

**BEDFORD, MORISON AND CORDERY ALMSHOUSE CHARITY
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

BEDFORD, MORISON AND CORDERY ALMSHOUSE CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mrs. E. Nelson-Walker (Chair)
Mr. R. B. Frost (Treasurer)
Mr. P. Mould (Deputy Chair)
Rev. T. Rindl
Cllr. D. Scudder
Mr. N. H. Tyrwhitt

Charity number

207042

Registered office

19 The Almshouses
St Mary's Close
Watford
Hertfordshire
WD18 0EQ

Independent examiner

Gary Howard FCA
Howard Wilson Chartered Accountants
36 Crown Rise
Watford
Hertfordshire
WD25 0NE

Bankers

National Westminster Bank plc
72/74 High Street
Watford
Hertfordshire
WD17 2GZ

Investment advisors

The M&G Group
M&G House
Victoria Road
Chelmsford
Essex
CM1 1FB

CCLA Investment Management Ltd
80 Cheapside
London
EC27 6DZ

BEDFORD, MORISON AND CORDERY ALMSHOUSE CHARITY

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BEDFORD, MORISON AND CORDERY ALMSHOUSE CHARITY

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "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) (effective 1 January 2019)".

Objectives and activities

The charity's objects are to provide almshouses for poor women or married couples of good character who are resident at time of appointment in the areas comprising the ancient parishes of Watford, Chenies and Langley Marsh or the area which, on 18 December 1918, comprised the parishes of Watford Urban, Oxhey and Watford Rural.

Public benefit statement

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Review of 2020

Despite the challenges COVID 19 has presented this year, due to the support from the Trustees and the Site and Deputy Site Manager and next of kin, our residents so far have not contracted the disease. The Trustees supported the Government guidelines by iterating the rules to the residents and by displaying messages at the gates of the Almshouses insisting visitors wear personal protection.

2020 opened and closed with full occupancy. However, in February a much-loved resident died due to complications with pneumonia and emphysema. Two other residents in extremely poor health were offered more appropriate accommodation in residential homes. The cottages they vacated were refurbished before being offered to three worthy new residents. The cottages had new kitchens and bathrooms fitted, were decorated throughout and new floor covering was laid before the residents moved in.

The new secretary appointed in 2019 resigned in June 2020. To date we have not been able to secure a replacement and the Trustees are discussing options. The Deputy Chair has taken over the role of minute taking on a temporary basis.

The Quinquennial Inspection has been completed and no major problems were identified that need immediate action. The Treasurer will advise the Trustees on which observations are the priorities and agree an action plan. Although the flats on site are not Grade Listed, the Treasurer will investigate the benefits of having a similar review completed on them.

Due to the COVID 19 restrictions, regular Trustee meetings have not been held. The use of electronic meetings is hampered because not all the Trustees are on-line or can use the software. However, close positive contact has been maintained between the staff and Trustees and as lockdown continues this option will be reviewed.

Watford Girls Grammar School delivered their annual presents for the residents and this year, because of the restrictions, the staff and not the pupils gave the presents to the residents. The residents were incredibly grateful. It has been agreed that when possible the Trustees will hold a party for the residents and pupils next year.

The gardens continue to be cared for and offer some solace for the residents at this time.

The normal social gatherings have been postponed from April, throughout the year and will not recommence until post Covid 19. The traditional Christmas Luncheon was also cancelled; whilst the lack of social activities is being sadly missed, the reason is being fully supported by the residents. Trustees will organize a summer gathering for the residents and visitors which hopefully will lift the residents' morale.

BEDFORD, MORISON AND CORDERY ALMSHOUSE CHARITY

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

The Charity generated income £65,827 (2019: £69,574) as detailed in the Statement of Financial Activities. This money will be kept and used for the benefit of the Residents.

The Charity spent £56,051 (2019: £41,486) on running and maintaining The Almshouses and other associated support costs. Our Repairs and Maintenance expenditure for 2020 was £33,069 (2019: £17,240).

Just under £23,000 of this was spent on three of our Cottages, which were vacated during the first quarter of the year. We planned major refurbishment of these before re-letting them to new residents. The kitchens and bathrooms were stripped out and new kitchen units and showers were fitted as necessary. Each cottage was fully redecorated internally, and additional electrical circuits were added. The cottages were all re-occupied during the autumn. In addition to the costs of the refurbishment of the Cottages, the loss of income and additional utilities and council tax expenditure was added to our overall expenditure. During 2020 we arranged for surveyors to carry out the Quinquennial Inspection on our Grade 2 listed cottages. The balance of expenditure was for routine maintenance expenditure. A summary of the works carried out during 2020 is shown in the "Analysis of Repairs and Maintenance" included with the year end accounts.

We transferred funds from the General Account to the M&G Charity Multi Asset Funds during 2020.

£30,000 was put in the Extraordinary Repair Fund and £10,000 into both of our Income investment funds. Resulting from effects of the Coronavirus effect on the stock market, we were able to benefit from the fall in the share prices during the year. However, the large fall in the share value at the beginning of the year, never fully recovered by the year end. This resulted in an overall net reduction of our investments of £22,931 (-3.61%).

