

MARCH ALMSHOUSE AND PENSION CHARITIES

**Trustees' Report
And
Accounts
For the year ended 31 December 2020**

OFFICE COPY

**WHITING & PARTNERS
CHARTERED ACCOUNTANTS & BUSINESS ADVISERS
THE OLD SCHOOL HOUSE
DARTFORD ROAD
MARCH, CAMBS
PE15 8AE**

MARCH ALMSHOUSE AND PENSION CHARITIES

TRUSTEES' REPORT

Legal and Administrative Information

The Charity is governed by a Charity Commissioners Scheme dated 30th May 1973. It was constituted by an order made by the Charity Commissioners on 4th March 1904. The body of trustees consists of:

- one ex-officio trustee (who is to be the Rector of the Parish of St. Wendreda, which due to reorganization within the Church is no longer possible as originally intended)
- two nominative trustees (appointed by March Town Council for a 4 year term)
- 5 co-optative trustees - persons through residence, occupation or employment have special knowledge of March.

Registered Charity No: 204459

**National Association of Almshouses
Registration no:** 209

Trustees:

Ex-Officio: Revd Marcus Purnell has resigned during the year. His place has been taken by the Revd Anthony Chandler who is deputising for Revd Andrew Smith, the Team Rector of March which includes the Parish of St Wendreda.

Nominative: Mr J Orbell (elected until May 2023)
Mrs L Peckett (elected until May 2023)

Co-optative: Mr F J Grounds (Chairman)
Mr S Yull
Mr E Brand
Mrs M High
Mrs A Birch

**Clerk and Treasurer
to the Trustees:** Mrs Lisa Jane Moore

Bank: Lloyds Bank Plc
High Street
March

Accountants: Whiting & Partners
Chartered Accountants & Business Advisers
The Old School House
Dartford Road
March
PE15 8AE

MARCH ALMSHOUSE AND PENSION CHARITIES

TRUSTEES' REPORT (CONTINUED)

Objects of the Charity

The Charity's objective is to provide affordable housing for people who are on a low income, are over 50 years of age and originate from the March area. The Trustees remain mindful of the Charity Commissioners guidance in relation to public benefit when planning their activities.

Organisation of the Charity

The March Almshouse and Pension Charities is administered by eight Trustees.

CORONA VIRUS PANDEMIC – COVID 19

The virus struck the United Kingdom towards the end of 2019. The Country was placed into a state of complete lockdown in March 2020. This remained to a greater or lesser extent throughout 2020 and is still very much in force as at the beginning of February 2021.

The regular meetings and activities of both the Trustees and the Almspersons have been hugely disrupted and continue so to be. Because of the virus the Trustees have only been able to hold two normal meetings. Two further meetings were held during the year, one at the Chairman's house and one at the home of Mrs Annabel Birch. On both occasions social distancing was strictly observed and those Trustees unable to attend in person joined the meeting by electronic means. These two meetings were not particularly satisfactory.

The effect of the virus on people's movements and general activities has inevitably placed a huge additional amount of work on all the Trustees and particularly their Clerk.

The Chairman stated that he was particularly grateful to all the Trustees for all the help and advice they have so willingly given during the Pandemic. He is especially grateful to the Vice Chairman and to the Clerk to the Trustees who has performed her duties in an exemplary and very conscientious manner which at times has proved extremely frustrating for her.

Despite the current restrictions remaining in force the Trustees have been able to continue their deliberations by means of electronic communications via the Clerk who has been in regular contact on a near daily basis with the Chairman.

The Annual General Meeting has been postponed pending the lifting of the current restrictions.

Review of developments, activities and achievements during the year including financial review.

The Trustees' main objective is to provide a sound and secure living environment for the Alms persons who reside in the property and ensure that it is maintained in good order and repairs are completed in a timely manner. It is intended that regular inspections are made of the property from a health and safety perspective to ensure that all Alms persons maintain their accommodation in a safe and tidy condition. The Clerk has made inspections when possible.

