351,730) at 30<sup>th</sup> December 2020. Of these, £23,076,262 consists of General Unrestricted Funds of which £717,450 (2019: £1,628,737) is held in cash. The decrease in General Funds was due to the fall in the value of the investments due to the pandemic. Whilst the reserves look substantial, fundamentally they reflect the change in values of the underlying illiquid assets, namely invested funds (which can go down as well as up) and properties. The charity has been providing housing for those in "need, hardship or distress" since 1753, and to ensure our ability to continue to do so, it is important that we maintain a high level of reserves so as to generate the income we require. The charity does not engage in any fund-raising or receive any funding from national or local government; this level of independence insulates us from the short-term nature of policy-making.

The Designated Fund now stands at £8,246,905 (2019: £8,246,905). On investigation and in consultation with the auditors it was agreed that the Permanent Endowment



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**TRUSTEES' REPORT (continued)**  
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Fund of £249,000 (2019: £249,000) in the Joseph Collier Holiday Trust had been misstated since 2011 and therefore it was transferred into the General Unrestricted Fund. Investment fund growth is now accrued to the General Funds.

The almshouses are run at a deficit; however, the policy of the Trustees is to respect the original intentions of the founder, Mr Edward Edwards, that only people who "do not receive alms or pension from the said parish [Christchurch] or any other" are admitted to residency. The invested funds of the charities generate sufficient income to cover the shortfall, and the Weekly Maintenance Charges (WMC) are kept deliberately low so that residents are not obliged to claim Housing Benefit from Southwark Council. The charity currently charges WMC of £25 for residents in its almshouses; this matches the allocated budget for ordinary maintenance; this will rise to £30 per week from January 2021.

The investment policy is for a balanced return with a medium level of risk. The Trustees seek to produce the optimum total return, commensurate with at least maintaining the capital value in line with inflation. The investment managers are required to generate, at the present time, a minimum spendable return of £450,000 per annum.

## **RISK MANAGEMENT**

The trustees have examined the major strategic, business and operational risks to which the charity is exposed and maintain these in a register which is reviewed and updated regularly and formally by the trustees. They are satisfied that systems are in place to mitigate exposure to major risks and resources and to manage the risks faced by the charity, its staff, residents and beneficiaries.

The key risks are:

- Reputational
- Financial
- Operational
- Impact of Covid-19

## **COVID-19 PANDEMIC**

In the previous Report we hoped that the worst of the pandemic would be behind

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 DECEMBER 2020**

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us as we entered into 2021, but this has not been the case; 2021 began with a third lockdown and whilst the vaccination programme is being rolled out there are still restrictions on movements and activities.

In 2020 the first impact of the lockdown imposed in March was the closure of the almshouses to all but essential visitors (e.g. service engineers), with deliveries made to a central location and hand sanitisers and anti-bacterial cleaners required for all residents and visitors. All the outings, events and holidays were cancelled, and the Trustees agreed to reallocate the expenditure from these activities to grant-making. A major fall in the stock market created an unrecognised loss of c£1.5m in the first quarter, although the market recovered by the year-end such that the loss was only £216k. Our fund managers, CCLA and M&G, warned that investment income would be reduced, due to a number of major companies suspending their dividend distributions, and the general downturn in economic activity. However, the forecast income is always calculated with great prudence, so that the reduction was only £22,500 for the whole year.

Our major response to the pandemic crisis was to partner with United St Saviour's Charity (USStSC), the Peter Minet Trust, Guy's & St Thomas's Charity and the St George the Martyr Charity to create the Southwark Community Response Fund (SCRF). Our contribution was £75,000. Applications were channelled via the London Funder's portal. A single application form was created and screened for eligibility by a central team before being available for consideration by participating funders. At the SCRF level, terms of reference and membership for a Working Group and Advisory Group were drawn up and criteria for selection agreed. Our particular emphasis on support for the older demographic was reflected in the specific applications we supported.

The Working Group, comprising of USStSC, Peter Minet Trust and Southwark Charities, identified and assessed Southwark focused applicants. Between April and August this group had almost daily contact. Applications and assessments were discussed and agreed via Zoom.

