

William Lovett's Almshouse Charity - charitable incorporated organisation no 1187392

Annual accounts and report for year ending 31st December 2020

Current account opening balance at 1st January 2020 £16,081.91

<u>Income</u>	Actual	Budget	<u>Routine expenditure</u>	Actual	Budget
Weekly maintenance contributions (<i>see note 1 below</i>)	24,120.39	23,972.00	Clerk's salary	3,084.00	3,084.00
Dividends from M&G Charifund investment	827.09	1,000.00	Field maintenance (<i>see note 3 below</i>)	2,154.00	650.00
Field rent (<i>tenant is Simon Darker</i>)	490.00	490.00	Grounds maintenance	1,502.27	1,500.00
Annual allotments rent from West Haddon PC	150.00	150.00	Insurance (<i>buildings and trustee indemnity</i>)	1,076.03	1,050.00
Annual payment (<i>M Stanton</i>) (<i>see note 2 below</i>)	109.20	109.20	Solicitor (<i>see note 4 below</i>)	970.80	0.00
			Water charges	798.51	800.00
			New back door in number 5	590.00	600.00
			Houses maintenance	479.26	600.00
			Annual servicing of gas boilers	432.00	440.00
			Window cleaning (<i>see note 5 below</i>)	275.00	220.00
			Almshouse Association membership	179.00	180.00
			Clerk's expenses	168.10	220.00
			Landlord's electricity supply (<i>outside lights & smoke detectors</i>)	119.40	132.00
			Brown bin licences (<i>2 off, Daventry DC</i>)	74.00	74.00
			TV licences (<i>see note 6 below</i>)	45.00	45.00
			Environment Agency (<i>drainage charges</i>)	30.47	30.00
			Hire of village hall for trustees meeting	16.00	0.00
				<u>11,993.84</u>	<u>9,625.00</u>
			<u>Expenditure on new almshouses project</u>		
			Architect (<i>stage payments</i>)	7,833.60	
			Various environmental surveys required	3,016.94	
			Planning application fees	2,797.00	
			Quantity surveyor fees	<u>1,500.00</u>	
				15,147.54	
Total income	25,696.68	25,721.20	Total expenditure	27,141.38	9,625.00
variance to budget	-24.52		variance to budget (routine expenditure only) (<i>see note 7 below</i>)	2,368.84	

Current account closing balance at 31st December 2020 £14,637.21

Notes:

1. The small variance to budget on weekly maintenance contributions is due to timing differences on payments of housing benefit on behalf of the resident of number 6
2. The annual payment from the owner of West Haddon Grange, under the terms of the original charity deed, is not indexed: it remains £109.20 (2 guineas per week) in perpetuity
3. The high cost in relation to field maintenance is in respect of work on the field drains, necessary to rectify flooding at the lower end of the field
4. The payment to the solicitor was in respect of the transfer of assets from the Official Custodian of Charities to the trustees, following the conversion of the charity to a CIO
5. The variance to budget on window cleaning is due to a payment from 2019 not being invoiced by the window cleaner during that year
6. The TV licence charge was for 6 concessionary licences at £7.50 per licence, all residents qualify for this type of licence
7. The variance to budget for routine expenditure is due to the one off costs of a solicitor (*see note 4 above*), and unbudgeted expenditure on field drainage (*see note 3 above*)

Reserve account balances at 31st December 2020

COIF Charities Investment Fund	65,216.30	The value of this account rose by 9.8% during 2020, no dividends are payable
M&G Charifund investment account	16,943.86	The value of this account reduced by 17.3% during 2020: dividends were 4.9% of year end value
Virgin Money savings account	35,715.49	Current interest rate on this account is 0.15%

Total reserves at 31st December 2020 £117,875.65 (£115,372.70 at the end of 2019)

Note to the accounts: the loan made to West Haddon Charities during 2019 remains un repaid, with the agreement being that it would be repaid once the other charity has been able to sell some of the land it owns. This has not been possible as the application for registration of title of tis land has been delayed due to the Covid pandemic. This loan is therefore not being shown as an asset of the charity at this time, due to uncertainty as to when it will be repaid.

Report:

The charity continued in its primary activity of managing 6 almshouses for the benefit of older residents of the village of West Haddon, who are also of limited financial means. The trustees raised the weekly maintenance contribution from £74 per week to £76 per week in November, continuing the policy of revising the WMC annually, whilst remaining below the Equivalent Fair Rent (EFR) for this type of property.

At the start of the year the charity received confirmation that its application to convert from an un-incorporated charity to a charitable incorporated organisation had been successful. This step was taken to enable the trustees to enter into contracts and borrow money, whilst limiting their liability. This is all in connection with the project to build 6 new almshouses, and at the same time all the assets of the charity have been transferred from the Official Custodian of Charities to the direct control of the trustees.

Much work was put into the project during 2020, with the preliminary application for the charity to become a registered provider of social housing being accepted. Work now continues on submitting the full application, which is a demanding task in itself. Also in late 2020, the application for planning permission was submitted, and further progress is awaited on this. The hope is that building work will be able to commence in the latter half of 2021.

During the year the charity enjoyed a good cash flow from its activities, which enabled it to fund some early costs in relation to the project, wiithout recourse to any of its reserves. The value of reserves was only slightly increased compared with 2019, with losses on one equity investment being counteracted by gains on the other. As is well recognised, the issue of the Covid pandemic globally has had a severe impact on much equity investment, although these funds have come back quite strongly in the latter part of the year.

All trustees remained in post throughout the year: one vacancy remains, which is for a Parochial Church Council nominee, but the PCC does not wish to fill this vacancy at the moment, so the opportunity may be taken to bring a new trustee onto the board, with specific skills and experience relating to the project. All residents remained in occupation during the year, and the expectation is that most, if not all, will take up the option to move into a new almshouse in due course.

This annual report and accounts was prepared on 14th January 2021, and is un-examined at this time

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