MARCH ALMSHOUSE AND PENSION CHARITIES

TRUSTEES' REPORT (CONTINUED)

Following communication with the Valuation Office the Trustees agreed to increase the weekly maintenance contribution from £115 to £120 per week as from the 1 January 2020. The weekly heating contribution was reduced in 2019 from £27 per week to £22 per week and the Trustees have agreed to keep this unchanged. The total weekly payment will therefore be £142. The Almspersons pay monthly in arrears with the exception of one who pays three monthly in arrears to coincide with the timing of their personal financial circumstances.

Work carried out at the Almshouse in the year under review included all four apartments having had one room completely redecorated. During the storms early in the year a tree was blown down across the allotments limiting access to the allotment holders. This was cleared and removed. The fences of the perimeter have been repainted and again due to the storm some posts and a panel needed replacement.

The main cost incurred has been in relation to the preparation of plans with regard to the possible construction of additional Almshouses to the rear of Jenyns House. This proposal is currently on hold pending enquiries relating to 'funding' which are currently ongoing. The Trustees have spent £13,444 so far on the preparation of plans.

It was agreed that the annual rent for each allotment should increase to £50 for the 2020-2021 growing season.

Financial review

At 31 December 2020 the balance on unrestricted funds was £87,911 (2019: £82,383).

Risk Management

The Trustees have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced as appropriate so that the necessary steps can be taken to lessen these risks.

Reserves Policy

It is the Trustees policy to maintain three separate reserve funds and these are:-

Routine Maintenance Fund – It is the Trustees intention to maintain this fund at a level equivalent to approximately six months running costs to allow for any periods when the Almshouses are not fully occupied.

Cyclical Maintenance Fund – This fund is maintained to cover recurring non-annual repairs.

Extraordinary Repair Fund – This fund is to provide for extraordinary repairs, including boiler replacement, also improvements or rebuilding of the Almshouse.

The Trustees Report was approved by the Trustees on 29 March 2021 and signed on their behalf by:-


..... F J Grounds – Chairman

MARCH ALMSHOUSE AND PENSION CHARITIES

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2020

	Unre- stricted Funds £	Endow- ment Fund £	Total Funds 2020 £	Total Funds 2019 £
<u>INCOMING RESOURCES</u>				
Donations	223		223	223
Allotment Rents	990		990	760
Heating Contributions	4,238		4,238	5,616
Maintenance Contributions	22,153		22,153	23,126
Bank Interest				
CIF Accumulated and Paid Income	3,122		3,122	2,846
<u>TOTAL INCOMING RESOURCES</u>	£30,726		£30,726	£32,571
<u>RESOURCES EXPENDED</u>				
Donations	0		0	0
Repairs and Maintenance	9,951		9,951	6,828
Light and Heat	2,548		2,548	2,052
Insurances	838		838	850
Water rates	155		155	0
TV Licence	23		23	23
Clerks Wages	2,548		2,548	2,400
Accountancy	1,096		1,096	978
Sundries	894		894	769
Subscriptions	140		140	133
Loan Interest	935		935	1,174
Professional Fees	18		18	216
Depreciation	280		280	280
<u>TOTAL RESOURCES EXPENDED</u>	£19,453		£19,453	£15,703
<u>NET INCOMING RESOURCES</u>	11,273		11,273	16,868
Gain/ (loss) on revaluation of investment assets	(5,745)		(5,745)	8,775
Net Movement in Funds	5,528		5,528	25,643
Total Funds brought forward	82,383	140,000	222,383	196,737
<u>TOTAL FUNDS</u> carried forward	87,911	140,000	227,911	222,383

