RICHMOND CHARITIES

England & Wales · Charity number 200431

Details

Other names	RICHMOND CHARITIES ALMSHOUSES
Status	Registered
Legal form	Other
Registered	1961-08-08
Register	View on the Charity Commission register

Contact

Address	95 Sheen Road Richmond TW9 1YJ
Phone	02089484188
Email	info@richmondcharities.org.uk
Website	www.richmondcharities.org.uk

Activities

Objects: SEE INDIVIDUAL CONSTITUENTS

Activities: The Charity's object is to house people over the age of 65 who are in housing need and financial need and who have lived for at least the last 2 years in the London Borough of Richmond and who are able to live independently.

Classification

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

Geography

- **Area of benefit:** LONDON BOROUGH OF RICHMOND UPON THAMES
- Richmond Upon Thames

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Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£5,283,106	£4,175,132	£151,581,044	14
2023-12-31	£4,568,676	£3,688,690	£148,050,900	14
2022-12-31	£4,479,713	£3,228,490	£142,550,058	13
2021-12-31	£4,273,932	£3,840,757	£149,024,717	14
2020-12-31	£4,454,836	£3,799,845	£141,220,461	12

Trustees

Name	Role	Appointed
Amani Orr Ewing		2025-07-09
Councillor Richard Pyne		2024-07-12
Jeff Picton		2024-11-20
KATHRYN ANN O'BRIEN		2024-07-12
Katherine Theresa Maxwell		2024-07-12
Keith Swabey		2026-05-20
MICHAEL TOWNSIN		2024-07-12
Nigel Auriol Hughes		2026-01-26
PAUL PHILLIPS		2024-07-12
PETER WILLIAM CHICHELEY MARR		2024-07-12
ROBERT HALL		2024-07-12
Rev Robert Sebastian Stanier		2026-03-17

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Linked charities

- MISSES THOMPSON AND WHIPPLE CHARITY (200431-1)
- EDUCATIONAL FOUNDATION OF WILLIAM HICKEY (200431-13)
- THE RICHMOND AID IN SICKNESS FUND (200431-14)
- RICHMOND LYING IN CHARITY (200431-15)
- DRUMMOND FERGUSON TRUST (200431-2)
- HENRY SMITH (SHARE) (200431-4)
- MARY NEW (200431-5)
- WHIPPLE CHARITY (200431-6)
- RICHMOND CHARITIES ALMSHOUSES (200431-7)

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RICHMOND CHARITIES

England & Wales - Charity number 200431

Accounts

Charity number: 200431

THE RICHMOND CHARITIES

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

THE RICHMOND CHARITIES

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2024

Trustees	Mr Jeremy Williams (Chair)[2,3,5] Mr Jonathan Blythe[1] Mr Robert Hall[4] Mr Peter Marr[1] Mrs Katherine Maxwell[3,5] Mrs Kathryn O'Brien[2,4,5] Mr Paul Phillips[1,2] Mr Jeff Picton (appointed 20 November 2024)[1] Cllr Richard Pyne Mr Michael Townsin[1,4] Mrs Emma Halford (resigned 19 February 2025)[2,3,4] Mr Alexander Lourie (deceased 10 September 2024)[1,2] Mrs Margaret Marshall (resigned 22 May 2024)[2] Revd Wilma Roest (resigned 20 November 2024)[4]
	[1] Finance Committee [2] Property Committee [3] Risk Management Committee [4] Welfare Committee [5] Safeguarding Committee
Charity registered number	200431
Principal office	95 Sheen Road Richmond TW9 1YJ
Chief Executive	Ms J Ames-Lewis
Independent auditor	MHA Charter Court Phoenix Way Swansea Enterprise Park Swansea, United Kingdom SA7 9FS
Bankers	Barclays Bank plc 8 George Street Richmond Surrey TW9 1JY HSBC 67 George Street Richmond Surrey TW9 1HG

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Property Agents and Surveyors	HML LAM 9-11 The Quadrant Richmond Surrey TW9 1BP
Investment Fund Managers	Sarasin & Partners Juxon House 100 St Paul's Churchyard EC4M 8BU
	CCLA One Angel Lane London EC4R 3AB
Solicitors	Dixon Ward 16 The Green Richmond Surrey TW9 1QD
	Gullands 16 Mill Street Maidstone ME15 6XT
	LBMW 1 The Sanctuary London SW1P 3JT
	Moore Barlow Frameworks 2 Sheen Road Richmond TW9 1AE

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees present their annual report together with the audited financial statements of the Charity for 1 January 2024 to 31 December 2024.

Objectives and activities

a. Activities undertaken to achieve objectives

The objects of the Charity are to provide almshouse accommodation and to generate income for the Charities embraced by The Richmond Charities as described below.

The area of benefit is the London Borough of Richmond-upon-Thames.

The Richmond Charities originated from:

1. William Hickey's Almshouse Charity
2. Bishop Duppa's Almshouse Charity
3. Houblon's Almshouse Charity
4. Sir George Wright's or Queen Elizabeth's Almshouse Charity
5. Michel's Almshouse Charity (including Benn's Walk)
6. The Almshouses of Richmond Church Charity Estate (Church Estate Almshouses)
7. Twickenham United Charities (Candler Almshouses)
8. Mortlake Almshouses & Relief Charity (Juxon's and Christchurch Road Almshouse)

The appointment to almshouse accommodation is subject to residential and other qualifications.

Other Charities embraced by The Richmond Charities are:

Relief in Need: Share of the Charity of Henry Smith

In addition, the Trustees have responsibility for the administration of one welfare and one relief in sickness Charity:

The Misses Thompson and Whipple Trust
The Richmond Aid in Sickness Fund

These Charities share the objective of benefiting the London Borough of Richmond-upon-Thames.

The Charities almshouses are listed below (with the number of separate dwellings in parentheses):

- Adelaide Road Almshouses (5)
- Bishop Duppa's Almshouses (10)
- Benn's Walk Almshouses (5)
- Candler Almshouses (10)
- Church Estate Almshouses (18)
- Hickey's Almshouses (44)
- Houblon's Almshouses (9)
- Michel's Almshouses (17)
- Queen Elizabeth's Almshouses (4)
- Manning Place Almshouses (9)
- Wright's Almshouses (9)
- Juxon's Almshouses (3)
- Christchurch Road Almshouses (3)
- The Elizabeth Twining Almshouses (5)

Objectives and activities (continued)

b. Main activities undertaken to further the Charity's purposes for the public benefit

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. The public benefit of the Charity is in providing safe and comfortable almshouse accommodation for those in need as described in the Scheme and generating income for those Charities described in the Objectives and Activities of the Charity below. Our strategic aims as stated on the following pages link to this benefit and we are satisfied that these aims do not have a detrimental effect outside of the Charity's activities. Whilst many of the activities are local in nature, the Trustees do not consider this to be an unreasonable geographic restriction and those in need are not excluded from benefit.

As a result of the above, the Trustees consider that the Charity satisfies the public benefit test.

Strategic report

Achievements and performance

a. Review of activities

The stated objectives of the Charity are deemed to have been achieved for the year to the best of the Charity's and its Trustees' abilities and these achievements can be measured as follows:

A high level of occupancy was maintained in line with the object of providing such accommodation. Considerable time and expense was devoted in the year to maintaining the accommodation to a high standard for the residents.

A surplus of incoming resources has been generated by the Charity's investments, including properties. The performance of the Charity's investments is considered by the Trustees to have been satisfactory given the expenditure on major repairs and the current market conditions.

The surplus on net incoming resources of the Charity arises from property and other approved investments and, after deducting charitable and governance expenditure, is £1,107,974 (2023 - surplus of £879,986). Included within this surplus is a one-off donation from the Richmond Philanthropic Society, a related party, of £612,282 (see note 4). The surplus after revaluation of investments as shown in the Statement of Financial Activities (page 15) is £3,530,144 (2023 - surplus of £5,500,842).

HML LAM continued to act as Property Managers of the investment properties.

The Trustees held a Strategic Planning Meeting in October 2021 to set new strategic objectives for 2022-2026. The objectives are as follows:

1. To continue to seek opportunities to develop more almshouses.
2. To continue the on-going work to refurbish almshouses and to consider implications for the almshouse of the future.
3. To maximise the benefits from the investment property portfolio.
4. To revise the almshouse applicant qualifying criteria and to continue to work with the Council on nominations rights issues.
5. To continue to build and strengthen the almshouse community.
6. To consider the resources needed to implement the key objectives: Staffing and Governance.
7. To develop a coherent communications strategy for the Charity.
8. To be more strategic about the Charity's Welfare Grants funding.

Progress was achieved in 2024 in all these areas as follows:

1. The charity continued to seek opportunities for further expansion and development of more almshouses.
2. The charity purchased a piece of land off Queen's Road, Richmond, in August 2023 from Richmond Parish Lands Charity and construction of a new development of 12 almshouses started in September 2023 with completion scheduled for Spring 2025. Progress throughout 2024 has been excellent. The new estate will be called The Elizabeth Doughty Almshouses.

Strategic report (continued)

Achievements and performance (continued)

3. Construction of a second new development started in October 2023 on land owned by the charity in St Mary's Grove, Richmond. Completion was achieved ahead of schedule on 25 November 2024 This is a development of 5 wheelchair accessible almshouses to be built to very high energy efficient 'PassivHaus' standards. New residents moved in during December 2024. The new estate is called The Elizabeth Twining Almshouses.

4. A major project is underway to install photovoltaic panels at the majority of the almshouse estates. In 2024 panels were installed at Bishop Duppa's Almshouses and Houblon's Almshouses. The residents are benefitting directly from the electricity generated by the PV panels and this will reduce their electricity bills.

5. The charity continued with its policy to sell in the region of £4.75m worth of investment properties each year in order to (a) be able to develop a new almshouse estate every 2-3 years and (b) to rebalance the assets portfolio and to move towards a 75/25 split of property/invested funds.

6. In line with this policy, TF 47, TF & LF 51, 61 Houblon Road, 17 Adelaide Road and 7 The Vineyard were sold in 2024.

7. We continued to hold regular meetings with our fund managers to ensure the protection of our long-term endowment.

8. The following almshouses were refurbished or redecorated in 2024 prior to new residents moving in: 4 Hickey's, 1 and 9a Michel's, 1 Candler, 3 Juxon's (including extension), and 13 Church Estate. Work will complete on refurbishing 16 Hickey's and other almshouses which come vacant in 2025 including 5 Michel's.

9. The charity welcomed 12 new residents into its community.

10. We saw a marked increase in the numbers of applicants for almshouse accommodation both due to publicity for the Elizabeth Twining Almshouses and the Elizabeth Doughty Almshouses and due to increased need in the borough. Marketing was carried out widely across the borough and through partners and stakeholders as well as through events such as the Richmond May Fair, Richmond Hill Open Gardens and the CEO speaking to various local interest groups.

11. The almshouse community continued to strengthen with many new activities and events being run for residents or by residents.

12. The monthly Almshouse News was redesigned and improved to become Your Almshouse Magazine.

13. The charity awarded £100,000 in grant funding for 2024 to support those in need, hardship or distress in the borough along with the £25,000 from the smaller Welfare Charities.

14. The charity welcomed one new member of staff: Administrator & Communications Co-ordinator.

15. Major refurbishments on investment properties were undertaken at 17, 22, 25 and 28 Michel's Row.

16. Richmond Philanthropic Society was dissolved and the funds transferred to The Richmond Charities.

Strategic report (continued)

Achievements and performance (continued)

b. Investment policy and performance

Funds are invested in such a manner as the Trustees think fit in order to provide an appropriate and balanced portfolio, taking into account the requirements of the law relating to the investment of charitable monies.

The investment performance is measured against the objectives as laid out in the Charity's investment policy. The principal aim of the endowed funds invested in the income portfolio is to be managed on the basis of producing a regular income whilst at least maintaining its capital base in real terms.

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 Charity regularly reviews its operational risks and requirements and maintains a level of reserves considered sufficient in order to be able to address its requirements. Some of the reserves are designated in accordance with this assessment and where necessary transfers are made to achieve the Charity's targets. The current actual level of reserves are considered to be adequate based on current and projected activities and risks and are detailed below.

c. Financial review

The value of investment properties has decreased to £99,410,500 (2023 - £103,558,000). Shaw & Company (Chartered Surveyors) undertook a desktop valuation of the properties for the year ended 2024, the revaluation gain on the properties was £507,500.

Fixed asset investments increased in aggregate value in the year to £31,624,753 (2023 - £28,962,137) after additions of £2,712,282 and a total revaluation gain of £1,914,670.

Structure, governance and management

a. Constitution

The Richmond Charities is administered in accordance with the following Charity Commission schemes:

5.8.1974	The Richmond Charities
21.8.1974	Michel's Almshouse Charity
30.4.1987	Richmond Charities' Almshouses
18.11.1987 and 21.6.1990	Richmond Charities' Almshouses
24.5.2004	Richmond Charities' Almshouses
27.2.2006	Richmond Charities' Almshouses
17.12.2008	Richmond Charities' Almshouses
08.10.2020	Richmond Charities' Almshouses
01.11.2021	Mortlake Almshouse Charities

Under the 18.11.1987 and 21.6.1990 schemes, Michel's Almshouse Charity was merged with The Richmond Charities, to be administered as one, under the name Richmond Charities' Almshouses. Under the Charity Commission scheme dated 24.5.2004, which altered the trusts of Richmond Church Charity Estates (Charity Reg. No. 212770), title of the Church Estate Almshouses was transferred to Richmond Charities' Almshouses. The scheme of 27.2.2006 extended the area of benefit from the former Borough of Richmond to the London Borough of Richmond. The scheme of 17.12.2008 merged Twickenham United Charities and Richmond Charities' Almshouses and updated the governing instrument. The Scheme of 8 October 2020 widened the objects of the charity to enable Trustees to make grants to people in need in the Richmond borough. The Scheme of 1 November 2021 merged Mortlake Almshouse Charities and Richmond Charities' Almshouses.

The Trustees' strategic plans re-affirm the values of the Charity to continue: - creating an environment for older people to live independently and with dignity; supporting older people in remaining independent for as long as possible; looking for ways to improve the almshouses; seeking ways to increase the number of almshouses; and ensuring the provision of housing for future older generations.

b. Methods of appointment or election of Trustees

The management of the Charity is conducted by the Chief Executive, under day-to-day authority delegated by the Trustees. The major part of the administration is concerned with the almshouses, its residents, investment properties and investments.

The Trustees' meetings take place at regular intervals (minimum six times a year) and are attended periodically by representatives of HML, who act as Property Managers for the Charity.

The Trustees may consist of an ex-officio, eight co-optative and three nominative Trustees. Two nominative Trustees are nominated by the Local Authority and the remaining one must be appointed by the vicar for the time being of the ecclesiastical parish of St. Mary's Twickenham. Trustees are appointed at ordinary meetings by way of majority resolution. Newly appointed Trustees receive an in-depth induction.

The Trustees meet at regular intervals during the year to review the Charity's strategy and performance, approve plans and monitor budgets. The Trustees have delegated certain functions to the Finance, Risk Management, Welfare, Property and Safeguarding Committees whose composition is annotated at the front of these accounts.

New Trustees' receive a full information pack and induction from the Chief Executive. They are introduced to all properties and residents gradually. Training for Trustees takes place during the year.

Structure, governance and management (continued)

c. Pay policy for key management personnel

The Trustees consider the Board of Trustees and the Chief Executive as comprising the Key Management Personnel of the Charity in charge of directing and controlling the Charity and running and operating the Charity on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in Notes 14 and 29 to the accounts.

Staff pay will be reviewed annually and be increased in accordance with average earnings. In view of the nature of the Charity, the Trustees benchmark against pay levels in other Charities of similar size. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for any additional responsibilities.

Plans for future periods

The charity plans to continue to expand its almshouse provision. The charity now has 150 almshouses. When The Elizabeth Doughty Almshouses are complete in Spring 2025, the charity will have 162 almshouses.

The charity continues to work with an external property agent to identify future potential sites and to work with the Council when they identify sites for disposal. The charity will continue to investigate and bid for other sites when opportunities arise. At the start of the year the charity is actively pursuing 4 such opportunities.

The charity will continue with its project to install photovoltaic panels at the majority of estates to help reduce residents' electricity bills. In 2025 photovoltaic panels will be installed at Hickey's Almshouses, the largest estate, helping over 50 residents with their energy bills.

The Trustees intend to continue their programme of major repairs and improvements to almshouse properties, to be funded out of income. Refurbishments will arise as and when almshouses become vacant.

Work will continue to strengthen the almshouse communities with new ideas for events and activities.

With the investment properties, major refurbishment work will be undertaken when necessary and external decorations will be undertaken on a number of properties. When other investment properties become vacant, the Property Committee will decide whether to sell the property or undertake refurbishment. One property has been sold in January 2025 – 33 Kew Foot Road.

Juliet Ames-Lewis, CEO, announced her resignation from her role in November 2024, after 10 years in post. Recuitment was undertaken through Thewlis Graham Consultants. The selection process was rigorous and in February 2025 the Trustees appointed Emma Halford to the position of Chief Executive. She will take up the post in May 2025 after a handover with Juliet Ames-Lewis whose last day in post will be 1 May 2025.

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, MHA, previously traded through the legal entity MacIntyre Hudson LLP. In response to regulatory changes, MacIntyre Hudson LLP ceased to hold an audit registration with the engagement transitioning to MHA Audit Services LLP.

Approved by order of the members of the board of Trustees on 21 May 2025

Mr Jeremy Williams
Chair

Mr Peter Marr
Trustee

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2024

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 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 Will. 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.

Approved by order of the members of the board of Trustees on 21 May 2025.

Mr Jeremy Williams
Chair

Mr Peter Marr
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE RICHMOND CHARITIES

Opinion

We have audited the financial statements of The Richmond Charities (the 'charity') for the year ended 31 December 2024 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 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE RICHMOND CHARITIES (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 TRUSTEES OF THE RICHMOND CHARITIES (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:
- Enquiry of management and those charged with governance around actual, potential or suspected litigation, claims, non-compliance with applicable laws and regulations and fraud.
- Review of legal and professional fees for evidence of legal work undertaken or fines/penalties incurred.
- Enquiry of entity staff in compliance functions and external advisors to identify any instances of non-compliance with laws and regulations.
- Reviewing of financial statements disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override, including testing of journal entries and other adjustments for appropriateness.
- An assessment of the methodologies used in order to calculate the estimated fair value of investment properties at the year end for evidence of bias.
- The accounting policy was checked to the financial reporting standards where necessary and confirmed to be appropriate.
- Reviewing accounting estimates for bias.
- Discussions amongst the engagement team in relation to how and where fraud might occur in the financial statements and any potential indicators of fraud;
- Discussions with management over any potential or suspected fraud.
- Performing substantive tests of detail over the completeness/existence of income within the financial system;
- Performing substantive analytical review procedures reconciling expected income from corroborating evidence to that which had been recorded in the financial statements to ensure that income was complete.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE RICHMOND CHARITIES (CONTINUED)

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.

MHA
Statutory Auditor
Swansea, United Kingdom

Date: 21/5/25

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542)

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

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:						
Donations and legacies	4	620,560	-	-	620,560	7,750
Charitable activities	5	1,722,949	-	-	1,722,949	1,595,595
Investments	6	2,939,597	-	-	2,939,597	2,965,331
Total income		5,283,106	-	-	5,283,106	4,568,676
Expenditure on:						
Raising funds	7	1,848,266	-	-	1,848,266	1,661,457
Charitable activities	9	2,319,766	7,100	-	2,326,866	2,027,233
Total expenditure		4,168,032	7,100	-	4,175,132	3,688,690
Revaluation of investments	12	-	-	2,422,170	2,422,170	4,620,856
Net movement in funds		1,115,074	(7,100)	2,422,170	3,530,144	5,500,842
Reconciliation of funds:						
Total funds brought forward		15,493,663	7,100	132,550,137	148,050,900	142,550,058
Net movement in funds		1,115,074	(7,100)	2,422,170	3,530,144	5,500,842
Total funds carried forward		16,608,737	-	134,972,307	151,581,044	148,050,900

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

The notes on pages 19 to 38 form part of these financial statements.

BALANCE SHEET
AS AT 31 DECEMBER 2024

	Note	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	15		**18,876,130**		14,164,469
Investments	17		**31,624,753**		28,962,137
Investment property	16		**99,410,500**		103,588,000
			149,911,383		146,714,606
Current assets					
Debtors	18	79,004		172,913	
Cash at bank and in hand		1,961,366		1,409,626	
		2,040,370		1,582,539	
Creditors: amounts falling due within one year	19	(370,709)		(246,245)	
Net current assets			**1,669,661**		1,336,294
Total net assets			**151,581,044**		148,050,900
Charity funds					
Endowment funds	21		**134,972,307**		132,550,137
Restricted funds	21		**-**		7,100
Unrestricted funds	21		**16,608,737**		15,493,663
Total funds			**151,581,044**		148,050,900

Approved by order of the members of the board of Trustees on 21 May 2025.

Mr Jeremy Williams
Chair

Mr Peter Marr
Trustee

The notes on pages 19 to 38 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 £	2023 £
Cash flows from operating activities		
Net cash used in operating activities (see note 24)	(1,407,541)	(1,518,600)
Cash flows from investing activities		
Dividends, interests and rents from investments	2,939,597	2,972,362
Purchase of tangible fixed assets	(4,982,441)	(3,261,624)
Proceeds from sale of investments	1,900,000	5,091,062
Purchase of investments	(2,647,946)	(3,998,793)
Proceeds from sale of investment property	4,750,071	1,875,966
Net cash provided by investing activities	1,959,281	2,678,973
Change in cash and cash equivalents in the year	551,740	1,160,373
Cash and cash equivalents at the beginning of the year	1,409,626	249,253
Cash and cash equivalents at the end of the year	1,961,366	1,409,626

The notes on pages 19 to 38 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. General information

The Richmond Charities is an Unincorporated Charity registered with the Charity Commission (Charity Registered Number 200431) in England and Wales.

The address of the principal office is given in the Charity information on page 1 of these financial statements.

The nature of the Charity's operations and principal activities are detailed in the Trustees' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The Richmond 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.

These financial statements are presented in sterling which is the functional currency of the Charity and are rounded to the nearest pound.

2.2 Going concern

The Trustees have assessed whether the use of going concern 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 the approval of these financial statements. In particular, the Trustees have considered the Charity's forecasts and projections and have taken account of pressures on income. After making enquiries, the Trustees have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

2.3 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.

Rental income is recognised evenly over the period it relates

Income from investments is accounted for when it is receivable.

2. Accounting policies (continued)

2.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. 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 is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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.

2.5 Taxation

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

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

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.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

No value for accounting purposes has been placed on the historic almshouse properties as the original cost of these assets would be immaterial to these financial statements. Subsequent capital costs relating to almshouse properties have been included under fixed assets at cost.

Costs (including professional fees) relating to projects that are about to commence are capitalised as a fixed asset.

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:

Almshouses	- 2%
Office property	- 2.5%
Office equipment	- 25%

2.7 Investment properties

Investment properties are recorded at fair value at each reporting date with changes in fair value recognised in Revaluation of investments in the Statement of Financial Activities.

2.8 Investments

Fixed asset 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 the value cannot be measured reliably in which case it is measured at cost less impairment.

The Statement of Financial Activities includes all net gains and losses arising on revaluation and disposals during the year. As investments are revalued to fair value continuously no realised gains or losses arise.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

2.9 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. Accounting policies (continued)

2.10 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.

2.11 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.

2.12 Financial instruments

The Charity holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Charity and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 18. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in Note 19 and taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

2.14 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. The assets of the scheme are held separately from those of the Employer. The annual contributions payable are charged to the Statement of Financial Activities.

The Charity also contributes to the Church of England defined benefit pension scheme in respect of one member of staff.

2. Accounting policies (continued)

2.15 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.

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.

Endowment funds represent those assets which must be held permanently by the Charity, principally the investments used to generate funds. Income arising on the endowment funds can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains or losses arising on the investments from part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

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

3. Critical accounting estimates and areas of judgement

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.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

1 Useful life of tangible fixed assets and the depreciation rates applied: the key judgement in this area relates to the useful life of almshouse properties and this is based on standard practice within the sector updated for any specific knowledge the Trustees are aware of.

