

OFFICE COPY
for signature

**FRAMEWORK KNITTERS
COMPANY ALMSHOUSE
CHARITIES**

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS**

YEAR ENDED 31 MARCH 2021

Registered Charity No: 212946

FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

CONTENTS

	Page
Reference and Administration Information	3
Trustees Annual Report	4 - 7
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10
Notes to the Financial Statements	11 - 21
Appendices	22

FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

REFERENCE AND ADMINISTRATION INFORMATION

Corporate Trustee	The Worshipful Company of Framework Knitters (see App 1)
Master	J G Ellis
Honorary Treasurer	M R Ellis
Clerk	S R Mackaness
Independent Examiners	JB Griffin Newby Castleman LLP Chartered Accountants West Walk Building 110 Regent Road Leicester LE1 7LT
Bankers	Lloyds Bank Plc 222 Strand London WC2R 1BB
Solicitors	Shakespeare Martineau LLP Two Colton Square Leicester LE1 1QF
Stockbrokers	Brewin Dolphin Two Colton Square Leicester LE1 1QF
Principal Office	The Clerk The Grange Kimcote Lutterworth Leics. LE17 5RU
Charity number	212946

FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Trustee presents the annual report and accounts of the Charity for the year ended 31 March 2021.

The accounts have been prepared in accordance with the accounting policies set out in the Statement of Accounting Policies - note 1 to the accounts, 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 FRS102.

The accounts have been prepared to give a true and fair view and 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the version of the Statement of Recommended Practice which is referred to in the regulations but which has since been withdrawn.

Objectives and Activities

Objects

The objects as set out in the governing document are to manage the Cottage Homes, which are run as Almshouses in Oadby, Leicestershire.

Aims

To provide accommodation which is occupied by both single people and couples, who are not less than 60 years of age and who were employed in the hosiery and knitwear industry or allied trades or who are widows, widowers or children of such persons.

Objectives

The objectives of the charity are:

- To provide accommodation which exceeds all criteria as laid down by The Alms-houses Association.
- To provide a safe and friendly environment for the residents.
- To maintain and upgrade The Cottage Homes and so ensuring they will continue to be appropriate for years to come.

Statement of Public Benefit

The charity provides public benefit through the operation of The Cottage Homes Almshouses for retired employees in the hosiery and knitwear industry or allied trades or who are widows, widowers or children of such persons.

The charity has considered and adhere to the Charity Commission's guidance on Public Benefit.

Achievements and Performance

The Trustee has managed the Cottage Homes, in Oadby, since the early part of the 20th century. The Trustee has endeavoured to maintain the Cottage Homes so as to comply with modern standards and, over the years, has carried out a programme of modernisation to most of the properties on the site. The Trustee reviews all cottages when they become vacant and uses the opportunity of the vacancy to redecorate, if necessary, and carry out any necessary work to comply with modern legislation.

The Trustee continues to receive regular requests from retired hosiery and knitwear industry workers and allied trades, wishing to become residents of the homes and, at the present time, has a waiting list.

The Trustee has met on a monthly basis to consider a number of applications and to ensure the wellbeing of all residents.

FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

TRUSTEES ANNUAL REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Investment Policy and Performance

Our investment advisors (The Investment Committee) are instructed to invest to maximise the total return on all investment funds within the constraints of a medium risk investment portfolio. The expendable investments have been managed as medium risk portfolio with a bias towards higher income yielding stock. The high levels of stock market volatility and the continuing uncertainty regarding world economic prospects and the stability of certain banks continues to make the management of investments difficult. The charity is a long-term investor and stock markets remain above levels seen in the mid-1980s and the trustee, on professional advice, continues to hold a mixed portfolio of equities, cash and other investments designed to provide a level of stable income and the possibility of investment gains. The equity component of the investment portfolio is weighted with medium appetite for investment risk with the main exposure to investments in the leading advanced industrial economies with a history of paying dividends.

Financial Performance

The charity continues to remain financially sound and is funded from income from a portfolio of investments, by maintenance contributions from residents and contributions made annually by members of the Livery and, to some extent, by funds bequeathed to the Company by deceased members.