The notes on pages 6 to 9 form part of these Accounts

MARCH ALMSHOUSE AND PENSION CHARITIES

BALANCE SHEET **As at 31 December 2020**

	2020	2019
	£	£
<u>FIXED ASSETS</u>		
Tangible Fixed Assets		
Freehold Property (Note 4)	140,000	140,000
Fixtures and Fittings (Note 4)	867	1,147
Investments (Note 5)	<u>77,522</u>	<u>75,336</u>
	218,389	216,483
<u>CURRENT ASSETS</u>		
Trade Debtors	1,068	1,411
Prepayments and accrued income	202	0
Prepaid Planning Costs	13,444	0
Balances at Bank:		
Deposit Account	275	275
Current Account	<u>9,671</u>	<u>22,695</u>
	24,660	24,381
<u>LIABILITIES: amounts falling due within one year (Note 6)</u>	<u>6,283</u>	<u>5,208</u>
<u>NET CURRENT (LIABILITIES)/ASSETS</u>	<u>18,377</u>	<u>19,173</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>	236,766	235,656
<u>LIABILITIES: amounts falling due after more than one year (Note 7)</u>	<u>8,855</u>	<u>13,273</u>
<u>NET ASSETS</u>	227,911	222,383
<u>REPRESENTED BY:</u>		
Endowment Fund (Note 8)	140,000	140,000
<u>Unrestricted Funds</u>		
Designated Funds (Note 9)		
- Extraordinary Repair Fund	69,487	59,610
- Cyclical Maintenance Fund	6,262	7,805
Routine Maintenance Fund	<u>12,162</u>	<u>14,968</u>
	£227,911	£222,383

The financial statements on pages 4 to 9 were approved by the Trustees on 29 March 2021 and signed on their behalf by:

.....
F. J. Grounds
Chairman

The notes on pages 6 to 9 form part of these Accounts

MARCH ALMSHOUSE AND PENSION CHARITIES

NOTES TO THE ACCOUNTS **For the year ended 31 December 2020**

1. Accounting Policies

Basis of Preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments and freehold property which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 14, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011. The charity constitutes a public benefit entity as defined by FRS 102.

Incoming Resources

All incoming resources are included in the SOFA when the Charity is legally entitled to the income.

Resources Expended

All expenditure is accounted for on an accruals basis.

Tangible Fixed Assets and Depreciation

The Almshouses were capitalized in the Accounts at 31 December 1997 and a valuation was obtained at that date. No depreciation is provided as the Charities Trust document provides for an extraordinary repair fund to be maintained. They currently hold listed building status. The title has been vested in the Official Custodian for Charities since 1874.

Other fixed assets are capitalized at cost including any incidental costs of acquisition.

Depreciation is provided on other fixed assets at rates calculated to write off the cost less residual value on a straight line basis over their expected useful economical life as follows:-

Fixtures and Fittings	over 10 years
Office equipment	over 4 years

Investments

Investments are stated at fair value (their market value) at the Balance Sheet date. Any gain or loss on revaluation is taken to the SOFA.

Funds Structure

Designated funds comprise unrestricted funds that have been set aside by the Trustees in accordance with the Charity's governing document. The aim and use of each designated fund is set out in the notes to the financial statements.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognized at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at the carrying value plus accrued interest less repayments. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

MARCH ALMSHOUSE AND PENSION CHARITIES

NOTES TO THE ACCOUNTS (CONTINUED)

For the year ended 31 December 2020

2. Trustees Remuneration/Related Party Transactions

Trustees received no remuneration (2019 Nil) and were reimbursed for their expenses in the year in an amount of £12,444 (2019 £70).

A payment of £12,444 was made to Brand Associates for professional services. One of the Trustees, Mr E Brand, is a principal of this firm however the fees cover only the work performed by the employees, no charge was made to the charity for his own time, as a result this payment has been classified as reimbursement of Trustee expenses.

