

**Charles Williams Charity**  
**Financial Statements**  
**31 October 2021**

**ELLIS LLOYD JONES AUDIT LIMITED**

Chartered accountants & statutory auditor  
11 Park Square  
Newport  
South Wales  
NP20 4EL

# Charles Williams Charity

## Financial Statements

Year ended 31 October 2021

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# Charles Williams Charity

## Trustees' Annual Report Year ended 31 October 2021

The trustees present their report and the financial statements of the charity for the year ended 31 October 2021.

### Reference and administrative details

**Registered charity name** Charles Williams Charity

**Charity registration number** 701554

**Principal office** School House  
High Street  
Caerleon  
Newport  
South Wales  
NP18 1AZ

**The trustees** Mr Julio Benavides (Chair)  
Mr Timothy Ford  
Mr Gareth Edwards (Deputy Chair)  
The Reverend Elaine Hills (Retired 5.01.22)  
Cllr Jason Hughes  
Mr Paul Huntley (Retired 23.02.21)  
Mr Stephen Marshall OBE  
Mrs Caroline McLachlan  
Mr Keith Minton  
Mr Michael Sansom  
Mr Clifford Suller  
The Reverend Sue Pratten (Ex Officio)  
The Right Reverend Cherry Vann, Bishop of Monmouth (Ex Officio) (Served 10.12.20 to 4.02.21)  
Ven Jonathan Williams (Ex Officio)  
Mr Paul Burley (Appointed 23.05.21)  
Mr Ralph Wessel (Appointed 23.05.21)  
Cllr Gail Giles (Appointed 23.09.21)

**Auditor** Ellis Lloyd Jones Audit Limited  
Chartered accountants & statutory auditor  
11 Park Square  
Newport  
South Wales  
NP20 4EL

**Bankers** Charities Aid Foundation  
Head Office  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4TA

**Solicitors** Everett Tomlin Lloyd & Pratt  
19-20 Gold Tops  
Newport  
South Wales  
NP20 4PH

# Charles Williams Charity

## Trustees' Annual Report (*continued*)

**Year ended 31 October 2021**

The following are the Trustees for the Administration of the Charles Williams Charity and serve both Educational Endowment and Church and Roads Estate.

### **EX-OFFICIO TRUSTEES:**

Appointed representative of The Lord Bishop of Monmouth, Ven Jonathan Williams  
The Vicar of the Parish of Llangattock-juxta-Caerleon, The Reverend Sue Pratten

### **REPRESENTATIVE TRUSTEES:**

#### **Whose Term of Office Expires**

#### **Appointed by the Parochial Church Council of Llangattock-juxta-Caerleon**

Mr Keith Minton	9 December 2023
Mr Michael Sansom	9 December 2023

#### **Appointed by Newport City Council**

Cllr Jason Hughes	8 May 2024
Mrs Caroline McLachlan	14 May 2022
Mr Clifford Suller	8 May 2024
Cllr Gail Giles	23 September 2026

### **CO-OPTATIVE TRUSTEES:**

Mr Julio Benavides	3 December 2023
Mr Gareth Edwards	8 September 2026
The Reverend Elaine Hills	Retired 5 January 2022
Mr Paul Huntley	Retired 23 February 2021
Mr Stephen Marshall OBE	8 May 2022
Mr Timothy Ford	26 September 2024
Mr Paul Burley	20 May 2026
Mr Ralph Wessel	20 May 2026

### **PRINCIPAL OFFICERS:**

Chairman:  
Mr Julio Benavides

Deputy Chairman:  
Mr Gareth Edwards

# **Charles Williams Charity**

## **Trustees' Annual Report (*continued*)**

**Year ended 31 October 2021**

### **Structure, governance and management**

The Charity is constituted by the trust deed and the following governing documents apply:

Church and Road Estate Scheme of 29 June 1878  
Educational Endowment Scheme of 22 August 1988

Both sides of the Charity are administered by a single Board of trustees consisting of 15 members, made up as follows:

#### **Charles Williams Charity Trustee Board**

There are two Ex-officio Trustees, Lord Bishop of Monmouth or nominated representative and The Vicar of the Parish of Llangattock-juxta-Caerleon.

There are six nominative trustees appointed by the following organisations to fill their designated number of places on the Board:

Parochial Church Council of Llangattock-juxta-Caerleon 2  
Newport City Council 4

There are also 7 Co-optative trustees who make up the full trustee complement of 15.

Trustees are appointed when nominated by the various bodies, as required under the Governing Document. When a Trustee is appointed, they undergo an induction with the Administrator, who explains what the Charity does and the policies and procedures in place. They are provided with literature, produced by the Charity Commission, regarding their duties and responsibilities and are required to sign a Code of Conduct declaration. They also receive a copy of the Governing Document and the most recent set of financial statements.

The Trustees work very well within their streamlined working groups and the charity is able to allow the trustees to work to their abilities and expertise within their allocated groups. The following are the current working groups of the charity:

Finance & Steering (F&S)  
Church & Roads (C&R)  
Legal (L)  
Joint School Development (JDC)  
Human Resources (HR)  
Grants (G)

All of the decisions made by these groups are ratified by the main board of Trustees at the main quarterly meetings.

#### **During the year the Trustees also instigated the following:**

In March 2020, the UK Government asked all residents of the UK to stay at home to try to contain the Covid 19 Pandemic. The Covid pandemic has continued this financial year with no sight in end. This meant that the Administration Manager continued her duties remotely. Quarterly Meetings have continued over Zoom conference call and trustees have managed an excellent job in their decision making and reviewing of group decisions. The AGM went ahead in May 2020 and all meetings were well attended over Zoom. The charity has been in regular contact with its Investment Manager and has received monthly financial reports from the Administration Manager. The pandemic has not affected the charity's ability to perform its daily, weekly and monthly commitments.