Weekly meetings of the wider 'Advisory Group' were also held. St George the Martyr and Guy's and St Thomas's Charity were invited to these meetings to allow for input into the process. Principles woven into the approach of the Southwark partnership were trust, communication and a commitment to minimize administrative burdens for applicants. In practice, this meant that a lot of assessments were done by telephone conversations with applicants. Over 90 applications were assessed by the Working Group overall. Between March and September 2020 there were 3 'Waves' of funding through the London Community Response:

**Wave 1** was for crisis funding in the form of small grants of under £5,000, for food and essentials.

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**TRUSTEES' REPORT (continued)**  
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**Wave 2** was for larger 'Crisis' grants of up to £10,000 and 'Delivering Differently' grants of up to £50,000 for initiatives which sought to reach and support population groups in different ways as a result of the Covid restrictions.

**Wave 3** was launched at the end of lockdown at the beginning of July. In this wave applicants could apply for small and large grants for crisis activity, 'enable' and 'adapt' activities.

The local partnership selected applicants which were targeting Southwark alone or Southwark and one other borough. The process for selecting, assessing and awarding grants followed that of the London Community Response Fund except in Wave 3. On the back of the Black Lives Matters and the growing recognition that Black and Minority Ethnic groups were particularly badly impacted by the pandemic, a decision was made to prioritize Wave 3 grants in Southwark towards BAME- led, and particularly Black-led, groups.

64 grants were awarded, to 54 different groups, totalling £589,139. Of this:  
£54,150 was allocated in Wave 1  
£417,149 in Wave 2  
£117,840 in Wave 3

Whilst 71% of the funding went to registered charities, 9% was paid to faith-based charities, a further 9% to social enterprises, 4% to community groups and 7% to Tenants & Residents Associations. Activities supported by the funding were 46% on food & essentials; 20% on infrastructure; 2% on digital inclusion; 10% on advice & support services, and 22% on general services, which included programmes and support for young people and care leavers, amongst other things. As noted, nearly half the grants supported food and essentials for people in need. However, some of the funds in the 'infrastructure' category also supported the back office and transformation costs associated with food distribution. Some of the 'infrastructure' investment also supported IT and telecommunication capital costs for charities, many of which found that their infrastructure was insufficient to support the demands of home working and remote contact with clients.

### **SCRF Activities and Impact**

Across all waves, the SCRF helped to ensure that:

**39,000** Southwark residents received support (of various kinds) to mitigate the impact of the lockdown. This included the following:

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**FOR THE YEAR ENDED 30 DECEMBER 2020**

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**7,700 families and 9,030 individuals** in need received weekly food and essentials, distributed by an army of volunteers. They were 'in need' because of isolating at home or financially struggling because of the lockdown.

**750** refugees/asylum seekers and around **4,400** new immigrants – received regular food parcels, essentials and support. Many of these groups were very hard hit by the lockdown. This figure includes advice in Spanish for Latin Americans, befriending and other support for the Somali community.

**30,000 cooked meals** were produced and delivered to older and vulnerable people who were not able or wanting to leave their houses over lockdown (many of whom would normally be attending community or day centres).

**6 of Southwark's food distribution hubs** received funds to cover staffing, infrastructure and food supplies. This enabled them to secure food and distribute food to thousands of people in need. The funding was particularly critical given that many of them had to close their buildings and forfeit the essential income.

**5 frontline organisations** were funded for essential IT or phone improvements so that they were able to continue to deliver important community and 1-1 services to around 6,500 users.

**1,600 children and young people** were engaged and supported in various ways, from provision of computers to homework support, mentoring and youth club activities (after July) and online activities.

**A helpline for homeless people** was set up with start-up funding and received 600 enquiries over 12 weeks.

**120** tenants in financial stress and/or at risk of eviction because of the lockdown have been funded to get legal and other advice (a 12-month service)

**80 care-leavers**, a particularly vulnerable group at this time, were supported with an online helpline and therapeutic support

**500 people with mental health and anxiety** concerns, were able to take part in an online community choir and received online peer support.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 DECEMBER 2020**

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**1,850** local residents benefitted from online community quizzes and events, exhibitions, socially distanced fetes and cycling projects during the covid-19 restrictions.

The experience of working collaboratively was extremely positive and productive; we were able to identify many more VCS organisations across Southwark which will bear fruit once we have achieved our development goals and have a significantly greater grant-making capacity.