2 Investment property valuation: these are updated each year by a qualified chartered surveyor with the Trustees agreeing appropriate and consistent assumptions in advance of the valuation.

4. Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Donations	620,560	-	620,560

4. Income from donations and legacies (continued)

During the year an Investment portfolio donation was received from Richmond Philanthropic Society for £612,282. This donation has been invested in this year's investments balance per Note 17.

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations	650	7,100	7,750

5. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £
Almshouses - Residents' contributions	1,722,949	1,722,949

	Unrestricted funds 2023 £	Total funds 2023 £
Almshouses - Residents' contributions	1,595,595	1,595,595

6. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £
Rents receivable	2,482,928	2,482,928
Dividend income receivable	440,734	440,734
Bank interest receivable	15,935	15,935
	2,939,597	2,939,597

6. Investment income (continued)

	Unrestricted funds 2023 £	Total funds 2023 £
Rents receivable	2,534,286	2,534,286
Dividend income receivable	427,608	427,608
Bank interest receivable	3,437	3,437
	2,965,331	2,965,331

7. Expenditure on raising funds

	2024 £	2023 £
Fund management		
Investment management costs	65,377	56,777
	65,377	56,777
Property management		
Direct costs - Property	1,696,164	1,533,227
Support costs - Insurance	24,694	24,321
Support costs - Repairs and maintenance	15,049	14,792
Support costs - Legal and professional	7,906	2,034
Support costs - Office expenses	23,052	18,726
Support costs - Miscellaneous	16,024	11,580
	1,782,889	1,604,680
	1,848,266	1,661,457

8. Analysis of grants

	Grants to Individuals 2024 £	Total funds 2024 £
Grants to individuals in need	106,452	106,452

8. Analysis of grants (continued)

	Grants to Individuals 2023 £	Total funds 2023 £
Grants to individuals in need	109,371	109,371

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Charitable activities	2,319,766	7,100	2,326,866

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Charitable activities	2,019,733	7,500	2,027,233

10. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £
Almshouses and grant funding	1,752,100	106,452	468,314	2,326,866

10. Analysis of expenditure by activities (continued)

	Activities undertaken directly 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £
Almshouses and grant funding	1,765,387	109,371	152,475	2,027,233

A detailed breakdown of expenditure on charitable activities is given in below and in the following pages.

Analysis of direct costs

	Total funds 2024 £	Total funds 2023 £
Staff costs	661,507	605,195
Telephone	20,173	20,672
Rates and water	44,282	82,253
Electricity and gas	55,202	55,263
Cleaning	10,486	9,332
Careium	17,122	13,242
Garden and tree maintenance	109,616	115,196
Repairs and maintenance	282,911	210,934
Legal and professional fees	19,319	31,640
Miscellaneous	2,524	10,032
Major property repairs	528,958	611,628
	1,752,100	1,765,387

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2024 £	Total funds 2023 £
Governance staff costs	95,552	96,534
Depreciation	270,780	243,377
Insurance	22,224	21,889
Electricity and gas	4,785	2,505
Cleaning	5,525	5,971
Repairs and maintenance	8,019	7,342
Legal and professional fees	7,116	1,830
Office expenses	15,962	14,348
Miscellaneous	73,173	56,887
Governance costs	30,249	52,758
(Profit)/loss on disposal of investment property	(65,071)	(350,966)
	468,314	152,475

11. Governance costs

	2024 £	2023 £
Auditor's remuneration	21,000	20,250
Auditor's remuneration - non audit work	1,500	1,500
Other governance costs	7,749	9,726
	30,249	31,476

12. Revaluation of investments

		2024 £	2023 £
Revaluation gains/(losses) on investment property	16	507,500	2,227,750
Revaluation gains/(losses) on fixed asset investments	17	1,914,670	2,393,106
		2,422,170	4,620,856

13. Staff costs

	2024 £	2023 £
Wages and salaries	614,131	564,160
Social security costs	50,681	55,274
Contribution to defined contribution pension schemes	97,247	82,295
	762,059	701,729

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

	2024 No.	2023 No.
Staff	14	14

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024 No.	2023 No.
In the band £60,001 - £70,000	1	-
In the band £80,001 - £90,000	1	1

The Charity considers its Key Management Personnel to comprise the Trustees the Chief Executive and the Head of Finance, Policy and Governance. The total employment benefits (including employer pension contributions and employer national insurance contributions) of the Key Management Personnel were £219,633 (2023 - £121,722).

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

14. Trustees' remuneration and expenses (continued)

During the year ended 31 December 2024, expenses totalling £239 were reimbursed or paid directly to 1 Trustee (2023 - £222 to 1 Trustee).

15. Tangible fixed assets

	Freehold property £	Office freehold property £	Office equipment £	Assets under construction £	Total £
Cost or valuation					
At 1 January 2024	10,793,829	1,100,000	-	3,261,624	15,155,453
Additions	-	-	1,289	4,981,152	4,982,441
Transfers between classes	4,433,614	-	30,828	(4,464,442)	-
At 31 December 2024	15,227,443	1,100,000	32,117	3,778,334	20,137,894
Depreciation					
At 1 January 2024	935,984	55,000	-	-	990,984
Charge for the year	235,713	27,500	7,567	-	270,780
Transfers between classes	(1,850)	-	1,850	-	-
At 31 December 2024	1,169,847	82,500	9,417	-	1,261,764
Net book value					
At 31 December 2024	14,057,596	1,017,500	22,700	3,778,334	18,876,130
At 31 December 2023	9,857,845	1,045,000	-	3,261,624	14,164,469

The Almshouse properties are non investment properties, held by the Charity as inalienable, with conditions attached for their use. For accounting purposes, no value is placed on the original Almshouse properties as it is considered by the Trustees that the original historic cost of the properties would not be material to the financial statements. The Trustees do not consider that the fair value of the Almshouses can be measured reliably, given the conditions specified for their use. Any costs of valuation to the Charity would not be commensurate with any benefit obtained from the information to the users of the accounts or to the Charity for its own stewardship purposes. Recognition of the Almshouses at fair value is not practicable.

With respect to the Almshouses transferred from RCCE, if at any time any of the Almshouses cease to be used permanently as Almshouses, half of the value of that land shall be paid to the Trustees of RCCE to be held as permanent endowment and the income used for its general purposes, provided that this clause will apply only if the land in question is sold and the proceeds of sale are used to purchase replacement land for the provision of Almshouses within a reasonable time.

16. Investment property

	Freehold investment property £	Long term leasehold investment property £	Total £
Valuation			
At 1 January 2024	102,838,000	750,000	103,588,000
Disposals	(4,685,000)	-	(4,685,000)
Surplus on revaluation	507,500	-	507,500
At 31 December 2024	98,660,500	750,000	99,410,500

Investment property

On 31 December 2024, Shaw & Company (Chartered Surveyors) undertook a desktop valuation of the properties for the year ending 31 December 2024. It was their opinion that there had been an overall gain on revaluation of £507,500.

17. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2024	28,962,137
Additions	2,712,282
Disposals	(1,900,000)
Revaluations	1,914,670
Management fees	(64,336)
At 31 December 2024	31,624,753
Net book value	
At 31 December 2024	31,624,753
At 31 December 2023	28,962,137

18. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	31,888	113,821
Prepayments and accrued income	47,116	59,092
	79,004	172,913

19. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	19,534	50,412
Other taxation and social security	20,045	18,671
Other creditors	31,822	987
Accruals and deferred income	299,308	176,175
	370,709	246,245

20. Accruals and deferred income

	2024 £	2023 £
Deferred income at 1 January 2024	63,206	72,334
Resources deferred during the year	67,239	63,206
Amounts released from previous periods	(63,206)	(72,334)
Deferred income at 31 December 2024	67,239	63,206

Deferred income reflects rental income receivable in advance from investment properties.

21. Statement of funds

Statement of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2024 £
Unrestricted funds					
General Funds	15,493,663	5,283,106	(4,168,032)	-	16,608,737
Endowment funds					
Endowment Fund	132,550,137	-	-	2,422,170	134,972,307
Restricted funds					
Henry Smith	7,100	-	(7,100)	-	-
Total of funds	148,050,900	5,283,106	(4,175,132)	2,422,170	151,581,044

21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds						
General Funds	11,996,008	4,561,576	(3,681,190)	2,617,269	-	15,493,663
Endowment funds						
Endowment Fund	130,546,550	-	-	(2,617,269)	4,620,856	132,550,137
Restricted funds						
Henry Smith	7,500	7,100	(7,500)	-	-	7,100
Total of funds	142,550,058	4,568,676	(3,688,690)	-	4,620,856	148,050,900

The Almshouse funds are unrestricted and are used to fund activities in furtherance of the Charity's objectives alongside the management and administration. Included within this fund is the Mitre pub originally purchased at £550,000.

Restricted funds are amounts received from Henry Smith Charity with the restricted purpose of supporting welfare.

22. Summary of funds

Summary of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2024 £
General funds	15,493,663	5,283,106	(4,168,032)	-	16,608,737
Endowment funds	132,550,137	-	-	2,422,170	134,972,307
Restricted funds	7,100	-	(7,100)	-	-
	148,050,900	5,283,106	(4,175,132)	2,422,170	151,581,044

Summary of funds - prior year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2023 £
General funds	11,996,008	4,561,576	(3,681,190)	2,617,269	-	15,493,663
Endowment funds	130,546,550	-	-	(2,617,269)	4,620,856	132,550,137
Restricted funds	7,500	7,100	(7,500)	-	-	7,100
	142,550,058	4,568,676	(3,688,690)	-	4,620,856	148,050,900

23. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £
Tangible fixed assets	14,939,076	3,937,054	18,876,130
Fixed asset investments	-	31,624,753	31,624,753
Investment property	-	99,410,500	99,410,500
Current assets	2,040,370	-	2,040,370
Creditors due within one year	(370,709)	-	(370,709)
Total	16,608,737	134,972,307	151,581,044

23. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Tangible fixed assets	14,164,469	-	-	14,164,469
Fixed asset investments	-	-	28,962,137	28,962,137
Investment property	-	-	103,588,000	103,588,000
Current assets	1,575,439	7,100	-	1,582,539
Creditors due within one year	(246,245)	-	-	(246,245)
Total	15,493,663	7,100	132,550,137	148,050,900

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

	2024 £	2023 £
Net income for the period (as per Statement of Financial Activities)	3,530,144	5,500,842
Adjustments for:		
Depreciation charges	270,780	243,377
(Gains)/losses on investments	(2,422,170)	(4,620,856)
Dividends, interests and rents from investments	(2,939,597)	(2,972,362)
(Profit) on disposal of investment property	(65,071)	(350,966)
Decrease in debtors	93,909	571,512
Increase in creditors	124,464	109,853
Net cash used in operating activities	(1,407,541)	(1,518,600)

25. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand and at bank	1,961,366	1,409,626
Total cash and cash equivalents	1,961,366	1,409,626

26. Analysis of changes in net debt

	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	1,409,626	551,740	1,961,366
	1,409,626	551,740	1,961,366

27. Capital commitments

	2024 £	2023 £
Contracted for but not provided in these financial statements		
Almshouses assets in course of construction	2,134,471	5,695,920
Photovoltaic projects	15,067	681,884
Other	77,385	183,467
	2,226,923	6,561,271

28. Operating lease commitments

At 31 December 2024 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Not later than 1 year	1,665	1,665
Later than 1 year and not later than 5 years	2,913	4,578
	4,578	6,243

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2024 £	2023 £
Operating lease rentals	1,665	1,713

29. Post Balance Sheet Events

33 Kew Foot Road was disposed of on 15 January 2025 for £1,115,000. This amounted to the Fair value carrying amount at 31 December 2024 within Investment properties.

1 The Vineyard was disposed of on 24 April 2025 for £1,475,000. The fair value carrying amount at 31 December 2024 was £1,550,000 within Investment properties.

30. Related party transactions

A £612,282 donation was received in the year from Richmond Philanthropic Society, a Charity with common Trustees.

Key Management Personnel and Trustee transactions are detailed in Notes 13 and 14.

RICHMOND CHARITIES

England & Wales - Charity number 200431

Accounts

Charity number: 200431

THE RICHMOND CHARITIES

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

THE RICHMOND CHARITIES

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2023

Trustees	Mr Peter Marr, (Chair until 22 March 2023)[1] Mr Jeremy Williams, (Chair from 23 March 2023)[2,3,5] Mr Jonathan Blythe Mr Robert Hall (appointed 20 September 2023)[4] Mrs Emma Halford[2,3,4] Mr Alexander Lourie[1,2] Mrs Margaret Marshall[2] Mrs Katherine Maxwell[3,5] Mrs Kathryn O'Brien[4,5] Mr Paul Phillips[1] Cllr Richard Pyne Revd Wilma Roest[4] Mr Michael Townsin[1,4] Dr Alexander J M Hall (resigned 24 May 2023)[4]
	[1] Finance Committee [2] Property Committee [3] Risk Management Committee [4] Welfare Committee [5] Safeguarding Committee
Charity registered number	200431
Principal office	95 Sheen Road Richmond TW9 1YJ
Chief Executive	Ms J Ames-Lewis
Independent auditor	MHA 6th Floor 2 London Wall Place London, United Kingdom EC2Y 5AU
Bankers	Barclays Bank plc 8 George Street Richmond Surrey TW9 1JY
	HSBC 67 George Street Richmond Surrey TW9 1HG

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Solicitors	Moore Barlow 2 Sheen Road Richmond Surrey TW9 1AE
Property Agents and Surveyors	HML 9-11 The Quadrant Richmond Surrey TW9 1BP
Investment Fund Managers	Sarasin & Partners Juxon House 100 St Paul's Churchyard EC4M 8BU CCLA One Angel Lane London EC4R 3AB

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 January 2023 to 31 December 2023.

Objectives and activities

a. Activities undertaken to achieve objectives

The objects of the Charity are to provide almshouse accommodation and to generate income for the Charities embraced by The Richmond Charities as described below.

The area of benefit is the London Borough of Richmond-upon-Thames.

The Richmond Charities originated from:

1. William Hickey's Almshouse Charity
2. Bishop Duppa's Almshouse Charity
3. Houblon's Almshouse Charity
4. Sir George Wright's or Queen Elizabeth's Almshouse Charity
5. Michel's Almshouse Charity (including Benn's Walk)
6. The Almshouses of Richmond Church Charity Estate (Church Estate Almshouses)
7. Twickenham United Charities (Candler Almshouses)
8. Mortlake Almshouse & Relief Charity (Juxon's and Colston's Almshouse)

The appointment to almshouse accommodation is subject to residential and other qualifications.

Other Charities embraced by The Richmond Charities are:

Relief in Need: Share of the Charity of Henry Smith

In addition, the Trustees have responsibility for the administration of one welfare and one relief in sickness Charity:

The Misses Thompson and Whipple Trust
The Richmond Aid in Sickness Fund

These Charities share the objective of benefiting the London Borough of Richmond-upon-Thames.

The Charities almshouses are listed below (with the number of separate dwellings in parentheses):

- Adelaide Road Almshouses (5)
- Bishop Duppa's Almshouses (10)
- Benn's Walk Almshouses (5)
- Candler Almshouses (10)
- Church Estate Almshouses (18)
- Hickey's Almshouses (44)
- Houblon's Almshouses (9)
- Michel's Almshouses (17)
- Queen Elizabeth's Almshouses (4)
- Manning Place Almshouses (9)
- Wright's Almshouses (9)
- Juxon's Almshouses (3)
- Christchurch Road Almshouses (3)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Objectives and activities (continued)

b. Main activities undertaken to further the Charity's purposes for the public benefit

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. The public benefit of the Charity is in providing safe and comfortable almshouse accommodation for those in need as described in the Scheme and generating income for those Charities described in the Objectives and Activities of the Charity below. Our strategic aims as stated on the following pages link to this benefit and we are satisfied that these aims do not have a detrimental effect outside of the Charity's activities. Whilst many of the activities are local in nature, the Trustees do not consider this to be an unreasonable geographic restriction and those in need are not excluded from benefit.

As a result of the above, the Trustees consider that the Charity satisfies the public benefit test.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Strategic report

Achievements and performance

a. Review of activities

The stated objectives of the Charity are deemed to have been achieved for the year to the best of the Charity's and its Trustees' abilities and these achievements can be measured as follows:

A high level of occupancy was maintained in line with the object of providing such accommodation. Considerable time and expense was devoted in the year to maintaining the accommodation to a high standard for the residents.

A surplus of incoming resources has been generated by the Charity's investments, including properties. The performance of the Charity's investments is considered by the Trustees to have been satisfactory given the expenditure on major repairs and the current market conditions.

The surplus on net incoming resources of the Charity arises from property and other approved investments and, after deducting charitable and governance expenditure, is £879,986 (2022 - surplus of £1,251,223). The surplus after revalation of investments as shown in the Statement of Financial Activities (page 13) is £5,500,842 (2022 - deficit of £6,475,659).

HML continued to act as Property Managers of the investment properties.

The Trustees held a Strategic Planning Meeting in October 2021 to set new strategic objectives for 2022-2026. The objectives are as follows:

1. To continue to seek opportunities to develop more almshouses.
2. To continue the on-going work to refurbish almshouses and to consider implications for the almshouse of the future.
3. To maximise the benefits from the investment property portfolio.
4. To revise the almshouse applicant qualifying criteria and to continue to work with the Council on nominations rights issues.
5. To continue to build and strengthen the almshouse community.
6. To consider the resources needed to implement the key objectives: Staffing and Governance.
7. To develop a coherent communications strategy for the Charity.
8. To be more strategic about the Charity's Welfare Grants funding.

Progress was achieved in 2023 in all these areas as follows:

1. The charity continued to seek opportunities for further expansion and development of more almshouses.
2. The charity purchased a piece of land off Queen's Road, Richmond, in August 2023 from Richmond Parish Lands Charity and construction of a new development of 12 almshouses started in September 2023 with completion scheduled for Spring 2025.

Strategic report (continued)

Achievements and performance (continued)

3. Construction of a second new development started in October 2023 on land owned by the charity in St Mary's Grove, Richmond. Completion is scheduled for December 2024. This will be a development of 5 wheelchair accessible almshouses to be built to very high energy efficient 'PassivHaus' standards.

4. A major project is underway to install photovoltaic panels at the majority of the almshouse estates. In 2023 panels were installed at Queen Elizabeth's Almshouses, Candler Almshouses and Benn's Walk Almshouses. In 2024 work will be undertaken at Bishop Duppa's Almshouses and Houblon's Almshouses. The residents will benefit directly from the electricity generated by the PV panels and this will reduce their electricity bills.

5. The charity continued with its policy to sell in the region of £4.75m worth of investment properties each year in order to (a) be able to develop a new almshouse estate every 2-3 years and (b) to rebalance the assets portfolio and to move towards a 75/25 split of property/invested funds.

6. In line with this policy, 23 and 49 Houblon Road were sold in 2023.

7. The following almshouses were refurbished or redecorated in 2023 prior to new residents moving in: 11, 14, 24, 28 and 31 Hickey's, 11 Michel's, 6 Houblon's, 1d Adelaide Road, 3 Juxon's, 1 Candler, 6, 12 and 18 Church Estate. Work is about to start on refurbishing 4 Hickey's and 1 Michel's.

8. The charity welcomed 12 new residents into its community.

9. The almshouse community continued to strengthen with many new activities and events being run for residents or by residents. We held a very successful Open Day in July 2023 to raise awareness about the charity.

10. The charity increased its grant giving budget to support those in need, hardship or distress in the borough and awarded £100,000 in grant funding for 2023, along with the £25,000 from the smaller Welfare Charities.

11. The charity welcomed two new members of staff: Head of Finance, Policy & Governance and Chaplain.

12. Major refurbishments on investment properties were undertaken at 11 and 28 Michel's Row, 1 and 3 Rosedale Road and 10 and 12 St Mary's Grove.

b. Investment policy and performance

Funds are invested in such a manner as the Trustees think fit in order to provide an appropriate and balanced portfolio, taking into account the requirements of the law relating to the investment of charitable monies.

The investment performance is measured against the objectives as laid out in the Charity's investment policy. The principal aim of the endowed funds invested in the income portfolio is to be managed on the basis of producing a regular income whilst at least maintaining its capital base in real terms.

Strategic report (continued)

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 Charity regularly reviews its operational risks and requirements and maintains a level of reserves considered sufficient in order to be able to address its requirements. Some of the reserves are designated in accordance with this assessment and where necessary transfers are made to achieve the Charity's targets. The current actual level of reserves are considered to be adequate based on current and projected activities and risks and are detailed below.

During the year the Trustees have reconsidered the disposition of the Charity's funds and have agreed to transfer designated funds into general unrestricted funds as these are not required to be separately analysed.

b. Financial review

The value of investment properties has increased to £103,588,000 (2022 - £102,885,250). Shaw & Company (Chartered Surveyors) undertook a full valuation of the properties for the year ended 2023, and in their opinion there had been an overall increase in value of 2%.

Fixed asset investments increased in aggregate value in the year to £28,962,137 (2022 - £27,661,300) after additions of £3,998,793 and a total revaluation gain of £2,393,106.

Structure, governance and management

a. Constitution

The Richmond Charities is administered in accordance with the following Charity Commission schemes:

5.8.1974	The Richmond Charities
21.8.1974	Michel's Almshouse Charity
30.4.1987	Richmond Charities' Almshouses
18.11.1987 and 21.6.1990	Richmond Charities' Almshouses
24.5.2004	Richmond Charities' Almshouses
27.2.2006	Richmond Charities' Almshouses
17.12.2008	Richmond Charities' Almshouses
08.10.2020	Richmond Charities' Almshouses
01.11.2021	Mortlake Almshouse Charities

Structure, governance and management (continued)

Under the 18.11.1987 and 21.6.1990 schemes, Michel's Almshouse Charity was merged with The Richmond Charities, to be administered as one, under the name Richmond Charities' Almshouses. Under the Charity Commission scheme dated 24.5.2004, which altered the trusts of Richmond Church Charity Estates (Charity Reg. No. 212770), title of the Church Estate Almshouses was transferred to Richmond Charities' Almshouses. The scheme of 27.2.2006 extended the area of benefit from the former Borough of Richmond to the London Borough of Richmond. The scheme of 17.12.2008 merged Twickenham United Charities and Richmond Charities' Almshouses and updated the governing instrument. The Scheme of 8 October 2020 widened the objects of the charity to enable Trustees to make grants to people in need in the Richmond borough. The Scheme of 1 November 2021 merged Mortlake Almshouse Charities and Richmond Charities' Almshouses.

The Trustees' strategic plans re-affirm the values of the Charity to continue: - creating an environment for older people to live independently and with dignity; supporting older people in remaining independent for as long as possible; looking for ways to improve the almshouses; seeking ways to increase the number of almshouses; and ensuring the provision of housing for future older generations.

b. Methods of appointment or election of Trustees

The management of the Charity is conducted by the Chief Executive, under day-to-day authority delegated by the Trustees. The major part of the administration is concerned with the almshouses, its residents, investment properties and investments.

The Trustees' meetings take place at regular intervals (minimum six times a year) and are attended periodically by representatives of HML, who act as Property Managers for the Charity.

The Trustees may consist of an ex-officio, eight co-optative and three nominative Trustees. Two nominative Trustees are nominated by the Local Authority and the remaining one must be appointed by the vicar for the time being of the ecclesiastical parish of St. Mary's Twickenham. Trustees are appointed at ordinary meetings by way of majority resolution. Newly appointed Trustees receive an in-depth induction.

The Trustees meet at regular intervals during the year to review the Charity's strategy and performance, approve plans and monitor budgets. The Trustees have delegated certain functions to the Finance, Risk Management, Welfare, Property and Safeguarding Committees whose composition is annotated at the front of these accounts.

New Trustees' receive a full information pack and induction from the Chief Executive. They are introduced to all properties and residents gradually. Training for Trustees takes place during the year.

c. Pay policy for key management personnel

The Trustees consider the Board of Trustees and the Chief Executive as comprising the Key Management Personnel of the Charity in charge of directing and controlling the Charity and running and operating the Charity on a day to day basis. All Trustees give their free time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in Notes 14 and 29 to the accounts.