# Charles Williams Charity

## Trustees' Annual Report (*continued*)

### Year ended 31 October 2021

1. During the year Charles Williams CiW Primary School acknowledged that the performance of the children had taken a tumble over the last year because of the in and out nature of schooling since March 2020. The Welsh Government have acknowledged this and have done as much as they can to give additional funding across the whole of Wales, in total £29 million has been set aside for the recovery plan to help children recover socially and emotionally and academically. The trustees unanimously proposed that the charity should award a grant which falls in the charity's remit (under paragraph 31 'Application of income' Subject to payment of the expenses aforesaid the Governors shall apply the income of the charity in one or more of the following ways: 31.1b In providing at the school's special benefits of any kind not normally provided by the local education authority and 31.1g in otherwise promoting the education, including social and physical training, or beneficiaries). For the sum of £21K so enable the school to provide a teaching assistant to aid support for those learners on a one-year fixed term contract. To date the school has not taken up the charity's offer.
2. The charity said goodbye to Mr Paul Huntley who retired from the Charity on 23 February 2021. We would like to thank Paul for all his efforts and hard work for the Charity. All his work was very much appreciated by the Trustees.
3. The charity was approached by Newport Norse, who represent Newport City Council, for the charity to consider a request from Caerleon RFC, who have asked the council to give them a sub-lease to the playing field on Stonestile Road. This would enable them to gain access to funds available to sports clubs which will in turn allow them to close in the stadium, improving the facility for the whole community. The Charity are the free holders that receive a small rent from NCC for the whole area and having exercised their responsibilities as trustees to see that the property of the trust and the people of Caerleon are supported agreed to a 'draft lease' being drafted, ensuring that the main lease between the council and charity remain in place. The trustees hope to receive the draft on the sub-lease in the new year.
4. Bibles and book vouchers were provided to the two primary schools. The trustees did not attend the end of year celebrations due to the restrictions relating to Covid 19.
5. Mr Keith Minton stepped down from his position as Deputy Chair and Mr Edwards was appointed the new Deputy Chair. The Trustees thanked both Mr Minton, for his hard work and dedication through the years as Deputy Chair and Mr Edwards for taking on the role.
6. At a special meeting a resolution was passed using the power provided by section 280 of the Charities Act 2011. To increase the total number of trustees from 14 to 15, this resolution will form part of the charity's governing document and sit alongside the existing 1988 scheme.
7. We welcomed the following trustees to the charity:
  - the Venerable Jonathan Williams, as representative Ex-Officio Trustee;
  - Mr Paul Burley and Mr Ralph Wessel as Co-optative trustees; and
  - Cllr Gail Giles as nominative trustee for Newport City Council.

We hope that their stay with the charity will be both productive and enjoyable.

# Charles Williams Charity

## Trustees' Annual Report (*continued*)

### Year ended 31 October 2021

8. The trustees, during the review of their investment policy agreed that although the MSCI rate the charity's current portfolio AA the trustees said that the charity is based on Christian ethics and principles and the trustees are keen to make the journey to become more ethical in terms of our investment policy and practice. By transitioning on this journey, the trustees adopted the Church in Wales policy which states that they will not invest in companies which:

- Are responsible for the wanton despoliation of the environment;
- Are responsible for anything that threatens peace, security and communal wellbeing;
- Exploit, demean, corrupt or degrade humankind, especially the poor or the financial vulnerable; or
- Are indifferent to the well-being of animals.

9. The Charity remain excited about the re-development of the Charles Williams CiW Primary school. Since 2019 the Charity has invested its time, forming a Management Committee to work alongside all stakeholders to re-develop the Key Stage 2 Building, Admin Block, Manual and domestic block and Nursery of the school. Back in 2019, the school was awarded 21st Century funding to upgrade the school. The charity will contribute 15% of the total costs. Due to a lot of unforeseen circumstances the project has not entered the build stage. It is hoped that building work will commence towards the end of January 2022.

### **Risk assessment**

The Trustees are responsible for overseeing the risks faced by the Charity. Risks are identified, assessed and mitigation is established throughout the year. A formal review of the Charity's risk management processes is undertaken on an annual basis. The Trustees have identified their principal risk as being a severe downturn on the financial markets where their funds are invested. However, the Investment Policy and close liaison with the Investment Managers provides prudent management should this occur.

The Trustees are aware of their responsibilities to protect the investments of the Charity to maximise the returns, so they are able to further the objectives. The Trustees are satisfied that the risks identified have been mitigated where necessary.

# **Charles Williams Charity**

## **Trustees' Annual Report (*continued*)**

**Year ended 31 October 2021**

### **Objectives and activities**

To assist the School Governors in providing at the School special benefits of any kind not normally provided by the Local Education Authority.

Exhibition grants are awarded to students under the age of 25 when they move on to Higher Education. The level of the grant is presently £300 in total paid in the first year of study, which the Trustees expect to be used for the purchase of IT equipment or study materials, such as text books, etc.

Hardship grants for students in need are considered on the recommendation of one of the three schools in Caerleon for pupils that are residents of Caerleon. The Trustees will consider the circumstances in each case and make an award that is commensurate with the student's need for support, where hardship is the key issue.

