

THE HANDSWORTH CHARITY
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021
Registered Charity No 216603

CONTENTS

Page	1	Legal and administrative information
	2 - 3	Report of the trustees
	4	Independent examiner's report
	5	Statement of financial activities
	6	Balance sheet
	7 - 11	Notes to the financial statements

THE HANDSWORTH CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION
YEAR ENDED 31 DECEMBER 2021

Charity registration

The Trust is an unincorporated charity under registration number 216603.

The Charity's trustees consist of:

Ex-officio Trustees:	The Rector and Church Wardens of St Mary's Parish, Handsworth
Nominative Trustees:	Appointed by Birmingham City Council or the Trustees and each holding office for four years.
Co-optative Trustees:	Appointed by the Trustees and each holding office for five years.

The Charity's Trustees during the year ended 31 December 2021 were:

Ex-officio Trustees:	Father Robert Stephen Keith Hemmings (Chairman) Mrs Doreen Hemmings (Senior Vice Chairman)
Nominative:	Mrs Kim Brom Vincent Daniel (Junior Vice Chairman) Mrs Diana Duggan Councillor Sybill Spence Councillor Yvonne Mosquito Kamlesh Rani
Co-optative:	Rosemarie Seadon
Clerk/Principal office:	Ms Dipali Chandra c/o 109 Court Oak Road Harborne Birmingham B17 9AA

Bankers:	Royal Bank of Scotland Plc 79/83 Colmore Row Birmingham B3 2AP
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Investment Managers:	Canaccord Genuity Wealth Ltd Saggar House Princes Drive Worcester WR1 2PG
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Independent Examiner:	Malcolm Willcox, FCCA Chartered Certified Accountant Hagley House 93 Hagley Road Edgbaston Birmingham B16 8LA
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THE HANDSWORTH CHARITY

REPORT OF THE TRUSTEES YEAR ENDED 31 DECEMBER 2021

The Trustees present their Report for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in the notes thereto, and comply with the Charity's governing document, the Charities Act 2011 and the Charities SORP (FRS102).

Structure, governance and management

The Handsworth Charities (the 'Charities') were constituted by a scheme of the Charity Commissioners dated 13 April 1977. The Charities consisted of The Handsworth Charity, registered charity number 216603 and The William Stevenson Charity, registered charity number 212721. By a Resolution dated 15 March 2006 all property belonging to The William Stevenson Charity was to be transferred to The Handsworth Charity. The Charity Commission concurred with the Trustees' resolution and the transfer of assets was completed on 5 August 2006. The William Stevenson Charity was subsequently deleted from the Charity Commission register.

All matters of policy are determined by the Trustees who meet regularly.

The Trustees have examined the major strategic and operational risks which the charity faces and are satisfied that systems have been established so that the necessary steps can be taken to minimise these risks.

Objectives and activities

- To make fixed annual payments of £250 to the Parochial Church Council of the Ecclesiastical Parish of St Mary, Handsworth, for the benefit of the music of the parish church.
- To relieve need, hardship or distress amongst those living within the Ancient Parish of Handsworth by making grants or paying for services or facilities calculated to reduce need, hardship or distress.
- To make payments to pensioners already awarded pensions by the Charities; and
- To make payments to visually impaired persons living within the Ancient Parish of Handsworth.

The Charity receives applications both from individuals and referrals organisations. Applications should be made to the Clerk.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and planning future activities. In particular, the Trustees have considered how planned activities will contribute to the aims and objectives set.

Achievements and performance

Grants distributed by the Charity, in addition to pensions, amounted to £33,176(11 organisations) compared with £50,250 (3 individuals and 9 organisations) in the previous year.

Financial review and investment policy

The Charity's financial statements are set out on pages 5 to 11. Income received amounted to £34,263 (2020: £26,024). The sum of £33,176 (2020: £50,250) was expended on grants, £115 (2020: £280) on pensions and £250 on the annual payment to the PCC of St Mary's Handsworth, whilst support and governance costs totalled £5,292 (2020: £5,298). Investment manager's fees were £10,521 (2020: £7,453). The Market Value of the Investments at the year end was £1,280,326 (2020: £1,195,886). Unrestricted reserves at 31 December 2021 were £105,814 (2020: £120,905).

There are no restrictions on the Charity's power to invest. The investment strategy is set by the Trustees for a period of five years. The Trustees consider the income requirements, the risk profile and the investment managers' review of the market prospects in the medium term. The unrestricted and restricted funds may be invested in any type of investment.

Reserves policy

It is the policy of the Charity to maintain unrestricted funds, which are the free reserves of the Charity, at a level which equates to at least two years' income. This provides sufficient funds to cover governance and support costs and to respond to emergency applications for grants which arise from time to time. As at 31 December 2021 unrestricted income funds were £105,814 (2020: £120,905) which is in excess of the reserves policy.