Staff pay will be reviewed annually and be increased in accordance with average earnings. In view of the nature of the Charity, the Trustees benchmark against pay levels in other Charities of similar size. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for any additional responsibilities.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Plans for future periods

The charity plans to continue to expand its almshouse provision. When the 2 sites currently under construction are complete, the charity will have 162 almshouses.

The charity continues to work with an external property agent to identify future potential sites and to work with the Council when they identify sites for disposal. The charity will continue to investigate and bid for other sites when opportunities arise.

The charity will continue with its project to install photovoltaic panels at the majority of estates to help reduce residents' electricity bills.

The Trustees intend to continue their programme of major repairs and improvements to almshouse properties, to be funded out of income. Refurbishments will arise as and when almshouses become vacant.

Work will continue to strengthen the almshouse communities with new ideas for events and activities.

With the investment properties, major refurbishment work will be undertaken when necessary and external decorations will be undertaken on a number of properties. When other investment properties become vacant, the Property Committee will decide whether to sell the property or undertake refurbishment.

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, MHA, 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 on

Mr J Williams
Chairman

Mr A S Lourie
Trustee

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2023

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 Will. 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.

Approved by order of the members of the board of Trustees on 22/05/24

Mr J Williams
Chairman

Mr A S Lourie
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RICHMOND CHARITIES

Opinion

We have audited the financial statements of The Richmond Charities (the 'charity') for the year ended 31 December 2023 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 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RICHMOND CHARITIES (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 THE RICHMOND CHARITIES (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:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of staff to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

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.

MHA

MHA
Statutory Auditors
London, United Kingdom

Date: 24/06/2024

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

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

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and legacies	4	**650**	**7,100**	**-**	**7,750**	12,202
Charitable activities	5	**1,595,595**	**-**	**-**	**1,595,595**	1,510,935
Investments	6	**2,965,331**	**-**	**-**	**2,965,331**	2,956,576
Total income		**4,561,576**	**7,100**	**-**	**4,568,676**	4,479,713
Expenditure on:						
Raising funds	7	**1,661,457**	**-**	**-**	**1,661,457**	1,142,324
Charitable activities	9	**2,019,733**	**7,500**	**-**	**2,027,233**	2,086,166
Total expenditure		**3,681,190**	**7,500**	**-**	**3,688,690**	3,228,490
Revaluation of investments		**-**	**-**	**4,620,856**	**4,620,856**	(7,726,882)
Transfers between funds	20	**2,617,269**	**-**	**(2,617,269)**	**-**	-
Net movement in funds before other recognised gains		**3,497,655**	**(400)**	**2,003,587**	**5,500,842**	(6,475,659)
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	27	**-**	**-**	**-**	**-**	1,000
Net movement in funds		**3,497,655**	**(400)**	**2,003,587**	**5,500,842**	(6,474,659)
Reconciliation of funds:						
Total funds brought forward		**11,996,008**	**7,500**	**130,546,550**	**142,550,058**	149,024,717
Net movement in funds		**3,497,655**	**(400)**	**2,003,587**	**5,500,842**	(6,474,659)
Total funds carried forward		**15,493,663**	**7,100**	**132,550,137**	**148,050,900**	142,550,058

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

The notes on pages 17 to 39 form part of these financial statements.

BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £		2022 £	
Fixed assets					
Tangible assets	15		**14,164,469**		11,146,222
Investments	17		**28,962,137**		27,661,300
Investment property	16		**103,588,000**		102,885,250
			146,714,606		141,692,772
Current assets					
Debtors	18	**172,913**		744,425	
Cash at bank and in hand		**1,409,626**		249,253	
		1,582,539		993,678	
Creditors: amounts falling due within one year	19	**(246,245)**		(136,392)	
Net current assets			**1,336,294**		857,286
Total assets less current liabilities			**148,050,900**		142,550,058
Total net assets			**148,050,900**		142,550,058
Charity funds					
Endowment funds	20		**132,550,137**		130,546,550
Restricted funds	20		**7,100**		7,500
Unrestricted funds	20		**15,493,663**		11,996,008
Total funds			**148,050,900**		142,550,058

Approved by order of the members of the board of Trustees on 22nd May 2024

Mr J Williams

Mr A S Lourie

The notes on pages 17 to 39 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	**(1,518,600)**	(1,839,720)
Cash flows from investing activities		
Dividends, interests and rents from investments	**2,972,362**	2,959,976
Purchase of tangible fixed assets	**(3,261,624)**	(6,548)
Proceeds from sale of investments	**5,091,062**	4,727,240
Purchase of investments	**(3,998,793)**	(5,994,128)
Proceeds from sale of investment property	**1,875,966**	-
Net cash provided by investing activities	**2,678,973**	**1,686,540**
Change in cash and cash equivalents in the year	**1,160,373**	**(153,180)**
Cash and cash equivalents at the beginning of the year	**249,253**	402,433
Cash and cash equivalents at the end of the year	**1,409,626**	249,253

The notes on pages 17 to 39 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. General information

The Richmond Charities is an Unincorporated Charity registered with the Charity Commission (Charity Registered Number 200431) in England and Wales.

The address of the principal office is given in the Charity information on page 1 of these financial statements.

The nature of the Charity's operations and principal activities are detailed in the Trustees' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The Richmond 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.

These financial statements are presented in sterling which is the functional currency of the Charity and are rounded to the nearest pound.

2.2 Going concern

The Trustees have assessed whether the use of going concern 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 the approval of these financial statements. In particular, the Trustees have considered the Charity's forecasts and projections and have taken account of pressures on income. After making enquiries, the Trustees have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

2.3 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.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Income from investments is accounted for when it is receivable.

2. Accounting policies (continued)

2.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. 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 is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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.

2.5 Taxation

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

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

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.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

No value for accounting purposes is placed on the historic almshouse properties as the original cost of these assets would be immaterial to these financial statements. Any material future capital additions to the almshouse properties will be recorded at cost.

SORP (FRS 102) requires fixtures and fittings be included in the accounts at cost. The Charity's existing fixtures and fittings are deemed to be of no material value and have therefore not been included.

Costs (including professional fees) relating to projects that are about to commence are capitalised as a fixed asset.

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:

Almshouses	- 2%
Office property	- 2.5%

2.7 Investment properties

Investment properties are recorded at fair value at each reporting date with changes in fair value recognised in Revaluation of investments in the Statement of Financial Activities.

2.8 Investments

Fixed asset 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 the value cannot be measured reliably in which case it is measured at cost less impairment.

The Statement of Financial Activities includes all net gains and losses arising on revaluation and disposals during the year. As investments are revalued to fair value continuously no realised gains or losses arise.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

2. Accounting policies (continued)

2.9 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.

2.10 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.

2.11 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.

2.12 Financial instruments

The Charity holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Charity and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 18. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in Note 19 and taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

2. Accounting policies (continued)

2.14 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. The assets of the scheme are held separately from those of the Employer. The annual contributions payable are charged to the Statement of Financial Activities.

The Charity also contributes to the Church of England defined benefit pension scheme in respect of one member of staff. Please see Note 27 for more details.

2.15 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.

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.

Endowment funds represent those assets which must be held permanently by the Charity, principally the investments used to generate funds. Income arising on the endowment funds can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains or losses arising on the investments from part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

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

3. Critical accounting estimates and areas of judgement

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.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

1 area Useful life of tangible fixed assets and the depreciation rates applied: the key judgement in this relates to the useful life of almshouse properties and this is based on standard practice within the sector updated for any specific knowledge the Trustees are aware of.

2 Investment property valuation: these are updated each year by a qualified chartered surveyor with the Trustees agreeing appropriate and consistent assumptions in advance of the valuation.

4. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations	650	-	**650**
The Charity of Henry Smith	-	7,100	**7,100**
	650	7,100	**7,750**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Donations	502	4,600	5,102
The Charity of Henry Smith	-	7,100	7,100
	502	11,700	12,202

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £
Almshouses - Residents' contributions	1,595,595	**1,595,595**

	Unrestricted funds 2022 £	Total funds 2022 £
Almshouses - Residents' contributions	1,510,935	1,510,935

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Rents receivable	2,534,286	**2,534,286**
Dividend income receivable	427,608	**427,608**
Bank interest receivable	3,437	**3,437**
	2,965,331	**2,965,331**

	Unrestricted funds 2022 £	Total funds 2022 £
Rents receivable	2,448,187	2,448,187
Dividend income receivable	506,220	506,220
Bank interest receivable	2,169	2,169
	2,956,576	2,956,576

7. Expenditure on raising funds

	2023 £	2022 £
Fund management		
Investment management costs	**56,777**	59,308
	56,777	59,308
Property management		
Direct costs - Property	**1,501,960**	1,032,647
Support costs - Insurance	**24,321**	15,919
Support costs - Repairs and maintenance	**14,792**	17,478
Support costs - Legal and professional	**2,034**	975
Support costs - Office expenses	**18,726**	15,958
Support costs - Miscellaneous	**36,154**	39
	1,597,987	1,083,016
	1,654,764	1,142,324

8. Analysis of grants

	Grants to Individuals 2023 £	Total funds 2023 £
Grants to individuals in need	109,371	**109,371**

	Grants to Individuals 2022 £	Total funds 2022 £
Grants to individuals in need	59,250	59,250

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Charitable activities	2,019,733	7,500	**2,027,233**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Charitable activities	2,081,966	4,200	2,086,166

10. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £
Almshouses and grant funding	1,765,387	109,371	152,475	**2,027,233**

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £
Almshouses and grant funding	1,927,154	59,250	99,762	2,086,166

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	**605,195**	543,963
Telephone	**20,672**	16,532
Rates and water	**82,253**	29,158
Electricity and gas	**55,263**	40,941
Cleaning	**9,332**	11,358
Careium	**13,242**	14,190
Garden and tree maintenance	**115,196**	110,079
Repairs and maintenance	**210,934**	236,308
Legal and professional fees	**31,640**	242,621
Miscellaneous	**10,032**	764
Major property repairs	**611,628**	681,240
	1,765,387	1,927,154

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Governance staff costs	**96,534**	62,208
Depreciation	**243,377**	243,257
Insurance	**21,889**	14,327
Electricity and gas	**2,505**	1,630
Cleaning	**5,971**	7,942
Repairs and maintenance	**7,342**	7,790
Legal and professional fees	**1,830**	98
Office expenses	**14,348**	12,733
Miscellaneous	**56,887**	53,345
Governance costs	**52,758**	51,172
(Profit)/loss on disposal of fixed asset investments	**(350,966)**	(354,740)
	152,475	99,762

10. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

11. Governance costs

	2023 £	2022 £
Auditor's remuneration	**20,250**	20,250
Auditor's remuneration - non audit work	**20,200**	19,182
Other governance costs	**9,726**	11,740
	50,176	51,172

12. Revaluation of investments

		2023 £	2022 £
Revaluation gains/(losses) on investment property	16	**2,227,750**	(5,072,550)
Revaluation gains/(losses) on fixed asset investments	17	**2,393,106**	(2,117,918)
Revaluation loss on current asset investments		**-**	(536,414)
		4,620,856	(7,726,882)

13. Staff costs

	2023 £	2022 £
Wages and salaries	**564,160**	499,665
Social security costs	**55,274**	41,517
Contribution to defined contribution pension schemes	**82,295**	64,989
	701,729	606,171

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

	2023 No.	2022 No.
Staff	**14**	13

13. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023 No.	2022 No.
In the band £80,001 - £90,000	1	1

The Charity considers its Key Management Personnel to comprise the Trustees and the Chief Executive. The total employment benefits (including employer pension contributions and employer national insurance contributions) of the Key Management Personnel were £121,722 (2022 - £116,719).

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 December 2023, expenses totalling £222 were reimbursed or paid directly to 1 Trustee (2022 - £304 to 1 Trustee).

15. Tangible fixed assets

	Freehold property £	Office freehold property £	Assets under construction £	Total £
Cost or valuation				
At 1 January 2023	**10,793,829**	**1,100,000**	**-**	**11,893,829**
Additions	**-**	**-**	**3,261,624**	**3,261,624**
At 31 December 2023	**10,793,829**	**1,100,000**	**3,261,624**	**15,155,453**
Depreciation				
At 1 January 2023	**720,107**	**27,500**	**-**	**747,607**
Charge for the year	**215,877**	**27,500**	**-**	**243,377**
At 31 December 2023	**935,984**	**55,000**	**-**	**990,984**
Net book value				
At 31 December 2023	**9,857,845**	**1,045,000**	**3,261,624**	**14,164,469**
At 31 December 2022	10,073,722	1,072,500	-	11,146,222

15. Tangible fixed assets (continued)

The Almshouse properties are non investment properties, held by the Charity as inalienable, with conditions attached for their use. For accounting purposes, no value is placed on the original Almshouse properties as it is considered by the Trustees that the original historic cost of the properties would not be material to the financial statements. The Trustees do not consider that the fair value of the Almshouses can be measured reliably, given the conditions specified for their use. Any costs of valuation to the Charity would not be commensurate with any benefit obtained from the information to the users of the accounts or to the Charity for its own stewardship purposes. Recognition of the Almshouses at fair value is not practicable.

With respect to the Almshouses transferred from RCCE, if at any time any of the Almshouses cease to be used permanently as Almshouses, half of the value of that land shall be paid to the Trustees of RCCE to be held as permanent endowment and the income used for its general purposes, provided that this clause will apply only if the land in question is sold and the proceeds of sale are used to purchase replacement land for the provision of Almshouses within a reasonable time.

16. Investment property

	Freehold investment property £	Long term leasehold investment property £	Total £
Valuation			
At 1 January 2023	**102,160,250**	**725,000**	**102,885,250**
Disposals	**(1,525,000)**	**-**	**(1,525,000)**
Surplus on revaluation	**2,202,750**	**25,000**	**2,227,750**
At 31 December 2023	**102,838,000**	**750,000**	**103,588,000**

Investment property

On 31 December 2023, Shaw & Company (Chartered Surveyors) undertook a full valuation of the properties for the year ending 31 December 2023. It was their opinion that there had been an overall increase in the value of the property portfolio by 2% during 2023.

17. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2023	**27,661,300**
Additions	**3,998,793**
Disposals	**(5,091,062)**
Revaluations	**2,393,106**
At 31 December 2023	**28,962,137**
Net book value	
At 31 December 2023	**28,962,137**
At 31 December 2022	27,661,300

Investment disposals include £65,072 relating to management charges.

18. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	**113,821**	21,110
Prepayments and accrued income	**59,092**	723,315
	172,913	744,425

Included within prepayments and accrued income is an amount of £Nil relating to a deposit on a property to be purchased subsequent to the year end (2022: £682,500).

19. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	**50,412**	19,038
Other taxation and social security	**18,671**	13,989
Other creditors	**987**	6,263
Accruals and deferred income	**176,175**	97,102
	246,245	136,392

	2023 £	2022 £
Deferred income		
Deferred income at 1 January	**72,334**	71,693
Resources deferred during the year	**63,206**	72,334
Amounts released from previous periods	**(72,334)**	(71,693)
	63,206	72,334

20. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds						
General Funds	11,996,008	4,561,576	(3,681,190)	2,617,269	-	15,493,663
Endowment funds						
Endowment Fund	130,546,550	-	-	(2,617,269)	4,620,856	132,550,137
Restricted funds						
Henry Smith	7,500	7,100	(7,500)	-	-	7,100
Total of funds	142,550,058	4,568,676	(3,688,690)	-	4,620,856	148,050,900

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds						
General Funds	8,277,477	4,468,013	(3,224,290)	2,473,808	1,000	11,996,008
Endowment funds						
Endowment Funds	140,747,240	-	-	(2,473,808)	(7,726,882)	130,546,550
Restricted funds						
Restricted Funds	-	11,700	(4,200)	-	-	7,500
Total of funds	149,024,717	4,479,713	(3,228,490)	-	(7,725,882)	142,550,058

The Almshouse funds are unrestricted and are used to fund activities in furtherance of the Charity's objectives alongside the management and administration. Included within this fund is the Mitre pub originally purchased at £550,000.

Restricted funds are amounts received from Henry Smith Charity with the restricted purpose of supporting welfare.

21. Summary of funds

Summary of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2023 £
General funds	**11,996,008**	**4,561,576**	**(3,681,190)**	**2,617,269**	**-**	**15,493,663**
Endowment funds	**130,546,550**	**-**	**-**	**(2,617,269)**	**4,620,856**	**132,550,137**
Restricted funds	**7,500**	**7,100**	**(7,500)**	**-**	**-**	**7,100**
	142,550,058	**4,568,676**	**(3,688,690)**	**-**	**4,620,856**	**148,050,900**

Summary of funds - prior year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
General funds	8,277,477	4,468,013	(3,224,290)	2,473,808	1,000	11,996,008
Endowment funds	140,747,240	-	-	(2,473,808)	(7,726,882)	130,546,550
Restricted funds	-	11,700	(4,200)	-	-	7,500
	149,024,717	4,479,713	(3,228,490)	-	(7,725,882)	142,550,058

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Tangible fixed assets	14,164,469	-	-	**14,164,469**
Fixed asset investments	-	-	28,962,137	**28,962,137**
Investment property	-	-	103,588,000	**103,588,000**
Current assets	1,575,439	7,100	-	**1,582,539**
Creditors due within one year	(246,245)	-	-	**(246,245)**
Total	15,493,663	7,100	132,550,137	**148,050,900**

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Tangible fixed assets	11,146,222	-	-	11,146,222
Fixed asset investments	-	-	27,661,300	27,661,300
Investment property	-	-	102,885,250	102,885,250
Current assets	986,178	7,500	-	993,678
Creditors due within one year	(136,392)	-	-	(136,392)
Total	11,996,008	7,500	130,546,550	142,550,058

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

	2023 £	2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	**5,500,842**	(6,475,659)
Adjustments for:		
Depreciation charges	**243,377**	243,257
(Gains)/losses on investments	**(4,650,856)**	7,726,882
Dividends, interests and rents from investments	**(2,972,362)**	(2,959,976)
(Profit) on the sale of fixed assets	**-**	(354,740)
(Profit) on disposal of investment property	**(350,966)**	-
Decrease in debtors	**571,512**	88,986
Increase/(decrease) in creditors	**139,853**	(108,470)
Net cash used in operating activities	**(1,518,600)**	(1,839,720)

24. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	**1,409,626**	249,253
Total cash and cash equivalents	**1,409,626**	249,253

25. Analysis of changes in net debt

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	**249,253**	**1,160,373**	**1,409,626**
	249,253	**1,160,373**	**1,409,626**

26. Capital commitments

	2023 £	2022 £
Contracted for but not provided in these financial statements		
Almshouses assets in course of construction	**5,695,920**	238,051
Photovoltaic projects	**681,884**	34,230
Other	**183,467**	69,401
	6,561,271	341,682

27. Pension commitments

The Charity operates a defined benefit pension scheme.

The Richmond Charities Almshouses participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the Schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the Scheme pays contributions at a common contribution rate applied to pensionable stipends.

The Scheme is considered to be a multi-employer Scheme as described in Section 28 of FRS102. This means it is not possible to attribute the Scheme's assets and liabilities to specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions (see below).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions.

- An average discount rate of 2.7% p.a.;
- RPI inflation of 3.6% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 2.8% p.a.;
- The mortality assumption has been updated to the most recently available mortality tables (the S3 tables) with a Scheme specific adjustment of 90%.

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) were set as follows:

Deficit repair contributions as a % of pensionable stipends

	%
Discount rate	**11.9**
Expected return on scheme assets	**7.1**

27. Pension commitments (continued)

	2023 £
Actuarial gains	-
Closing defined benefit obligation	-

28. Operating lease commitments

At 31 December 2023 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	**1,857**	1,646

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2023 £	2022 £
Operating lease rentals	**1,713**	1,646

29. Related party transactions

Other than Key Management Personnel and Trustee transactions detailed in Notes 13 and 14, there were no related party transactions during the year (2022 - none).

RICHMOND CHARITIES

England & Wales - Charity number 200431

Accounts

Charity Registration Number: 200431

THE RICHMOND CHARITIES

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

THE RICHMOND CHARITIES

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees	Mr P W C Marr, Chairman[1] (until 22/03/2023) Dr A J M Hall[4] Mrs E Halford[2,3,4] (3 from 21/09/2022) Mr S J King (resigned 1 September 2022)[1,3,4,5] Mr A S Lourie[1,2] Mrs M Marshall[2] Mrs K Maxwell[3,5] Mrs K O'Brien[4,5] (5 from 21/09/2022) Cllr R Pyne Revd W Roest[4] Mr M Townsin[1,4] (1 from 23/11/2022) Mr J Williams, Chairman[2,3,5] (from 23/03/2023) Mr J Blythe Mr P Phillips (appointed 25 May 2022)[1] (1 from 21/09/2022) [1] Finance Committee [2] Property Committee [3] Risk Management Committee [4] Welfare Committee [5] Safeguarding Group
Charity registered number	200431
Principal office	95 Sheen Road Richmond TW9 1YJ
Chief Executive	Ms J Ames-Lewis
Independent auditor	MHA Statutory Auditors 6th Floor 2 London Wall Place London, United Kingdom EC2Y 5AU
Bankers	Barclays Bank plc 8 George Street Richmond Surrey TW9 1JY HSBC 67 George Street Richmond TW9 1HG

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Solicitors	Moore Barlow 9 The Green Richmond Surrey TW9 1BP
Property Agents and Surveyors	HML 9-11 The Quadrant Richmond Surrey TW9 1BP
Investment Fund Managers	Sarasin & Partners Juxon House 100 St Paul's Churchyard EC4M 8BU CCLA One Angel Lane London EC4R 3AB

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their Annual Report together with the audited financial statements of the The Richmond Charities for the 1 January 2022 to 31 December 2022.

Objectives and activities

a. Activities undertaken to achieve objectives

The objects of the Charity are to provide almshouse accommodation and to generate income for the Charities embraced by The Richmond Charities as described below.

The area of benefit is the London Borough of Richmond-upon-Thames.

The Richmond Charities originated from:

1. William Hickey's Almshouse Charity
2. Bishop Duppa's Almshouse Charity
3. Houblon's Almshouse Charity
4. Sir George Wright's or Queen Elizabeth's Almshouse Charity
5. Michel's Almshouse Charity (including Benn's Walk)
6. The Almshouses of Richmond Church Charity Estate (Church Estate Almshouses)
7. Twickenham United Charities (Candler Almshouses)
8. Mortlake Almshouse & Relief Charity (Juxon's and Colston's Almshouse)

The appointment to almshouse accommodation is subject to residential and other qualifications.

Other Charities embraced by The Richmond Charities are:

Relief in Need: Share of the Charity of Henry Smith

In addition, the Trustees have responsibility for the administration of one welfare and one relief in sickness Charity:

The Misses Thompson and Whipple Trust
The Richmond Aid in Sickness Fund

These Charities share the objective of benefiting the London Borough of Richmond-upon-Thames.

b. Main activities undertaken to further the Charity's purposes for the public benefit

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. The public benefit of the Charity is in providing safe and comfortable almshouse accommodation for those in need as described in the Scheme and generating income for those Charities described in the Objectives and Activities of the Charity below. Our strategic aims as stated on the following pages link to this benefit and we are satisfied that these aims do not have a detrimental effect outside of the Charity's activities. Whilst many of the activities are local in nature, the Trustees do not consider this to be an unreasonable geographic restriction and those in need are not excluded from benefit.

As a result of the above, the Trustees consider that the Charity satisfies the public benefit test.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

(continued)

a. Strategic report

Achievements and performance

Review of activities

The stated objectives of the Charity are deemed to have been achieved for the year to the best of the Charity's and its Trustees' abilities and these achievements can be measured as follows:

A high level of occupancy was maintained in line with the object of providing such accommodation. Considerable time and expense was devoted in the year to maintaining the accommodation to a high standard for the residents.

A surplus of incoming resources has been generated by the Charity's investments, including properties. The performance of the Charity's investments is considered by the Trustees to have been satisfactory given the expenditure on major repairs and the current market conditions.