### **DEVELOPMENT PLANS**

As indicated in last years' report, the Trustees regretfully terminated the contract with Allies & Morrison and appointed Fathom Architects, who designed a single building solution, with a garden to the rear, which addresses all the issues identified with the A&M two building design. Positive engagement with LB Southwark continued via video meeting, with a series of Pre-application discussions. A formal planning application was submitted on 2<sup>nd</sup> November 2020, the 303<sup>rd</sup> anniversary of Edward Edwards' Deed, and an auspicious date for the charity. The application can be viewed on the Southwark Council Planning Portal reference number 20/AP/3250 (<https://planning.southwark.gov.uk/online-applications/applicationDetails.do?activeTab=documents&keyVal=QJIZCQKB03Q00>)

Before submission a public exhibition and consultation was conducted in July, between the first and second lockdowns. We were particularly pleased to show our plans to residents of Quadrant House, who have been apprehensive about the impact of local developments on them, and they were very supportive of our proposed gardens facing Chancel Street, and the provision of a Community Hub, a "Village Hall", available to the local community. At the same time the existing residents of Edward Edwards' House were invited to meet staff from United St Saviour's Charity, whose new almshouse in Southwark Park Road, Bermondsey commenced construction in March 2020; it has been agreed that all the residents will move to this new almshouse, partly nominated by the Council. The building, named Appleby Blue, will open in early 2022, when the residents will relocate. The charity has reassured the residents that they will be subsidised if required so that they will not be faced with increased costs as a result of the move. They have also been assured that, if they wish to, they will be able to return to the new almshouse when it opens in late 2024/early 2025.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 DECEMBER 2020**

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Savills were appointed to act as marketing agents for the new development, both to identify and approach potential funding partners and potential tenants.

**POST-BALANCE SHEET EVENTS**

The charity has begun to engage with institutional investors and funding partners to be able to achieve its goal of commencing the construction phase of the development in early 2022. It is probable that our application will be considered by the planning committee in July 2021, and we are confident that the plans will be approved.

**GOING CONCERN**

The Trustees consider that the demand for the charity's services will continue. The Trustees continue to ensure that the risks associated with financial markets relating to investments are minimised. The Trustees have a reasonable expectation that the charity has adequate resources to continue for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the report of the Trustees and financial statements.

**TRUSTEES' RESPONSIBILITIES STATEMENT**

The Trustees (who are also directors of Southwark Charities Ltd for the purposes of company law) 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).

Company and charity 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 company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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;

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**TRUSTEES' REPORT (continued)**  
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- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 DECEMBER 2020**

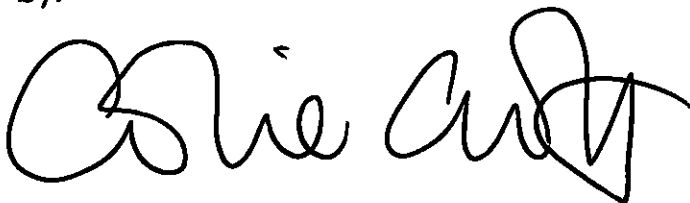
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**PROVISION OF INFORMATION TO AUDITORS**

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 charitable company's auditors are 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 information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

This report was approved by the Trustees on 17<sup>th</sup> June 2021 and signed on their behalf, by:

A handwritten signature in black ink, appearing to read 'Caroline Croft', with a stylized, looped flourish at the end.

Ms Caroline Croft  
Director



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHWARK CHARITIES**

### **Opinion**

We have audited the financial statements of Southwark Charities ('the company') for the year ended 30 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 December 2020 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 Companies Act 2006.

### **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 charitable company 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 charitable company'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 annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHWARK CHARITIES (continued)**

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHWARK CHARITIES (continued)**

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.

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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 purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHWARK CHARITIES (continued)**

- 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 charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 our auditor's report. However, future events or conditions may cause the charitable company 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Moore Kingston Smith LLP*

**Neil Finlayson (Senior Statutory Auditor)**  
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date 30 July 2021  
Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