	2020	2019
	£	£
3. Independent examiners' fees	200	192
Accountancy fees	<u>896</u>	<u>786</u>

4. Tangible Fixed Assets

	Other assets £	Freehold Property £	Total £
Cost			
1 January 2020	1,901	140,000	141,901
Additions			
Disposals			
31 December 2020	<u>1,901</u>	<u>140,000</u>	<u>141,901</u>
Depreciation			
1 January 2020	754		754
Charge for the year	280		280
On disposals			
31 December 2020	<u>1,034</u>		<u>1,034</u>
Net Book Amount			
31 December 2020	<u>867</u>	<u>140,000</u>	<u>140,867</u>
1 January 2020	<u>1,147</u>	<u>140,000</u>	<u>141,147</u>

The almshouses and allotments were revalued at £140,000 during the year ended 31 December 1997 by Messrs. White & Eddy, Chartered Surveyors on an open market value basis. This revaluation figure was then elected as its deemed cost at 1 January 2015 on first time adoption of FRS102. The Trustees consider the current value of the property to be in excess of this figure.

The title of the freehold property is vested in the Official Custodian for Charities.

MARCH ALMSHOUSE AND PENSION CHARITIES

NOTES TO THE ACCOUNTS (CONTINUED)

For the year ended 31 December 2020

5. Investments

	2020 £	2019 £
788.395 shares The National Association of Almshouses Common Investment Fund - Accumulation		
Fair Value at 1.1.2020	75,336	63,715
Purchase	0	0
Accumulated Income	2,931	2,846
Disposal Proceeds	0	0
Net profit /(loss) on revaluation	<u>(5,328)</u>	<u>8,775</u>
Fair Value at 31.12.2020	<u>72,939</u>	<u>75,336</u>
	£	£
5480.654 shares The National Association of Almshouses Common Investment Fund - Income		
Fair Value at 1.1.2020	0	0
Purchase	5,000	0
Net profit /(loss) on revaluation	<u>(417)</u>	<u>0</u>
Fair Value at 31.12.2020	<u>4,583</u>	<u>0</u>

Fair value at 31.12.2020 is based on bid price at that date.

	2020 £	2019 £
6. <u>Liabilities: amounts falling due within one year</u>		
Trade creditors	1,870	1,049
Loans (Note 7)	<u>4,413</u>	<u>4,159</u>
	<u>6,283</u>	<u>5,208</u>

7. Loan from Charities Aid Foundation

	2020 £	2019 £
The loan capital is shown on the Balance Sheet as follows:-		
Due within one year (Note 6)	4,413	4,158
Due after one year	<u>8,855</u>	<u>13,273</u>
	<u>13,268</u>	<u>17,432</u>

The loan capital is repayable by monthly instalments over a 20 year period ending October 2023. Interest was charged at 5% until June 2007 and increased to 6% in July 2007 for the life of the loan. It is considered by the Trustees that this is the normal market rate in their particular circumstances.

Whilst the annual interest is charged within the Statement of Financial Activities, the draw down of fresh loan capital and the repayment of loan capital each year is not shown within that Statement. The loan is secured on the freehold property which is currently shown at a valuation of £140,000 in the Balance Sheet - see note 4.

MARCH ALMSHOUSE AND PENSION CHARITIES

NOTES TO THE ACCOUNTS (CONTINUED)

For the year ended 31 December 2020

8. Endowments

The permanent endowment fund is represented by the allotments and Almshouse situated at The Avenue, March. No historical cost information is available.

9. Designated Funds

	Movement in Funds			
	1.1.2020	Incoming Resources	Expenditure (Loss) and Transfers	31.12.2020
	£	£	£	£
Extraordinary Repair Fund	59,610	3,122	6,755	69,487
Cyclical Maintenance Fund	7,805	0	(1,543)	6,262

The Extraordinary Repair Fund is represented by 788.395 accumulation shares in The National Association of Almshouses Common Investment Fund, 5480.654 income shares in The National Association of Almshouses Common Investment Fund less the outstanding balance due on the loan from the Charity Bank (shown net of future finance charges). The fund is to be applied for extraordinary repairs, improvements or rebuilding of the Almshouse.