The surplus on net incoming resources of the Charity arises from property and other approved investments and, after deducting charitable and governance expenditure, is £1,251,223 *(2021 - surplus of £433,175)* applied as shown in the Statement of Financial Activities (page 16).

HML continued to act as Property Managers of the investment properties.

The Trustees held a Strategic Planning Meeting in October 2021 to set new strategic objectives for 2022-2026. The objectives are as follows:

1. To continue to seek opportunities to develop more almshouses.
2. To continue the on-going work to refurbish almshouses and to consider implications for the almshouse of the future.
3. To maximise the benefits from the investment property portfolio.
4. To revise the almshouse applicant qualifying criteria and to continue to work with the Council on nominations rights issues.
5. To continue to build and strengthen the almshouse community.
6. To consider the resources needed to implement the key objectives: Staffing and Governance.
7. To develop a coherent communications strategy for the Charity.
8. To be more strategic about the Charity's Welfare Grants funding.

Progress was achieved in 2022 in all these areas as follows:

1. The charity continued to seek opportunities for further expansion and development of more almshouses.
2. A new development in Queen's Road is planned. Unfortunately, there were delays to the progress of this development during 2022 but building work is to start in 2023 and the building will be complete in 2025. This will be a new 12-unit almshouse development.
3. A second new development was progressed on land owned by the charity in St Mary's Grove, Richmond.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

(continued)

Planning consent was achieved in January 2023 for a development of 5 wheelchair accessible almshouses, to be built to very high energy efficient 'PassivHaus' standards. The build will commence in 2023 and the new development will be ready for new residents in 2024.

4. Following the merger with Mortlake Almshouse & Relief Charity in November 2021, the charity took on full responsibility for the Mortlake almshouses and residents from 1 January 2022. Substantial upgrade work has been carried out and is continuing to be carried out at Juxon's and Christchurch Road almshouses.

5. A major project is underway to install photovoltaic panels at the majority of the almshouse estates. Planning consent was achieved in 2022 for a number of estates and the project will proceed over the next 4-5 years in phases. Phase 1 (Candler and Queen Elizabeth's) and Phase 2 (Benn's Walk, Bishop Duppa's and Houblon's) will be undertaken in 2023. The residents will benefit directly from the electricity generated by the PV panels and this will reduce their electricity bills.

6. The charity continued with its policy to sell in the region of £4.75m worth of investment properties each year in order to (a) be able to develop a new almshouse estate every 2-3 years and (b) to rebalance the assets portfolio and to move towards a 75/25 split of property/invested funds.

7. In line with this policy, 34, 41, Ground Floor 47 and 62 Houblon Road were sold in 2022, as were Pinpoint House and 35 Michel's Row.

8. The following almshouses were refurbished or redecorated in 2022 prior to new residents moving in: 1a Adelaide Road, 1 and 17 Church Estate, 6 Houblon's, 28 and 40 Hickey's and 15 Michel's. Work is about to start on refurbishing 11, 14 and 31 Hickey's, 1d Adelaide Road and 3 Juxon's.

9. Major work was undertaken as follows: pathway renewals at Church Estate and Michel's, new balcony railings at Church Estate, new windows at Juxon's and Queen Elizabeth's, external lighting at Hickey's, a new laundry was built at Candler, roof replacements and external decorations at Houblon's.

10. Internal redecoration work was undertaken for a number of existing residents and some more extensive work for residents who have lived in their almshouse for more than 15 years.

11. The charity welcomed 10 new residents into its community.

12. The almshouse community continued to strengthen post-covid with many new activities and events being run for residents or by residents including yoga, Zumba, exercise classes, craft sessions, IT workshops, boules, canasta and scrabble. Well established activities such as film club, out and about group, Bridge club, Bingo, Nordic walking, quiz nights and croquet have continued. In 2023 we are hoping to run singalong sessions, pet therapy, 'Art & Soul' and an art 'showcase' in the Chapel to display residents' art work. We have joined the concessionary Kew Gardens Scheme, which gives 70 free tickets per year for residents to use to visit Kew. 120 residents, trustees and staff enjoyed Christmas Lunch at the Richmond Hill Hotel.

13. The charity held its annual residents' open forum meetings in October 2022.

14. The Almshouse News magazine was produced monthly during 2022.

15. The charity increased its grant giving budget to support those in need, hardship or distress in the borough and awarded an additional £25,000 in grant funding for 2022, along with the £25,000 from the smaller Welfare Charities. The borough has seen an increase in need due to Covid-19 and the cost of living crisis. Applications have been received in January 2023 from 15 organisations applying for a share of the funding. The Finance Committee approved an increase in the funding available from The Richmond Charities to £50,000, which was added to the £31,000 from the smaller Welfare Charities and the Welfare Committee allocated these funds to local organisations at its meeting in January 2023.

(continued)

16. The charity welcomed one new member of staff who was appointed as Head of Finance, Policy & Governance and who started in January 2023. A new Chaplain has been recruited to start in May 2023.

17. The charity revised its Business Continuity Plan and Risk Register.

18. Major refurbishments on investment properties were undertaken at 11 Michel's Row and 3 Rosedale Road. Minor refurbishments were undertaken at 3 and 4 Michel's Row, Ground and Upper flats 1 Adelaide Road. Upgrading work to the electrical installations were carried out at a number of properties. The roof at 36 Onslow Road was replaced.

The Trustees delegate the management of the Charity's investment portfolio to professional fund managers whilst maintaining oversight over those investments.

The Richmond Charities assumed management of Richmond Philanthropic Society from September 2009. Richmond Philanthropic Society has been in existence since 1870 and remained in a strong financial position to distribute grants to the needy of Richmond, Kew, Petersham and Ham. Richmond Philanthropic Society is a separate charitable entity to Richmond Charities' Almshouses and files separate accounts.

The Richmond Charities measures and assesses success by how many elderly people in need of almshouse accommodation the Charity is able to house during the year.

b. Investment policy and performance

Funds are invested in such a manner as the Trustees think fit in order to provide an appropriate and balanced portfolio, taking into account the requirements of the law relating to the investment of charitable monies.

The investment performance is measured against the objectives as laid out in the Charity's investment policy. The principal aim of the endowed funds invested in the income portfolio is to be managed on the basis of producing a regular income whilst at least maintaining its capital base in real terms.

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. Financial review

Reserves policy

The Charity regularly reviews its operational risks and requirements and maintains a level of reserves considered sufficient in order to be able to address its requirements. Some of the reserves are designated in accordance with this assessment and where necessary transfers are made to achieve the Charity's targets. The current actual level of reserves are considered to be adequate based on current and projected activities and risks and are detailed below.

During the year the Trustees have reconsidered the disposition of the Charity's funds and have agreed to transfer designated funds into general unrestricted funds as these are not required to be separately analysed.

b. Financial review

The value of investment properties has decreased to £102,885,250 *(2021 - £113,430,300)*. Shaw & Company (Chartered Surveyors) undertook a desktop valuation of the properties for the year ended 2022, and in their opinion there had been an overall decrease in value of 5%.

Fixed asset investments increased in aggregate value in the year to £27,661,300 *(2021 - £18,360,711)* after additions of £5,984,536 and a total revaluation loss of £2,117,918.

Structure, governance and management

a. Constitution

The Richmond Charities is administered in accordance with the following Charity Commission schemes:

5.8.1974	The Richmond Charities
21.8.1974	Michel's Almshouse Charity
30.4.1987	Richmond Charities' Almshouses
18.11.1987 and 21.6.1990	Richmond Charities' Almshouses
24.5.2004	Richmond Charities' Almshouses
27.2.2006	Richmond Charities' Almshouses
17.12.2008	Richmond Charities' Almshouses
08.10.2020	Richmond Charities' Almshouses
01.11.2021	Mortlake Almshouse Charities

Under the 18.11.1987 and 21.6.1990 schemes, Michel's Almshouse Charity was merged with The Richmond Charities, to be administered as one, under the name Richmond Charities' Almshouses. Under the Charity Commission scheme dated 24.5.2004, which altered the trusts of Richmond Church Charity Estates (Charity Reg. No. 212770), title of the Church Estate Almshouses was transferred to Richmond Charities' Almshouses. The scheme of 27.2.2006 extended the area of benefit from the former Borough of Richmond to the London Borough of Richmond. The scheme of 17.12.2008 merged Twickenham United Charities and Richmond Charities' Almshouses and updated the governing instrument. The Scheme of 8 October 2020 widened the objects of the charity to enable Trustees to make grants to people in need in the Richmond borough. The Scheme of 1 November 2021 merged Mortlake Almshouse Charities and Richmond Charities' Almshouses.

The Trustees' strategic plans re-affirm the values of the Charity to continue: - creating an environment for older people to live independently and with dignity; supporting older people in remaining independent for as long as possible; looking for ways to improve the almshouses; seeking ways to increase the number of almshouses; and ensuring the provision of housing for future older generations.

b. Methods of appointment or election of Trustees

The management of the Charity is conducted by the Chief Executive, under day-to-day authority delegated by the Trustees. The major part of the administration is concerned with the almshouses, its residents, investment properties and investments.

The Trustees' meetings take place at regular intervals (minimum six times a year) and are attended periodically by representatives of HML, who act as Property Managers for the Charity.

The Trustees may consist of an ex-officio, eight co-optative and three nominative Trustees. Two nominative Trustees are nominated by the Local Authority and the remaining one must be appointed by the vicar for the time being of the ecclesiastical parish of St. Mary's Twickenham. Trustees are appointed at ordinary meetings by way of majority resolution. Newly appointed Trustees receive an in-depth induction.

The Trustees meet at regular intervals during the year to review the Charity's strategy and performance, approve plans and monitor budgets. The Trustees have delegated certain functions to the Finance, Risk Management, Welfare, Property and Safeguarding Committees whose composition is annotated at the front of these accounts.

New Trustees' receive a full information pack and induction from the Chief Executive. They are introduced to all properties and residents gradually. Training for Trustees takes place during the year and in 2022 all Trustees underwent Safeguarding Training.

Structure, governance and management (continued)

c. Pay policy for Key Management Personnel

The Trustees consider the Board of Trustees and the Chief Executive as comprising the Key Management Personnel of the Charity in charge of directing and controlling the Charity and running and operating the Charity on a day to day basis. All Trustees give their free time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in Notes 13 and 28 to the accounts.

Staff pay will be reviewed annually and be increased in accordance with average earnings. In view of the nature of the Charity, the Trustees benchmark against pay levels in other Charities of similar size. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for any additional responsibilities.

d. Risk management

The Trustees are responsible for safeguarding the assets of the Charity and for ensuring that it is fully compliant with relevant regulations and best practice. They have reviewed the key risks to which the Charity is exposed together with the operating and financial compliance controls that have been implemented to mitigate those risks. The Trustees are of the view that there is a formal ongoing process for identifying, evaluating and managing the Charity's significant risks that have been in place for the year ending 31 December 2022. This process is regularly reviewed by the Trustees.

The principal risks faced by the Charity lie in managing the loss of key staff and financial risk from increasing expenditure.

The operational risk from loss of key staff is managed by the Trustees by ensuring there is effective succession planning in place. This involves having a practical notice period and handover policy as well as a vigorous recruitment process to identify the right individuals for the vacant positions.

The risk of additional expenditure is managed by the finance committee which holds regular meetings to assess expenditure against the Charity budgets. Authorisation procedures exist to ensure additional expenditure is authorised and if necessary the Charity will consider delaying or cancelling planned projects.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Plans for future periods

The charity plans to continue to expand its almshouse provision.

The charity is working with an external property agent to identify future potential sites and working with the Council when they identify sites for disposal. The charity will continue to investigate and bid for other sites when opportunities arise.

The charity will oversee the development of the almshouses at Queen's Road and St Mary's Grove and work closely with the builders to achieve a new almshouse estate fit for purpose for the charity's elderly residents.

The charity will progress its project to install photovoltaic panels at the majority of estates to help reduce residents' electricity bills.

The Trustees intend to continue their programme of major repairs and improvements to almshouse properties, to be funded out of income. Refurbishments will arise as and when almshouses become vacant.

Existing residents will be offered the chance to have internal redecoration undertaken and level access showers installed. Residents are also being offered help with the maintenance of their individual gardens.

Residents who have lived in their almshouse for over 15 years will be offered refurbishment work.

Work will continue to strengthen the almshouse communities with new ideas for events and activities. We will hold an Almshouse Open Day in summer 2023 to raise awareness of the almshouses.

With the investment properties, major refurbishment work will be undertaken when necessary and external decorations will be undertaken on a number of properties. When other investment properties become vacant, the Property Committee will decide whether to sell the property or undertake refurbishment.

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

Following a rebranding exercise on 15 May 2023 the trading name of the company's independent auditor changed from MHA MacIntyre Hudson to MHA. A resolution to reappoint MHA as independent auditor will be proposed at the next Annual General Meeting.

Approved by order of the members of the Board of Trustees on 24 May 2023 and signed on their behalf by:

.....
Mr J Williams
Chairman

.....
Mr A S Lourie
Trustee

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2022

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 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 Will. 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.

Approved by order of the members of the Board of Trustees on 24 May 2023 and signed on their behalf by:

.....
Mr J Williams
Chairman

.....
Mr A S Lourie
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RICHMOND CHARITIES

Opinion

We have audited the financial statements of The Richmond Charities (the 'Charity') for the year ended 31 December 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 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 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.

Other information

The other information comprises the information included in the Trustees' Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Trustees' 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 Statement of Trustees' Responsibilities, 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.

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:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of staff to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RICHMOND CHARITIES (CONTINUED)

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.

MHA

MHA
Statutory Auditor
London, United Kingdom

14 June 2023

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

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

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and legacies	4	**502**	**11,700**	**-**	**12,202**	72,682
Charitable activities	5	**1,510,935**	**-**	**-**	**1,510,935**	1,350,727
Investments	6	**2,956,576**	**-**	**-**	**2,956,576**	2,850,523
Total income		**4,468,013**	**11,700**	**-**	**4,479,713**	4,273,932
Expenditure on:						
Raising funds		**1,142,324**	**-**	**-**	**1,142,324**	1,008,566
Charitable activities	8	**2,081,966**	**4,200**	**-**	**2,086,166**	2,832,191
Total expenditure		**3,224,290**	**4,200**	**-**	**3,228,490**	3,840,757
Revaluation of investments		**-**	**-**	**(7,726,882)**	**(7,726,882)**	7,371,081
Net income/(expenditure)		**1,243,723**	**7,500**	**(7,726,882)**	**(6,475,659)**	7,804,256
Transfers between funds	20	**2,473,808**	**-**	**(2,473,808)**	**-**	-
Net movement in funds before other recognised gains		**3,717,531**	**7,500**	**(10,200,690)**	**(6,475,659)**	7,804,256
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	26	**1,000**	**-**	**-**	**1,000**	-
Net movement in funds		**3,718,531**	**7,500**	**(10,200,690)**	**(6,474,659)**	7,804,256
Reconciliation of funds:						
Total funds brought forward		**8,277,477**	**-**	**140,747,240**	**149,024,717**	141,220,461
Net movement in funds		**3,718,531**	**7,500**	**(10,200,690)**	**(6,474,659)**	7,804,256
Total funds carried forward		**11,996,008**	**7,500**	**130,546,550**	**142,550,058**	149,024,717

All income and expenditure derives from continuing activities.

The notes on pages 19 to 43 form part of these financial statements.

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £		2021 £	
Fixed assets					
Tangible assets	14		**11,146,222**		10,282,931
Investments	16		**27,661,300**		18,360,711
Investment property	15		**102,885,250**		113,430,300
			141,692,772		142,073,942
Current assets					
Debtors	17	**744,425**		833,411	
Investments	18	**-**		5,960,793	
Cash at bank and in hand		**249,253**		402,433	
		993,678		7,196,637	
Creditors: Amounts falling due within one year	19	**(136,392)**		(244,862)	
Net current assets			**857,286**		6,951,775
Total assets less current liabilities			**142,550,058**		149,025,717
Defined benefit pension scheme asset / liability	26		**-**		(1,000)
Total net assets			**142,550,058**		149,024,717
Charity funds					
Endowment funds	20		**130,546,550**		140,747,240
Restricted funds	20		**7,500**		-
Unrestricted funds	20		**11,996,008**		8,277,477
Total funds			**142,550,058**		149,024,717

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

.....
Mr J Williams
Chairman
Date: 24 May 2023

.....
Mr A S Lourie
Trustee

The notes on pages 19 to 43 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	**(1,839,720)**	(2,749,973)
Cash flows from investing activities		
Investment income	**2,959,976**	2,850,523
Purchase of tangible fixed assets	**(6,548)**	(68,300)
Purchase of investments	**(5,994,128)**	(3,744,658)
Proceeds from the sale of investment properties	**4,727,240**	3,723,488
Net cash provided by investing activities	**1,686,540**	**2,761,053**
Change in cash and cash equivalents in the year	**(153,180)**	**11,080**
Cash and cash equivalents at the beginning of the year	**402,433**	391,353
Cash and cash equivalents at the end of the year	**249,253**	402,433

The notes on pages 19 to 43 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

The Richmond Charities is an Unincorporated Charity registered with the Charity Commission (Charity Registered Number 200431) in England and Wales.

The address of the principal office is given in the Charity information on page 1 of these financial statements.

The nature of the Charity's operations and principal activities are detailed in the Trustees' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The Richmond 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.

These financial statements are presented in sterling which is the functional currency of the Charity and are rounded to the nearest pound.

2.2 Going concern

The Trustees have assessed whether the use of going concern 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 the approval of these financial statements. In particular, the Trustees have considered the Charity's forecasts and projections and have taken account of pressures on income. After making enquiries, the Trustees have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

2.3 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.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Income from investments is accounted for when it is receivable.

2. Accounting policies (continued)

2.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. 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 is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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.

2.5 Taxation

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

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

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.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

No value for accounting purposes is placed on the historic almshouse properties as the original cost of these assets would be immaterial to these financial statements. Any material future capital additions to the almshouse properties will be recorded at cost.

SORP (FRS 102) requires fixtures and fittings be included in the accounts at cost. The Charity's existing fixtures and fittings are deemed to be of no material value and have therefore not been included.

Costs (including professional fees) relating to projects that are about to commence are capitalised as a fixed asset.

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:

Almshouses	- 2%
Office property	- over 40 years

2.7 Investment properties

Investment properties are recorded at fair value at each reporting date with changes in fair value recognised in Revaluation of investments in the Statement of Financial Activities.

2.8 Investments

Fixed asset 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 the value cannot be measured reliably in which case it is measured at cost less impairment.

The Statement of Financial Activities includes all net gains and losses arising on revaluation and disposals during the year. As investments are revalued to fair value continuously no realised gains or losses arise.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

2. Accounting policies (continued)

2.9 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.

2.10 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.

2.11 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.

2.12 Financial instruments

The Charity holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Charity and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 17. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in Note 19 and taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2. Accounting policies (continued)

2.14 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. The assets of the scheme are held separately from those of the Employer. The annual contributions payable are charged to the Statement of Financial Activities.

The Charity also contributes to the Church of England defined benefit pension scheme in respect of one member of staff. Please see Note 26 for more details.

2.15 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.

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.

Endowment funds represent those assets which must be held permanently by the Charity, principally the investments used to generate funds. Income arising on the endowment funds can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains or losses arising on the investments from part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

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

3. Critical accounting estimates and areas of judgement

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.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

1 Useful life of tangible fixed assets and the depreciation rates applied: the key judgement in this area relates to the useful life of almshouse properties and this is based on standard practice within the sector updated for any specific knowledge the Trustees are aware of.

2 Investment property valuation: these are updated each year by a qualified chartered surveyor with the Trustees agreeing appropriate and consistent assumptions in advance of the valuation.

4. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Donations	502	4,600	**5,102**
The Charity of Henry Smith	-	7,100	**7,100**
Total 2022	502	11,700	**12,202**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Donations	68,282	-	68,282
The Charity of Henry Smith	-	4,400	4,400
Total 2021	68,282	4,400	72,682

Unrestricted donations represents amounts transferred from Mortlake Charities Almshouses on the amalgamation with Richmond Charities.

5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £
Almshouses - Residents' contributions	1,510,935	**1,510,935**

	Unrestricted funds 2021 £	Total funds 2021 £
Almshouses - Residents' contributions	1,350,727	1,350,727

6. Income from investments

	Unrestricted funds 2022 £	Total funds 2022 £
Rents receivable	2,448,187	**2,448,187**
Dividend income receivable	506,220	**506,220**
Bank interest receivable	2,169	**2,169**
Total 2022	2,956,576	**2,956,576**

	Unrestricted funds 2021 £	Total funds 2021 £
Rents receivable	2,403,123	2,403,123
Dividend income receivable	447,324	447,324
Bank interest receivable	76	76
Total 2021	2,850,523	2,850,523

7. Expenditure on raising funds

	2022 £	2021 £
Fund management		
Investment management costs	**59,308**	65,481
	59,308	65,481
Property management		
Direct costs - Property	**1,032,647**	873,576
Support costs - Insurance	**15,919**	15,888
Support costs - Repairs and maintenance	**17,478**	20,632
Support costs - Legal and professional	**975**	5,549
Support costs - Office expenses	**15,958**	15,965
Support costs - Miscellaneous	**39**	11,475
	1,083,016	943,085
Total	**1,142,324**	1,008,566

In 2021, all expenditure on raising funds was from unrestricted funds.

8. Analysis of expenditure on charitable activities - by fund

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Almshouses	2,081,966	4,200	**2,086,166**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Almshouses	2,806,630	25,561	2,832,191

9. Analysis of expenditure on charitable activities - by type

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £
Almshouses	1,927,154	59,250	99,762	**2,086,166**

	Activities undertaken directly 2021 £	Grant funding of activities 2021 £	Support costs 2021 £	Total funds 2021 £
Almshouses	2,357,662	22,000	452,529	2,832,191

9. Analysis of expenditure on charitable activities - by type (continued)

Analysis of direct costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	**543,963**	518,179
Telephone	**16,532**	16,880
Rates and water	**29,158**	37,151
Electricity and gas	**40,941**	33,605
Cleaning	**11,358**	10,840
Careium	**14,190**	38,363
Garden and tree maintenance	**110,079**	81,659
Repairs and maintenance	**236,308**	181,627
Legal and professional fees	**242,621**	60,801
Miscellaneous	**764**	361
Major property repairs	**681,240**	1,378,196
Total	**1,927,154**	2,357,662

9. Analysis of expenditure on charitable activities - by type (continued)

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Governance staff costs	**62,208**	60,267
Depreciation	**243,257**	215,746
Insurance	**14,327**	14,300
Electricity and gas	**1,630**	1,072
Cleaning	**7,942**	6,571
Repairs and maintenance	**7,790**	11,998
Legal and professional fees	**98**	4,994
Office expenses	**12,733**	13,296
Miscellaneous	**53,345**	29,399
Governance costs	**51,172**	51,374
(Profit)/loss on disposal of fixed asset investments	**(354,740)**	43,512
Total	**99,762**	452,529

10. Governance costs

	2022 £	2021 £
Auditor's remuneration - Audit and accountancy	**20,250**	16,200
Governance staff costs	**62,208**	60,267
Other governance costs	**9,290**	35,174
	91,748	111,641

11. Revaluation of investments

		2022 £	2021 £
Revaluation (losses)/gains on investment property	15	**(5,072,550)**	4,938,300
Revaluation (losses)/gains on fixed asset investments	16	**(2,117,918)**	1,629,844
Revaluation (losses)/gains on current asset investments	18	**(536,414)**	802,937
		(7,726,882)	7,371,081

12. Staff costs

	2022 £	2021 £
Wages and salaries	**499,665**	474,809
Social security costs	**41,517**	45,282
Pension costs	**64,989**	58,591
	606,171	578,682

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

	2022 No.	2021 No.
Staff	**13**	14

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022 No.	2021 No.
In the band £80,001 - £90,000	**1**	1

The Charity considers its Key Management Personnel to comprise the Trustees and the Chief Executive. The total employment benefits (including employer pension contributions and employer national insurance contributions) of the Key Management Personnel were £116,719 (2021 - £112,724).