At 31st December 2020 the Charity held unrestricted funds of £3,027,887 (2019: £2,954,072) of which £2,952,197 (2019: £2,838,158) were tied up in fixed assets and investments, leaving free reserves of £75,690 (2019: £115,914). The free reserves include a COIF deposit account of £30,592 (2019: £30,511) and a NatWest current account of £45,938 (2019: £86,243).

Reserves policy

The Trustees aim is to maintain free reserves which cover three to six months expenditure and consider that reserves of this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities.

Plans for the future

- Advertise and appoint a new Trustee
- Plan and agree the work schedule to be undertaken as recommended in the Quinquennial Report
- Plan and undertake the maintenance not completed in 2020
- Organise a summer gathering for the residents and guests

Risk management

The Trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

BEDFORD, MORISON AND CORDERY ALMSHOUSE CHARITY

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management

The charity is constituted under a Trust Deed dated 7 October 1960 as amended by a Charity Commission Scheme dated 14 April 1970.

The maximum number of trustees who can serve is 9 made up as follows:

The vicar of St Mary's Parish Church

3 trustees nominated by the Borough of Watford

1 trustee nominated by the Parish Council

4 co-optative trustees being persons residing or working in or near the Borough of Watford.

New co-optative trustees are appointed by existing trustees.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Mrs. E. Nelson-Walker (Chairman)

Mr. R. B. Frost (Treasurer)

Mr. P. Mould (Deputy Chair)

Rev. T. Rindl

Cllr. D. Scudder

Mr. N. H. Tyrwhitt

The Trustees report was approved by the Board of Trustees.



Mrs E Nelson-Walker

Trustees

Dated: 27 April 2021

BEDFORD, MORISON AND CORDERY ALMSHOUSE CHARITY

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF BEDFORD, MORISON AND CORDERY ALMSHOUSE CHARITY

I report to the Trustees on my examination of the financial statements of Bedford, Morison and Cordery Almshouse Charity (the charity) for the year ended 31 December 2020.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with 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) 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 now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Gary Howard FCA

Howard Wilson Chartered Accountants
36 Crown Rise
Watford
Hertfordshire
WD25 0NE

Dated: 28 April 2021

BEDFORD, MORISON AND CORDERY ALMSHOUSE CHARITY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds 2020 £	Total 2019 £
	Notes		
<u>Income from:</u>			
Donations and legacies	3	-	168
Charitable activities	4	57,660	61,655
Investments	5	8,167	7,751
Total income		<u>65,827</u>	<u>69,574</u>
<u>Expenditure on:</u>			
Charitable activities	6	56,051	41,486
Total expenditure		<u>56,051</u>	<u>41,486</u>
Net income/(expenditure) before gains/(losses) on investments		9,776	28,088
Net gains/(losses) on investments	9	(22,931)	86,945
Net income for the year		<u>(13,155)</u>	<u>115,033</u>
Other recognised gains and losses			
Revaluation of tangible fixed assets		86,970	662,123
Net movement in funds		<u>73,815</u>	<u>777,156</u>
Fund balances at 1 January 2020		2,954,072	2,176,916
Fund balances at 31 December 2020		<u><u>3,027,887</u></u>	<u><u>2,954,072</u></u>

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

All income and expenditure derive from continuing activities.

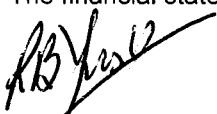
BEDFORD, MORISON AND CORDERY ALMSHOUSE CHARITY

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	10	2,316,970		2,230,000	
Investments	11	635,227		608,158	
		<u>2,952,197</u>		<u>2,838,158</u>	
Current assets					
Cash at bank and in hand		76,530		116,754	
Creditors: amounts falling due within one year	13	<u>(840)</u>		<u>(840)</u>	
Net current assets			75,690		115,914
Total assets less current liabilities			<u>3,027,887</u>		<u>2,954,072</u>
Income funds					
<u>Unrestricted funds</u>					
Designated funds	14	2,952,197		2,838,158	
General unrestricted funds		<u>75,690</u>		<u>115,914</u>	
			3,027,887		2,954,072
			<u>3,027,887</u>		<u>2,954,072</u>

The financial statements were approved by the Trustees on 27 April 2021



Mr R Frost
Trustee

BEDFORD, MORISON AND CORDERY ALMSHOUSE CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Bedford, Morison and Cordery Almshouse Charity is a charitable trust.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

As at 31 December 2019 China had alerted the World Health Organisation (WHO) of several cases of an unusual form of pneumonia in Wuhan. Substantive information about what has now been identified as Coronavirus (or COVID-19) came to light in early 2020.

In the opinion of the Trustees, despite the potential effects of the COVID-19 outbreak, it is nonetheless considered that the Going Concern basis of the preparation of the financial statements remains appropriate. Similarly, in the opinion of the Trustees, no adjustments are required to the results or carrying values of assets or liabilities declared in these financial statements, and none have been made.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

1.5 Expenditure

Expenditure is recognised when a constructive or actual liability exists. In respect of awards made, this is when the trustees have approved the award and communicated their decision to the recipient.