During the financial year the charity had an investment income of £41,585 (FYE 2020 £46,547). At 31 March 2021 there was total of net current assets of £333,548 (31 March 2020 £290,477), an increase of 14.83%.

Financial Review

The charity continues to remain financially sound, despite the large capital costs incurred over recent times in the redevelopment of the homes. The charity continues to maintain sufficient resources to allow it to continue its day to day management.

During the financial year the charity had an income of £217,283 (FYE 2020 £214,680) and total expenditure of £135,027 (FYE 2020 £125,756) resulting in a surplus of £82,256 before investment gains.

Principal Funding Sources

The day to day funding of the charity is achieved from contributions made to the charity by the Liverymen of the Company, by investment income and by maintenance charges paid by the residents of the cottages.

Investment Policy

The charity maintains a portfolio of investments, which are managed by a professional adviser. The investment committee meet quarterly and those investments are reviewed by the Court of the Company on a half yearly basis. The majority of the funds held by the charity are invested in blue chip common investment funds.

Reserves Policy

The Management Committee has examined the charity's requirement for reserves in light of the main risks to the charity and a 5 year business plan is maintained by the Management Committee, which is updated on an annual basis. Funds are set aside annually as per the prescribed Almshouse Association rates for future improvements. During this financial year the sum of £32,476 has been set aside and the balance on designated funds at 31 March 2021 amounted to £566,081. 50% of the estimated annual maintenance income is maintained in investments as a reserve and this sum amounts to a minimum of £75,000. At the year end, the charity holds free reserves of £36,654.

The Management Committee believes that the charity maintains sufficient resources to enable it to carry out its day to day business.

FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

TRUSTEES ANNUAL REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Plans for Future Periods

The charity plans to continue to run the Cottage Homes at Oadby as it has now done for many years.

Structure, Governance and Management

The charity is required to comply with the Company's Charter and is regulated by a Scheme of the Charity Commissioners dated 12th December 1972, the registered number being 212946.

The purpose of the charity is to provide and manage Almshouses for persons of not less than 60 years of age, either who were employed in the hosiery and knitwear industry or allied trades, or who are the widows, widowers or children of such employees.

The Company is authorised, under "section 3(1) of the Law of Property Amendment Act 1926", to act in relation to charitable, ecclesiastical and public trusts, as a trust corporation.

Company Heritage

Most of the Livery Companies of the City of London evolved from the medieval trade Guilds which had come into existence as a result of the natural inclination of members of the same trades and occupations to band together for good fellowship and mutual aid and protection. From an early stage there was an emphasis on charity, with the Guilds supporting their members or their families who had fallen on hard times or were suffering poor health. Also, there was a strong religious element in the Guilds, each owning their own chapels or being attached to a local monastery or church and having their own patron saints. Although less important following the Reformation, this spiritual connection is maintained to this day through such aspects as the Livery Companies' use of the prefix "Worshipful" in their names. On special occasions, the Guild members wore distinctive robes, or liveries, and consequently became known as Livery Companies. The charity is therefore sometimes referred to as the "Company" even though it is not a registered company.

Organisational Structure

The management of the Almshouse Charities is conducted by the Court of The Worshipful Company of Framework Knitters. The Court comprises a maximum number of 32 persons, who shall direct and manage the affairs of the Company and exercise and perform all the powers and duties of the Company.

The Court shall consist of the Master, two Wardens, an Honorary Treasurer, past Masters and not more than 15 Assistants.

Court decisions are taken by a vote on motions proposed to it. At any Court meeting, the Master of the Company will take the Chair, but, in his absence, the Chair shall be taken by the immediate past Master and, in the event of both the Master and the immediate past Master being absent, the Chair shall be taken by the most senior Court member present.

The members of the Court represent a wide range of business and management skills and are, therefore, well able to manage the charity, although the day to day management of the Cottage Homes at Oadby is delegated to a Management Committee, which consists of the Upper Warden, for the time being, the Cottage Homes Administrator, the Past Masters, Assistants and other members of the Livery who are able to deal with the day to day social wellbeing of the residents of the Homes.

FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

TRUSTEES ANNUAL REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Connected Charities

The Worshipful Company of Framework Knitters Corporate Fund, although not a charity itself, is connected to the both the Framework Knitters Company Almshouse Charities and The Worshipful Company of Framework Knitters Educational Charity.