Major Leaving Awards of £100 for two recommended students leaving year 13 at Caerleon Comprehensive School are also awarded each year. Caerleon Comprehensive did not undertake any award ceremony this year, due to the pandemic.

Book vouchers, to the value of £25 each, are presented to the six ambassadors at Charles Williams Church in Wales Primary School and four head and deputy head pupils at The Lodge Hill Primary School. This year, due to Covid 19 restrictions the book vouchers were presented by teaching staff and not a member of the board as previously performed.

Bibles are also purchased for children completing their primary school education at the Charles Williams Church in Wales Primary School and the Lodge Hill Primary School.

The Trustees have decided that there is no requirement for specific designated funds at this time and so in 2019 brought forward balances on these funds were transferred to the Educational Endowment General Fund. Going forward, they will monitor the need for designated funds and establish them if required.

The Objectives of the Church and Road Estate Scheme are to apply the income for the repair and adornment of the Church of St. Cadoc's and its Churchyard and in mending and repairing the road leading into and within the town and, as far as not applied, shall be applied for the educational purposes of the Scheme. (As amended by resolution made under the Charities Act 1993, Section 74 (2)(c) on 4 December 1995 and confirmed by the Charity Commissioners on 8 August 1996.)

The Trustees decided that any surplus income arising from the Church and Roads Estate side of the Charity would be retained in the General Fund. In 2019, they also decided that there was no requirement for the Church and Roads Estate Designated Church Fund at this time and so the brought forward balance on the fund was transferred to the General Fund.



# **Charles Williams Charity**

## **Trustees' Annual Report (*continued*)**

**Year ended 31 October 2021**

### **Achievements and performance**

Charles Williams Charity is a public benefit entity. The Educational Endowment delivered public benefit by making grants to the School and the Charity for the purpose of providing the children with additional benefits, not normally made available through the LEA. This grant funding allows the school to further its purpose of providing education to its students and also allows the school to maintain and continue a programme for the upkeep and maintenance of the school buildings. The Charity also provides grant funding to students in the local area to assist them in furthering their education and helping with the cost of studying at University.

During the year, 25 students received grants towards their further and higher education via the Exhibition Grant.

### **Financial review**

The financial statements have been prepared in accordance with the accounting policies set out in notes 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 Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

### **Educational Endowment Fund**

Strict budgetary control, together with a strong performance by our Investment Managers despite the difficult market conditions, has meant that trustees are pleased with the results despite the overall deficit for the year.

The total incoming resources for the year were £168,708 compared to £198,310 in the previous year.

The investment income of £164,863 has decreased since the previous year (2020: £194,465). Other income was £3,845, both this year and last year.

Total resources expended were £91,154 compared to £86,069 in 2020. This represents an increase of £5,085. A detailed breakdown of expenditure for the year ended 31 October 2021 for costs of charitable activities can be found in note 7. Investment management fees amounted to £35,150, (2020: £31,465), which is 0.55% on the first £3m and 0.60% on the next £5m.

# Charles Williams Charity

## Trustees' Annual Report (*continued*)

**Year ended 31 October 2021**

### **Investment performance**

At the year end, the investments, not including investment properties, were worth £5,937,026. The portfolio generated a return of 25.4%, net of expenses, over the year which was ahead of the benchmark return of 21.5%. The return implied by the CPI+3.5% target was 6.7% over the year. Following positive news on Covid 19 vaccines in November 2020, the investments have more than participated in the recovery in markets.

The investments generated an income of £167,694, which was lower than the previous year but reflects the more balanced approach being taken towards the portfolio. Exposure to UK equities, traditionally a high-yielding market, was reduced in favour of diversifying the portfolio geographically and the overseas equity portion of the portfolio was increased.

The immediate benefits of the post-pandemic monetary and fiscal stimulus have arguably largely played out. The gradual removal of these support measures seems appropriate in an environment of renewed global growth, even if it does cause some market turbulence. Hopefully the worst of Covid 19 has also passed as an ever-greater proportion of the world population is vaccinated. Real GDP growth may have peaked but forward-looking estimates for 2022/23 still look robust and should provide a good backdrop for broad corporate earnings per share growth. Risks remain, in particular that of 'stickier' inflation and associated monetary policy error, but we remain optimistic that equities will continue their run of performance, as they have a healthy shift to being driven more by fundamentals than policy.

### **Church and Roads Fund**

The total incoming resources for the year were £2,798 (2020: £2,583) and consisted of investment income and bank interest.

There was expenditure during the year of £724 (2020: £613).

The closing market value of the fixed asset investments was £116,408 at 31 October 2021 (2020: £95,419).

The surplus on unrestricted funds of £8,783 (2020: £301) has been retained in the General Fund.

# Charles Williams Charity

## Trustees' Annual Report (*continued*)

Year ended 31 October 2021

### Policies

#### Reserves policy

The policy in place is to maintain reserves to cover the charity's commitment to the building work at the Charles Williams CiW Primary School, under the 21st Century Funding Project. Once the project has been completed, the Trustees intend to maintain a level of reserves sufficient to cover any unexpected expenditure on the buildings which date back to the 18th Century.

#### Other

During the year, the trustees prepared and approved a Financial Policy for the Charity. The Charity does not undertake any fundraising from members of the public and so does not have a fundraising policy.

#### Investment policy

##### Introduction

Charles Williams Charity is a UK registered charity. While the responsibility for the maintenance of the school lies with the LA, the Trustees could from time to time assist the governors of Charles Williams Church in Wales Primary School in their obligations in relation to the maintenance and development of the school and the associated buildings. In addition, the Charity provides the school with special benefits of any kind not normally provided by the LA. When possible, financial assistance is given to qualifying students and young people living in the area of benefit.