Statement of Trustees' responsibilities for the financial statements

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 and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the Trust's affairs and of the incoming resources of the Trust for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is considered inappropriate to assume that the Trust will continue.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provision of the Trust Deed.

The Trustees are also responsible for safeguarding the assets of the Trust and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

*Approved by the Trustees on March 2022
and signed on their behalf by*

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KEITH HEMMINGS
Chairman

TO THE TRUSTEES OF THE HANDSWORTH CHARITY

I report on the financial statements of the Charity for the year ended 31 December 2021 which are set out on pages 5 to 11.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements. 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 financial statements 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.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the financial statements did not accord with the accounting records; or
- the financial statements did not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns, and I 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.

MALCOLM H J WILLCOX FCCA

Malcolm Willcox & Co

Chartered Certified Accountants and Statutory Auditors

Birmingham

March 2022

THE HANDSWORTH CHARITY

STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted Income £	Restricted Capital £	2021 Total £	Unrestricted Income £	Restricted Capital	2020 Total £
INCOME							
Investment income	(2)	34,263	-	34,263	26,014	-	26,014
EXPENDITURE							
Charitable activities							
Grants	(3)	33,176	-	33,176	50,250	-	50,250
Payments to pensioners		115	-	115	280	-	280
PCC of St Mary's, Handsworth		250	-	250	250	-	250
Fundraising							
Investment Manager's fees		10,521	-	10,521	7,433	-	7,433
Support costs							
Clerk's fee		2,100	-	2,100	2,100	-	2,100
Sundry expenses		92	-	92	98	-	98
Governance costs							
Clerk's fee		2,100	-	2,100	2,100	-	2,100
Accountancy and independent examination		1,000	-	1,000	1,000	-	1,000
Total expenditure		49,354	-	49,354	63,511	-	63,511
Net (expenditure)/income		(15,091)	-	(15,091)	(37,497)	-	(37,497)
Net losses/gains on investments							
Realised		-	8,443	8,443	-	47,159	47,159
Unrealised		-	69,231	69,231	-	82,761	82,761
		(15,091)	77,674	62,583	(37,497)	129,920	92,423
Reconciliation of funds							
Fund balances brought forward at 1 January 2021		120,905	1,191,812	1,312,717	158,402	1,061,892	1,220,294
Fund balance carried forward at 31 December 2021		105,814	1,269,486	1,375,300	120,905	1,191,812	1,312,717

Notes

- All income and expenditure derive from continuing activities.
- The statement of financial activities includes all gains and losses recognized during the year.

THE HANDSWORTH CHARITY

BALANCE SHEET
31 DECEMBER 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Investments	(6)	1,290,607	1,223,447
		<hr/>	<hr/>
CURRENT ASSETS			
Cash at bank:			
Royal Bank of Scotland – Deposit Account		84,104	89,205
Royal Bank of Scotland – Current Account		500	500
Dividends held by Investment Managers		1,089	565
		<hr/>	<hr/>
		85,693	90,270
CURRENT LIABILITIES – <i>amounts falling due within one year:</i>			
Sundry creditors	(7)	(1,000)	(1,000)
		<hr/>	<hr/>
NET CURRENT ASSETS		84,693	89,270
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,375,300	1,312,717
		<hr/>	<hr/>
FUNDS			
Capital Funds (restricted):	(8/9)		
Handsworth Charity		1,247,183	1,172,290
William Stevenson Charity		22,303	19,522
		<hr/>	<hr/>
		1,269,486	1,191,812
Income Fund (unrestricted)	(8/9)	105,814	120,905
		<hr/>	<hr/>
		1,275,300	1,312,717
		<hr/>	<hr/>

*The financial statements on pages 5 to 11 were approved by the Trustees
on March 2022 and signed on their behalf by*

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KEITH HEMMINGS
Chairman

1 ACCOUNTING POLICIES

(a) **Basis of accounting**

The financial statements have been prepared under the Charities Act 2011, and in accordance with Accounting and Reporting by Charities: *Statement of Recommended Practice* (SORP) and the Financial Reporting Standard 102 (FRS102), also known as Charities SORP (FRS102).

The Charity meets the definition of a public benefit entity under FRS102.

The financial statements have also been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of certain investment assets, to show a true and fair view of the Charity's financial position.

The Trustees consider the going concern basis to be valid because no material uncertainties exist.

(b) **Funds**

Unrestricted funds 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 that are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost 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 investments. 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 form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

(c) **Investments**

Investments are recognised initially at fair value which is normally the transaction price. Subsequently, they are measured at fair value with changes recognised as 'net gains/(losses) on investments' in the Statement of Financial Activities (SOFA), if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

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.