Trustee Induction and Training

There is no formal training or induction for Court members, but all spend a considerable number of years in the Livery before being asked to become an Assistant of the Company and are well versed in the affairs of the Almshouse Charity before they become an Assistant of the Company.

Risk Management

The Management Committee carries out a regular review of the risks to which the charity is exposed, i.e. if the Government ceased paying the residents' maintenance charges, many of the residents would not be in a position to pay this, which could result in financial difficulties for the Company. Although there have been indications that the Government may change the manner in which maintenance charges are paid, the Trustee is comfortable with the present system.

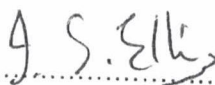
Additionally, if the Cottage Homes Administrator was unable to manage the site on an ongoing basis, either through illness or by leaving the Company, this could cause problems on a day to day basis, until a replacement was found. However, the Trustee maintains a rota, whereby one individual is the Duty Officer for one month. That Duty Officer would manage the Homes on a short term basis, with the help of other Court members.

Independent Examiners

John Griffin of Newby Castleman LLP was appointed independent examiner during the year and has expressed his willingness to act in that capacity.

By Order of the Trustee

J G Ellis



Master

E P Fox



Upper Warden

M R Ellis



Honorary Treasurer

Date: 11th September 2021

FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

FOR THE YEAR ENDED 31 MARCH 2021

I report to the charity trustee on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 9 to 21.

Responsibilities and basis of report

As the charity's trustee you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

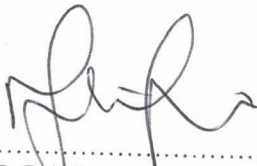
I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.



J B Griffin FCCA
Newby Castleman LLP
Chartered Accountants
West Walk Building
110 Regent Road
Leicester
LE1 7LT

Date: 11 September 2021

FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 MARCH 2021

		Unrestricted Funds			Total Funds	Total Funds
	Note	General Funds	Designated Funds	Restricted Funds	2021	2020
		£	£	£	£	£
Income from:						
Donations & Legacies	3			9,892	9,892	5,004
Investments	4		6,512	35,073	41,585	46,547
Charitable Activities	5	161,147		4,659	165,806	163,129
Total Income		161,147	6,512	49,624	217,283	214,680
Expenditure on:						
Charitable Activities	6	124,891		10,136	135,027	125,756
Other costs				582	582	
Total Expenditure		124,891		10,718	135,609	125,756
Net Gains/(Losses) on Investments			86,384	215,028	301,412	(188,426)
Net Income / Expenditure		36,256	92,896	253,934	383,086	(99,502)
Transfers between Funds	14	(32,476)	32,476	-	-	-
Net movement in funds		3,780	125,372	253,934	383,086	(99,502)
Reconciliation of Funds						
Fund Balances Brought Forward		32,874	440,709	4,429,833	4,903,416	5,002,918
Fund Balances Carried Forward		36,654	566,081	4,683,767	5,286,502	4,903,416

The notes to the financial statements on pages 11 to 21 form part of these financial statements.


FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

BALANCE SHEET AS AT 31 MARCH 2021

	Note	2021 £	£	2020 £	£
Fixed Assets					
Tangible assets	8		3,535,000		3,535,000
Investments	9		£1,417,954		1,077,939
Current Assets					
Debtors	10	4,039		3,887	
Cash at Bank & in Hand	11	332,973		290,756	
		337,012		294,643	
Liabilities					
Creditors - Amounts falling due within 1 Yr	12	3,464		4,166	
Net Current Assets			333,548		290,477
Net Assets			£5,286,502		£4,903,416
The Funds of the Charity	14				
General Fund					
Accumulated Income Fund			36,654		32,874
Designated Funds					
Extraordinary Repair Fund		265,808		237,085	
Cyclical Maintenance Fund		300,273		203,624	
			566,081		440,709
Total Unrestricted Funds			602,735		473,583
Restricted Funds					
Charitable Fund		4,201,270		3,962,634	
Revaluation Reserve		414,189		414,189	
Total Charitable Fund		4,615,459		4,376,823	
Almshouse Charity Deeds of Covenant and Donations Fund		68,308		53,010	
			4,683,767		4,429,833
Total Charity Funds			£5,286,502		£4,903,416

