

The Unknown Donors' Charities

Report and Financial Statements

For the year-ended 28 February 2022

Registered Charity no: 254840

The Unknown Donors' Charities

Year-ended 28 February 2022

Report of the Trustees

The Trustees have pleasure in presenting their Report and the financial statements of the Charity for the year-ended 28 February 2022.

Objectives and activities

The Scheme of the Charity dated 9 October, 1959 states that *'the income of the Charity be applied for the benefit of:*

- 1. the Vicar of the Ecclesiastical Parish of St Giles with St Benedict*
- 2. the maintenance and upkeep of the Parish Church of St Giles in the City of Norwich and the upkeep of the churchyard thereof*
- 3. the poor of the City and County Borough of Norwich. (for details see clauses 26-29 inclusive of the scheme of the 9 October 1959 as amended by the scheme of the 19 October 1961.)'*

This is the purpose of the Charity.

The income referred to is principally derived from rent, net of costs, received from the leasing of shops, residential flats and an office provided in the Charity's endowed freehold property at 90-94 St Benedicts Street, Norwich. Another minor amount of income arises from the small endowment which is in now the form of 517 units of COIF Investment Funds (presumed to be the successor to the £1,420 11s 4d 3.5% War Stock, cited in the Schedule to the Scheme).

The Trustees' principal activity is, therefore, to manage 90-94 St Benedicts Street, Norwich in the best interests of the Charity and its beneficiaries. This involves ensuring that:

- the property is kept in good repair
- the terms of the leases are legal and fair and in the best interests of the Charity
- the leases are managed effectively and efficiently.

The Trustees consider that the Charity has a very long-term time horizon but will not necessarily exist in perpetuity. This implies that the real value of the endowed assets should, as far as possible, be maintained over time.

Over time, the mechanisms have changed by which the Charity's net income is distributed in thirds to the three beneficiaries set out above. The third which supports the Vicar is now paid to the Board of Finance of the Norwich Diocese; the third relating to Church of St Giles-on-the-Hill is paid to the Parochial Church Council; and the third for the benefit of the poor is paid to Norwich Consolidated Charities, the area of benefit of which is the City of Norwich. This Charity makes grants to people 'in financial need', providing, essential items for the home, such as cookers, beds and washing machines, among other grants.

The Trustees have regard to the guidance issued by the Charity Commission on public benefit. The Trustees are satisfied that the three beneficiaries all use their shares of income from the Charity in accordance with their own charitable purposes.

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Report of the Trustees - continued

Achievements and performance

2021/22 was a year again dictated by the course of the global pandemic but with social and economic activity very slowly re-emerging, thanks mainly to the effective vaccination of the majority of the population.

With regards to tenancies, Flats 90A and 94A remained vacant for a good part of the year, although a new tenant took up residence in 90A in the last quarter. Several factors underlay this: concern about the security around the premises, particularly during the winter months; the relatively high cost of the Council Tax which is still based on the flats having 5 bedrooms despite their having been reduced to 2 bedrooms after the renovation; and the uncertainty engendered by the pandemic. To improve security, Trustees agreed to install a gate at the side passageway with the kind agreement of the owners of 88 St Benedicts Street. This should be in place during the summer of 2022. An application is being made to the City Council to reassess the liability for Council Tax in light of the changed circumstances.

However, all the other units – Flat 92A, the shops and office remained leased until SBM Media Ltd ran into financial difficulties in the fourth quarter and regrettably, in the face of the economic effect of the pandemic, has subsequently gone into voluntary liquidation, owing the Charity in excess of £8,000 for rent and insurance premiums. A claim for this sum has been made to the Liquidator. At the time of signing this Report, the Lease had not been disclaimed. Fortunately a rental deposit for one quarter's rent is being held independently which the Trustees are claiming against part of this debt. Apart from this, remarkably all the other tenants largely maintained their rent payments, with effectively only £1,300 outstanding at the year-end. The Trustees express their thanks to the tenants. The gross rental income for the year increased to £49,483 (2021: £43,732), (*Note 2*).

Regrettably, it was again impossible to make any payments to the Charity's three beneficiaries during the year as in 2020/21. This was attributable to 4 major items of expenditure during the year, amounting to approximately £37,000:

- £19,000 made in part repayment of the concessionary loan from Norwich Consolidated Charities (*Note 3 and Note 9*)
- £8,764 to meet the remaining cost of installing a much-improved integrated fire alarm system covering the whole of the main building
- £4,401 for a professional survey of the whole building producing data for uses in considering long-term development options for the premises, (*Note 5*)
- £5,122 in Council Tax arising from the voids mentioned above, (*Note 4*)

All things being equal, regular payments to beneficiaries should recommence in 2022/23. Total 'expenditure on raising funds' for the year was £27,376 (2021: £26,224) which included the balance of the cost of the new fire alarm, (*Note 4*).