13. Trustees' remuneration and expenses

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

During the year ended 31 December 2022, £304 travel expenses were reimbursed or paid directly to one Trustee (2021 - none).

14. Tangible fixed assets

	Almshouses £	Office property £	Total £
Cost or valuation			
At 1 January 2022	**10,787,281**	**-**	**10,787,281**
Additions	**6,548**	**-**	**6,548**
Transfers between classes	**-**	**1,100,000**	**1,100,000**
At 31 December 2022	**10,793,829**	**1,100,000**	**11,893,829**
Depreciation			
At 1 January 2022	**504,350**	**-**	**504,350**
Charge for the year	**215,757**	**27,500**	**243,257**
At 31 December 2022	**720,107**	**27,500**	**747,607**
Net book value			
At 31 December 2022	**10,073,722**	**1,072,500**	**11,146,222**
At 31 December 2021	10,282,931	-	10,282,931

14. Tangible fixed assets (continued)

The Almshouse properties are non investment properties, held by the Charity as inalienable, with conditions attached for their use. For accounting purposes, no value is placed on the original Almshouse properties as it is considered by the Trustees that the original historic cost of the properties would not be material to the financial statements. The Trustees do not consider that the fair value of the Almshouses can be measured reliably, given the conditions specified for their use. Any costs of valuation to the Charity would not be commensurate with any benefit obtained from the information to the users of the accounts or to the Charity for its own stewardship purposes. Recognition of the Almshouses at fair value is not practicable.

With respect to the Almshouses transferred from RCCE, if at any time any of the Almshouses cease to be used permanently as Almshouses, half of the value of that land shall be paid to the Trustees of RCCE to be held as permanent endowment and the income used for its general purposes, provided that this clause will apply only if the land in question is sold and the proceeds of sale are used to purchase replacement land for the provision of Almshouses within a reasonable time.

The trustees have reconsidered the presentation of the office property held and transferred the property at its valued amount on 1 January 2022 to Freehold Property within fixed assets. See note 15 for details of the valuation of this property.

15. Investment property

	Investment property £	Mitre Pub £	Total £
Valuation			
At 1 January 2022	**112,705,300**	**725,000**	**113,430,300**
Disposals at carrying value	**(4,372,500)**	**-**	**(4,372,500)**
Surplus/(deficit) on revaluation	**(5,072,550)**	**-**	**(5,072,550)**
Transfers between classes	**(1,100,000)**	**-**	**(1,100,000)**
At 31 December 2022	**102,160,250**	**725,000**	**102,885,250**

Investment property

On 31 December 2022, Shaw & Company (Chartered Surveyors) undertook a desktop valuation of the properties for the year ending 31 December 2022. It was their opinion that there had been an overall reduction in the value of the property portfolio by 5% during 2022 *(2021 - 5% increase).*

The trustees have reconsidered the presentation of the office property held and transferred the property at its carrying amount on 1 January 2022 to Freehold Property within fixed assets.

16. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2022	**18,360,711**
Additions	**5,984,536**
Revaluations	**(2,117,918)**
Transfers between classes	**5,433,971**
At 31 December 2022	**27,661,300**
Net book value	
At 31 December 2022	**27,661,300**
At 31 December 2021	18,360,711

16. Fixed asset investments (continued)

The trustees have reconsidered the presentation of investments previously classed as current investments and as at 31 December 2022 reclassified them as fixed asset investments.

The market value of the listed investments at 31 December 2022 was £27,661,300 (2021 - £18,360,711).

17. Debtors

	2022 £	2021 £
Due within one year		
Rent receivable	**21,110**	102,107
Prepayments and accrued income	**723,315**	731,304
	744,425	833,411

Included within prepayments and accrued income is an amount of £682,500 relating to a deposit on a property to be purchased subsequent to the year end (2021: £682,500).

18. Current asset investments

	2022 £	2021 £
Extraordinary repair funds	**5,433,971**	5,960,793
Transfer to fixed asset investments	**(5,433,971)**	-
	-	5,960,793

The trustees have reconsidered the presentation of current investments and as at 31 December 2022 reclassified them as fixed asset investments. During the year there were additions of £9,592 (2021 - £1,986,176) and revaluation losses of £536,414 (2021 - gains of £802,937).

19. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	**19,038**	31,001
Other taxation and social security	**13,989**	12,355
Other creditors	**6,263**	5,362
Accruals and deferred income	**97,102**	196,144
	136,392	244,862

	2022 £	2021 £
Deferred income		
Deferred income at 1 January	**71,693**	73,985
Resources deferred during the year	**72,334**	71,693
Amounts released from previous periods	**(71,693)**	(73,985)
Deferred income at 31 December	**72,334**	71,693

At the Balance Sheet date the Charity was holding funds received in advance for rent relating to the next financial year.

20. Statement of funds

Restricted funds are amounts received from Henry Smith Charity with the restricted purpose of supporting welfare.

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds						
General Funds - all funds	8,277,477	4,468,013	(3,224,290)	2,473,808	1,000	11,996,008
Endowment funds						
Endowment Funds - all funds	140,747,240	-	-	(2,473,808)	(7,726,882)	130,546,550
Restricted funds						
Restricted Funds - all funds	-	11,700	(4,200)	-	-	7,500
Total of funds	149,024,717	4,479,713	(3,228,490)	-	(7,725,882)	142,550,058

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds						
Designated funds						
Almshouse property fund	4,184,587	-	-	(4,184,587)	-	-
Extraordinary repair fund	1,193,867	-	-	(1,193,867)	-	-
Development reserve	696,742	-	-	(696,742)	-	-
Major repairs reserve	1,100,000	-	-	(1,100,000)	-	-
	7,175,196	-	-	(7,175,196)	-	-
General funds						
Almshouse fund	3,386,039	4,248,732	(3,817,557)	3,504,232	957,031	8,278,477
Pension reserve	(3,000)	-	2,000	-	-	(1,000)
	3,383,039	4,248,732	(3,815,557)	3,504,232	957,031	8,277,477
Total Unrestricted funds	10,558,235	4,248,732	(3,815,557)	(3,670,964)	957,031	8,277,477

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Endowment funds						
Almshouse fund - General	130,662,226	-	-	3,670,964	6,414,050	140,747,240

20. Statement of funds (continued)

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Restricted funds						
Welfare charities	-	25,200	(25,200)	-	-	-
Total of funds	141,220,461	4,273,932	(3,840,757)	-	7,371,081	149,024,717

20. Statement of funds

The Almshouse funds are unrestricted and are used to fund activities in furtherance of the Charity's objectives alongside the management and administration. Included within this fund is the Mitre pub originally purchased at £550,000.

In the prior year the Trustees have reconsidered the disposition of the Charity's funds and have agreed to transfer designated funds into general unrestricted funds as these are not required to be separately analysed.

21. 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	11,146,222	-	-	**11,146,222**
Fixed asset investments	-	-	27,661,300	**27,661,300**
Investment property	-	-	102,885,250	**102,885,250**
Current assets	986,178	7,500	-	**993,678**
Creditors due within one year	(136,392)	-	-	**(136,392)**
Total	11,996,008	7,500	130,546,550	**142,550,058**

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	10,282,931	10,282,931
Fixed asset investments	601,702	17,759,009	18,360,711
Investment property	725,000	112,705,300	113,430,300
Current assets	7,196,637	-	7,196,637
Creditors due within one year	(244,862)	-	(244,862)
Defined benefit pension scheme liability	(1,000)	-	(1,000)
Total	8,277,477	140,747,240	149,024,717

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

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	**(6,475,659)**	7,804,256
Adjustments for:		
Depreciation charges	**243,257**	215,746
Gains/(losses) on investments	**7,726,882**	(7,328,655)
Dividends, interests and rents from investments	**(2,959,976)**	(2,850,523)
Loss/(profit) on the sale of fixed assets	**(354,740)**	43,512
Decrease/(increase) in debtors	**88,986**	(675,344)
Increase/(decrease) in creditors	**(108,470)**	43,035
(Decrease) in defined benefit pension scheme	**-**	(2,000)
Net cash used in operating activities	**(1,839,720)**	(2,749,973)

23. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	**249,253**	402,433
Total cash and cash equivalents	**249,253**	402,433

24. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	Other non-cash changes £	At 31 December 2022 £
Cash at bank and in hand	**402,433**	**(153,180)**	**-**	**249,253**
Liquid investments	**5,960,793**	**(526,822)**	**(5,433,971)**	**-**
	6,363,226	**(680,002)**	**(5,433,971)**	**249,253**

25. Capital commitments

	2022 £	2021 £
Contracted for but not provided in these financial statements		
Repairs, maintenance or enhancements to Almshouses	**341,682**	70,906

26. Pension commitments

The Richmond Charities Almshouses participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the Schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the Scheme pays contributions at a common contribution rate applied to pensionable stipends.

The Scheme is considered to be a multi-employer Scheme as described in Section 28 of FRS102. This means it is not possible to attribute the Scheme's assets and liabilities to specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions (see below).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions.

- An average discount rate of 2.7% p.a.;
- RPI inflation of 3.6% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 2.8% p.a.;
- The mortality assumption has been updated to the most recently available mortality tables (the S3 tables) with a Scheme specific adjustment of 90%.

26. Pension commitments (continued)

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) were set as follows:

Deficit repair contributions as a % of pensionable stipends

	%
1 January 2018 to 31 December 2020	**11.9**
1 January 2021 to 31 December 2022	**7.1**

The deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the Balance Sheet liability over 2021 and over 2022 is set out in the table below.

Movement in defined benefit pension scheme liability

	2022 £	2021 £
Balance at 1 January	**1,000**	5,000
Deficit contribution paid	**-**	(2,000)
Actuarial gain on scheme assets	**(1,000)**	(2,000)
Balance at 31 December	**-**	1,000

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. In general, these are set by reference to the duration of the deficit recovery payments but as at 31 December 2022, under accounting rules the payments are not discounted since the remaining recovery plan is less than 12 months. No price inflation assumption is needed since pensionable stipends for the remainder of the recovery plan are already known.

When a Minor Responsible Body's last active member leaves service, under a legal agreement in force, the CEFPS pension liabilities which would otherwise have been attributed to the Minor Responsible Body are instead apportioned on a pro rata basis to all the Major Responsible Bodies.

27. Operating lease commitments

At 31 December 2022 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Other:		
Not later than 1 year	**1,646**	1,646
Later than 1 year and not later than 5 years	**-**	549
	1,646	2,195

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2022 £	2021 £
Operating lease rentals	**1,646**	1,646

28. Related party transactions

Other than Key Management Personnel and Trustee transactions detailed in Notes 12 and 13, there were no related party transactions during the period (*2021 - none*).

RICHMOND CHARITIES

England & Wales - Charity number 200431

Accounts

Charity Registration Number: 200431

THE RICHMOND CHARITIES

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

THE RICHMOND CHARITIES

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees	Mr P W C Marr, Chairman[1] Dr A J M Hall[4] Mrs E Halford[2,4] Mr S J King[1,3,4,5] Mr A S Lourie[1,2] Mrs M Marshall[2] Mrs K Maxwell[3] Mrs K O'Brien[4] Cllr R Pyne Revd W Roest[4] Mr M Townsin[4] Mr J Williams[2,3,5] Mr J Blythe (appointed 26 January 2022) [1] Finance Committee [2] Property Committee [3] Risk Management Committee [4] Welfare Committee [5] Safeguarding Group
Charity registered number	200431
Principal office	95 Sheen Road Richmond TW9 1YJ
Chief Executive	Ms J Ames-Lewis
Independent auditor	MHA MacIntyre Hudson Statutory Auditors 6th Floor 2 London Wall Place London, United Kingdom EC2Y 5AU
Bankers	Barclays Bank plc 8 George Street Richmond Surrey TW9 1JY HSBC 67 George Street Richmond TW9 1HG

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Solicitors	Moore Barlow 9 The Green Richmond Surrey TW9 1BP
Property Agents and Surveyors	HML LAM 9-11 The Quadrant Richmond Surrey TW9 1BP
Investment Fund Managers	Sarasin & Partners Juxon House 100 St. Paul's Churchyard London EC4M 8BU CCLA Senator House 85 Queen Victoria Street London EC4V 4ET

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their Annual Report together with the audited financial statements of the The Richmond Charities for the year 1 January 2021 to 31 December 2021.

Objectives and activities

a. Activities undertaken to achieve objectives

The objects of the Charity are to provide almshouse accommodation and to generate income for the Charities embraced by The Richmond Charities as described below.

The area of benefit is the London Borough of Richmond-upon-Thames.

The Richmond Charities originated from:

1. William Hickey's Almshouse Charity
2. Bishop Duppa's Almshouse Charity
3. Houblon's Almshouse Charity
4. Sir George Wright's or Queen Elizabeth's Almshouse Charity
5. Michel's Almshouse Charity (including Benn's Walk)
6. The Almshouses of Richmond Church Charity Estate (Church Estate Almshouses)
7. Twickenham United Charities (Candler Almshouses)
8. Mortlake Almshouse & Relief Charity (Juxon's and Colston's Almshouse)

The appointment to almshouse accommodation is subject to residential and other qualifications.

Other Charities embraced by The Richmond Charities are:

Relief in Need: Share of the Charity of Henry Smith

In addition, the Trustees have responsibility for the administration of one welfare and one relief in sickness Charity:

The Misses Thompson and Whipple Trust
The Richmond Aid in Sickness Fund

These Charities share the objective of benefiting the London Borough of Richmond-upon-Thames.

The Trustees maintain an Extraordinary Repair Fund. The purpose of this fund is to repair, improve and replace existing almshouses, and to provide for future growth and re-development. The funds are kept separate and safe, by ensuring adequate accounting records are maintained.

b. Main activities undertaken to further the Charity's purposes for the public benefit

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. The public benefit of the Charity is in providing safe and comfortable almshouse accommodation for those in need as described in the Scheme and generating income for those Charities described in the Objectives and Activities of the Charity below. Our strategic aims as stated on page 4 link to this benefit and we are satisfied that these aims do not have a detrimental effect outside of the Charity's activities. Whilst many of the activities are local in nature, the Trustees do not consider this to be an unreasonable geographic restriction and those in need are not excluded from benefit.

As a result of the above, the Trustees consider that the Charity satisfies the public benefit test.

Achievements and performance (continued)

a. Strategic report

Achievements and performance

Review of activities

The stated objectives of the Charity are deemed to have been achieved for the year to the best of the Charity's and its Trustees' abilities and these achievements can be measured as follows:

A high level of occupancy was maintained in line with the object of providing such accommodation. Considerable time and expense was devoted in the year to maintaining the accommodation to a high standard for the residents.

A surplus of incoming resources has been generated by the Charity's investments, including properties. The performance of the Charity's investments is considered by the Trustees to have been satisfactory given the expenditure on major repairs and the current market conditions.

The surplus on net incoming resources of the Charity arises from property and other approved investments and, after deducting charitable and governance expenditure, is £433,175 *(2020 - surplus of £654,991)* applied as shown in the Statement of Financial Activities (page 18).

HML LAM continued to act as Property Managers of the investment properties.

The Trustees held a Strategic Planning Meeting in October 2021 to set new strategic objectives for 2022-2026. The objectives are as follows:

1. To continue to seek opportunities to develop more almshouses.

2. To continue the on-going work to refurbish almshouses and to consider implications for the almshouse of the future.

3. To maximise the benefits from the investment property portfolio.

4. To revise the almshouse applicant qualifying criteria and to continue to work with the Council on nominations rights issues.

5. To continue to build and strengthen the almshouse community.

6. To consider the resources needed to implement the key objectives: Staffing and Governance.

7. To develop a coherent communications strategy for the Charity.

8. To be more strategic about the Charity's Welfare Grants funding.

Achievements and performance (continued)

COVID-19 had an impact on the Charity and its beneficiaries.

1. Financial impact:

   a. In March 2020 the Charity carried out detailed scenario analysis and disaster planning to look at the potential impact of COVID-19 on the Charity's finances and to look at ways of coping with potential loss of income and ways in which expenditure could be reduced.

   b. In 2021 rental income and WMC income held up well and we had few voids. When there were voids, we were able to re-let the investment properties swiftly and house new beneficiaries in the almshouses once refurbishments had been carried out.

   c. The Charity incurred larger than usual expenditure on almshouse major works due to some projects having been delayed from 2020 due to COVID-19.

   d. The Charity sold a number of investment properties rather than refurbishing them which reduced expenditure.

2. Operational impact:

   a. In February and March 2020 a detailed action plan was drawn up by the CEO to support residents through the pandemic.

   b. Staff worked from home during lockdown 1 and 2 but come lockdown 3 in from January 2021 we had shown that the Charity could be run well with staff on a shift pattern for the 3 offices. All staff then returned to the offices full time from May 2021.

   c. Guidance and support continued to be issued to residents via regular letters from the CEO and through the monthly Almshouse News magazine.

   d. All meetings continued online, including all interviews with new applicants for almshouse accommodation undertaken by the CEO and the Welfare Committee, and from September 2021 meetings began to be in person again.

3. Impact on beneficiaries:

   a. 2021 was another difficult year for our beneficiaries, particularly after the lockdown from January 2021.

   b. The Charity has had very few cases of COVID-19 amongst its beneficiaries, though with the spread of Omicron the numbers have increased slightly.

   c. The vaccine has been taken up by the vast majority of residents.

   d. From September 2021, activities and events within our community were able to re-start.

Achievements and performance (continued)

Progress was achieved in 2021 in all these areas as follows:

1. The Charity continued to seek opportunities for further expansion and development of more almshouses. A new site is being purchased in 2022 for a 12-unit almshouse development which will complete and open in 2023.

2. The Charity merged with Mortlake Almshouse & Relief Charity in November 2021, when the Charity Commission published the new Scheme. 6 almshouses at Juxon's and Colston's have come under the Charity's ownership and management and the 6 existing residents have become residents of The Richmond Charities.

3. The Charity continued with its policy to sell in the region of £4.75m worth of investment properties each year in order to (a) be able to develop a new almshouse estate every 2-3 years and (b) to rebalance the assets portfolio and to move towards a 75/25 split of property/invested funds.

4. 6, 8, 53 and 59 Houblon Road were all sold in 2021. At the end of 2021 the Charity was under offer on the sales of 41 and 62 Houblon Road, to exchange and complete in January/February 2022.

5. The following almshouses were refurbished or redecorated in 2021 prior to new residents moving in: 4, 6 and 10 Bishop Duppa's, 2, 4, 5, 10 and 14 Church Estate, 20, 27 and 30 Hickey's, 3 Houblon's, 2, 5, 13 and 15 Michel's and 3 Queen Elizabeth's.

6. The Charity welcomed 14 new residents into its community.

7. Internal redecoration work and new level access shower rooms were undertaken for a number of existing residents.

8. Loft and cellar insulation was installed in all almshouse estates.

9. The Chapel at Hickey's Almshouses underwent a large renovation project.

10. Photovoltaic panels were installed at Adelaide Road almshouses.

11. Roof and chimney repairs were carried out at 1-10 Church Estate and external decorations on 11-18 Church Estate.

12. The Charity was able to hold its annual residents' open forum meetings in 2021.

13. The Almshouse News magazine was produced monthly during 2021.

14. The Charity increased its grant giving budget to support those in need, hardship or distress in the borough and awarded an additional £25,000 in grant funding for 2021, along with the £25,000 from the smaller Welfare Charities. The borough has seen an increase in need due to COVID-19. Applications have been received in January 2022 from 14 organisations applying for a share of the funding and the Welfare Committee will decide on grant awards.

15. The Charity welcomed one new member of staff who was appointed as Health, Safety & Security Officer in March 2021.

16. The Charity revised its Business Continuity Plan and Risk Register.

17. Major refurbishments on investment properties were undertaken at Flat 5, Friars Stile Road and 11 Michel's Row.

Achievements and performance (continued)

18. External redecorations were undertaken at various properties in Houblon Road.

The Trustees delegate the management of the Charity's investment portfolio to professional fund managers whilst maintaining oversight over those investments.

The Richmond Charities assumed management of Richmond Philanthropic Society from September 2009. Richmond Philanthropic Society has been in existence since 1870 and remained in a strong financial position to distribute grants to the needy of Richmond, Kew, Petersham and Ham. Richmond Philanthropic Society is a separate charitable entity to Richmond Charities' Almshouses and files separate accounts.

The Richmond Charities measures and assesses success by how many elderly people in need of almshouse accommodation the Charity is able to house during the year.

b. Investment policy and performance

Funds are invested in such a manner as the Trustees think fit in order to provide an appropriate and balanced portfolio, taking into account the requirements of the law relating to the investment of charitable monies.

The investment performance is measured against the objectives as laid out in the Charity's investment policy. The principal aim of the endowed funds invested in the income portfolio is to be managed on the basis of producing a regular income whilst at least maintaining its capital base in real terms.

a. Financial review

Reserves policy

The Charity regularly reviews its operational risks and requirements and maintains a level of reserves considered sufficient in order to be able to address its requirements. Some of the reserves are designated in accordance with this assessment and where necessary transfers are made to achieve the Charity's targets. The current actual level of reserves are considered to be adequate based on current and projected activities and risks and are detailed below.

During the year the Trustees have reconsidered the disposition of the Charity's funds and have agreed to transfer designated funds into general unrestricted funds as these are not required to be separately analysed.

b. Financial review

The value of investment properties has increased to £113,430,300 *(2020 - £112,259,000)*. HML LAM (Chartered Surveyors) undertook a desktop valuation of the properties for the year ended 2021, and in their opinion there had been an overall increase in value of 5%.

Fixed asset investments increased in aggregate value in the year to £18,360,711 *(2020 - £15,014,811)* after additions of £1,758,482 and a total revaluation gain of £1,587,418.

Structure, governance and management

a. Constitution

The Richmond Charities is administered in accordance with the following Charity Commission schemes:

5.8.1974	The Richmond Charities
21.8.1974	Michel's Almshouse Charity
30.4.1987	Richmond Charities' Almshouses
18.11.1987 and 21.6.1990	Richmond Charities' Almshouses
24.5.2004	Richmond Charities' Almshouses
27.2.2006	Richmond Charities' Almshouses
17.12.2008	Richmond Charities' Almshouses
08.10.2020	Richmond Charities' Almshouses
01.11.2021	Mortlake Almshouse Charities

Under the 18.11.1987 and 21.6.1990 schemes, Michel's Almshouse Charity was merged with The Richmond Charities, to be administered as one, under the name Richmond Charities' Almshouses. Under the Charity Commission scheme dated 24.5.2004, which altered the trusts of Richmond Church Charity Estates (Charity Reg. No. 212770), title of the Church Estate Almshouses was transferred to Richmond Charities' Almshouses. The scheme of 27.2.2006 extended the area of benefit from the former Borough of Richmond to the London Borough of Richmond. The scheme of 17.12.2008 merged Twickenham United Charities and Richmond Charities' Almshouses and updated the governing instrument. The Scheme of 8 October 2020 widened the objects of the charity to enable Trustees to make grants to people in need in the Richmond borough. The Scheme of 1 November 2021 merged Mortlake Almshouse Charities and Richmond Charities' Almshouses.

The Trustees' strategic plans re-affirm the values of the Charity to continue: - creating an environment for older people to live independently and with dignity; supporting older people in remaining independent for as long as possible; looking for ways to improve the almshouses; seeking ways to increase the number of almshouses; and ensuring the provision of housing for future older generations.

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The management of the Charity is conducted by the Chief Executive, under day-to-day authority delegated by the Trustees. The major part of the administration is concerned with the almshouses, its residents, investment properties and investments.

The Trustees' meetings take place at regular intervals (minimum six times a year) and are attended periodically by representatives of HML LAM, who act as Property Managers for the Charity.

The Trustees may consist of an ex-officio, eight co-optative and three nominative Trustees. Two nominative Trustees are nominated by the Local Authority and the remaining one must be appointed by the vicar for the time being of the ecclesiastical parish of St. Mary's Twickenham. Trustees are appointed at ordinary meetings by way of majority resolution. Newly appointed Trustees receive an in-depth induction.