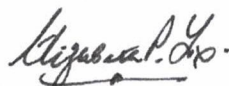
The financial statements were approved by the Court of Assistants on behalf of the Trustee on 11th September 2021 and signed by:-

J G Ellis



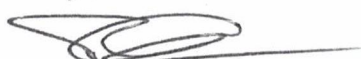
Master

E P Fox



Upper Warden

M R Ellis



Honorary Treasurer

The notes to the financial statements on pages 11 to 21 form part of these financial statements.

FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2021

1 Accounting policies

1.1 Charity information

The Worshipful Company of Framework Knitters Almshouse Charities is governed by its Constitution which is a Scheme of the Charity Commissioners dated 12th December 1972.

1.2 Basis of preparation

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

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 £.

These financial statements are prepared under the historical cost convention modified to include the revaluation of freehold properties and to include investments at fair value. The principal accounting policies adopted are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.3 Going concern

At the time of approving the financial statements, the trustee has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustee continues to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustee in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds are unrestricted funds of the charity that the trustee has decided at their discretion to set aside for specific 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 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.

FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

1.5 Income recognition

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.

Donations are recognised when the Charity has received the income.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our stockbrokers of the financial yield of the investment portfolios.

Income from charitable activities comprise mainly of maintenance contributions which are recognised when receivable.

1.6 Expenditure recognition

All expenditure is accounted for on an accruals basis.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is classed as charitable activities to further the delivery of the objectives of the charity.

1.7 Support costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs and governance costs. They are incurred directly in support of expenditure in line with the objectives of the charity.

Costs common to both the Worshipful Company of Framework Knitters Corporate Fund and to the Almshouse Charities are charged 1/3 to the Corporate Fund and 2/3 to the Almshouse Charities.

1.8 Tangible fixed assets

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

No depreciation is provided in respect of freehold land.

No depreciation is provided on the freehold property. The trustee consider that because the freehold buildings are maintained to such a high standard, the residual value at the end of the estimated useful life of the buildings will not be materially different to its revalued amount. Therefore, any element of depreciation is considered to be immaterial and consequently no provision is made.

Minor maintenance and administrative equipment with an estimated useful life of 10 years or less is treated as an expense of the period in which it is purchased and this therefore eliminates the requirement for a depreciation provision on such assets.

The charity previously adopted a policy of revaluing freehold properties. The charity has adopted the transition exemption under FRS 102 paragraph 35.10(c) and has elected to use the previous revaluation as deemed cost.

FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

1.9 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, or the asset's cash generating unit, is estimated and compared to the carrying amount in order to determine the extent of the impairment loss (if any). Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the Statement of Financial Activities (SOFA) unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

1.10 Fixed asset investments

Fixed asset investments for the financial year end to 31 March 2021 are stated at fair value as at that date. All changes in value in the year, whether or not realised, are reported in the SOFA.

The portfolio of investments is managed by the Investment Committee which comprises of 2 professional stockbrokers, the Honorary Treasurer and The Master of the Worshipful Company of Framework Knitters. The committee meet 4 times a year and report back to the trustee twice yearly.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

1.12 Financial instruments

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Debtors and creditors with no stated interest rate and receivable or payable within one year are measured at transaction price. Any losses arising from impairment are recognised in the SOFA.

Investments in equity instruments are initially measured at fair value which is normally the transaction price excluding transaction costs. Such assets are subsequently measured at fair value and the changes in fair value are recognised in the SOFA, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

1.13 Corporation Tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives

1.14 Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

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

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31 MARCH 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustee is 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.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Valuation of land and buildings

The valuation of land and buildings has been assessed by the trustees, who consider that the value in use by the charity is consistent with the value included in the accounts.

FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31 MARCH 2021

3	Donations & Legacies	2021	2020
		£	£
	Donations	4,385	235
	Covenant Income	4,925	4,769
	JRS Grant Income	582	-
		<u>9,892</u>	<u>5,004</u>

For the year ending 31 March 2021, all income related to restricted funds.

