

THE CHARITY OF ANN EDWARDS

ANNUAL REPORT AND ACCOUNTS

2020

Trustee's report

for the year ended 31 December 2020

Legal and administrative information

Name

The Charity of Ann Edwards - registered charity number 263956.

Governing instrument

The principal governing instrument is a Charity Commission Scheme dated 11 June 1982, as amended by further Schemes dated 6 December 1993, 27 November 2009 and 28 November 2019.

Other information

The Gloucester Diocesan Board of Finance (a company limited by guarantee and a registered charity) is the sole trustee of the charity. The Gloucester Diocesan Board of Finance delegates day-to-day running of the charity to one of its committees, the Resources Committee was responsible throughout 2020. Details of the Resources Committee, officers and other relevant organisations are shown on page 4.

Objectives

The Charity of Ann Edwards was established in the middle of the 19th century by a bequest of Ann Edwards, which provided for the building of almshouses at South Cerney to house clergy widows and female dependants of clergymen who had served in the Diocese of Gloucester.

The original almshouses were sold, and a new development of eight housing units at Abbeydale in Gloucester was completed during 1994. The 1993 Charity Commission Scheme widened the qualification for residence to any poor single lady members of the Church of England.

During 2020 the Chairman instigated widening the scheme so now beneficiaries include both men and women who have an active Christian faith and who are in necessitous circumstances with a preference for the widowed, or the children of deceased clergy residing in the Diocese.

Review of activities

During 2020, there were two vacant properties. 1AEM (one bed bungalow) was vacant from February 2017. A suitable applicant was found at the end of 2019 and she moved into the property in February 2020. She very sadly passed away in November, so the property was vacant again at the end of the year. The resident of 4AEM died in April 2020, and new residents moved into the property in October 2020, as soon as the planned works to the property were completed.

Quinquennial works were carried out and a new patio door was fitted at 102A Hucclecote Road. The quinquennial inspection was carried out at 14 Mullings Court, and the works carried out.

Works carried out at Ann Edwards Mews:

While 4AEM was vacant the following works were completed: new kitchen, bathroom and cloakroom; new windows; new carpets and floor coverings; new radiators; internal redecorations.

The back door at 6AEM was replaced. A dummy camera and signs were put up above the garages, to try and deter vandals, following an incident where one of the residents' cars was scratched.

Financial review

Occupancy during the year was 90% (2019: 90%) yielding a rental income after discounts of just over £52k (2019: £50k).

Investment income in the year amounted to just under £24k (£26k in 2019). Transfers to maintenance funds have been made in accordance with the governing instrument. An additional transfer of £20k to maintenance funds was approved by the Resources Committee to meet future expenditure.

Funds stand at just over £2.565m (£2.5m as at 2019) at the end of the year, of which £835k represents the original endowment.

Trustee's report

for the year ended 31 December 2020 (continued)

Reserves policy

The Charity holds restricted repair funds to which transfers are made each year in accordance with the governing instrument. The Trustee considers that these are sufficient to cover future maintenance costs. Unrestricted free reserves amounted to £447k at the year-end (£430k: 2019). The Trustee considers that current investment income levels are sufficient to cover loss of rental income as a result of voids or other unforeseen circumstances. The Trustee is continuing to actively examine opportunities to use these funds in the furtherance of the Charity's objectives.

Investment policy & powers

The Trustee has unrestricted investment powers. All non-cash investments are made in CBF Funds, which are common investment funds managed by CCLA Investment Management Limited. The charity invests in the CBF Investment Fund and the CBF Fixed Interest Fund. The Trustee considers that investing in these funds serves to spread risk through diversity and uses the investment management skills of the fund managers to achieve consistent performance. This allows investment performance to be optimised and monitored against market benchmarks. The mix of investments in the different CBF funds is determined for each of the funds of the charity to achieve optimal income flow whilst at least maintaining the real value of the investments in the long term.

Risk management

The Trustee believes that risks to the charity are minimal. The secretary and clerk to the Trustee assess potential risks as they occur, and will continue to mitigate those risks.

Public benefit

The objects of the charity are:

- a) to provide almshouse accommodation for beneficiaries; and
- b) if there are funds remaining after this objective has been furthered;
 - (i) to provide medical care and support for residents of the charity's almshouses and former residents of the charity's almshouses who are in necessitous circumstances; or
 - (ii) to provide or assist beneficiaries with the provision of accommodation, including accommodation where residents require high dependency care.

"the beneficiaries" means persons, either singles or couples, with an active Christian faith and who are in necessitous circumstances including, but not limited to, financial hardship, disability (physical or mental), personal circumstances or old age, with a preference for the widowed and for children of deceased clergy who live in the Diocese of Gloucester. Due to the widening of the scheme, beneficiaries increased from eight to ten in 2010.