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Report of the Trustees – continued

Financial review

During the year, Trustees had again to pay careful attention to the cash flow of the Charity. With careful management, an adequate balance was maintained throughout the year.

At the year-end current assets were £12,909, (2021: 14,713). However, this was balanced by current liabilities of £14,324, (2021: £31,605). The concessionary loan made to the Charity by Norwich Consolidated Charities in April 2019 for the renovation of Flats 92A and 94A accounted for £10,000 (2021: £29,000) of this amount, (Notes 3 and 9). Contact is maintained with the Director of Finance of NCC so that she concurs with the Charity's plans to repay the loan.

As a result of this position, the Balance Sheet shows Restricted Funds in deficit by £3,139, (2021: deficit of 18,340), but with a commensurate increase in Total Funds to £508,418 (2021: £492,173). Of these, all but £9,833, (2021: £9,065) is in the form of the value of the endowed property at 90-94 St Benedicts Street, (Note 7).

In most years, the reserves of the Charity are available for distribution to the beneficiaries, to meet the costs of running the fundraising activities, to cope with unexpected eventualities and to repay the concessionary loan in accordance with the terms agreed with the Trustees of Norwich Consolidated Charities. At the end of 2021/22, liquid reserves were very limited and were represented principally by the cash at the bank, as shown in the Balance Sheet. This remains the position to date in 2022/23. Clearly, great attention has to be paid to the cash-flow and this is in hand. The total reserves are shown in the table below.

At the year-end the reserves were as follows	2022	2021
	£	£
Total funds	508,418	492,173

Future plans and going concern

Trustees plan to continue to manage the premises at 90-94 St Benedicts Street with a full complement of tenants. However, one of the three flats, 94A, was vacant at the outset of the new financial year as was the office, 94B St Benedicts Street. Provided rents from the other properties are received regularly and in full, Trustees consider that it should be possible in 2021/22 to continue to repay the concessionary loan and to restart regular payments to the Charity's three beneficiaries. However, a major uncertainty arises from the continuing direct and indirect effect of the pandemic which may again become evident in the forthcoming winter. A major risk is extraordinary level of inflation which will continue to impact adversely on personal disposable income and is likely to lead to minimal economic growth. The cost of unforeseen urgent repairs to the premises is also a risk. Trustees will monitor the position carefully and take any appropriate action.

Trustees have also agreed to embark on a study to identify their preferred long-term investment strategy. The initial step of commissioning measured drawings of the building as a precursor to appointing an architect to develop outline development options for the St Benedicts Street site has been successfully achieved. A contribution towards the cost of this was pledged on behalf of the Diocese of Norwich, one of the Charity's beneficiaries, but has not materialised.

In the Trustees' opinion, the Charity is in a strong position to remain a going concern, (see Note 1e).

Structure, governance and management

The Charity is an unincorporated body registered with the Charity Commission, with the registration number 254840.

There are 8 Trustees:

- one *ex officio* Trustee: the Vicar of St Giles-on-the-Hill
- two Nominative Trustees serving 4-year terms: one nominated by the PCC of St Giles-on-the-Hill and one by the Trustees of Norwich Consolidated Charities
- five Co-optative Trustees, serving 5-year terms

New Trustees are inducted by the Chairman and Secretary.

Trustees were delighted to welcome the Reverend Alaric Lewis as a new Trustee upon his appointment as the Vicar of St Giles-on-the-Hill. We look forward very much to working with him.

The policy of the Trustees to use an accountant in practice to act as Independent Examiner of the accounts continues to prove successful.

Reference and administrative details

The reference and administrative details of the Charity, including the list of Trustees, are shown on page 1.

Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them

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Report of the Trustees - continued

to ensure that the financial statements comply with the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report and the financial statements were approved by the Trustees on 5 July, 2022 and were signed on their behalf by

A handwritten signature in dark ink, appearing to read 'Carole Hill', with a small horizontal line above the 'i'.

Dr Carole Hill, Chairman of Trustees

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Independent Examiner's Report to the Trustees

I report to the Charity Trustees on my examination of the accounts of the Charity for the year-ended 28 February 2022 which are set out on pages 8 to 12.

Responsibilities and basis of report

As the Charity's Trustees, 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.