4	Investment income	2021	2020
		£	£
	Dividends	41,348	45,000
	Interest	237	1,547
		<u>41,585</u>	<u>46,547</u>
	This is allocated to the following funds:		
	Almshouse Charity Deeds of Covenant and Donations Fund	1,513	2,275
	Charitable Fund	33,560	38,645
	Cyclical Maintenance Fund	4,786	4,444
	Extraordinary Repair Fund	1,726	1,183
		<u>41,585</u>	<u>46,547</u>

For the year ending 31 March 2021, income in the sum of £6,512 related to designated funds and income in the sum of £35,073 related to restricted funds.

5	Income from Charitable Activities	2021	2020
		£	£
	Maintenance Contribution	160,613	163,061
	Sundry Income - resident contribution for redecorating	534	68
	Sundry Income - blanket sales	4,659	
		<u>165,806</u>	<u>163,129</u>

For the year ended 31 March 2021, all the income related to unrestricted funds.

FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31 MARCH 2021

6. Expenditure on Charitable Activities

	2021		2020	
	<i>Unrestricted</i> Provision and Maintenance of Cottage Homes	<i>Restricted</i> Residents' Entertainment	<i>Unrestricted</i> Provision and Maintenance of Cottage Homes	<i>Restricted</i> Residents' Entertainment
<u>Charitable Costs</u>	£	£	£	£
Water Charges	340	-	575	-
Light and Heat	3,545	-	4,861	-
Property Repairs	31,973	1,630	24,556	-
Telephone, Postage, Printing & Stationary	6,237	212	5,366	-
Insurance	8,196	-	7,723	-
Salaries	44,018	388	44,035	-
Homes Administrator Expenses	73	-	-	-
Residents' Entertainment	37	3,034	428	5,709
Donations	-	4,659	-	-
	<u>94,419</u>	<u>9,923</u>	<u>87,544</u>	<u>5,709</u>
<u>Support Costs</u>				
<u>Sundry Costs</u>				
Salaries-	22,009	194	22,017	-
Clerkship Expenses	52	-	75	-
Accountant's Fee and Office Costs	6,095	-	6,145	-
Sundry Expenses	1,176	217	2,656	86
<u>Governance Costs</u>				
Stockbroker Fees	-	384	-	384
Examination Fee	1,140	-	1,140	-
	<u>30,472</u>	<u>795</u>	<u>32,033</u>	<u>470</u>
Total Charitable Activities inc Support Costs	124,891	10,718	119,577	6,179
 Unrestricted expenditure	 124,891		 119,493	
Designated expenditure	-		84	
Restricted expenditure	124,891		119,577	
Total expenditure	<u>10,718</u>		<u>6,179</u>	
	<u>135,609</u>		<u>125,756</u>	

FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31 MARCH 2021

7 Employee Information

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

By Activity

Charitable Activities
Governance Costs

2021
Number

2020
Number

2

2

2

2

Staff costs for the above persons

Salaries
Employers' National Insurance
Employers' Pension Contributions

£

£

63,430

62,184

2,134

2,887

1,045

981

66,609

66,052

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

8 Tangible Fixed assets

Freehold land and buildings
Deemed cost

Total
2021
£

Total
2020
£

At 1 April 2020 and 31 March 2021

3,535,000

3,535,000

Freehold land and buildings

The charity has adopted the transition exemption under FRS 102 paragraph 35.10(c) and has elected to measure certain freehold properties held at the date of transition to FRS 102 at their fair value and use these fair values as the deemed cost for these properties.

The Charity's freehold land and buildings comprise freehold cottages, Corah Hall and Corah House at Oadby.

The comparable historic cost of the freehold properties that have been valued using the deemed cost exemption at the date of transition to FRS 102 is £50,000, being the amount the charity has spent on the properties.

The original land and buildings were gifted to the Charity and these, together with subsequent expenditure on improvements, were previously valued at nil in the charity's accounts. Following the 2004/05 rebuilding, the land and buildings have been valued and this value is included in the accounts with subsequent additions at cost.

A revaluation was conducted in March 2015 by Andrew Granger & Co and a valuation of £3,485,000 was reported.

FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31 MARCH 2021

9 Fixed Asset Investments

The investments of the charity are overseen by an Investment Committee.

This committee comprises four people, Past Masters Hugh Stevenson and John Strange, both retired investment stockbrokers, Past Master Stephen Woolfe a practising solicitor and the Honorary Treasurer Matthew Ellis, an Independent Financial Adviser.

The portfolio is invested with Brewin Dolphin and is held on an execution only basis.

The portfolio is managed on a day to day basis by Hugh Stevenson and John Strange.

The portfolio comprises blue chip equities and collectives.

The committee has taken the decision that our investments are invested at medium risk. This decision is historical and the portfolio has been managed at medium risk for a number of years. The decision was made because many of our individual funds require an income and the only way to achieve that income is at this level of risk.

As the investments are invested in this manner this means that the portfolio has medium to high liquidity, there is no asset or holding that cannot be sold at reasonably short notice.

9. Listed Investments

	Cost		Market Value	
	2021 £	2020 £	2021 £	2020 £
Charitable Fund	621,811	621,811	954,318	748,858
Extraordinary Repair Fund	67,289	67,289	220,600	172,506
Cyclical Maintenance Fund	90,886	90,886	151,781	113,491
Almshouse Charity Deeds of Covenant and Donations Fund	23,741	23,741	40,807	31,239
Total listed investments	803,727	803,727	1,367,506	1,066,094
Investment cash	50,448	11,845	50,448	11,845
	<u>854,175</u>	<u>815,572</u>	<u>1,417,954</u>	<u>1,077,939</u>

Listed Investments per Fund Name	Value at 01/04/2020	Sales	Purchases	Val Adj at 31/03/2021	Value at 31/03/2021
Charitable Fund	748,858			205,460	954,318
Extraordinary Fund	172,506			48,094	220,600
Cyclical Maintenance Fund	113,491			38,290	151,781
Benevolent Fund	31,239			9,568	40,807
Total	1,066,094	0	0	301,412	1,367,506

FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31 MARCH 2021

10. Debtors		2021	2019
		£	£
Other (Taxation Recoverable)		985	954
Trade Debtors		3,054	2,933
		<u>4,039</u>	<u>3,887</u>
11. Cash and Bank Balances		2021	2020
		£	£
Current Accounts		67,346	57,895
COIF Charity Deposit Funds		265,288	232,536
Petty Cash in Hand		339	325
		<u>332,973</u>	<u>290,756</u>
12. Creditors: amounts falling due within one year		2021	2020
		£	£
Taxation and social security		1,582	1,495
Other Creditors		32	86
Accruals		1,850	2,585
		<u>3,464</u>	<u>4,166</u>
13 Financial instruments		2021	2020
		£	£
Carrying amount of financial assets			
Debt instruments measured at amortised cost		<u>3,054</u>	<u>2,933</u>
Measured at fair value through net income/expenditure		<u>1,367,506</u>	<u>1,066,094</u>
Carrying amount of financial liabilities			
Measured at amortised cost		<u>1,882</u>	<u>2,671</u>
Income and expenditure			
Financial assets measured at fair value through net income / expenditure		<u>41,585</u>	<u>46,547</u>
Net gains and losses (including changes in fair value)		<u>301,412</u>	<u>(188,426)</u>

Financial assets measured at amortised cost comprise trade debtors.

Financial assets measured at fair value comprise listed investments.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

The basis of fair value for listed investments is equivalent to the market price.

The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield.

FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31 MARCH 2021

14 The Funds of the Charity

Fund Name	Balance B/F	Incoming	Expenditure	Transfers In	Transfers Out	Unrealised Gains/Losses	Realised Gains/Losses	Balance C/F
Restricted Funds								
Charitable Fund	4,376,823	34,142	(966)	0	0	205,460	0	4,615,459
Deeds of Covenant Fund	53,010	15,482	(9,752)	0	0	9,568	0	68,308
Total Restricted Funds	4,429,833	49,624	(10,718)	0	0	215,028	0	4,683,767
Designated Funds								
Extraordinary Fund	237,085	1,726	0	13,368	0	48,094	0	300,273
Cyclical Maintenance Fund	203,624	4,786	0	19,108	0	38,290	0	265,808
Total Designated Funds	440,709	6,512	0	32,476	0	86,384	0	566,081
Unrestricted Funds								
Accumulated Inc Fund	32,874	161,147	(124,891)	0	(32,476)	0	0	36,654
Total Unrestricted Funds	32,874	161,147	(124,891)	0	(32,476)	0	0	36,654
Total Funds	£4,903,416	£217,283	£(135,609)	£32,476	£(32,476)	£301,412	£0	£5,286,502