The trustee has given due consideration to Charity Commission published guidance on the operation of the Public Benefit requirement.

Trustee's report

for the year ended 31 December 2020 (continued)

Trustees' responsibilities in respect of the financial statements

The trustees are required by charity law to prepare financial statements, based on applicable accounting standards, which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the result for the year and which comply with the Charities Act 2011.

The trustees ensure that, in preparing the financial statements, suitable accounting policies have been used and applied consistently, and reasonable and prudent judgments and estimates have been made. The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

The trustees are also responsible for ensuring that adequate systems of internal control are in operation, for maintaining adequate accounting records, for safeguarding the assets of the charity and for preventing and detecting fraud and other irregularities.

Signed on behalf of the trustee on 04 October 2021



Mr M Storey
Gloucester Diocesan Board of Finance

Trustee, Officers & Organisations

for the year ended 31 December 2020

Trustee The sole Trustee is the Gloucester Diocesan Board of Finance, a company limited by guarantee (registered in England number 162165) and a registered charity (number 251234).

Day to day running of the Charity is delegated by the Board of Finance to one of its sub-committees, the Resources Committee.

Members of the Resources Committee at the date of approval of these accounts were :

Colin Rank (Chair until 1st June 2020)
Karen Czapiewski (Chair from 1st June 2020)
The Archdeacon of Cheltenham
The Archdeacon of Gloucester
Tony McFarlane
Robert Bryant Pearson
Liz Hoskins
Richard Neale
Robert Moreland
Tim Powell
Michael Storey
Tim Griffin
The Revd John Swanton
The Revd Katrina Scott
The Revd Nick Bromfield

Principal Office Church House,
College Green
Gloucester GL1 2LY
Tel: 01452 410022

Officers Secretary and Clerk to the Charity:
Kathryn Warner

Auditor Haysmacintyre LLP
10 Queen Street Place,
London
EC4R 1AG

Bankers Barclays Bank plc
Gloucester Docks
Gloucester GL1 2YJ

Investment Manager CCLA Investment Management Ltd
80 Cheapside
London EC2V 6DZ

Independent Auditor's Report to the Trustee of the Charity of Ann Edwards

for the year ended 31 December 2020

Opinion

We have audited the financial statements of the Charity of Ann Edwards for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report to the Trustee of the Charity of Ann Edwards

for the year ended 31 December 2020 (ctd)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 2, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and the manipulation of management estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent Auditor's Report to the Trustee of the Charity of Ann Edwards

for the year ended 31 December 2020 (ctd)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.



Haysmacintyre LLP
Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 04 October 2021

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of Financial Activities

for the year ended 31 December 2020

	Note	Endowment Fund £	Restricted Repair Funds £	Unrestricted General Fund £	2020 £	2019 £
Income and endowments from:						
Charitable activities	2a	-	-	52,328	52,328	50,610
Investment income		-	443	23,218	23,661	26,409
Other	2b	-	-	11,390	11,390	925
Total		-	443	86,936	87,379	77,944
Expenditure on:						
Charitable activities	3	-	(33,268)	(36,334)	(69,602)	(63,959)
Total		-	(33,268)	(36,334)	(69,602)	(63,959)
Net gains on investments		46,784	-	-	46,784	75,762
Net income/(expenditure)		46,784	(32,825)	50,602	64,561	89,747
Transfers between funds:						
Cyclical Maintenance Fund	5	-	20,726	(20,726)	-	-
Extraordinary Repair Fund	5	-	13,334	(13,334)	-	-
Net movement in funds		46,784	1,235	16,542	64,561	89,747
Fund balances at 1 January 2020		788,628	68,078	1,644,294	2,501,000	2,411,253
Fund balances at 31 December 2020	10	835,412	69,313	1,660,836	2,565,561	2,501,000

All income and expenditure for the current and prior year are derived from continuing operations. All gains and losses arising in the year and in the preceding year are included above.

Full comparatives for 2019 are shown in note 11.