The Trustees have recently introduced a Hardship Grant to assist school children who attend the three schools in Caerleon.

The management of the investments has been delegated to Smith & Williamson Investment Management. Smith & Williamson are responsible investors and signatories to the United Nations principles of responsible investment. This shows that Smith & Williamson are investing the charity's money in a responsible way, taking into account environmental, social and governance factors.

This investment policy covers the Endowment fund, the unrestricted (Designated Building Repair) fund, and the Church & Road Estate fund.

##### Investment Objectives

Charles Williams Charity seeks to produce the best financial return within an acceptable level of risk.

The investment objective is to generate a total return of CPI plus 3.5% per annum, with a minimum income of £150,000 per annum, uplifted by CPI for subsequent years.

Performance will be measured against the primary objective of CPI plus 3.5% over a rolling 5-year period. In order to assess the return in the context of market conditions a secondary benchmark will be adopted, which is a composite of market indices as detailed below (\*):

33.75% MSCI UK IMI

33.75% MSCI All Countries World ex-UK

17.50% iBoxx GBP Gilts 7-10 years

3.33% LBMA Gold USD PM

# Charles Williams Charity

## Trustees' Annual Report (*continued*)

Year ended 31 October 2021

3.33% HFRX Global Hedge Funds  
3.33% MSCI UK IMI Core Real Estate  
5.00% SONIA Overnight cash

### Risk

The key risk to the long-term reserves is inflation, and the assets should be invested to mitigate this risk over the long term. The Finance & Steering Committee understands that this is likely to mean that investment will be concentrated in real assets and that the capital value will fluctuate.

The assets can be invested widely, and should be diversified by asset class and security. Asset classes could include equities, bonds, commercial property collective investment schemes and cash, but not derivatives or hedge funds.

### Ethical restrictions

Please refer to the separate ethical policy.

### Reports

A quarterly report will be produced by the Investment Manager, together with an annual report that coincides with the Charity year end, i.e. 31st October. A hard copy of each quarterly and year-end report will be mailed to every trustee of Charles Williams Charity, either via email or hard copy, once they are compiled by Smith & Williamson.

### Review

This investment policy statement will be reviewed annually, usually at the annual review meeting with Investment Managers, which presently takes place in December at the Trustees Quarterly Meeting.

Notes:

\*This composite reflects a strategic asset allocation which the investment manager, Smith & Williamson, deems to be consistent with the primary CPI+3.5% objective whilst maintaining a balance between capital growth and income (Ref C2: April 2020 S&W Risk Supplement).

### Ethical Policy

This policy sets out the ethical investment restrictions placed on the investment manager and applies to all direct investments. It will be reviewed annually.

Direct investment in companies that generate more than 20% of revenue from the following activities should be avoided:

- Gambling
- Alcohol
- Tobacco

Direct investment in companies that generate more than 10% of revenue from the following activities should be avoided:

- The extraction of thermal coal
- The production of oil from tar sands
- Conventional weapons
- Nuclear weapons

Direct investment in companies that generate more than 5% of revenue from the following activities should be avoided:

# Charles Williams Charity

## Trustees' Annual Report (*continued*)

**Year ended 31 October 2021**

- Adult entertainment
- Predatory lending activities
- Non-conventional weapon manufacturers

The trustees require the Investment Manager to adopt a responsible approach to investing, incorporating ESG (Environmental, Social and Governance) considerations in their investment process and actively engaging with companies as well as voting on the charity's behalf. An annual report should be provided which demonstrates Smith & Williamson's sound stewardship.

### **Review**

This Ethical policy statement will be reviewed annually, usually at the annual review meeting with Investment Managers, which presently takes place in December at the Trustees Quarterly Meeting.

### **Plans for future periods**

The Trustees will continue to explore ways of improving the Charity and seeking financial assistance on school modernisation, concentrating on priority educational needs.

As previously mentioned under point 4 the trustees are pleased to announce that they going to be part of the 21st Century re-development of the school buildings by contributing 15% of the total re-development costs to the project.

### **Trustees' responsibilities statement**

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 charity trustees to prepare financial statements for each 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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 business.

# Charles Williams Charity


## Trustees' Annual Report (*continued*)

**Year ended 31 October 2021**


The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. 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.

Apr 21, 2022

The trustees' annual report was approved on ..... and signed on behalf of the board of trustees by:

  
Julio benavides (Apr 21, 2022 09:51 GMT+1)

**Mr Julio Benavides (Chair)**  
**Trustee**

  
Gareth Edwards (Apr 21, 2022 10:01 GMT+1)

**Mr Gareth Edwards (Deputy Chair)**  
**Trustee**

# **Charles Williams Charity**

## **Independent Auditor's Report to the Trustees of Charles Williams Charity**

**Year ended 31 October 2021**

### **Opinion**

We have audited the financial statements of Charles Williams Charity (the 'charity') for the year ended 31 October 2021 which comprise the statement of financial activities, statement of financial position and the related notes, 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 FRS 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 October 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

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.

# Charles Williams Charity

## Independent Auditor's Report to the Trustees of Charles Williams Charity *(continued)*

Year ended 31 October 2021

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the 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

As explained more fully in the trustees' responsibilities statement, 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.



# Charles Williams Charity

## Independent Auditor's Report to the Trustees of Charles Williams Charity *(continued)*

Year ended 31 October 2021

### 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:

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery and intentional misrepresentations, or through collusion.