(d) **Income recognition**

Income is included in the SOFA when the Charity becomes entitled to the resources, and the trustees are reasonably certain they will receive the resources; and the monetary value can be measured with sufficient reliability.

(e) **Expenditure recognition**

This is recognised when a liability is incurred, or a constructive obligation arises, that results in the payment being unavoidable. Liabilities are recognised as soon as an outflow of economic benefit is considered more likely than not under the legal or constructive obligation committing the Charity to pay out resources.

Since the Charity is not VAT registered, all input VAT is charged with the relevant expenses.

(f) **Grants**

Grants made by the Charity from its own funds are recognised in full at the time of agreement or when the Charity accepts that there is a legal or operational obligation to make the payment.

(g) **Debtors**

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid after taking into account any settlement discounts available.

(h) **Creditors**

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in a payment to a third party and where the amount of the obligation can be measured or estimated reliably.

(i) **Taxation**

The Charity is exempt from taxation.

THE HANDSWORTH CHARITY

NOTES TO THE FINANCIAL STATEMENTS - continued
YEAR ENDED 31 DECEMBER 2021

		2021 £	2020 £
2	INVESTMENT INCOME		
	Dividends and bond income	33,671	25,168
	COIF deposit interest	582	724
	Royal Bank of Scotland deposit interest	10	122
		<hr/>	<hr/>
		34,263	26,014
		<hr/>	<hr/>
3	GRANTS		
	Individuals	-	1,000
	Age UK Birmingham	300	-
	Balsall Heath CATS	250	-
	Birchfield Neighbourhood	-	1,250
	Birmingham Settlement	3,000	-
	Birmingham Children's Trust	2,750	-
	Bromford Housing Association	250	-
	Grand Union	2,500	-
	Helping Hands, Handsworth	-	5,000
	Hope Project	-	10,000
	Rape & Sexual Violence Project	3,000	1,000
	Restart Enterprise	-	10,000
	Snaith House	9,876	-
	Spring Housing	250	-
	Sporting Elite	-	10,000
	St Chad's Sanctuary	10,000	9,000
	St Mark's, Community Hub	1,000	-
	St Mary's Church	-	2,000
	St Michael's Church	-	1,000
		<hr/>	<hr/>
		33,176	50,250
		<hr/>	<hr/>
4	TRUSTEES' REMUNERATION AND EXPENSES		
	No remuneration and expenses were paid to the Trustees during the year.		
5	EMPLOYEES		
	There were no full or part time employees during the year.		
	Ms Dipali Chandra is Clerk to the Trustees, and she received an honorarium of £4,200 (2020: £4,200) during the year.		

NOTES TO THE FINANCIAL STATEMENTS - continued
YEAR ENDED 31 DECEMBER 2021

At 31 December 2021 the Charity held the following investments which individually represented in excess of 5% of the total value of the portfolio:

The fair value of listed investments is shown at market value at the balance sheet date.

9

NOTES TO THE FINANCIAL STATEMENTS - continued
YEAR ENDED 31 DECEMBER 2021

		2021 £	2020 £
7	CURRENT LIABILITIES		
	Independent Examiner's fee accrued	1,000	1,000

	Handsworth Capital Fund £	Stevenson Capital Fund £	Undistributed Income £	Total £	
8	ANALYSIS OF ASSETS BETWEEN FUNDS				
	Listed investments	1,196,462	22,303	61,561	1,280,326
	Uninvested cash	10,281	-	-	10,281
	Cash at bank	40,440	-	44,164	84,604
	Dividends held by Investment Managers	-	-	1,089	1,089
		1,247,183	22,303	106,814	1,376,300
	Less: Current liabilities	-	-	(1,000)	(1,000)
		1,247,183	22,303	105,814	1,375,300

	Handsworth Capital Fund £	Stevenson Capital Fund £	Undistributed Income £	Total £
PRIOR YEAR ANALYSIS OF ASSETS BETWEEN FUNDS				
Listed investments	1,114,810	19,522	61,554	1,195,886
Uninvested cash	27,561	-	-	27,561
Cash at bank	29,919	-	59,786	89,705
Dividends held by Investment Managers	-	-	565	565
	<hr/>	<hr/>	<hr/>	<hr/>
	1,172,290	19,522	121,905	1,313,717
Less: Current liabilities	-	-	(1,000)	(1,000)
	<hr/>	<hr/>	<hr/>	<hr/>
	1,172,290	19,522	120,905	1,312,717

THE HANDSWORTH CHARITY

NOTES TO THE FINANCIAL STATEMENTS - continued
YEAR ENDED 31 DECEMBER 2021

9 FUNDS

The Capital Funds represent those assets which must be held permanently by the Charity. Income arising thereon can be used in accordance with the objects of the Charity, and any undistributed income represents the Income Fund.

10 RELATED PARTY TRANSACTIONS

There were no related party transactions during the year (2020: £Nil).