Balance sheet

at 31 December 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible fixed assets	7	1,309,046	1,309,164
Investments	8	739,396	692,612
		2,048,442	2,001,776
CURRENT ASSETS			
Debtors	6	8,025	7,258
Cash at bank		513,489	498,027
		521,514	505,285
CREDITORS: amounts falling due within 1 year	6	(4,395)	(6,061)
NET CURRENT ASSETS		517,119	499,224
NET ASSETS		2,565,561	2,501,000
FUNDS			
Endowment		835,412	788,628
Restricted (repair funds)	9	69,313	68,078
General		1,660,836	1,644,294
	10	2,565,561	2,501,000

Signed on behalf of the Trustee on 04 October 2021



Mr M Storey

Notes to the financial statements

for the year ended 31 December 2020

I Accounting policies

Presentation of financial information

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include the revaluation of listed investments at fair value, and in accordance with the Statement of Recommended Practice for Charities and applicable accounting standards (FRS102). The charity has taken advantage of the exemptions available in FRS102 Section 1A and Charity SORP, including the exemption from preparing a statement of Cash Flows. The financial statements have been prepared in sterling which is the functional currency of the charity. Monetary amounts included in these financial statements are rounded to the nearest £.

Monthly Maintenance Charge (MMC)

MMCs are included in the Statement of Financial Activities when receivable. MMCs are net of any discounts allowed to certain residents in cases of hardship.

Investment income

This is included in the financial statements when received.

Solar Panel Income

This is included in the financial statements when received.

Investments

These are stated at valuation. For shares in Central Board of Finance of the Church of England managed funds this is the bid price ruling at the balance sheet date.

Tangible fixed assets

Freehold land and buildings are stated at cost.

It is the policy of the Trustee to maintain buildings in such condition that their value is not impaired by the passage of time. Provision is made on an annual basis, in accordance with the governing instrument, to a Cyclical Maintenance Fund and an Extraordinary Repair Fund for this purpose. As a consequence, any element of depreciation would, in the opinion of the Trustee, be immaterial and no provision has been made.

Depreciation is provided on furnishings and other fittings in the houses, bungalows & guest flat on a straight-line basis at a rate of 20% per annum. No depreciation is provided on Ann Edwards Mews buildings and land, as the remaining useful life of these assets exceeds 50 years and a program of planned maintenance ensures that the residual value does not fall below the carrying value, any depreciation would be immaterial. An annual impairment review is carried out in accordance with FRS102.

Expenditure

All expenditure is accounted for on an accruals basis.

Fund Structure

The resources of the charity are classified according to restrictions imposed on their origin in accordance with the SORP. Details of the individual funds are outlined in note 10.

Notes to the financial statements: (continued)

for the year ended 31 December 2020

	2020 £	2019 £
2a Income from charitable activities		
Gross rent receivable	57,179	57,198
Discounts	(169)	(1,788)
Voids	(4,682)	(4,800)
Net	52,328	50,610

	2020 £	2019 £
2b Other income		
Solar panel income	11,390	785
Miscellaneous income	-	140
	11,390	925

	2020 £	2019 £
3 Expenditure on charitable activities		
Maintenance of properties	45,914	40,789
Depreciation	118	103
Property management	10,000	9,000
Clerk to the Charity costs	8,385	5,762
Sundry costs	2,542	7,315
Governance cost	2,643	990
	69,602	63,959

4 Related party transactions

The Statement of Financial Activities includes a management charge of £10,000 (2019: £9,000) payable to Gloucester Diocesan Board of Finance (GDBF), the trustee of the charity. The management charge is in respect of property management and other support services provided by the Gloucester Diocesan Board of Finance. At 31st December 2020, there was a balance of £7,530 due to the Charity from GDBF (2019: £7,258).

	2020 £	2019 £
5 Transfer between funds		
Transfers from the General Fund:		
to the Extraordinary Repairs Fund	13,334	5,145
to the Cyclical Maintenance Fund	20,726	8,421
	34,060	13,566

Transfer to the Cyclical Maintenance Fund and the Extraordinary Repairs Fund were made at the rates of £831 and £508 respectively per property per annum (10.5 properties, to include the guest room), (2019 - £802 and £490). The rates used are reviewed each year by reference to recommendations published by the Almshouses Association. An additional transfer of £20,000 was approved by the Resources Committee to meet future expenditure.

Notes to the financial statements: (continued)

for the year ended 31 December 2020

	2020 £	2019 £
6 Debtors & Creditors		
Debtors		
GDBF current account	7,530	7,258
Prepayments	495	-
	8,025	7,258
Creditors		
Other creditors	4,395	6,061
	4,395	6,061

	Abbeydale equipment £	Freehold land £	Guest flat furniture £	Buildings £	TOTAL £
7 Tangible fixed assets					
COST					
At 1 January 2020	5,390	95,000	1,482	1,213,575	1,315,447
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 December 2020	5,390	95,000	1,482	1,213,575	1,315,447
DEPRECIATION					
At 1 January 2020	4,801	-	1,482	-	6,283
Charge for year	118	-	-	-	118
At 31 December 2020	4,919	-	1,482	-	6,401
NET BOOK VALUE					
At 31 December 2020	471	95,000	-	1,213,575	1,309,046
At 31 December 2019	589	95,000	-	1,213,575	1,309,164

8 Fixed assets investments

	2020 £	2019 £
Market value at 1 January 2020	692,612	616,850
Net gain on revaluation	46,784	75,762
Market value at 31 December 2020	739,396	692,612
Market value at 31 December 2020:		
unlisted	739,396	692,612
Cost at 31 December 2020:		
unlisted	346,009	293,522
	346,009	293,522

The unlisted investment represents holdings in managed funds of the Central Board of Finance (CBF) of the Church of England.