BEDFORD, MORISON AND CORDERY ALMSHOUSE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

No depreciation is charged on freehold land and buildings as the land is revalued each year at the insured value which is considered by the trustees as equivalent to the depreciated replacement cost.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

BEDFORD, MORISON AND CORDERY ALMSHOUSE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Total	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	-	168

4 Charitable activities

	Almshouse income	Almshouse income
	2020	2019
	£	£
Contribution from residents	57,660	61,655

BEDFORD, MORISON AND CORDERY ALMSHOUSE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Investments

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Investment income	8,087	7,578
Interest receivable	80	173
	<u>8,167</u>	<u>7,751</u>

BEDFORD, MORISON AND CORDERY ALMSHOUSE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

6 Charitable activities

	2020 £	2019 £
Staff costs	8,480	7,470
Light and heat	6,311	7,098
Water services	1,616	2,089
Council tax	2,016	1,408
Insurance	1,655	1,607
Repairs and maintenance (see analysis below)	33,069	17,240
Postage and stationery	18	22
Computer costs	239	609
Telephone, TV and internet	757	747
Travel	-	578
Sundry expenses	735	538
Legal and professional costs	-	970
Subscriptions	315	270
Governance costs	840	840
	<u>56,051</u>	<u>41,486</u>

Analysis of Repairs and Maintenance

	2020 £	2019 £
Electrical repairs	1,105	606
Plumbing and heating	1,801	4,005
Water testing	1,507	1,731
Pest control	-	429
Properties refurbishment	22,908	5,379
Window cleaning	600	600
Relaying paved area of bin storage	-	1,225
Window/gutter/sundry repairs	-	426
Gardening	1,590	1,215
Fire and safety costs	1,310	121
Sundry items	2,248	1,503
	<u>33,069</u>	<u>17,240</u>

Governance costs comprise payment to the Independent Examiner for examination services of £840 (2019: £840).

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. One trustee received a total of £799 (2019: 3 trustees £3,755) for reimbursed repairs and maintenance, computer, office, travel costs and sundry expenses in the year.

BEDFORD, MORISON AND CORDERY ALMSHOUSE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Charitable activities	2	2

Employment costs

	2020 £	2019 £
Wages and salaries	8,480	7,470

There were no employees whose annual remuneration was £60,000 or more.

9 Net gains/(losses) on investments

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Revaluation of investments	(22,931)	86,945

10 Tangible fixed assets

	Freehold land and buildings £
Cost or valuation	
At 1 January 2020	2,230,000
Revaluation	86,970
At 31 December 2020	2,316,970
Carrying amount	
At 31 December 2020	2,316,970
At 31 December 2019	2,230,000

BEDFORD, MORISON AND CORDERY ALMSHOUSE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

10 Tangible fixed assets

(Continued)

The carrying value of land included in land and buildings comprises:

	2020 £	2019 £
Freehold	2,316,970	2,230,000

The land and buildings represent the Essex Almshouses held for functional use by the charity and are stated at their insured value which the Trustees consider to be equivalent to the depreciated replacement cost.

11 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2020	608,158
Additions	50,000
Valuation changes	(22,931)
At 31 December 2020	635,227
Carrying amount	
At 31 December 2020	635,227
At 31 December 2019	608,158

Fixed asset investments revalued

The historic cost of listed investments included above is £220,000 (2019: £170,000).

12 Financial instruments

	2020 £	2019 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	635,227	608,158

BEDFORD, MORISON AND CORDERY ALMSHOUSE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

13 Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	840	840

14 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2019 £	Revaluations, gains and losses £	Balance at 1 January 2020 £	Transfers £	Revaluations, gains and losses £	Balance at 31 December 2020 £
Fixed Asset Fund	1,567,877	662,123	2,230,000	-	86,970	2,316,970
Emergency Repair Fund	71,201	-	71,201	30,000	-	101,201
Common Maintenance Fund	98,799	-	98,799	20,000	-	118,799
Investments - Revaluation Reserve	351,213	86,945	438,158	-	(22,931)	415,227
	<u>2,089,090</u>	<u>749,068</u>	<u>2,838,158</u>	<u>50,000</u>	<u>64,039</u>	<u>2,952,197</u>

The Fixed Asset Fund represents funds tied up in the charity's tangible fixed assets. These assets are shown at insurance value as no historic cost figure is available. The majority of the fund represents revaluation gains on the properties.

The Emergency Repairs Fund is funds set aside in investments to cover the future costs of emergency repairs. The market value of the emergency repair fund investments is £412,490 of which the original cost of £101,201 is shown above and the revaluation surplus of £311,289 is shown in revaluation reserves.

The Common Maintenance Fund is funds set aside in investments to generate an income to cover the costs of everyday repairs and maintenance. The market value of the common maintenance fund investments is £195,667 of which the original cost of £118,799 is shown above and the revaluation surplus of £76,868 is shown in revaluation reserves.

Investments - Revaluation Reserve represents the unrealised gain between the market value of the charity's investments at the year end and their original cost.

15 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