We focussed on the laws and regulations which could result in a material misstatement in the financial statements, including but not limited to, the Charities Act 2011. As in all of our audits, 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 posting inappropriate journal entries to manipulate financial performance and misappropriation of assets. Audit procedures performed included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Selecting a sample of transactions and tracing to documentation to establish that they are bonafide transactions;
- Evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extend of our testing; and
- Agreeing the financial statement disclosures to underlying supporting documentation.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected within the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

# Charles Williams Charity

## Independent Auditor's Report to the Trustees of Charles Williams Charity *(continued)*

### Year ended 31 October 2021

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Kara Williams*

Kara Williams (Apr 21, 2022 14:20 GMT+1)

**Kara Williams BSc BFP FCA (Senior Statutory Auditor)**

For and on behalf of

Ellis Lloyd Jones Audit Limited

Chartered accountants & statutory auditor

11 Park Square

Newport

South Wales

NP20 4EL

Apr 21, 2022

# Charles Williams Charity

## Statement of Financial Activities

Year ended 31 October 2021

		2021			2020
	Note	Unrestricted funds £	Endowment funds £	Total funds £	Total funds £
<b>Income and endowments</b>					
Investment income	4	164,863	–	<b>164,863</b>	194,465
Other income	5	3,845	–	<b>3,845</b>	3,845
<b>Total income</b>		<u>168,708</u>	<u>–</u>	<u><b>168,708</b></u>	<u>198,310</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Investment management costs	6	4,837	30,313	<b>35,150</b>	31,465
Expenditure on charitable activities	7	56,004	–	<b>56,004</b>	54,604
<b>Total expenditure</b>		<u>60,841</u>	<u>30,313</u>	<u><b>91,154</b></u>	<u>86,069</u>
Net gains on investments	8	(156,463)	(922,451)	<b>(1,078,914)</b>	645,808
<b>Net income/(expenditure) and net movement in funds</b>		<u>264,330</u>	<u>892,138</u>	<u><b>1,156,468</b></u>	<u>(533,567)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>1,050,520</u>	<u>7,001,292</u>	<u><b>8,051,812</b></u>	<u>8,585,379</u>
<b>Total funds carried forward</b>		<u>1,314,850</u>	<u>7,893,430</u>	<u><b>9,208,280</b></u>	<u>8,051,812</u>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes on pages 20 to 30 form part of these financial statements.


# Charles Williams Charity

## Statement of Financial Position


31 October 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible fixed assets	13	2,850,018	2,850,343
Investments	14	5,843,976	4,800,211
		<b>8,693,994</b>	7,650,554
<b>Current assets</b>			
Debtors	15	12,861	15,510
Cash at bank and in hand		510,143	394,067
		<b>523,004</b>	409,577
<b>Creditors: amounts falling due within one year</b>	16	8,718	8,319
<b>Net current assets</b>		<b>514,286</b>	401,258
<b>Total assets less current liabilities</b>		<b>9,208,280</b>	8,051,812
<b>Net assets</b>		<b>9,208,280</b>	8,051,812
<b>Funds of the charity</b>			
Endowment funds		7,893,430	7,001,292
Unrestricted funds		1,314,850	1,050,520
<b>Total charity funds</b>	18	<b>9,208,280</b>	8,051,812

These financial statements were approved by the board of trustees and authorised for issue on Apr.21.2022....., and are signed on behalf of the board by:

  
Julio benavides (Apr 21, 2022 09:51 GMT+1)

**Mr Julio Benavides (Chair)  
Trustee**

  
Gareth Edwards (Apr 21, 2022 10:01 GMT+1)

**Mr Gareth Edwards (Deputy Chair)  
Trustee**

The notes on pages 20 to 30 form part of these financial statements.

# **Charles Williams Charity**

## **Notes to the Financial Statements**

**Year ended 31 October 2021**

### **1. General information**

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is School House, High Street, Caerleon, Newport, South Wales, NP18 1AZ.

### **2. Statement of compliance**

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements 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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005, which has since been withdrawn.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Going concern**

There are no material uncertainties about the charity's ability to continue.

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

# Charles Williams Charity

## Notes to the Financial Statements *(continued)*

Year ended 31 October 2021

### 3. Accounting policies *(continued)*

#### **Fund accounting**

The permanent endowment fund must be retained and invested in order to obtain a return. The permanent endowment fund cannot be used as if it were income, however certain payments must be made out of the endowment, such as the payment of investment management fees where these relate to investments held within the endowment. All incoming resources derived from assets held as endowment investments form part of the unrestricted funds unless the application of the income is restricted to a particular purpose. Any income not spent at the year end should be carried forward in the appropriate unrestricted or restricted fund.

#### **General Funds**

Unrestricted funds are expendable at the discretion of the trustees in furtherance of the charity's objects. If part of an unrestricted fund is earmarked for a particular project it may be designated as a separate fund, but the designation has an administrative purpose only, and does not legally restrict the trustees' discretion to apply the fund.

#### **Incoming resources**

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- investment income is recognised in the period to which it relates.

# Charles Williams Charity

## Notes to the Financial Statements *(continued)*

Year ended 31 October 2021

### 3. Accounting policies *(continued)*

#### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

#### Tangible assets

All fixed assets are initially recorded at cost.

At the moment, the charity does not have a minimum amount at which assets are capitalised and each asset is considered on an individual basis depending on its use and its economic life.

However, since the charity does not generally purchase a significant amount of fixed assets, the Trustees do not believe this is a significant issue.