**SOUTHWARK CHARITIES**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**for the year ended 30 December 2020**

	Note	Unrestricted Funds £	Permanent endowment Fund £	Total 2020 £	Total 2019 £
<b>INCOME AND ENDOWMENTS FROM:</b>					
Investments	2	675,221	-	675,221	786,339
Charitable activities	3	81,791		81,791	82,469
Donations	4	200		200	-
Government grant	5	14,272		14,272	-
<b>TOTAL INCOME AND ENDOWMENTS</b>		<b>771,484</b>	<b>-</b>	<b>771,484</b>	<b>868,808</b>
<b>EXPENDITURE ON:</b>					
Cost of raising funds:					
Investment property costs	6	51,329		51,329	56,256
Charitable activities:	7				
Member support		277,582		277,582	282,253
Almhouses provision		478,528		478,528	464,542
<b>TOTAL EXPENDITURE</b>		<b>807,438</b>	<b>-</b>	<b>807,438</b>	<b>803,051</b>
<b>NET INCOME/(EXPENITURE) AND NET MOVEMENT IN FUNDS BEFORE GAINS AND LOSSES ON INVESTMENTS</b>					
		(35,954)	-	(35,954)	65,757
Gains and losses on investment assets	14, 15	(216,341)	-	(216,341)	1,894,424
Revaluation of tangible fixed assets	13	223,732	-	223,732	223,732
Transfer between funds		249,000	(249,000)	-	-
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>220,437</b>	<b>(249,000)</b>	<b>(28,563)</b>	<b>2,183,913</b>
Funds brought forward at 31 December 2019		31,102,730	249,000	31,351,730	29,167,816
<b>TOTAL FUNDS AT 30 DECEMBER 2020</b>		<b>31,323,167</b>	<b>-</b>	<b>31,323,167</b>	<b>31,351,729</b>

All activities relate to continuing operations.

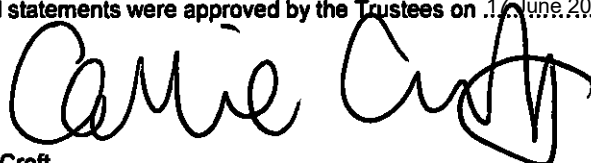
The notes on pages 22-33 form part of these financial statements.

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

**SOUTHWARK CHARITIES  
BALANCE SHEET  
as at 30 December 2020**

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible assets	13	11,186,599	11,186,599
Investment property	14	3,811,976	3,811,976
Investments	15	13,889,189	14,105,630
		<u>28,887,764</u>	<u>29,104,205</u>
<b>CURRENT ASSETS</b>			
Debtors	16	1,746,724	652,306
Cash at bank and in hand		717,450	1,628,737
		<u>2,464,174</u>	<u>2,281,043</u>
<b>CREDITORS: Amounts falling due within one year</b>	17	(28,771)	(33,519)
<b>NET CURRENT ASSETS</b>		2,435,403	2,247,524
<b>NET ASSETS</b>		<u>31,323,167</u>	<u>31,351,729</u>
<b>CHARITY FUNDS</b>			
Permanent endowment fund	18	0	249,000
Unrestricted funds			
General fund	18	23,076,262	22,855,824
Designated fund	18	8,246,905	8,246,905
		<u>31,323,167</u>	<u>31,351,729</u>

The financial statements were approved by the Trustees on 17 June 2021 and signed on their behalf, by:



Ms Caroline Croft  
Director

The notes on pages 22-33 form part of these financial statements.

**SOUTHWARK CHARITIES**  
**STATEMENT OF CASH FLOWS**  
for the year ended 30 December 2020

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>	<b>20</b>	<b>(1,586,609)</b>	<b>(1,150,773)</b>
<b>Cash flows from investing activities</b>			
Investment income	2	675,222	786,339
Purchase of investments		-	-
Proceeds from sale of investments	15	-	1,444,867
<b>Change in cash and cash equivalents in the year</b>		<u><b>(911,387)</b></u>	<u><b>1,080,433</b></u>
<b>Cash and cash equivalents brought forward</b>		<b>1,628,737</b>	<b>548,304</b>
<b>Cash and cash equivalents carried forward</b>		<u><u><b>717,450</b></u></u>	<u><u><b>1,628,737</b></u></u>

**SOUTHWARK CHARITIES  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30 December 2020**

**1 Accounting Policies  
Company Information**

Southwark Charities, a registered charity, is a company limited by guarantee, not having a share capital and is incorporated in England and Wales. The registered office is 39 Edward Edwards House, Nicholson Street, London SE1 0XL.

**Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Southwark Charities 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.

Under a new scheme of the Charity Commissioners dated 10th December 2010 the former charities of Christchurch United Charities, Edward Edwards' Charity, The Albert Institute and Marlborough Street Estates Fund and St. Mary Newington United Charities merged and became known as Southwark (Christchurch and St Mary's) Charities of which Southwark Charities is Corporate Trustee.