Notes to the financial statements: (continued)

for the year ended 31 December 2020

	Cyclical Maintenance Fund £	Extraordinary Repair Fund £	2020 Total £	Cyclical Maintenance Fund £	Extraordinary Repair Fund £	2019 Total £
9 Restricted funds						
Balance at 1 January 2020	31,437	36,641	68,078	33,388	39,009	72,397
Net movements for year	13,151	(11,916)	1,235	(1,951)	(2,368)	(4,319)
Balance at 31 December 2020	44,588	24,725	69,313	31,437	36,641	68,078

	Endowment Fund £	Restricted Repair Funds £	General Funds £	TOTAL £
10 Analysis of net assets between funds				

Fund balances at 31 December 2020 are represented by:

Tangible fixed assets	95,000	-	1,214,046	1,309,046
Fixed asset investments	739,396	-	-	739,396
Debtors	-	-	8,025	8,025
Cash	1,016	69,313	443,160	513,489
Creditors	-	-	(4,395)	(4,395)
	835,412	69,313	1,660,836	2,565,561

Unrealised gains included above:

On fixed asset investments	46,784	-	-	46,784
----------------------------	--------	---	---	---------------

Reconciliation of movements in unrealised gains on investment assets:

Unrealised gains at 1 January 2020	399,106	-	-	399,106
Transfer of unrealised gain between funds	(52,487)	-	-	(52,487)
Add net gain on revaluation in year	46,784	-	-	46,784
Unrealised gains at 31 December 2020	393,403	-	-	393,403

The Endowment Fund represents the original endowment of the charity, comprising mainly the sale proceeds of Edwards College, the original almshouse in South Cerney. This money may not be spent as income.

The Restricted Repair Funds comprise the Extraordinary Repair Fund (ERF) and the Cyclical Maintenance Fund (CMF). These funds were established in the governing instrument and are for future repairs and maintenance. Transfers are made each year as described in note 5.

The General Funds may be used for any purpose within the objectives of the charity at the discretion of the Trustee.

Notes to the financial statements: (continued)

for the year ended 31 December 2020

11 Comparative statement of financial activity

Prior year comparative SOFA

	Note	Endowment Fund £	Restricted Repair Funds £	Unrestricted General Fund £	2019 £
Income and endowments from:					
Charitable activities	2a	-	-	50,610	50,610
Investment income		-	779	25,630	26,409
Other	2b	-	-	925	925
Total		-	779	77,165	77,944
Expenditure on:					
Charitable activities	3	-	(18,664)	(45,295)	(63,959)
Total		-	(18,664)	(45,295)	(63,959)
Net gains on investments		75,762	-	-	75,762
Net income		75,762	(17,885)	31,870	89,747
Transfers between funds:					
Cyclical Maintenance Fund	5	-	5,145	(5,145)	-
Extraordinary Repair Fund	5	-	8,421	(8,421)	-
Net movement in funds		75,762	(4,319)	18,304	89,747
Total funds brought forward		712,866	72,397	1,625,990	2,411,253
Total funds carried forward	10	788,628	68,078	1,644,294	2,501,000

12 Comparative analysis of net assets between funds

	Endowment Fund £	Restricted Repair Funds £	General Funds £	TOTAL £
Analysis of net assets between funds				
Fund balances at 31 December 2019 were represented by:				
Tangible fixed assets	95,000	-	1,214,164	1,309,164
Fixed asset investments	692,612	-	-	692,612
Debtors	-	-	7,258	7,258
Cash	1,016	68,078	428,933	498,027
Creditors	-	-	(6,061)	(6,061)
	788,628	68,078	1,644,294	2,501,000

Unrealised (losses)/gains included above:

On fixed asset investments	75,762	-	-	75,762
----------------------------	--------	---	---	---------------

Reconciliation of movements in unrealised gains on investment assets:

Unrealised gains at 1 January 2019	323,344	-	-	323,344
Add net gain on revaluation in year	75,762	-	-	75,762
Unrealised gains at 31 December 2019	399,106	-	-	399,106