The Trustees meet at regular intervals during the year to review the Charity's strategy and performance, approve plans and monitor budgets. The Trustees have delegated certain functions to the Finance, Risk Management, Welfare, Property and Safeguarding Committees whose composition is annotated at the front of these accounts.

New Trustees' receive a full information pack and induction from the Chief Executive. They are introduced to all properties and residents gradually. Training for Trustees takes place during the year and in 2020 all Trustees underwent Safeguarding Training.

c. Pay policy for Key Management Personnel

The Trustees consider the Board of Trustees and the Chief Executive as comprising the Key Management Personnel of the Charity in charge of directing and controlling the Charity and running and operating the Charity on a day to day basis. All Trustees give their free time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in Notes 13 and 28 to the accounts.

Staff pay will be reviewed annually and will normally be increased in accordance with average earnings. In view of the nature of the Charity, the Trustees will normally benchmark against pay levels in other Charities of similar size. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for any additional responsibilities.

Structure, governance and management (continued)

d. Risk management

The Trustees are responsible for safeguarding the assets of the Charity and for ensuring that it is fully compliant with relevant regulations and best practice. They have reviewed the key risks to which the Charity is exposed together with the operating and financial compliance controls that have been implemented to mitigate those risks. The Trustees are of the view that there is a formal ongoing process for identifying, evaluating and managing the Charity's significant risks that have been in place for the year ending 31 December 2021. This process is regularly reviewed by the Trustees.

The principal risks faced by the Charity lie in managing the loss of key staff and financial risk from increasing expenditure.

The operational risk from loss of key staff is managed by the Trustees by ensuring there is effective succession planning in place. This involves having a practical notice period and handover policy as well as a vigorous recruitment process to identify the right individuals for the vacant positions.

The risk of additional expenditure is managed by the finance committee which holds regular meetings to assess expenditure against the Charity budgets. Authorisation procedures exist to ensure additional expenditure is authorised and if necessary the Charity will consider delaying or cancelling planned projects.

Plans for future periods

The Charity plans to continue to expand its almshouse provision.

The Charity is working with an external property agent to identify future potential sites and working with the Council when they identify sites for disposal. The Charity will continue to investigate and bid for other sites when opportunities arise.

The Charity will oversee the development of the almshouses at Queen's Road and work closely with the builder to achieve a new almshouse estate fit for purpose for the Charity's elderly residents.

The Charity is currently investigating other sites for almshouse development.

The Trustees intend to continue their programme of major repairs and improvements to almshouse properties, to be funded out of income. Refurbishments will arise as and when almshouses become vacant.

The Trustees will try to gain consent from the Council to install photovoltaic panels at some of the almshouse estates.

Existing residents will be offered the chance to have internal redecoration undertaken and level access showers installed. Residents are also being offered help with the maintenance of their individual gardens.

Residents who have lived in their almshouse for over 15 years will be offered refurbishment work.

Work will continue to strengthen the almshouse communities with new ideas for events and activities post COVID-19.

With the investment properties, major refurbishment work will be undertaken when necessary and external decorations will be undertaken on a number of properties. When other investment properties become vacant, the Property Committee will decide whether to sell the property or undertake refurbishment.

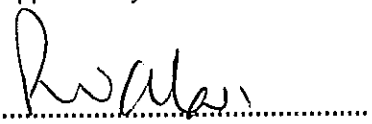
The Charity will award up to £25,000 in grant funding to local organisations to distribute on the Charity's behalf to people in need in the borough.

Disclosure of information to auditor

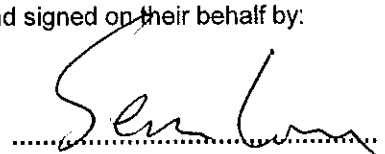
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- 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.

Approved by order of the Members of the Board of Trustees and signed on their behalf by:



Mr P W C Marr
Chairman
Date: 25/5/22



Mr A S Lourie
Trustee

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees are responsible for preparing the Trustees' Annual 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. 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.

Approved by order of the Members of the Board of Trustees and signed on its behalf by:

.....
Mr P W C Marr
Chairman
Date: 25/5/22

.....
Mr A S Lourie
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RICHMOND CHARITIES

Opinion

We have audited the financial statements of The Richmond Charities (the 'Charity') for the year ended 31 December 2021 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 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2021 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.

Other information

The other information comprises the information included in the Trustees' Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Trustees' 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 Statement of Trustees' Responsibilities, 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.

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:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of staff to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RICHMOND CHARITIES (CONTINUED)

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.

MHA MacIntyre Hudson

MHA MacIntyre Hudson
Statutory Auditor
London, United Kingdom

Date: 26/07/22

MHA MacIntyre Hudson are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Income from:						
Donations and legacies	4	**47,482**	**25,200**	**-**	**72,682**	*4,625*
Charitable activities	5	**1,350,727**	**-**	**-**	**1,350,727**	*1,222,328*
Investments	6	**2,850,523**	**-**	**-**	**2,850,523**	*3,227,883*
Total Income		**4,248,732**	**25,200**	**-**	**4,273,932**	*4,454,836*
Expenditure on:						
Raising funds:	7					
Property management		**965,085**	**-**	**-**	**965,085**	*1,492,458*
Fund management		**65,481**	**-**	**-**	**65,481**	*70,708*
Charitable activities	8	**2,784,991**	**25,200**	**-**	**2,810,191**	*2,236,679*
Total expenditure		**3,815,557**	**25,200**	**-**	**3,840,757**	*3,799,845*
Revaluation of investments	11	**957,031**	**-**	**6,414,050**	**7,371,081**	*5,354,022*
Net income		**1,390,206**	**-**	**6,414,050**	**7,804,256**	*6,009,013*
Transfers between funds	20	**(3,670,964)**	**-**	**3,670,964**	**-**	*-*
Net movement in funds		**(2,280,758)**	**-**	**10,085,014**	**7,804,256**	*6,009,013*
Reconciliation of funds:						
Total funds brought forward		**10,558,235**	**-**	**130,662,226**	**141,220,461**	*135,211,448*
Net movement in funds		**(2,280,758)**	**-**	**10,085,014**	**7,804,256**	*6,009,013*
Total funds carried forward		**8,277,477**	**-**	**140,747,240**	**149,024,717**	*141,220,461*

All income and expenditure derives from continuing activities.

The notes on pages 21 to 45 form part of these financial statements.

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	14		**10,282,931**		*10,430,377*
Investments	16		**18,360,711**		*15,014,811*
Investment property	15		**113,430,300**		*112,259,000*
			142,073,942		*137,704,188*
Current assets					
Debtors	17	**833,411**		*151,497*	
Investments	18	**5,960,793**		*3,171,680*	
Cash at bank and in hand	23	**402,433**		*391,353*	
		7,196,637		*3,714,530*	
Creditors: Amounts falling due within one year	19	**(244,862)**		*(195,257)*	
Net current assets			**6,951,775**		*3,519,273*
Total assets less current liabilities			**149,025,717**		*141,223,461*
Defined benefit pension scheme liability	26		**(1,000)**		*(3,000)*
Total net assets			**149,024,717**		*141,220,461*
Charity funds					
Endowment funds	20		**140,747,240**		*130,662,226*
Restricted funds	20		**-**		*-*
Unrestricted funds	20		**8,277,477**		*10,558,235*
Total funds			**149,024,717**		*141,220,461*

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

Mr P W C Marr
Chairman
Date: 25/5/22

Mr A S Lourie
Trustee

The notes on pages 21 to 45 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	22	**(2,749,973)**	*(2,155,192)*
Cash flows from investing activities			
Investment income	6	**2,850,523**	*3,227,883*
Purchase of tangible fixed assets	14	**(68,300)**	*(5,450,000)*
Proceeds from sale of investments	16	**-**	*7,009,380*
Purchase of investments	16,18	**(3,744,658)**	*(5,006,237)*
Proceeds from the sale of investment properties	15	**3,723,488**	*3,830,000*
Purchase of investment properties	15	**-**	*(1,375,000)*
Net cash provided by investing activities		**2,761,053**	*2,236,026*
Change in cash and cash equivalents in the year		**11,080**	*80,834*
Cash and cash equivalents at the beginning of the year		**391,353**	*310,519*
Cash and cash equivalents at the end of the year	23	**402,433**	*391,353*

The notes on pages 21 to 45 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

The Richmond Charities is an Unincorporated Charity registered with the Charity Commission (Charity Registered Number 200431) in England and Wales.

The address of the registered office is given in the Charity information on page 1 of these financial statements.

The nature of the Charity's operations and principal activities are detailed in the Trustees' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The Richmond 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.

These financial statements are presented in sterling which is the functional currency of the Charity and are rounded to the nearest pound.

2.2 Going concern

The Trustees have assessed whether the use of going concern 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 including the impact of COVID-19. The Trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. In particular, the Trustees have considered the Charity's forecasts and projections and have taken account of pressures on income. After making enquiries, the Trustees have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

2. Accounting policies (continued)

2.3 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.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Income from investments is accounted for when it is receivable.

2.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. 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 is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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.

2.5 Taxation

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

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

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.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

No value for accounting purposes is placed on the historic almshouse properties as the original cost of these assets would be immaterial to these financial statements. Any material future capital additions to the almshouse properties will be recorded at cost.

SORP (FRS 102) requires fixtures and fittings be included in the accounts at cost. The Charity's existing fixtures and fittings are deemed to be of no material value and have therefore not been included.

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 basis:

Almshouses	-	2%

2.7 Investment properties

Investment properties are recorded at fair value at each reporting date with changes in fair value recognised in Revaluation of investments in the Statement of Financial Activities.

2.8 Investments

Fixed asset 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 the value cannot be measured reliably in which case it is measured at cost less impairment.

The Statement of Financial Activities includes all net gains and losses arising on revaluation and disposals during the year. As investments are revalued to fair value continuously no realised gains or losses arise.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

2.9 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. Accounting policies (continued)

2.10 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.

2.11 Liabilities and provisions

Liabilities and provisions 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.

2.12 Financial instruments

The Charity holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Charity and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 17. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in Note 19 and taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.14 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. The assets of the scheme are held separately from those of the Employer. The annual contributions payable are charged to the Statement of Financial Activities.

The Charity also contributes to the Church of England defined benefit pension scheme in respect of one member of staff. Please see Note 26 for more details.

2. Accounting policies (continued)

2.15 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.

Endowment funds represent those assets which must be held permanently by the Charity, principally the investments used to generate funds. Income arising on the endowment funds can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains or losses arising on the investments from part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

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

3. Critical accounting estimates and areas of judgement

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.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

- Useful life of tangible fixed assets and the depreciation rates applied: the key judgement in this area relates to the useful life of almshouse properties and this is based on standard practice within the sector updated for any specific knowlege the Trustees are aware of.
- Investment property valuation: these are updated each year by a qualified chartered surveyor with the Trustees agreeing appropriate and consistent assumptions in advance of the valuation.

4. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Donations	47,482	20,800	**68,282**
The Charity of Henry Smith	-	4,400	**4,400**
Total 2021	47,482	25,200	**72,682**

Unrestricted donations represents amounts transferred from Mortlake Charities Almshouses on the amalgamation with Richmond Charities.

	Restricted funds 2020 £	*Total funds 2020 £*
Donations	*225*	*225*
The Charity of Henry Smith	*4,400*	*4,400*
Total 2020	*4,625*	*4,625*

5. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £
Almshouses - Residents' contributions	1,350,727	**1,350,727**

	Unrestricted funds 2020 £	*Total funds 2020 £*
Almshouses - Residents' contributions	*1,222,328*	*1,222,328*

6. Income from investments

	Unrestricted funds 2021 £	Total funds 2021 £
Rents receivable	2,403,123	**2,403,123**
Dividend income receivable	447,324	**447,324**
Bank interest receivable	76	**76**
Total 2021	2,850,523	**2,850,523**

	Unrestricted funds 2020 £	*Total funds 2020 £*
Rents receivable	*2,531,675*	*2,531,675*
Dividend income receivable	*696,050*	*696,050*
Bank interest receivable	*158*	*158*
Total 2020	*3,227,883*	*3,227,883*

7. Expenditure on raising funds

	2021 £	2020 £
Fund management		
Investment management costs	**65,481**	*70,708*
	65,481	*70,708*
Property management		
Direct costs - Property	**873,576**	*1,392,815*
Support costs - Insurance	**15,888**	*30,884*
Support costs - Repairs and maintenance	**20,632**	*22,412*
Support costs - Legal and professional	**5,549**	*6,579*
Support costs - Office expenses	**15,965**	*19,206*
Support costs - Miscellaneous	**33,475**	*20,562*
	965,085	*1,492,458*
Total	**1,030,566**	*1,563,166*

In 2020, all expenditure on raising funds was from unrestricted funds.

8. Analysis of expenditure on charitable activities - by fund

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Almshouses	2,784,991	25,200	**2,810,191**

	Unrestricted funds 2020 £	*Restricted funds 2020 £*	*Total funds 2020 £*
Almshouses	*2,232,054*	*4,625*	*2,236,679*

9. Analysis of expenditure on charitable activities - by type

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Almshouses	2,357,662	452,529	**2,810,191**

	Activities undertaken directly 2020 £	*Grant funding of activities 2020 £*	*Support costs 2020 £*	*Total funds 2020 £*
Almshouses	*1,925,740*	*4,400*	*306,539*	*2,236,679*

9. **Analysis of expenditure on charitable activities - by type (continued)**

Analysis of direct costs

	Total funds 2021 £	*Total funds 2020 £*
Staff costs	**518,179**	*493,042*
Telephone	**16,880**	*10,478*
Rates and water	**37,151**	*58,902*
Electricity and gas	**33,605**	*33,479*
Cleaning	**10,840**	*7,645*
LBRUT Careline	**38,363**	*34,988*
Garden and tree maintenance	**81,659**	*95,307*
Repairs and maintenance	**181,988**	*82,266*
Legal and professional fees	**60,801**	*182,026*
Miscellaneous	**-**	*1,441*
Major property repairs	**1,378,196**	*926,166*
Total	**2,357,662**	*1,925,740*

9. Analysis of expenditure on charitable activities - by type (continued)

Analysis of support costs

	Total funds 2021 £	*Total funds 2020 £*
Governance staff costs	**60,267**	*57,343*
Depreciation	**215,746**	*132,630*
Insurance	**14,300**	*27,796*
Electricity and gas	**1,072**	*265*
Cleaning	**6,571**	*3,316*
Repairs and maintenance	**11,998**	*16,854*
Legal and professional fees	**4,994**	*5,921*
Office expenses	**13,296**	*17,019*
Miscellaneous	**29,399**	*18,505*
Governance costs	**51,374**	*26,890*
Loss on disposal of fixed asset investments	**43,512**	-
Total	**452,529**	*306,539*

10. Governance costs

	2021 £	*2020 £*
Auditor's remuneration - Audit and accountancy	**16,200**	*15,800*
Auditor's remuneration - Other services	**-**	*1,126*
Governance staff costs	**60,267**	*57,343*
Other governance costs	**35,174**	*9,964*
	111,641	*84,233*

11. Revaluation of Investments

		2021 £	*2020 £*
Revaluation gains on investment property	15	**4,938,300**	*4,389,250*
Revaluation gains on fixed asset investments	16	**1,629,844**	*783,671*
Revaluation gains on current asset investments	18	**802,937**	*181,101*
		7,371,081	*5,354,022*

12. Staff costs

	2021 £	*2020 £*
Wages and salaries	**474,809**	*462,644*
Social security costs	**45,282**	*45,352*
Pension costs	**58,591**	*44,688*
	578,682	*552,684*

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

	2021 No.	*2020 No.*
Staff	**14**	*12*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021 No.	*2020 No.*
In the band £80,001 - £90,000	**1**	*1*

The Charity considers its Key Management Personnel to comprise the Trustees and the Chief Executive. The total employment benefits (including employer pension contributions and employer national insurance contributions) of the Key Management Personnel were £112,724 (*2020 - £103,717*).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2020 - £NIL).*

During the year ended 31 December 2021, no expenses were reimbursed or paid directly to any Trustees *(2020 - £11,471 to 1 Trustee for legal fees).*

14. Tangible fixed assets

	Almshouses £
Cost	
At 1 January 2021	**10,718,981**
Additions	**68,300**
At 31 December 2021	**10,787,281**
Depreciation	
At 1 January 2021	**288,604**
Charge for the year	**215,746**
At 31 December 2021	**504,350**
Net book value	
At 31 December 2021	**10,282,931**
At 31 December 2020	*10,430,377*

The Almshouse properties are non investment properties, held by the Charity as inalienable, with conditions attached for their use. For accounting purposes, no value is placed on the original Almshouse properties as it is considered by the Trustees that the original historic cost of the properties would not be material to the financial statements. The Trustees do not consider that the fair value of the Almshouses can be measured reliably, given the conditions specified for their use. Any costs of valuation to the Charity would not be commensurate with any benefit obtained from the information to the users of the accounts or to the Charity for its own stewardship purposes. Recognition of the Almshouses at fair value is not practicable.

With respect to the Almshouses transferred from RCCE, if at any time any of the Almshouses cease to be used permanently as Almshouses, half of the value of that land shall be paid to the Trustees of RCCE to be held as permanent endowment and the income used for its general purposes, provided that this clause will apply only if the land in question is sold and the proceeds of sale are used to purchase replacement land for the provision of Almshouses within a reasonable time.

15. Investment property

	Investment property £	Mitre Pub £	Total £
Valuation			
At 1 January 2021	**111,524,000**	**735,000**	**112,259,000**
Disposals at carrying value	**(3,767,000)**	**-**	**(3,767,000)**
Surplus/(deficit) on revaluation	**4,948,300**	**(10,000)**	**4,938,300**
At 31 December 2021	**112,705,300**	**725,000**	**113,430,300**

Investment property

On 31 December 2021, HML LAM (Chartered Surveyors) undertook a desktop valuation of the properties for the year ending 31 December 2021. It was their opinion that there had been an overall increase in value of the property portfolio by 5% during 2021 *(2020 - 4% increase).*

16. Fixed asset investments

	Capital endowment funds £	Development fund £	Total £
Cost or valuation			
At 1 January 2021	**14,782,637**	**232,174**	**15,014,811**
Additions at cost	**25,111**	**1,733,371**	**1,758,482**
Revaluations	**1,433,324**	**154,094**	**1,587,418**
At 31 December 2021	**16,241,072**	**2,119,639**	**18,360,711**
Net book value			
At 31 December 2021	**16,241,072**	**2,119,639**	**18,360,711**
At 31 December 2020	*14,782,637*	*232,174*	*15,014,811*

17. Debtors

	2021 £	*2020* *£*
Due within one year		
Rent receivable	**102,107**	*115,417*
Prepayments and accrued income	**731,304**	*36,080*
	833,411	*151,497*

Included within prepayments and accrued income is an amount of £682,500 relating to a deposit on a property to be purchased in the year ended 31 December 2021.

18. Current asset investments

	2021 £	*2020* *£*
Extraordinary repair funds	**5,960,793**	*3,171,680*

Listed investments

The market value of the listed investments at 31 December 2021 was £5,960,793 (*2020 - £3,171,680*).

The balance at the year end includes additions of £1,986,176 (*2020 - £1,977,813*) and revaluations gains of £802,937 (*2020 - £181,101*).

19. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	**31,001**	*32,455*
Other taxation and social security	**12,355**	*12,988*
Other creditors	**5,362**	*5,362*
Accruals and deferred income	**196,144**	*144,452*
	244,862	*195,257*

	2021 £	2020 £
Deferred income		
Deferred income at 1 January	**73,985**	*78,935*
Resources deferred during the year	**71,693**	*73,985*
Amounts released from previous periods	**(73,985)**	*(78,935)*
Deferred income at 31 December	**71,693**	*73,985*

At the Balance Sheet date the Charity was holding funds received in advance for rent relating to the next financial year.

20. Statement of funds

Statement of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds						
Designated funds						
Almshouse property fund	4,184,587	-	-	(4,184,587)	-	-
Extraordinary repair fund	1,193,867	-	-	(1,193,867)	-	-
Development reserve	696,742	-	-	(696,742)	-	-
Major repairs reserve	1,100,000	-	-	(1,100,000)	-	-
	7,175,196	-	-	(7,175,196)	-	-
General funds						
Almshouse fund	3,386,039	4,248,732	(3,817,557)	3,504,232	957,031	8,278,477
Pension reserve	(3,000)	-	2,000	-	-	(1,000)
	3,383,039	4,248,732	(3,815,557)	3,504,232	957,031	8,277,477
Total Unrestricted funds	10,558,235	4,248,732	(3,815,557)	(3,670,964)	957,031	8,277,477
Endowment funds						
Almshouse fund - General	130,662,226	-	-	3,670,964	6,414,050	140,747,240
Restricted funds						

20. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Welfare charities	-	25,200	(25,200)	-	-	-
Total of funds	**141,220,461**	**4,273,932**	**(3,840,757)**	**-**	**7,371,081**	**149,024,717**

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds					
Designated funds					
Almshouse property fund	4,184,587	-	-	-	4,184,587
Extraordinary repair fund	1,012,766	-	-	181,101	1,193,867
Development reserve	696,742	-	-	-	696,742
Major repairs reserve	1,100,000	-	-	-	1,100,000
	6,994,095	-	-	181,101	7,175,196
General funds					
Almshouse fund	2,690,146	4,450,211	(3,797,220)	42,902	3,386,039
Pension reserve	(5,000)	-	2,000	-	(3,000)
	2,685,146	4,450,211	(3,795,220)	42,902	3,383,039
Total Unrestricted funds	9,679,241	4,450,211	(3,795,220)	224,003	10,558,235
Endowment funds					
Almshouse fund - General	125,532,207	-	-	5,130,019	130,662,226
Restricted funds					
Welfare charities	-	4,625	(4,625)	-	-
Total of funds	135,211,448	4,454,836	(3,799,845)	5,354,022	141,220,461

20. Statement of funds (continued)

The Almshouse funds are unrestricted and are used to fund activities in furtherance of the Charity's objectives alongside the management and administration. Included within this fund is the Mitre pub originally purchased at £550,000.

During the year the Trustees have reconsidered the disposition of the Charity's funds and have agreed to transfer designated funds into general unrestricted funds as these are not required to be separately analysed.

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £
Tangible fixed assets	10,282,931	-	**10,282,931**
Fixed asset investments	-	18,360,711	**18,360,711**
Investment property	725,000	112,705,300	**113,430,300**
Current assets	(2,494,592)	9,691,229	**7,196,637**
Creditors due within one year	(244,862)	-	**(244,862)**
Defined benefit pension scheme liability	(1,000)	-	**(1,000)**
Difference	10,000	(10,000)	-
Total	8,277,477	140,747,240	**149,024,717**

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	*Endowment funds 2020 £*	*Total funds 2020 £*
Tangible fixed assets	*6,076,931*	*4,353,446*	*10,430,377*
Fixed asset investments	*230,031*	*14,784,780*	*15,014,811*
Investment property	*735,000*	*111,524,000*	*112,259,000*
Current assets	*3,714,530*	-	*3,714,530*
Creditors due within one year	*(195,257)*	-	*(195,257)*
Defined benefit pension scheme liability	*(3,000)*	-	*(3,000)*
Total	*10,558,235*	*130,662,226*	*141,220,461*

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

		2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)		**7,804,256**	*6,009,013*
Adjustments for:			
Depreciation charges	14	**215,746**	*132,630*
Revaluation of investments	11	**(7,328,655)**	*(5,354,022)*
Investment income	6	**(2,850,523)**	*(3,227,883)*
Loss on disposal of investment property	15	**43,512**	*-*
(Increase)/decrease in debtors	17	**(675,344)**	*296,407*
Increase/(decrease) in creditors	19	**43,035**	*(9,337)*
(Decrease) in defined benefit pension scheme	26	**(2,000)**	*(2,000)*
Net cash used in operating activities		**(2,749,973)**	*(2,155,192)*

23. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	**402,433**	*391,353*
Total cash and cash equivalents	**402,433**	*391,353*

24. Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	Changes in market value £	At 31 December 2021 £
Cash at bank and in hand	**391,353**	**11,080**	**-**	**402,433**
Current asset investments	**3,171,680**	**1,986,176**	**802,937**	**5,960,793**
	3,563,033	**1,997,256**	**802,937**	**6,363,226**

25. Capital commitments

	2021 £	*2020* *£*
Contracted for but not provided in these financial statements		
Repairs, maintenance or enhancements to Almshouses	**70,906**	*82,670*

26. Pension commitments

The Richmond Charities Almshouses participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the Schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the Scheme pays contributions at a common contribution rate applied to pensionable stipends.