The Cyclical Maintenance Fund is for regular, although periodic, repairs and maintenance such as exterior and interior redecoration.

10. Analysis of Net Assets Fund

	Endowment Fund	ERF	CMF	RMF	Total
	£	£	£	£	£
Tangible Fixed Assets	140,000			867	140,867
Investments		77,522			77,522
Net Current Assets		820	6,262	11,295	18,377
Long term Liabilities		(8,855)			(8,855)
	<u>140,000</u>	<u>69,487</u>	<u>6,262</u>	<u>12,162</u>	<u>227,911</u>

11. Fair Value of Assets and Liabilities

Fixed Asset Investments are stated at fair value at the Balance Sheet date. In the opinion of the Trustees this asset is subject to a market risk (the risk that the value of an investment will fall due to changes in the market). This risk is managed by the The National Association of Almshouses Common Investment Fund who invests the funds on behalf of a very large number of other Almshouses, both large and small. The value of the investments will tend to rise and fall with movements in stock markets; however the risks will be mitigated by the wealth of experience of the fund managers. The Trustees believe that the acceptance of this risk is justified.

MARCH ALMSHOUSE AND PENSION CHARITIES

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MARCH ALMSHOUSE AND PENSION CHARITIES TRUST

I report on the Accounts of the Trust for the year ended 31 December 2020 which are set out on pages 4 to 9.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the Accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act); and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the Accounts presented with those records. It also includes consideration of any unusual items or disclosures in the Accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements
- to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare Accounts which accord with the accounting records and to comply with the accounting requirements of the Act have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the Accounts to be reached.

Date: 29-3-2021

M. Haydon - Whiting & Partners

**M N Haydon
Chartered Accountant
Whiting & Partners
The Old School House
Dartford Road, March
Cambs. PE15 8AE**

MARCH ALMSHOUSE AND PENSION CHARITIES

For Information of Trustees Only INCOME AND EXPENDITURE ACCOUNT For the year ended 31 December 2020

	2020 £	2019 £
<u>INCOME</u>		
M&G income	191	0
Donation from March Educational Foundation	223	223
Rent from Allotments	990	760
Heating Charges	4,238	5,616
Maintenance Contributions	<u>22,153</u>	<u>23,126</u>
	<u>27,795</u>	<u>29,725</u>
<u>EXPENDITURE</u>		
Treasurer's Honorarium	2,575	2,400
Repairs and Maintenance	9,952	6,828
Light and Heat	2,548	2,052
Insurances	838	850
The Almshouses Association Subscription and Donation	140	133
Planning Costs for Proposed Almshouses	13,444	0
Accountancy, Professional Fees and Sundry Expenses	2,031	1,984
Purchase of units in the NAACIF fund	5,000	0
Water rates	155	0
Charities Aid Foundation Loan Repayments (Including Interest Charges)	<u>5,099</u>	<u>5,094</u>
	<u>41,782</u>	<u>19,341</u>
<u>EXPENDITURE OVER INCOME</u> for the year	(13,987)	10,384
<u>LIQUID FUNDS</u> brought forward	<u>23,332</u>	<u>12,948</u>
<u>LIQUID FUNDS</u> carried forward	9,345	23,332
<u>REPRESENTED BY:</u>		
Trade Debtors and Prepayments	1,271	1,411
Balances at Lloyds TSB Bank Plc:		
Deposit Account	275	275
Current Account	<u>9,671</u>	<u>22,695</u>
	11,217	24,381
Trade Creditors and Accruals	<u>1,868</u>	<u>1,049</u>
<u>NET CURRENT ASSETS</u>	9,345	23,332

Notes

1. The Charity holds 788.395 accumulation units and 5,480.654 income units in The National Association of Almshouses Common Investment Fund. The market value of those shares on 31 December 2020 was £77,522.
2. The amount required to repay the loan capital from The Charities Aid Foundation at 31 December 2020 was £13,268. Loan capital and interest is repayable annually until October 2023.