Funds are set aside annually as per the prescribed Almshouse Association rates for future improvements. During the financial year the sum of £32,476 was transferred from the Accumulated Income fund in favour of the Extraordinary Fund - £13,368 and the Cyclical Maintenance Fund - £19,108.

Specific Funds

i) **Charitable Fund**

This fund comprises the Almshouses themselves, together with the accumulation of transfers from the Accumulated Income Fund and of donations allocated as being for the acquisition and improvement of the Almshouses, and is represented by property, investments and net current assets.

ii) **The Almshouse Charity Deeds of Covenant and Donations Fund**

This fund is used to finance expenditure chiefly in respect of activities organised for the benefit of the residents of the Almshouses. It is financed by donations; interest received on the Almshouse Charity Deeds of Covenant and Donations Fund deposit account and investment income. The fund is represented by investments and net current assets.

iii) **Extraordinary Repair Fund**

The purpose of this fund is to provide for extraordinary repair, improvement or rebuilding required to the Almshouses. As recommended by The Almshouses Association, annual transfers are made to the fund from the Accumulated Income Fund of the Almshouse Charities, at rates prescribed by The Almshouse Association. The fund is represented by investments and bank accounts.

iv) **Cyclical Maintenance Fund**

This fund exists to provide for significant necessary periodic repairs and maintenance to the Almshouses. Annual transfers are made to the fund from the Accumulated Income Fund of the Almshouse Charities at rates prescribed by The Almshouse Association. The fund is represented by investments and bank accounts.

v) **Accumulated Income Fund**

This is the general fund of the charity, primarily responsible for the administration and upkeep of the Almshouses. It comprises the annual accumulation of funds not specifically allocated to other purposes, and is represented by net current assets.

FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31 MARCH 2021

15 Analysis of Net assets Between Funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Property			3,535,000	3,535,000
Investments		380,308	1,037,646	1,417,954
Cash & Bank	36,764	185,773	110,436	332,973
Debtors	3,054		985	4,039
Current Liabilities	(3,164)		(300)	(3,464)
Net Assets at 31st March 2020	36,654	566,081	4,683,767	5,286,502

16 Transactions with Trustee

The trustee received no form of remuneration or expenses during the year (2020: £nil).

17 Related Party Transactions

Insurances are purchased through Eastlake & Beachell where Mr J Beachell, a past master, has an interest in the company. Insurance expense was £8,196 (2020: £7,723). Related parties have signed a document declaring any interests.

Further, bookkeeping services were secured from Corah and Corah Limited, a business in which Mr DP Corah has an interest. The charity was invoiced for professional bookkeeping services in the sum of £6,095 (2020: £6,145).

The total amount of unconditional donations received from related parties is as follows.

	2021 £	2020 £
Aggregate donations	4,000	1,000

FRAMEWORK KNITTERS COMPANY ALMSHOUSE CHARITIES

APPENDIX TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2021

1. Trustees of The Worshipful Company of Framework Knitters

	Appointed	Resigned
JG Ellis	2017	
EP Fox	2013	
MR Ellis	2010	
AH Jarvis	2012	
Past Masters		
IM Grundy	2014	
SA Turner	2009	
PR White	2013	
ME Green	2012	
TDW Miller	2008	
LJ Smith	2008	
SH Woolfe	2008	
GAF Smith	2007	
PD Bethel	2004	
GFC Turner	2002	
HC Stevenson	1996	
SK Murray	1996	
SF Richards	1995	
PC Osborne	1981	
Assistants		
DP Corah	2010	
JJ Pears	2012	
P M Tranter	2015	
T Bowmer	2017	2020
J Martin	2019	
C Bethel	2019	
M Traynor	2019	
SJM Burrows	2020	