Under a uniting direction in the new scheme deed the charity is treated as forming part of the company for the purposes of part II (registration) and part VI (accounting) of the Charities Act 1993. The assets and liabilities of the former Charities were transferred to the new Charity effective from 1st January 2011.

Following a uniting direction under Section 96(6) of the 1993 Charities Act dated 31st March 2011, the financial statements incorporate the Joseph Collier Holiday Trust of which Southwark Charities is Corporate Trustee, hence consolidated financial statements are prepared.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest pound.

**Going Concern**

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the trustees have considered the charitable company's forecasts and projections and have taken account of pressures on income and the impact of Covid-19. This has affected the value of our investment portfolio although it is expected that this will recover in the medium term. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

**Company status**

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.



**SOUTHWARK CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 December 2020**

**1 Accounting Policies (continued)**  
**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.

The permanent endowment fund represents those assets that must be held permanently by the Charity. Income arising on the endowment fund can be used in accordance with the objects of the charity and is included as either restricted or unrestricted income, as appropriate. It was identified that this had been misstated since 2011 and therefore has been transferred to general unrestricted funds during the year.

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

**Income**

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

For legacies, entitlement is taken as the earlier of the date on which either: the charitable company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charitable company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Rental income and Investment income including interest receivable is included on an accruals basis.

**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.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold Property - 2% straight line

The freehold properties are valued on an annual basis and are subject to revaluation or impairment at the balance sheet date based on the revaluation provided.

**SOUTHWARK CHARITIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 December 2020**

**1 Accounting Policies (continued)**

**Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

**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 bank.

**Debtors**

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

**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.

**Creditors and provisions**

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**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.

**Critical accounting estimates and areas of judgement**

In preparing these accounts, management has made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the accounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant accounting judgements and estimates include:

- Carrying value of the operational and investment properties
- The depreciation rate

**Southwark Charities**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 December 2020

**2 INVESTMENT INCOME**

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Rental income - Investment properties	142,757	192,372
Dividend income from listed investments	528,893	589,246
Bank interest received	3,571	4,721
	<u>675,221</u>	<u>786,339</u>

**3 INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Almshouses Weekly Maintenance charges	<u>81,791</u>	<u>82,469</u>

**4 INCOME FROM DONATIONS**

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Donations	<u>200</u>	<u>-</u>

**5 INCOME FROM GOVERNMENT GRANTS**

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Coronavirus Job Retention Scheme	<u>14,272</u>	<u>-</u>

**6 COSTS OF RAISING FUNDS**

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Rental property maintenance costs	26,567	36,513
Support costs (Note 9)	24,762	19,743
	<u>51,329</u>	<u>56,256</u>

**Southwark Charities**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 December 2020

**7 EXPENDITURE ON CHARITABLE ACTIVITIES**

	Member support £	Almshouses Provision £	Total 2020 £	2019 £
Almshouses expenses	-	167,050	167,050	172,252
Christmas parties and gifts	23,353	-	23,353	27,330
Summer holiday benefits	-	-	-	57,393
Outdoor pensions	31,900	-	31,900	34,025
Grants payable (Note 11)	148,361	-	148,361	92,321
Support costs (Notes 9)	50,895	288,405	339,300	315,866
Governance costs (Note 8)	23,073	23,073	46,145	36,613
Net expenditure from charitable activities	<u>277,582</u>	<u>478,528</u>	<u>756,109</u>	<u>735,800</u>

**8 GOVERNANCE COSTS**

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Auditors remuneration	11,940	12,321
Other accountancy Fees	2,985	-
Legal and professional fees	6,458	4,548
Support costs (Note 9)	24,762	19,743
	<u>46,145</u>	<u>36,613</u>

**Southwark Charities**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 December 2020

**9 SUPPORT COSTS**

	Costs of raising funds	Charitable activities	Governance costs	Total 2020	Total 2019
	£	£	£	£	£
Training	-	-	-	-	258
Telephone	336	1,568	336	2,240	2,179
Computer expenses	2,404	11,221	2,404	16,029	6,963
Council Tax & Rates	389	1,816	389	2,594	687
Insurance	229	1,067	229	1,525	1,412
Printing, postage & stationary	489	2,283	489	3,261	2,961
Repair & maintenance	30	140	30	200	1,172
Travel	145	678	145	968	864
Subscriptions	227	1,060	227	1,514	1,464
Sundry expenses	473	2,213	473	3,159	2,567
Advertising	-	-	-	-	-
Pension	1,345	6,276	1,345	8,966	-
Social security	1,777	8,294	1,777	11,848	-
Wages & Salaries	16,918	78,952	16,918	112,788	122,090
Depreciation	-	223,732	-	223,732	223,732
	<u>24,762</u>	<u>339,300</u>	<u>24,762</u>	<u>388,824</u>	<u>366,349</u>