The Trustees review the fixed assets regularly with respect to impairment and provide for any impairment as and when necessary.

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment - 25% straight line

#### Investments

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

# Charles Williams Charity

## Notes to the Financial Statements *(continued)*

Year ended 31 October 2021

### 3. Accounting policies *(continued)*

#### **Investment property**

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in income or expenditure.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

#### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.



# Charles Williams Charity

## Notes to the Financial Statements *(continued)*

Year ended 31 October 2021

### 3. Accounting policies *(continued)*

#### Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

# Charles Williams Charity

## Notes to the Financial Statements (continued)

Year ended 31 October 2021

### 4. Investment income

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
Income from listed investments	164,821	<b>164,821</b>	194,308	194,308
Bank interest receivable	42	<b>42</b>	157	157
	<u>164,863</u>	<u><b>164,863</b></u>	<u>194,465</u>	<u>194,465</u>

### 5. Other income

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
Other income	3,845	<b>3,845</b>	3,845	3,845
	<u>3,845</u>	<u><b>3,845</b></u>	<u>3,845</u>	<u>3,845</u>

### 6. Investment management costs

	Unrestricted Funds £	Endowment Funds £	<b>Total Funds 2021 £</b>
Portfolio management	4,837	30,313	<b>35,150</b>
	<u>4,837</u>	<u>30,313</u>	<u><b>35,150</b></u>

	Unrestricted Funds £	Endowment Funds £	Total Funds 2020 £
Portfolio management	4,256	27,209	31,465
	<u>4,256</u>	<u>27,209</u>	<u>31,465</u>

### 7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
Charity school insurance costs	16,789	<b>16,789</b>	18,287	18,287
Repairs and maintenance of the Charity school	4,830	<b>4,830</b>	1,032	1,032
Higher Education grants	7,200	<b>7,200</b>	9,600	9,600
Grants to the Charity School	-	-	-	-
Other grants and book costs	1,610	<b>1,610</b>	1,494	1,494
Wages and pensions – see note 11	17,206	<b>17,206</b>	16,376	16,376
Office costs	1,989	<b>1,989</b>	1,112	1,112
Bank charges	234	<b>234</b>	162	162
Support costs – legal fees	-	-	556	556
Support costs – audit fees	4,783	<b>4,783</b>	4,622	4,622
Support costs – payroll bureau and accountancy	1,363	<b>1,363</b>	1,363	1,363
	<u>56,004</u>	<u><b>56,004</b></u>	<u>54,604</u>	<u>54,604</u>

# Charles Williams Charity

## Notes to the Financial Statements (continued)

Year ended 31 October 2021

### 8. Net gains/(losses) on investments

	Unrestricted Funds £	Endowment Funds £	Total Funds 2021 £
Gains on revaluation of investments	120,337	661,499	<b>781,836</b>
Gains on disposal of investment assets	36,126	260,952	<b>297,078</b>
	<u>156,463</u>	<u>922,451</u>	<u><b>1,078,914</b></u>

	Unrestricted Funds £	Endowment Funds £	Total Funds 2020 £
Losses on revaluation of investments	(73,751)	(324,421)	(398,172)
Losses on disposal of investment assets	(22,850)	(224,786)	(247,636)
	<u>(96,601)</u>	<u>(549,207)</u>	<u>(645,808)</u>

### 9. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	<u>325</u>	<u>325</u>

### 10. Auditors remuneration

	2021 £	2020 £
Fees payable for the audit of the financial statements	<u>4,783</u>	<u>4,622</u>
Fees payable to the charity's auditor and its associates for other services:		
Other non-audit services	<u>1,363</u>	<u>1,363</u>

### 11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021 £	2020 £
Wages and salaries	<b>16,354</b>	15,620
Employer contributions to pension plans	<u>852</u>	<u>756</u>
	<u><b>17,206</b></u>	<u>16,376</u>

The average head count of employees during the year was 1 (2020: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2021 No.	2020 No.
Number of staff	<u>1</u>	<u>1</u>

# Charles Williams Charity

## Notes to the Financial Statements (continued)

Year ended 31 October 2021

### 11. Staff costs (continued)

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

### 12. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

### 13. Tangible fixed assets

	Land and buildings £	Equipment £	Total £
<b>Cost</b>			
<b>At 1 November 2020 and 31 October 2021</b>	<u>2,850,000</u>	<u>5,498</u>	<u><b>2,855,498</b></u>
<b>Depreciation</b>			
At 1 November 2020	–	5,155	<b>5,155</b>
Charge for the year	–	325	<b>325</b>
<b>At 31 October 2021</b>	<u>–</u>	<u>5,480</u>	<u><b>5,480</b></u>
<b>Carrying amount</b>			
<b>At 31 October 2021</b>	<u>2,850,000</u>	<u>18</u>	<u><b>2,850,018</b></u>
At 31 October 2020	<u>2,850,000</u>	<u>343</u>	<u>2,850,343</u>

### 14. Investments

	Cash or cash equivalents £	Listed investments £	Investment properties £	Total £
<b>Cost or valuation</b>				
At 1 November 2020	139,609	4,629,877	30,725	<b>4,800,211</b>
Additions	171,986	1,606,361	–	<b>1,778,347</b>
Disposals	–	(1,515,768)	–	<b>(1,515,768)</b>
Fair value movements	–	781,186	–	<b>781,186</b>
<b>At 31 October 2021</b>	<u>311,595</u>	<u>5,501,656</u>	<u>30,725</u>	<u><b>5,843,976</b></u>
<b>Impairment</b>				
<b>At 1 November 2020 and 31 October 2021</b>				<u><b>–</b></u>
<b>Carrying amount</b>				
<b>At 31 October 2021</b>	<u>311,595</u>	<u>5,501,656</u>	<u>30,725</u>	<u><b>5,843,976</b></u>
At 31 October 2020	<u>139,609</u>	<u>4,629,877</u>	<u>30,725</u>	<u>4,800,211</u>

All investments shown above are held at valuation.