I A Barlow FCCA
Sexty & Co
Chartered Certified Accountants
and Registered Auditors
124 Thorpe Road
Norwich
NR1 1RS

Date: 5 July 2022

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Statement of Financial Activities

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
Incoming resources						
Investments	2	276	49,483	768	50,527	44,668
Total incoming resources		276	49,483	768	50,527	44,668
Resources expended						
Raising funds	4	-	28,741	-	28,741	26,224
Other	5	-	5,541	-	5,541	911
Total resources expended		-	34,282	-	34,282	27,135
Net movement in funds		276	15,201	768	16,245	17,533
Fund balances brought forward		1,448	(18,340)	509,065	492,173	474,640
Fund balances carried forward		1,724	(3,139)	509,833	508,418	492,173

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Balance Sheet

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
Fixed assets						
Investments	7	-	-	509,833	509,833	509,065
Total fixed assets				509,833	509,833	509,065
Current assets						
Cash at bank and in hand		1,724	749	-	2,473	10,322
Debtors	8	-	10,436	-	10,436	4,391
Total current assets		1,724	11,185	-	12,909	14,713
Current liabilities						
Creditors: amounts falling due within one year	9	-	4,324	-	4,324	2,605
Creditors: amounts falling due after more than one year	9	-	10,000	-	10,000	29,000
		-	14,324	-	14,324	31,605
Total assets less current liabilities		1,724	(3,139)	-	(1,415)	(16,892)
Total net assets or liabilities		1,724	(3,139)	509,833	508,418	492,173
Funds of the charity						
Endowment funds					509,833	509,065
Restricted income funds					(3,139)	(18,340)
Unrestricted funds					1,724	1,448
Total funds					508,418	492,173

The financial statements on pages 8 to 12 were approved by the Trustees on 5 July 2022 and signed on their behalf by:



David J Walker - Trustee

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Notes forming part of the financial statements

1 Accounting policies

(a) Basis of preparation

The Charity constitutes a public benefit entity as defined by FRS 102. These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

(b) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

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 cost of raising and administering such funds are charged against the specific fund.

(c) Incoming resources

All incoming resources are included in the statement of financial activities on an accruals basis.

(d) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

(e) Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

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Notes forming part of the financial statements

2 Income from investments

	2022	2021
	£	£
Dividends from 517 COIF investment units	276	271
Rent from 90 – 94 St Benedicts Street	49,483	43,732
Listed investments	768	665
	50,527	44,668

3 Concessionary loan

On 10 April, 2019, the Trustees received a 'concessionary loan' of £41,000 from Norwich Consolidated Charities, one of the three beneficiaries of the Charity. This loan has no interest and no specific repayment date attached to its agreed terms. However, there is a formal understanding between the Trustees of the two Charities that it will be repaid from the net income received from the rental of flats 92A and 94A at 90-92 St Benedicts Street. The loan paid for the upgrading of this accommodation during the financial year 2019/20. This has facilitated an increase in the market rent which is now being charged and received. The outstanding balance at the year-end 2020/21 was £29,000. During the course of 2021/22 further repayments of £19,000 were made, bringing the balance at the year-end to £10,000. At the date of signing these Accounts the outstanding balance to repay was £5,000.

4 Expenditure on raising funds

	2022	2021
	£	£
Cozens-Hardy LLP legal fees	-	1,020
Brown & Co management fees	6,715	7,648
Building & rent insurance premium	1,021	1,365
Energy	3,135	752
Water	943	-
Council Tax on voids	5,122	3,806
Repairs to properties	11,805	11,633
	28,741	26,224

5 Other expenditure

	2022	2021
	£	£
Independent Examination Fee	1,140	911
Measured survey of 90-94 St Benedicts Street	4,401	-
	5,541	911

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Notes forming part of the financial statements

6 Trustees' remuneration

The Trustees have neither received nor waived any emoluments or expenses during the current or previous year.

7 Current asset investments

	2022	2021
	£	£
Listed investments	9,833	9,065
Investment properties	500,000	500,000
	509,833	509,065

8 Debtors and prepayments

	2022	2021
	£	£
Debtors	10,347	4,280
Prepayments and accrued income	89	111
	10,436	4,391

9 Creditors and accruals

	2022	2021
	£	£
Creditors - falling due within one year	-	-
Accruals and deferred income	4,324	2,605
Concessionary loan - falling due after more than one year	10,000	29,000
	14,324	31,605

10 Restricted funds purpose

The purpose of the restricted funds is for the management and maintenance of the rental flats, shops and office which the Charity owns.

11 Related party transactions and donated facilities

Such costs have not been included in the financial statements as their value cannot be quantified.

12 Ultimate controlling party

The Charity is controlled by the Board of Trustees.