**Analysis of governance costs and support costs**

The Charity initially identifies the costs of its support functions. It then identifies those which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the two key charitable activities undertaken in the year. The allocation is generally based on the Trustees' assessment of staff time spent on each activity. Depreciation of the Almshouses is allocated 100% to the Almshouses provision.

**10 NET RESOURCES EXPENDED**

This is stated after charging:

	2020	2019
	£	£
Depreciation of tangible fixed assets: owned by the charity	223,732	223,732
Auditors' remuneration	<u>11,940</u>	<u>11,940</u>

During the year, no Trustees received any remuneration

During the year, no Trustees received any benefits in kind.

During the year, no Trustees received any reimbursement of expenses.

**Southwark Charities**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 December 2020**

**11 GRANT AWARDS**

Grants awarded to organisations and individuals during the year are listed below:

	2020
	£
Astley & Cooper TRA	5,400
AGE UK	12,000
Blackfriars Settlement	11,000
London Senior Social	16,080
MAN Elders Group	6,700
Mint St Music Festival	1,000
Pecan Hourbank	5,000
Silverfit	3,840
Southwark Playhouse	2,025
Time & Talents	5,000
Walworth Golden Oldies	1,440
Southwark Community Response Fund	75,000
	<u>144,485</u>
Grants awarded to individuals	3,876
Total Grants awarded	<u>148,361</u>

**12 STAFF COSTS**

Staff costs were as follows:

	2020	2019
	£	£
Wages and salaries	116,776	116,873
Social security costs	11,848	11,065
Other pension costs	8,966	8,310
	<u>137,590</u>	<u>136,249</u>

The average monthly number of employees during the year was as follows:

	2020	2019
	No.	No.
	<u>3</u>	<u>3</u>

One employee received remuneration between £70,000-£79,000 (2019: nil) and no employees received remuneration between £60,000- £69,999 (2019: 1 employee)

Key management personnel include the Trustees and Chief Executive Officer. Total remuneration paid was £84,053.

**Southwark Charities**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 December 2020**

**13 TANGIBLE FIXED ASSETS**

	<b>Freehold Property £</b>
<b>Valuation</b>	
At 31 December 2019	11,186,599
Additions	-
Revaluation	-
<b>At 30 December 2020</b>	<b><u>11,186,599</u></b>
<b>Depreciation</b>	
Charge for the year	223,732
On revalued assets	<u>(223,732)</u>
<b>At 30 December 2020</b>	<b><u>-</u></b>
<b>Net Book Value</b>	
At 30 December 2020	<b><u>11,186,599</u></b>
At 30 December 2019	<b><u>11,186,599</u></b>

The freehold properties were revalued at 30th December 2017 by S&R Surveyors, Chartered Surveyors and the Trustees are satisfied that there has been no material movement in the valuation as at 30th December 2020 based on advice from independent chartered surveyors.

**Southwark Charities**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 December 2020**

**14 INVESTMENT PROPERTY**

	Investment property 2020 £	Investment property 2019 £
<b>Valuation</b>		
At 30 December 2019	3,811,976	3,811,976
Additions	-	-
Disposals	-	-
Surplus/(deficit) on revaluation	-	-
At 30 December 2020	<u>3,811,976</u>	<u>3,811,976</u>

The investment properties were revalued at 30th December 2017 by S&R Surveyors, Chartered Surveyors and the Trustees are satisfied that there has been no material movement in the valuation as at 30th December 2020.