# Charles Williams Charity

## Notes to the Financial Statements *(continued)*

Year ended 31 October 2021

### 14. Investments *(continued)*

#### Investment properties

The majority of the land held within investment property was valued by Cooke & Arkwright at 1st November 2015. The Trustees do not believe that the valuation has changed significantly since this date.

#### Financial assets held at fair value

Fixed asset investments are held at fair value in accordance with FRS102 SORP. The fair value is based on current market value and is determined with reference to the portfolio managed by Smith & Williamson Investment Managers.

### 15. Debtors

	2021	2020
	£	£
Prepayments and accrued income	<u>12,861</u>	<u>15,510</u>

### 16. Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals and deferred income	5,808	5,643
Social security and other taxes	118	108
Other creditors	<u>2,792</u>	<u>2,568</u>
	<u>8,718</u>	<u>8,319</u>

### 17. Pensions and other post-retirement benefits

#### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £852 (2020: £756).

# Charles Williams Charity

## Notes to the Financial Statements (continued)

Year ended 31 October 2021

### 18. Analysis of charitable funds

#### Unrestricted funds

	At 1 November 2020 £	Income £	Expenditure £	Gains and losses £	At 31 October 2021 £
General fund	<u>1,050,520</u>	<u>168,708</u>	<u>(60,841)</u>	<u>156,463</u>	<u>1,314,850</u>

	At 1 November 2019 £	Income £	Expenditure £	Gains and losses £	At 31 October 2020 £
General fund	<u>1,007,671</u>	<u>198,310</u>	<u>(58,860)</u>	<u>(96,601)</u>	<u>1,050,520</u>

Sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with its purpose.

#### Endowment funds

	At 1 November 2020 £	Income £	Expenditure £	Gains and losses £	At 31 October 2021 £
Permanent Endowment Fund	<u>7,001,292</u>	<u>—</u>	<u>(30,313)</u>	<u>922,451</u>	<u>7,893,430</u>

	At 1 November 2019 £	Income £	Expenditure £	Gains and losses £	At 31 October 2020 £
Permanent Endowment Fund	<u>7,577,708</u>	<u>—</u>	<u>(27,209)</u>	<u>(549,207)</u>	<u>7,001,292</u>

# Charles Williams Charity

## Notes to the Financial Statements (continued)

Year ended 31 October 2021

### 19. Analysis of net assets between funds

	Unrestricted Funds £	Endowment Funds £	Total Funds 2021 £
Tangible fixed assets	18	2,850,000	<b>2,850,018</b>
Investments	800,546	5,043,430	<b>5,843,976</b>
Current assets	523,004	–	<b>523,004</b>
Creditors less than 1 year	(8,718)	–	<b>(8,718)</b>
<b>Net assets</b>	<b>1,314,850</b>	<b>7,893,430</b>	<b>9,208,280</b>

	Unrestricted Funds £	Endowment Funds £	Total Funds 2020 £
Tangible fixed assets	343	2,850,000	2,850,343
Investments	648,919	4,151,292	4,800,211
Current assets	409,577	–	409,577
Creditors less than 1 year	(8,319)	–	(8,319)
<b>Net assets</b>	<b>1,050,520</b>	<b>7,001,292</b>	<b>8,051,812</b>

### 20. Related parties

When the charity was set up, two separate functions were established one for the school and the other for the Church and Road Estate and they are kept separate.

During the year, Charles Williams Charity received investment income totalling £2,792 (2020: £2,569) on behalf of the Church and Road Estate. £2,569 was paid to the Church and Road Estate during the year. At the year-end, £2,792 was due to the Church and Road Estate (2020: £2,569) and is included in other creditors.

# **Charles Williams Charity Church and Road Estate**

## **Independent Auditor's Report to the Trustees of Charles Williams Charity Church and Road Estate**

**Year ended 31 October 2021**

### **Opinion**

We have audited the financial statements of Charles Williams Charity Church and Road Estate (the 'charity') for the year ended 31 October 2021 which comprise the statement of financial activities, statement of financial position and the related notes, 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 FRS 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 October 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

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.



# **Charles Williams Charity Church and Road Estate**

## **Independent Auditor's Report to the Trustees of Charles Williams Charity Church and Road Estate (continued)**

**Year ended 31 October 2021**

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the 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**

As explained more fully in the trustees' responsibilities statement, 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.

# **Charles Williams Charity Church and Road Estate**

## **Independent Auditor's Report to the Trustees of Charles Williams Charity Church and Road Estate (continued)**

**Year ended 31 October 2021**

### **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:

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery and intentional misrepresentations, or through collusion.