The Scheme is considered to be a multi-employer Scheme as described in Section 28 of FRS102. This means it is not possible to attribute the Scheme's assets and liabilities to specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions (see below).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumptions.

- An average discount rate of 3.2% p.a.;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 3.4% p.a.;
- Mortality in accordance with 95% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with CMI 2018 extended model, with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7 and an initial addition to mortality improvements of 0.5% p.a.

26. Pension commitments (continued)

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) were set as follows:

Deficit repair contributions as a % of pensionable stipends

	%
1 January 2018 to 31 December 2020	**11.9**
1 January 2021 to 31 December 2022	**7.1**

As at 31 December 2019, 31 December 2020 and 31 December 2021 the deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the Balance Sheet liability over 2020 and over 2021 is set out in the table below.

Movement in defined benefit pension scheme liability

	2021 £	*2020* £
Balance at 1 January	**3,000**	*5,000*
Deficit contribution paid	**(2,000)**	*(2,000)*
Balance at 31 December	**1,000**	*3,000*

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. In general, these are set by reference to the duration of the deficit recovery payments but as at 31 December 2021, under accounting rules the payments are not discounted since the remaining recovery plan is less than 12 months. No price inflation assumption is needed since pensionable stipends for the remainder of the recovery plan are already known.

Sensitivity analysis (per annum)

	2021 %	*2020* %
Discount rate	**0.0**	*0.2*
Price inflation	**N/A**	*3.1*
Increase to total pensionable payroll	**(1.5)**	*1.6*

The legal structure of the Scheme is such that if another Responsible Body fails, Richmond Charities Almshouse could become responsible for paying a share of that Responsible Body's pension liabilities.

27. Operating lease commitments

At 31 December 2021 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	*2020 £*
Other:		
Not later than 1 year	**1,646**	*1,588*
Later than 1 year and not later than 5 years	**549**	*1,985*
	2,195	*3,573*

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2021 £	*2020 £*
Operating lease rentals	**1,646**	*30,588*

28. Related party transactions

Other than Key Management Personnel and Trustee transactions detailed in Notes 12 and 13, there were no related party transactions during the period (*2020 - none*).

RICHMOND CHARITIES

England & Wales - Charity number 200431

Accounts

Charity Registration Number: 200431

THE RICHMOND CHARITIES

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

THE RICHMOND CHARITIES

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees	Mr P W C Marr, Chairman[1] Dr A J M Hall[4] Mrs E Halford[2,4] Mr S J King[1,3,4,5] Mr A S Lourie[1,2] Mrs M Marshall[2] Mrs K Maxwell[3] Mrs K O'Brien[4] Cllr R Pyne (appointed 22 January 2020) Revd W Roest[4] Mr M Townsin[4] Mr J Williams[2,3,5] [1] Finance Committee [2] Property Committee [3] Risk Management Committee [4] Welfare Committee [5] Safeguarding Group
Charity registered number	200431
Principal office	95 Sheen Road Richmond TW9 1YJ
Chief Executive	Ms J Ames-Lewis
Independent auditors	MHA MacIntyre Hudson Chartered Accountants Statutory Auditors 6th Floor 2 London Wall Place London EC2Y 5AU
Bankers	Barclays Bank plc 8 George Street Richmond Surrey TW9 1JY HSBC 67 George Street Richmond TW9 1HG

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Solicitors	Moore Barlow 9 The Green Richmond Surrey TW9 1BP
Property Agents and Surveyors	HML LAM 9-11 The Quadrant Richmond Surrey TW9 1BP
Investment Fund Managers	Sarasin & Partners Juxon House 100 St. Pauls Churchyard London EC4M 8BU CCLA Senator House 85 Queen Victoria Street London EC4V 4ET

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report together with the audited financial statements of the Charity for the 1 January 2020 to 31 December 2020.

Objectives and activities

a. Activities undertaken to achieve objectives

The objects of the Charity are to provide almshouse accommodation and to generate income for the charities embraced by The Richmond Charities as described below.

The area of benefit is the London Borough of Richmond-upon-Thames.

The Richmond Charities originated from:

1. William Hickey's Almshouse Charity
2. Bishop Duppa's Almshouse Charity
3. Houblon's Almshouse Charity
4. Sir George Wright's or Queen Elizabeth's Almshouse Charity
5. Michel's Almshouse Charity (including Benn's Walk)
6. The Almshouses of Richmond Church Charity Estate (Church Estate Almshouses)
7. Twickenham United Charities (Candler Almshouses)

The appointment to almshouse accommodation is subject to residential and other qualifications.

Other Charities embraced by The Richmond Charities are:

Relief in Need: Share of the Charity of Henry Smith

In addition, the Trustees have responsibility for the administration of one welfare and one relief in sickness Charity:

The Misses Thompson and Whipple Trust
The Richmond Aid in Sickness Fund

These charities share the objective of benefiting the London Borough of Richmond-upon-Thames.

The Trustees maintain an Extraordinary Repair Fund. The purpose of this fund is to repair, improve and replace existing almshouses, and to provide for future growth and re-development. The funds are kept separate and safe, by ensuring adequate accounting records are maintained.

b. Main activities undertaken to further the Charity's purposes for the public benefit

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. The public benefit of the Charity is in providing safe and comfortable almshouse accommodation for those in need as described in the Scheme and generating income for those charities described in the Objectives and Activities of the Charity below. Our strategic aims as stated on page 4 link to this benefit and we are satisfied that these aims do not have a detrimental effect outside of the Charity's activities. Whilst many of the activities are local in nature, the Trustees do not consider this to be an unreasonable geographic restriction and those in need are not excluded from benefit.

As a result of the above, the Trustees consider that the Charity satisfies the public benefit test.

Strategic report

Achievements and performance

a. Review of activities

The stated objectives of the Charity are deemed to have been achieved for the year to the best of the Charity's and its Trustees' abilities and these achievements can be measured as follows:

A high level of occupancy was maintained in line with the object of providing such accommodation. Considerable time and expense was devoted in the year to maintaining the accommodation to a high standard for the residents.

A surplus of incoming resources has been generated by the Charity's investments, including properties. The performance of the Charity's investments is considered by the Trustees to have been satisfactory given the expenditure on major repairs and the current market conditions.

The surplus on net incoming resources of the Charity arises from property and other approved investments and, after deducting charitable and governance expenditure, is £654,991 (2019 - surplus of £494,111) applied as shown in the Statement of Financial Activities (page 19).

HML LAM continued to act as Property Managers of the investment properties.

The Trustees held a Strategic Planning Meeting in October 2016 to set strategic objectives for 2017-2021. The objectives are as follows:

1. To actively seek opportunities to build more almshouses by engaging a development agent/land buyer to find potential sites for development in the borough, by working with the Council and by building relationships and seeking joint development opportunities with other housing providers and builders.

2. To continue the work to refurbish almshouses when vacant but also to offer existing residents internal redecoration work and the installation of level access showers.

3. To expand significantly the role of the Charity in working to build and strengthen the almshouse communities through activities and events and by setting up a Residents' Activities & Welfare Fund.

4. To develop a coherent communications strategy for the Charity by engaging a communications expert.

5. To review the almshouse applicant qualifying criteria.

6. To review the Welfare Charities criteria in the light of the findings of a research study into un-met need in the borough.

7. Governance – to draw up a Trustees Recruitment Policy, undertake a Trustee Skills Audit, to draw up terms of reference for all sub-committees and to implement a policy of a maximum of 3 terms' of office for Trustees.

8. To undertake some administrative tasks to include implementing a policy of reviewing all professional advisers every 5 years, implementing staff appraisals and writing a disaster recovery plan for HQ.

Strategic report (continued)

Achievements and performance (continued)

Covid-19 had an impact on the Charity and its beneficiaries.

1. Financial impact:

a. In March 2020 the Charity carried out detailed scenario analysis and disaster planning to look at the potential impact of Covid-19 on the Charity's finances and to look at ways of coping with potential loss of income and ways in which expenditure could be reduced.

b. The Charity suffered some loss of rental income from its investment properties due to tenants being in financial difficulties. The Charity established a temporary rent reduction programme which some tenants utilised if they had lost their job or been furloughed. Most managed to start repaying the arrears through rent reduction agreements. There was an increase in voids but re-letting to new tenants has not been problematic and on the whole rents have held up. The Mitre Pub was given a 3-month rent holiday during the first lockdown.

c. The Charity suffered some loss of WMC income from residents in the almshouses as almshouses sat empty for longer as refurbishment work was halted during lockdown 1 and no new residents moved in from March to July.

d. The Charity decided to delay some major work on the almshouses to future years and so expenditure was reduced.

e. The Charity sold a number of investment properties rather than refurbishing them which reduced expenditure.

2. Operational impact:

a. In February and March 2020 a detailed action plan was drawn up by the CEO to support residents through lockdown.

b. Staff worked from home during lockdown 1 and then on a shift pattern for the 3 offices and provided daily support by phone to residents.

c. Guidance and support were issued to residents via regular letters from the CEO and through the weekly Almshouse News magazine.

d. The Risk Management Committee met weekly from March onwards to support the CEO.

e. All meetings moved on line, including all interviews with new applicants for almshouse accommodation undertaken by the CEO and the Welfare Committee.

Strategic report (continued)

Achievements and performance (continued)

3. Impact on beneficiaries:

a. Undoubtedly 2020 was a difficult year for our beneficiaries, most of whom live alone and many of whom are clinically extremely vulnerable and were shielding during lockdown 1.

b. To date the Charity has had no resident deaths due to Covid-19 and only three confirmed Covid-19 cases.

c. The vaccine is now being taken up by all residents and the majority have had their first vaccine dose.

d. The Charity recruited many volunteers (including some Trustees) who helped with shopping for about 80 of our 150 residents during lockdown 1 and other shopping arrangements were put in place with other local organisations such as Richmond Good Neighbours. We also encouraged and helped residents to set up online shopping deliveries.

e. Local people and organisations stepped forward to help volunteer.

f. All activities and events had to cease but the community remained strong with new friendships being formed in adversity.

g. The Charity supported residents in other ways with 21 publications of its regular Almshouse News magazine and through weekly emails to keep morale high.

Progress was achieved in 2020 in furthering the strategic objectives as follows:

1. The Charity continued to seek opportunities for further expansion and development of more almshouses.

2. The Charity purchased a new development in Twickenham, Wright's Almshouses in Heath Road, which has provided the Charity with 9 new almshouses, a communal room, a guest room and 2 commercial units. The charity completed on the purchase in September 2020 and new residents moved in during September and October.

3. Work continued with Mortlake Almshouse Charity on a merger and the Charity Commission has agreed a new Scheme. A contract was signed with the GLA to ensure that the Charity will keep the Mortlake Almshouses as affordable housing in perpetuity.

4. Other potential new sites for development were identified and unsuccessful bids were made for 2 sites. The Charity was selected as the preferred bidder for a third site.

5. The Charity established a new policy to sell in the region of £4.75m worth of investment properties each year for the next 5 years in order to (a) be able to develop a new almshouse estate every 2-3 years and (b) to rebalance the assets portfolio and to move towards a 75/25 split of property/invested funds.

6. 264 Sandycombe Road, 14 Grena Gardens, 21 Houblon Road and 69 Houblon Road were all sold in 2020. At the end of 2020 the Charity was under offer on the sales of 6 Houblon Road and 59 Houblon Road, to exchange and complete in January 2021.

7. The following almshouses were refurbished or redecorated in 2020 prior to new residents moving in: 5, 17, 32 and 35 Hickey's, the Nurse's Lodge at Hickey's, 4 and 7 Michel's, 7 and 8 Bishop Duppa's, 2 and 5 Benn's Walk, 3c Adelaide Road and 2 Queen Elizabeth's.

Strategic report (continued)

Achievements and performance (continued)

8. The Charity welcomed 25 new residents into its community.

9. Internal redecoration work was undertaken for a number of existing residents, a new kitchen was installed at 13 Hickey's and new level access shower rooms at 1a and 9a Michel's Almshouses and 17 Church Estate.

10. Work continued on planning for widescale loft and cavity wall insulation in all almshouse estates in 2021.

11. The Charity went out to tender to renewable energy experts to develop a project to install photovoltaic panels on the almshouse estates. Listed Building Consent applications to Richmond Council are to be submitted in early 2021.

12. The Charity gave up its head office lease at 8 The Green and purchased a new head office, 95 Sheen Road. This was fully refurbished before the head office moved in December 2020.

13. The programme of events and activities for residents had to be put on hold due to Covid-19 restrictions. The only event possible after the restrictions were brought in was the Christmas Carol Service in December which was well attended, socially distanced, in St Mary's Church. The Charity has plans for new activities when gatherings are again allowed.

14. The Charity was unable to hold its annual resident open forums due to Covid-19 so undertook a Residents' Survey, the results of which were overwhelmingly positive.

15. The Almshouse News which was previously produced quarterly was produced weekly during lockdown 1 and then fortnightly.

16. The Charity Commission granted permission for the Charity to expand its objects in order to be able to grant funds to more people in need in the borough. Administrative amendments to the Scheme were also made.

17. The third year of the new system of allocating Welfare Charities funding to local organisations worked well. The Trustees have approved an additional £25,000 in grant funding for 2021, along with the £25,000 from the smaller Welfare Charities. The borough has seen an increase in need due to Covid-19. Applications have been received in January 2021 from 13 organisations applying for a share of the funding and the Welfare Committee will decide on grant awards.

18. The Charity recruited one new Trustee in line with its Trustee Recruitment Policy and to fill skills gaps on the Board as identified through its regularly updated Trustees' Skills Audit.

19. The Charity welcomed two new Scheme Managers who took up their posts in March and September 2020.

20. The Charity revised its Business Continuity Plan and Risk Register.

21. Major refurbishments on investment properties were undertaken at 3 properties in Rosedale Road and Michel's Row.

22. External redecorations were undertaken at various properties in Rosedale Road, Houblon Road, Michel's Row and St Mary's Grove.

Strategic report (continued)

Achievements and performance (continued)

The Trustees delegate the management of the Charity's investment portfolio to professional fund managers whilst maintaining oversight over those investments.

The Richmond Charities assumed management of Richmond Philanthropic Society from September 2009. Richmond Philanthropic Society has been in existence since 1870 and remained in a strong financial position to distribute grants to the needy of Richmond, Kew, Petersham and Ham. Richmond Philanthropic Society is a separate charitable entity to Richmond Charities' Almshouses and files separate accounts.

The Richmond Charities measures and assesses success by how many elderly people in need of almshouse accommodation the Charity is able to house during the year.

b. Investment policy and performance

Funds are invested in such a manner as the Trustees think fit in order to provide an appropriate and balanced portfolio, taking into account the requirements of the law relating to the investment of charitable monies.

The investment performance is measured against the objectives as laid out in the Charity's investment policy. The principal aim of the endowed funds invested in the income portfolio is to be managed on the basis of producing a regular income whilst at least maintaining its capital base in real terms.

Strategic report (continued)

Financial review

a. Reserves policy

The Charity regularly reviews its operational risks and requirements and maintains a level of reserves considered sufficient in order to be able to address its requirements. Some of the reserves are designated in accordance with this assessment and where necessary transfers are made to achieve the Charity's targets. The current actual level of reserves are considered to be adequate based on current and projected activities and risks and are detailed below.

(a) Major Repairs Reserves
The Trustees' objective is to build up a designated reserve sufficient to cover the level of anticipated major repairs expenditure for the forthcoming two year period. At 31 December 2020 the designated reserve stands at £1,100,000.

(b) Extraordinary Repair Fund
The Trustees' objective is to build up a fund that will provide for exceptional repairs, improvements and replacements of existing almshouses, and will provide for future growth and redevelopment. At 31 December 2020 the designated reserve stands at £1,193,867.

(c) Development Fund
The Trustees' objective is to build up a designated reserve sufficient to allow the purchase or development of new almshouse properties. At 31 December 2020 the designated reserve stands at £696,742.

(d) Almshouse Property Fund
The Trustees' objective is to represent the value of the almshouse properties within this fund. At 31 December 2020 the designated reserve stands at £4,184,587.

(e) Almshouse Fund
The Trustees' objective is to establish sufficient positive reserves to be in a position to cover the level of annual operating costs. At 31 December 2020 the unrestricted reserve stands at £3,386,039

(f) Welfare Charities
The Trustees' objective is to comply with the terms of the specific trust deeds by awarding grants to qualifying and needy applicants. At 31 December 2020 the restricted reserve stands at £NIL.

(g) Endowed Capital Funds
The Trustees' objective is to safeguard the endowed capital assets whilst seeking long term investment growth. At 31 December 2020 the endowment reserve stands at £130,662,226.

b. Financial review

The value of investment properties has increased to £112,259,000 (2019 - £110,324,750). HML LAM (Chartered Surveyors) undertook a desktop valuation of the properties for the year ended 2020, and in their opinion there had been an overall increase in value of 4%.

Fixed asset investments decreased in aggregate value in the year to £15,014,811 (2019 - £18,212,096) after additions of £3,028,424, disposals of £7,009,380 and a total revaluation gain of £783,671.

Structure, governance and management

a. Constitution

The Richmond Charities is administered in accordance with the following Charity Commission schemes:

5.8.1974	The Richmond Charities
21.8.1974	Michel's Almshouse Charity
30.4.1987	Richmond Charities' Almshouses
18.11.1987 and 21.6.1990	Richmond Charities' Almshouses
24.5.2004	Richmond Charities' Almshouses
27.2.2006	Richmond Charities' Almshouses
17.12.2008	Richmond Charities' Almshouses
08.10.2020	Richmond Charities' Almshouses

Under the 18.11.1987 and 21.6.1990 schemes, Michel's Almshouse Charity was merged with The Richmond Charities, to be administered as one, under the name Richmond Charities' Almshouses. Under the Charity Commission scheme dated 24.5.2004, which altered the trusts of Richmond Church Charity Estates (Charity Reg. No. 212770), title of the Church Estate Almshouses was transferred to Richmond Charities' Almshouses. The scheme of 27.2.2006 extended the area of benefit from the former Borough of Richmond to the London Borough of Richmond. The scheme of 17.12.2008 merged Twickenham United Charities and Richmond Charities' Almshouses and updated the governing instrument. The Scheme of 8 October 2020 widened the objects of the charity to enable Trustees to make grants to people in need in the Richmond borough.

The Trustees' strategic plans re-affirm the values of the Charity to continue: - creating an environment for older people to live independently and with dignity; supporting older people in remaining independent for as long as possible; looking for ways to improve the almshouses; seeking ways to increase the number of almshouses; ensuring the provision of housing for future older generations.

b. Methods of appointment or election of Trustees

The management of the Charity is conducted by the Chief Executive, under day-to-day authority delegated by the Trustees. The major part of the administration is concerned with the almshouses, its residents, investment properties and investments.

The Trustees' meetings take place at regular intervals (minimum six times a year) and are attended periodically by representatives of HML LAM, who act as Property Managers for the Charity.

The Trustees may consist of an ex-officio, eight co-optative and three nominative Trustees. Two nominative Trustees are nominated by the Local Authority and the remaining one must be appointed by the vicar for the time being of the ecclesiastical parish of St. Mary's Twickenham. Trustees are appointed at ordinary meetings by way of majority resolution. Newly appointed Trustees receive an in-depth induction.

The Trustees meet at regular intervals during the year to review the Charity's strategy and performance, approve plans and monitor budgets. The Trustees have delegated certain functions to the Finance, Risk Management, Welfare, Property and Safeguarding Committees whose composition is annotated at the front of these accounts.

New Trustees' receive a full information pack and induction from the Chief Executive. They are introduced to all properties and residents gradually. Training for Trustees takes place during the year and in 2020 all Trustees underwent Safeguarding Training.

Structure, governance and management (continued)

c. Pay policy for Key Management Personnel

The Trustees consider the Board of Trustees and the Chief Executive as comprising the Key Management Personnel of the Charity in charge of directing and controlling the Charity and running and operating the Charity on a day to day basis. All Trustees give their free time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in Notes 13 and 28 to the accounts.

Staff pay will be reviewed annually and will normally be increased in accordance with average earnings. In view of the nature of the Charity, the Trustees will normally benchmark against pay levels in other charities of similar size. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for any additional responsibilities.

d. Risk management

The Trustees are responsible for safeguarding the assets of the Charity and for ensuring that it is fully compliant with relevant regulations and best practice. They have reviewed the key risks to which the Charity is exposed together with the operating and financial compliance controls that have been implemented to mitigate those risks. The Trustees are of the view that there is a formal ongoing process for identifying, evaluating and managing the Charity's significant risks that have been in place for the year ending 31 December 2020. This process is regularly reviewed by the Trustees.

The principal risks faced by the Charity lie in managing the loss of key staff and financial risk from increasing expenditure.

The operational risk from loss of key staff is managed by the Trustees by ensuring there is effective succession planning in place. This involves having a practical notice period and handover policy as well as a vigorous recruitment process to identify the right individuals for the vacant positions.

The risk of additional expenditure is managed by the finance committee which holds regular meetings to assess expenditure against the Charity budgets. Authorisation procedures exist to ensure additional expenditure is authorised and if necessary the Charity will consider delaying or cancelling planned projects.

Plans for future periods

The Charity plans to continue to expand its almshouse provision. It has been selected as the preferred bidder for a site in Queen's Road, Richmond which will provide 12 new almshouses.

The Charity is working with an external property agent to identify future potential sites and working with the Council when they identify sites for disposal. The Charity will continue to investigate and bid for other sites when opportunities arise.

The Charity will oversee the development of the almshouses at Queen's Road and work closely with the builder to achieve a new almshouse estate fit for purpose for the Charity's elderly residents.

The Charity will progress the merger with Mortlake Almshouse Charity to a satisfactory conclusion.

The Charity will undertake major work on the insulation project, photovoltaic project and a large-scale project to refurbish the Chapel at Hickey's Almshouses.

The Trustees intend to continue their programme of major repairs and improvements to almshouse properties, to be funded out of income. Plans for 2021 include the refurbishment of 4 and 10 Bishop Duppa's, 4 and 10 Church Estate and 13 Michel's. Other refurbishments will arise as and when almshouses become vacant.

In line with the objective set at the Strategic Planning meeting, existing residents will be offered the chance to have internal redecoration undertaken and level access showers installed. Residents are also being offered help with the maintenance of their individual gardens.

Residents who have lived in their almshouse for over 15 years will be offered refurbishment work.

The new Careline system using the latest technology will be rolled out to all remaining estates.

Work will continue to strengthen the almshouse communities with new ideas for events and activities when Covid-19 restrictions are lifted.

With the investment properties, major refurbishment work will be undertaken at Flat 5, 22 Friars Stile Road and external decorations will be undertaken on a number of properties. When other investment properties become vacant, the Property Committee will decide whether to sell the property or undertake refurbishment.

The Charity will award up to £50,000 in grant funding to local organisations to distribute on the Charity's behalf to people in need in the borough.

The Trustees will hold their 5-yearly Strategic Planning Away Day in the autumn of 2021 and set new strategic objectives for 2022-2027.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Disclosure 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 charity'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 relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the Members of the Board of Trustees and signed on their behalf by:

.....
Mr P W C Marr
Chairman
Date: 26/5/21

.....
Mr S Lourie
Trustee

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees are responsible for preparing the Trustees' Annual 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 Will. 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.

Approved by order of the Members of the Board of Trustees and signed on its behalf by:

.....
Mr P W C Marr
Chairman
Date: 26/5/21

.....
Mr S Lourie
Trustee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE RICHMOND CHARITIES

Opinion

We have audited the financial statements of The Richmond Charities (the 'Charity') for the year ended 31 December 2020 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2020 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 Auditors' 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.

Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and 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.

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 Statement of Trustees' Responsibilities, 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.

Auditors' 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 Auditors' 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:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE RICHMOND CHARITIES (CONTINUED)

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 Auditors' 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.

MHA Macintyre Hudson

MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
6th Floor
2 London Wall Place
London
EC2Y 5AU

Date: 29/07/21

MHA MacIntyre Hudson are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Income from:						
Donations and legacies	4	-	4,625	-	4,625	*4,400*
Charitable activities	5	1,222,328	-	-	1,222,328	*1,156,070*
Investments	6	3,227,883	-	-	3,227,883	*3,024,068*
Total income		4,450,211	4,625	-	4,454,836	*4,184,538*
Expenditure on:						
Raising funds:	7					
Property management		1,492,458	-	-	1,492,458	*1,705,140*
Fund management		70,708	-	-	70,708	*69,817*
Charitable activities	8	2,232,054	4,625	-	2,236,679	*1,915,470*
Total expenditure		3,795,220	4,625	-	3,799,845	*3,690,427*
Revaluation of investments	11	224,003	-	5,130,019	5,354,022	*4,784,016*
Net movement in funds before other recognised gains		878,994	-	5,130,019	6,009,013	*5,278,127*
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	26	-	-	-	-	*9,000*
Net movement in funds		878,994	-	5,130,019	6,009,013	*5,287,127*

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	*Total funds 2019* £
Reconciliation of funds:						
Total funds brought forward		**9,679,241**	**-**	**125,532,207**	**135,211,448**	*129,924,321*
Net movement in funds		**878,994**	**-**	**5,130,019**	**6,009,013**	*5,287,127*
Total funds carried forward		**10,558,235**	**-**	**130,662,226**	**141,220,461**	*135,211,448*

All income and expenditure derives from continuing activities.

The notes on pages 23 to 47 form part of these financial statements.

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	14		**10,430,377**		*5,113,007*
Investments	16		**15,014,811**		*18,212,096*
Investment property	15		**112,259,000**		*110,324,750*
			137,704,188		*133,649,853*
Current assets					
Debtors	17	**151,497**		*447,904*	
Investments	18	**3,171,680**		*1,012,766*	
Cash at bank and in hand	23	**391,353**		*310,519*	
		3,714,530		*1,771,189*	
Creditors: amounts falling due within one year	19	**(195,257)**		*(204,594)*	
Net current assets			**3,519,273**		*1,566,595*
Total assets less current liabilities			**141,223,461**		*135,216,448*
Defined benefit pension scheme liability	26		**(3,000)**		*(5,000)*
Total net assets			**141,220,461**		*135,211,448*
Charity funds					
Endowment funds	20		**130,662,226**		*125,532,207*
Restricted funds	20		**-**		*-*
Unrestricted funds	20		**10,558,235**		*9,679,241*
Total funds			**141,220,461**		*135,211,448*

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

Mr P W C Marr
Chairman
Date: 26/5/21

Mr A S Lourie
Trustee

The notes on pages 23 to 47 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	22	**(2,155,192)**	*(2,755,396)*
Cash flows from investing activities			
Investment income	6	**3,227,883**	*3,024,068*
Purchase of tangible fixed assets	14	**(5,450,000)**	*(73,938)*
Proceeds from sale of investments	16	**7,009,380**	*4,000,118*
Purchase of investments	16,18	**(5,006,237)**	*(5,521,501)*
Proceeds from the sale of investment properties	15	**3,830,000**	*920,810*
Purchase of investment properties	15	**(1,375,000)**	-
Net cash provided by investing activities		**2,236,026**	*2,349,557*
Change in cash and cash equivalents in the year		**80,834**	*(405,839)*
Cash and cash equivalents at the beginning of the year		**310,519**	*716,358*
Cash and cash equivalents at the end of the year	23	**391,353**	*310,519*

The notes on pages 23 to 47 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General Information

The Richmond Charities is an Unincorporated Charity registered with the Charity Commission (Charity Registered Number 200431) in England and Wales.

The address of the registered office is given in the Charity information on page 1 of these financial statements.

The nature of the Charity's operations and principal activities and detailed in the Trustees' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The Richmond 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.

These financial statements are presented in sterling which is the functional currency of the Charity and are rounded to the nearest pound.

2.2 Going concern

The Trustees have assessed whether the use of going concern 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 including the impact of COVID-19. The Trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. In particular, the Trustees have considered the Charity's forecasts and projections and have taken account of pressures on income. After making enquiries, the Trustees have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

2. Accounting policies (continued)

2.3 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.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Income from investments is accounted for when it is receivable.

2.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. 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 is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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.

2.5 Taxation

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

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

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.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

No value for accounting purposes is placed on the historic almshouse properties as the original cost of these assets would be immaterial to these financial statements. Any material future capital additions to the almshouse properties will be recorded at cost.

SORP (FRS 102) requires fixtures and fittings be included in the accounts at cost. The Charity's existing fixtures and fittings are deemed to be of no material value and have therefore not been included.

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 basis:

Almshouses	-	2%

2.7 Investment properties

Investment properties are recorded at fair value at each reporting date with changes in fair value recognised in Revaluation of investments in the Statement of Financial Activities.

2.8 Investments

Fixed asset 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 the value cannot be measured reliably in which case it is measured at cost less impairment.

The Statement of Financial Activities includes all net gains and losses arising on revaluation and disposals during the year. As investments are revalued to fair value continuously no realised gains or losses arise.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

2.9 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. Accounting policies (continued)

2.10 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.

2.11 Liabilities and provisions

Liabilities and provisions 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.

2.12 Financial instruments

The Charity holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Charity and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 17. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in Note 19 and taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.14 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. The assets of the scheme are held separately from those of the Employer. The annual contributions payable are charged to the Statement of Financial Activities.

The Charity also contributes to the Church of England defined benefit pension scheme in respect of one member of staff.

2. Accounting policies (continued)

2.15 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.

Endowment funds represent those assets which must be held permanently by the Charity, principally the investments used to generate funds. Income arising on the endowment funds can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains or losses arising on the investments from part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

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

3. Critical accounting estimates and areas of judgement

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.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

- Useful life of tangible fixed assets and thus, the depreciation rates applied
- Investment property valuation
- Actuarial pension assumptions.

4. Income from donations and legacies

	Restricted funds 2020 £	Total funds 2020 £
Donations	225	**225**
The Charity of Henry Smith	4,400	**4,400**
Total 2020	4,625	**4,625**

	Restricted funds 2019 £	*Total funds 2019 £*
The Charity of Henry Smith	*4,400*	*4,400*

5. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £
Almshouses - Residents' contributions	1,222,328	**1,222,328**

	Unrestricted funds 2019 £	*Total funds 2019 £*
Almshouses - Residents' contributions	*1,156,070*	*1,156,070*

6. Income from Investments

	Unrestricted funds 2020 £	Total funds 2020 £
Rents receivable	2,531,675	**2,531,675**
Dividend income receivable	696,050	**696,050**
Bank interest receivable	158	**158**
Total 2020	3,227,883	**3,227,883**

	Unrestricted funds 2019 £	*Total funds 2019 £*
Rents receivable	*2,420,620*	*2,420,620*
Dividend income receivable	*602,279*	*602,279*
Bank interest receivable	*1,169*	*1,169*
Total 2019	*3,024,068*	*3,024,068*

7. Expenditure on raising funds

	2020 £	2019 £
Fund management		
Investment management costs	**70,708**	*69,817*
	70,708	*69,817*
Property management		
Direct costs - Property	**1,392,815**	*1,634,013*
Support costs - Insurance	**30,884**	*13,776*
Support costs - Repairs and maintenance	**22,412**	*12,617*
Support costs - Legal and professional	**6,579**	*1,031*
Support costs - Office expenses	**19,206**	*18,198*
Support costs - Miscellaneous	**20,562**	*25,505*
	1,492,458	*1,705,140*
	1,563,166	*1,774,957*

In 2019, all expenditure on raising funds was from unrestricted funds.

8. Analysis of expenditure on charitable activities - by fund

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Almshouses	2,232,054	4,625	**2,236,679**

	As restated Unrestricted funds 2019 £	*Restricted funds 2019 £*	*As restated Total funds 2019 £*
Almshouses	*1,900,389*	*15,081*	*1,915,470*

A prior year reclassification has been made to merge the 'Governance' activity previously reported into the 'Almshouses' activity and instead report Governance costs as a seperate line within the 'Analysis of support costs' in Note 9. The reclassification was made to better reflect the requirments of the SORP.

This has had the following impact on the amounts disclosed within the 'Analysis of support costs' table:

	As restated 2019 £	*Original 2019 £*
Insurance	**12,399**	*13,777*
Cleaning	**2,183**	*2,426*
Repairs and maintenance	**9,173**	*10,192*
Legal and professional fees	**928**	*1,031*
Office expenses	**20,607**	*22,354*
Miscellaneous	**22,955**	*25,506*
Audit	**-**	*25,457*
Postage and stationary	**-**	*572*
Governance costs	**33,070**	-
	101,315	*101,315*

This reclassification had no impact on the net movement in funds for the year ended 31 December 2019, nor the closing funds as at 31 December 2019.

9. Analysis of expenditure on charitable activities - by type

	Activities undertaken directly 2020 £	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £
Almshouses	1,925,740	4,400	306,539	**2,236,679**

	Activities undertaken directly 2019 £	*Grant funding of activities 2019 £*	*Support costs 2019 £*	*Total funds 2019 £*
Almshouses	*1,648,124*	*4,400*	*262,946*	*1,915,470*

9. Analysis of expenditure on charitable activities - by type (continued)

Analysis of direct costs

	Total funds 2020 £	*Total funds 2019 £*
Staff costs	**493,042**	*456,312*
Telephone	**10,478**	*11,638*
Rates and water	**58,902**	*51,745*
Electricity and gas	**33,479**	*23,775*
Cleaning	**7,645**	*6,562*
LBRUT Careline	**34,988**	*13,350*
Garden and tree maintenance	**95,307**	*87,321*
Repairs and maintenance	**82,266**	*167,730*
Legal and professional fees	**182,026**	*102,259*
Miscellaneous	**1,441**	*4,128*
Major property repairs	**926,166**	*723,304*
	1,925,740	*1,648,124*

9. Analysis of expenditure on charitable activities - by type (continued)

Analysis of support costs

	Total funds 2020 £	*As restated Total funds 2019 £*
Governance staff costs	**57,343**	*57,349*
Depreciation	**132,630**	*104,024*
Insurance	**27,796**	*12,399*
Electricity and gas	**265**	*258*
Cleaning	**3,316**	*2,183*
Repairs and maintenance	**16,854**	*9,173*
Legal and professional fees	**5,921**	*928*
Office expenses	**17,019**	*20,607*
Miscellaneous	**18,505**	*22,955*
Governance costs	**26,890**	*33,070*
Total 2020	**306,539**	*262,946*

10. Governance costs

	2020 £	*2019 £*
Auditor's remuneration - Audit of the financial statements	**14,000**	*12,500*
Auditor's remuneration - Other services	**2,926**	*12,957*
Governance staff costs	**57,343**	*57,349*
Other governance costs	**9,964**	*7,613*
	84,233	*90,419*

Total governance costs are comprised of Governance staff costs and Governance costs as per Note 9.

11. Revaluation of investments

		2020 £	*As restated 2019 £*
Loss on disposal of Investment property		-	*(74,190)*
Revaluation gains on Investment property	15	**4,389,250**	*2,311,000*
Revaluation gains on Fixed asset investments	16	**783,671**	*2,381,188*
Revaluation gains on Current asset investments	18	**181,101**	*166,018*
		5,354,022	*4,784,016*

12. Staff costs

	2020 £	*2019 £*
Wages and salaries	**462,644**	*427,754*
Social security costs	**45,352**	*42,283*
Pension costs	**44,688**	*44,288*
	552,684	*514,325*

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

	2020 No.	*2019 No.*
Staff	**12**	*12*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020 No.	*2019 No.*
In the band £80,001 - £90,000	**1**	*1*

The Charity considers its Key Management Personnel to comprise the Trustees and the Chief Executive. The total employment benefits (including employer pension contributions and employer national insurance contributions) of the Key Management Personnel were £103,717 (2019 as restated - £103,259).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2019 - £NIL)*.

During the year ended 31 December 2020, expenses totalling £11,471 were reimbursed or paid directly to 1 Trustee for legal fees *(2019 - £232 to 2 Trustees for mileage and training expenses)*.

14. Tangible fixed assets

	Almshouses £
Cost or valuation	
At 1 January 2020	**5,268,981**
Additions	**5,450,000**
At 31 December 2020	**10,718,981**
Depreciation	
At 1 January 2020	**155,974**
Charge for the year	**132,630**
At 31 December 2020	**288,604**
Net book value	
At 31 December 2020	**10,430,377**
At 31 December 2019	*5,113,007*

The Almshouse properties are non investment properties, held by the Charity as inalienable, with conditions attached for their use. For accounting purposes, no value is placed on the original Almshouse properties as it is considered by the Trustees that the original historic cost of the properties would not be material to the financial statements. The Trustees do not consider that the fair value of the Almshouses can be measured reliably, given the conditions specified for their use. Any costs of valuation to the Charity would not be commensurate with any benefit obtained from the information to the users of the accounts or to the Charity for its own stewardship purposes. Recognition of the Almshouses at fair value is not practicable.

With respect to the Almshouses transferred from RCCE, if at any time any of the Almshouses cease to be used permanently as Almshouses, half of the value of that land shall be paid to the Trustees of RCCE to be held as permanent endowment and the income used for its general purposes, provided that this clause will apply only if the land in question is sold and the proceeds of sale are used to purchase replacement land for the provision of Almshouses within a reasonable time.

15. Investment property

	Investment property £	Mitre Pub £	Total £
Valuation			
At 1 January 2020	**109,589,750**	**735,000**	**110,324,750**
Additions	**1,375,000**	**-**	**1,375,000**
Disposals	**(3,830,000)**	**-**	**(3,830,000)**
Surplus on revaluation	**4,389,250**	**-**	**4,389,250**
At 31 December 2020	**111,524,000**	**735,000**	**112,259,000**

Investment property

On 31 December 2020, HML LAM (Chartered Surveyors) undertook a desktop valuation of the properties for the year ending 31 December 2020. It was their opinion that there had been an overall increase in value of the property portfolio by 4% during 2020 (2019 - 0.1% increase).

16. Fixed asset Investments

	Capital endowment funds £	Designated development fund £	Short term fund £	Total £
Cost or valuation				
At 1 January 2020	**15,014,537**	**696,772**	**2,500,787**	**18,212,096**
Additions	**27,357**	**-**	**3,001,067**	**3,028,424**
Disposals	**(1,000,000)**	**(500,056)**	**(5,509,324)**	**(7,009,380)**
Revaluations	**740,743**	**35,458**	**7,470**	**783,671**
At 31 December 2020	**14,782,637**	**232,174**	**-**	**15,014,811**
Net book value				
At 31 December 2020	**14,782,637**	**232,174**	**-**	**15,014,811**
At 31 December 2019	*15,014,537*	*696,772*	*2,500,787*	*18,212,096*

17. Debtors

	2020 £	*2019* *£*
Due within one year		
Rent receivable	**115,417**	*100,831*
Prepayments and accrued income	**36,080**	*347,073*
	151,497	*447,904*

18. Current asset investments

	2020 £	*2019* *£*
Extraordinary repair funds	**3,171,680**	*1,012,766*

Listed investments

The market value of the listed investments at 31 December 2020 was £3,171,680 (2019 - £1,012,766).

The balance at the year end includes additions of £1,977,813 (2019 - £81,703) and revaluations gains of £181,101 (2019 - £166,018).

19. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	**32,455**	*36,606*
Other taxation and social security	**12,988**	*14,739*
Other creditors	**5,362**	*6,112*
Accruals and deferred income	**144,452**	*147,137*
	195,257	*204,594*

	2020 £	2019 £
Deferred Income		
Deferred income at 1 January	**78,935**	*74,548*
Resources deferred during the year	**73,985**	*78,935*
Amounts released from previous periods	**(78,935)**	*(74,548)*
Deferred Income at 31 December	**73,985**	*78,935*

20. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds					
Designated funds					
Almshouse property fund	4,184,587	-	-	-	4,184,587
Extraordinary repair fund	1,012,766	-	-	181,101	1,193,867
Development reserve	696,742	-	-	-	696,742
Major repairs reserve	1,100,000	-	-	-	1,100,000
	6,994,095	-	-	181,101	7,175,196
General funds					
Almshouse fund	2,690,146	4,450,211	(3,797,220)	42,902	3,386,039
Pension reserve	(5,000)	-	2,000	-	(3,000)
	2,685,146	4,450,211	(3,795,220)	42,902	3,383,039
Total Unrestricted funds	9,679,241	4,450,211	(3,795,220)	224,003	10,558,235
Endowment funds					
Almshouse fund - General	125,532,207	-	-	5,130,019	130,662,226
Restricted funds					
Welfare charities	-	4,625	(4,625)	-	-
Total of funds	135,211,448	4,454,836	(3,799,845)	5,354,022	141,220,461

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2019 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 December 2019* £
Unrestricted funds						
Designated funds						
Almshouse property fund	*4,195,784*	-	-	*(11,197)*	-	*4,184,587*
Extraordinary repair fund	*765,045*	-	-	*81,703*	*166,018*	*1,012,766*
Development reserve	*353,577*	-	-	*343,165*	-	*696,742*
Major repairs reserve	*1,100,000*	-	-	-	-	*1,100,000*
	6,414,406	-	-	*413,671*	*166,018*	*6,994,095*
General funds						
Almshouse fund	*2,033,613*	*4,178,138*	*(3,675,346)*	*38,862*	*114,879*	*2,690,146*
Pension reserve	*(16,000)*	*2,000*	-	-	*9,000*	*(5,000)*
	2,017,613	4,180,138	(3,675,346)	*38,862*	*123,879*	*2,685,146*
Total Unrestricted funds	8,432,019	4,180,138	(3,675,346)	*452,533*	*289,897*	*9,679,241*
Endowment funds						
Almshouse fund - General	*121,481,621*	-	-	*(452,533)*	*4,503,119*	*125,532,207*
Restricted funds						
Welfare charities	*10,681*	*4,400*	*(15,081)*	-	-	-
Total of funds	*129,924,321*	*4,184,538*	*(3,690,427)*	-	*4,793,016*	*135,211,448*

20. Statement of funds (continued)

The Almhouse funds are unrestricted and are used to fund activities in furtherance of the Charity's objectives alongside the management and administration. Included within this fund is the Mitre pub originally purchased at £550,000. A designated fund was created in the prior year relating to the purchase of an Almhouse property.

The Development fund is designated for the funding of the potential acquisition and development of new Almhouses.

The Major Repairs fund is designated for the funding of anticipated major repairs for the forthcoming two year period.

The Welfare Charities fund is a restricted fund administered by the Trustees in compliance with the specific trust deeds. Grants are awarded to qualifying and needy applicants whilst maintaining a positive level of reserves. This fund contains miscellaneous restricted donations.

The Extraordinary Repair Fund is designated for the funding of extraordinary Almhouse repairs. The Trustees are required to maintain this fund by paying into an Investment Fund a yearly sum of not less than £3,940 out of Charity income.

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £
Tangible fixed assets	6,076,931	4,353,446	**10,430,377**
Fixed asset investments	230,031	14,784,780	**15,014,811**
Investment property	735,000	111,524,000	**112,259,000**
Current assets	3,714,530	-	**3,714,530**
Creditors due within one year	(195,257)	-	**(195,257)**
Defined benefit pension scheme liability	(3,000)	-	**(3,000)**
Total	10,558,235	130,662,226	**141,220,461**

Analysis of net assets between funds - prior year

	Unrestricted funds 2019 £	*Endowment funds 2019* £	*Total funds 2019* £
Tangible fixed assets	4,185,087	927,920	*5,113,007*
Fixed asset investments	3,197,559	15,014,537	*18,212,096*
Investment property	735,000	109,589,750	*110,324,750*
Current assets	1,771,189	-	*1,771,189*
Creditors due within one year	(204,594)	-	*(204,594)*
Defined benefit pension scheme liability	(5,000)	-	*(5,000)*
Total	9,679,241	125,532,207	*135,211,448*

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

		2020 £	*2019 £*
Net income for the period (as per Statement of Financial Activities)		**6,009,013**	*5,278,127*
Adjustments for:			
Depreciation charges	14	**132,630**	*104,024*
Revaluation of investments	11	**(5,354,022)**	*(4,784,016)*
Investment income	6	**(3,227,883)**	*(3,024,068)*
Decrease/(increase) in debtors	17	**296,407**	*(350,675)*
(Decrease)/increase in creditors	19	**(9,337)**	*23,212*
(Decrease) in defined benefit pension scheme	26	**(2,000)**	*(2,000)*
Net cash used in operating activities		**(2,155,192)**	*(2,755,396)*

23. Analysis of cash and cash equivalents

	2020 £	*2019 £*
Cash in hand	**391,353**	*310,519*
Total cash and cash equivalents	**391,353**	*310,519*

24. Analysis of changes in net debt

	At 1 January 2020 £	Cash flows £	Changes in market value £	At 31 December 2020 £
Cash at bank and in hand	**310,519**	**80,834**	**-**	**391,353**
Current asset investments	**1,012,766**	**1,977,813**	**181,101**	**3,171,680**
	1,323,285	**2,058,647**	**181,101**	**3,563,033**

25. Capital commitments

	2020 £	*2019* *£*
Contracted for but not provided in these financial statements		
Repairs, maintenance or enhancements to Almshouses	**82,670**	*109,101*
Purchase, construction or development of Almshouses	**-**	*286,250*
Repairs, maintenance or enhancements to investment property	**-**	*161,122*
	82,670	*556,473*

26. Pension commitments

The Richmond Charities Almshouses participates in the Church of England Funded Pensions Scheme for stipendiary clergy. This scheme is administered by the Church of England Pensions Board, which holds the assets of the Schemes separately from those of the Employer and the other participating employers.

Each participating employer in the Scheme pays contributions at a common contribution rate applied to pensionable stipends.

The Scheme is considered to be a multi-employer Scheme as described in Section 28 of FRS102. This means it is not possible to attribute the Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pension's costs charged to the Statement of Financial Activities in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions (see below).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumptions.

- An average discount rate of 3.2% p.a.;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 3.4% p.a.;
- Mortality in accordance with 95% of the S3NALVL table, with allowance for improvements in mortality rates in line with CMI 2018 extended model, with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7 and an initial addition to mortality improvements of 0.5% p.a.

26. Pension commitments (continued)

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) were set as follows:

Deficit repair contributions as a % of pensionable stipends

	%
1 January 2021 to 31 December 2022	**11.9**
1 January 2021 to 31 December 2022	**7.1**

Movement in defined benefit pension scheme liability

	2020 £	*2019* *£*
Balance at 1 January	**5,000**	*16,000*
Deficit contribution paid	**(2,000)**	*(2,000)*
Actuarial (gain) / loss	**-**	*(9,000)*
Balance at 31 December	**3,000**	*5,000*

Sensitivity analysis (per annum)

	2020 %	*2019* *%*
Discount rate	**0.2**	*1.1*
Price inflation	**3.1**	*2.8*
Increase to total pensionable payroll	**1.6**	*1.3*

27. Operating lease commitments

At 31 December 2020 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	*2019* *£*
Land and buildings:		
Not later than 1 year	-	*29,000*
	-	*29,000*
Other:		
Not later than 1 year	**1,588**	*1,646*
Later than 1 year and not later than 5 years	**1,985**	*3,841*
	3,573	*5,487*
Total	**3,573**	*34,487*

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2020 £	*2019* *£*
Operating lease rentals	**30,588**	*31,651*

28. Related party transactions

Other than Key Management Personnel and Trustee transactions detailed in Notes 12 and 13, there were no related party transactions during the period (2019 - none).

29. Post Balance Sheet events

After the year end on the 20 January 2021 the sale of the investment property held at 6 Houblon Road completed for a sales price of £1,035,000 the current value held within the investment portfolio as at the 31 December 2020 is £1,035,000.