**15 FIXED ASSET INVESTMENTS**

	Listed securities 2020 £	Listed securities 2019 £
<b>Market value</b>		
At 30 December 2019	14,105,530	13,655,972
Additions	-	-
Disposal proceeds	-	(1,444,867)
Realised/unrealised gains	(216,341)	1,894,425
At 30 December 2020	<u>13,889,189</u>	<u>14,105,530</u>
Investments at market value comprise:		
	2020 £	2019 £
All the fixed asset investments are held in the UK.		
Listed investments	<u>13,889,189</u>	<u>14,105,530</u>
Unlisted Investment in subsidiaries	2020 £	2019 £
Edward Edwards Development Company Limited	<u>100</u>	<u>100</u>
Company no: 11847761		
Country of registration/operation: England and Wales		
Principal activities: Development of building projects		
Total Fixed Asset Investments	<u>13,889,289</u>	<u>14,105,630</u>



**Southwark Charities**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 December 2020**

<b>16 DEBTORS</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade debtors	1,117	17,745
Other debtors	-	1,026
Prepayments and accrued income	18,557	20,553
Amounts due from subsidiary undertakings	1,727,050	612,982
	<u>1,746,724</u>	<u>652,306</u>

<b>17 CREDITORS: amounts falling due within one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Social security and other taxes	3,370	3,766
Other creditors	8,401	8,853
Accruals and deferred income	17,000	20,900
	<u>28,771</u>	<u>33,519</u>

Deferred income relates to rent received in advance.

**Deferred income analysis**

Balance as at 30 December 2019	3,900
Released from prior year	(3,900)
Deferred in current year	-
Balance as at 30 December 2020	<u>-</u>

**Southwark Charities**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 December 2020

**18 SUMMARY OF FUNDS**

	<b>Funds b/fwd £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfer £</b>	<b>Gains/ (Losses) £</b>	<b>Carried forward £</b>
Designated funds	8,246,905	-	(33,656)	33,656	-	8,246,905
General funds	22,855,825	770,607	(772,805)	215,344	7,391	23,076,262
Permanent endowment fund	249,000	-		(249,000)		0
	<b>31,351,730</b>	<b>770,607</b>	<b>(806,561)</b>	<b>-</b>	<b>7,391</b>	<b>31,323,167</b>

The designated reserve fund represents the sums set aside by the trustees for repair and maintenance including improvement or rebuilding of the almshouses.

After investigation it was agreed the permanent endowment fund in the Joseph Collier Holiday Trust had been misstated since 2011. It was therefore transferred into the General Unrestricted Funds. Investment fund growth is now accrued to the General Funds.

**19 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>General fund £</b>	<b>Designated fund £</b>	<b>Total 2020 £</b>	<b>Total 2019 £</b>
Tangible fixed assets	5,996,169	5,190,430	11,186,599	11,186,599
Fixed asset investments	12,910,213	978,976	13,889,189	14,105,630
Investment property	3,811,976	-	3,811,976	3,811,976
Debtors	37,710	1,709,014	1,746,725	652,306
Cash at the bank and in hand	717,450	-	717,450	1,628,737
Creditors due within one year	(28,771)	-	(28,771)	(33,519)
	<b>23,444,747</b>	<b>7,878,420</b>	<b>31,323,167</b>	<b>31,351,729</b>

**Southwark Charities**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 December 2020

**20 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2020	2019
	£	£
Net movement on funds	(28,563)	2,183,913
Add: Depreciation charge	223,732	223,732
Deduct: Investment income	(675,221)	(786,339)
Add/Deduct: Gains on investments	216,341	(1,894,525)
Deduct: Revaluation on tangible fixed assets	(223,732)	(223,732)
Decrease (increase) in debtors	(1,094,418)	(637,425)
Increase (decrease) in creditors	(4,748)	(16,397)
	<u>(1,586,609)</u>	<u>(1,150,773)</u>

**21 FUND BALANCES AND ASSETS AND LIABILITIES OF AMALGAMATED CHARITIES**

The financial statements amalgamate the funds of Southwark (Christchurch and St. Mary's) Charities and Joseph Collier

	Southwark (Christchurch and St. Mary's) Charities	Joseph Collier Holiday Trust
	£	£
Tangible fixed assets	11,186,599	
Fixed asset investments	13,459,987	429,202
Investment property	3,811,976	
Debtors	1,746,724	
Cash at the bank in hand	717,450	
Creditors due within one year	(28,771)	
	<u>30,893,965</u>	<u>429,202</u>

**22 RELATED PARTY DISCLOSURES**

Included in debtors is a balance of £1,727,050 (2019: £612,982) due from Edward Edwards Development Company Limited a 100% owned subsidiary.