We focussed on the laws and regulations which could result in a material misstatement in the financial statements, including but not limited to, the Charities Act 2011. As in all of our audits, 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 posting inappropriate journal entries to manipulate financial performance and misappropriation of assets. Audit procedures performed included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Selecting a sample of transactions and tracing to documentation to establish that they are bonafide transactions;
- Evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extend of our testing; and
- Agreeing the financial statement disclosures to underlying supporting documentation.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected within the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

# Charles Williams Charity Church and Road Estate

## Independent Auditor's Report to the Trustees of Charles Williams Charity Church and Road Estate (continued) Year ended 31 October 2021

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Kara Williams*

Kara Williams (Apr 21, 2022 14:20 GMT+1)

**Kara Williams BSc BFP FCA (Senior Statutory Auditor)**

For and on behalf of

Ellis Lloyd Jones Audit Limited

Chartered accountants & statutory auditor

11 Park Square

Newport

South Wales

NP20 4EL

Apr 21, 2022

# Charles Williams Charity Church and Road Estate

## Statement of Financial Activities

Year ended 31 October 2021

		2021			2020
	Note	Unrestricted funds £	Endowment funds £	Total funds £	Total funds £
<b>Income and endowments</b>					
Investment income	24	2,798	–	2,798	2,583
<b>Total income</b>		<u>2,798</u>	<u>–</u>	<u>2,798</u>	<u>2,583</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Investment management costs	25	207	518	724	613
<b>Total expenditure</b>		<u>207</u>	<u>518</u>	<u>724</u>	<u>613</u>
Net gains/(losses) on investments	26	(6,192)	(15,521)	(21,712)	7,388
<b>Net income/(expenditure) and net movement in funds</b>		<u>8,783</u>	<u>15,003</u>	<u>23,786</u>	<u>(5,418)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		38,713	68,205	106,918	112,336
<b>Total funds carried forward</b>		<u>47,496</u>	<u>83,208</u>	<u>130,704</u>	<u>106,918</u>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

# Charles Williams Charity Church and Road Estate

## Statement of Financial Position


31 October 2021

	Note	2021 £	£	2020 £
<b>Fixed assets</b>				
Investments	29		116,408	95,419
<b>Current assets</b>				
Debtors	30	2,792		2,569
Cash at bank and in hand		11,504		8,930
		<u>14,296</u>		<u>11,499</u>
<b>Net current assets</b>			<u>14,296</u>	<u>11,499</u>
<b>Total assets less current liabilities</b>			<u>130,704</u>	<u>106,918</u>
<b>Funds of the charity</b>				
Endowment funds			83,208	68,205
Unrestricted funds			<u>47,496</u>	<u>38,713</u>
<b>Total charity funds</b>	31		<u>130,704</u>	<u>106,918</u>

These financial statements were approved by the board of trustees and authorised for issue on Apr 21, 2022....., and are signed on behalf of the board by:

  
Julio benavides (Apr 21, 2022 09:51 GMT+1)

**Mr Julio Benavides (Chair)**  
**Trustee**

  
Gareth Edwards (Apr 21, 2022 10:01 GMT+1)

**Mr Gareth Edwards (Deputy Chair)**  
**Trustee**

# **Charles Williams Charity Church and Road Estate**

## **Notes to the Financial Statements**

**Year ended 31 October 2021**

### **21. General information**

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is School House, High Street, Caerleon, Newport, NP18 1AZ.

### **22. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

### **23. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Going concern**

There are no material uncertainties about the charity's ability to continue.

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# Charles Williams Charity Church and Road Estate

## Notes to the Financial Statements *(continued)*

Year ended 31 October 2021

### 23. Accounting policies *(continued)*

#### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured.

#### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

#### Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

# Charles Williams Charity Church and Road Estate

## Notes to the Financial Statements (continued)

Year ended 31 October 2021

### 23. Accounting policies (continued)

#### Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

### 24. Investment income

	Unrestricted Funds	<b>Total Funds 2021</b>	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Income from listed investments	2,793	<b>2,793</b>	2,569	2,569
Bank interest receivable	5	<b>5</b>	14	14
	<u>2,798</u>	<u><b>2,798</b></u>	<u>2,583</u>	<u>2,583</u>

### 25. Investment management costs

	Unrestricted Funds	Endowment Funds	<b>Total Funds 2021</b>
	£	£	£
Portfolio management	<u>207</u>	<u>518</u>	<u><b>724</b></u>

	Unrestricted Funds	Endowment Funds	Total Funds 2020
	£	£	£
Portfolio management	<u>175</u>	<u>439</u>	<u>613</u>



# Charles Williams Charity Church and Road Estate

## Notes to the Financial Statements *(continued)*

Year ended 31 October 2021

### 26. Net gains on investments

	Unrestricted Funds	Endowment Funds	Total Funds 2021
	£	£	£
Gains on revaluation of investments	4,832	12,111	<b>16,942</b>
Gains on disposals of investments	1,360	3,410	<b>4,770</b>
	<u>6,192</u>	<u>15,521</u>	<u><b>21,712</b></u>

	Unrestricted Funds	Endowment Funds	Total Funds 2020
	£	£	£
Losses on revaluation of investments	(1,647)	(4,128)	(5,776)
Losses on disposals of investments	(460)	(1,152)	(1,612)
	<u>(2,107)</u>	<u>(5,280)</u>	<u>(7,388)</u>

### 27. Staff costs

No salaries or wages have been paid to employees during the year.

### 28. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

# Charles Williams Charity Church and Road Estate

## Notes to the Financial Statements (continued)

Year ended 31 October 2021

### 29. Investments

	Cash or cash equivalents £	Listed investments £	Total £
<b>Cost or valuation</b>			
At 1 November 2020	10,617	84,802	<b>95,419</b>
Additions	–	48,281	<b>48,281</b>
Disposals	(10,017)	(34,184)	<b>(44,201)</b>
Fair value movements	–	16,909	<b>16,909</b>
<b>At 31 October 2021</b>	<u>600</u>	<u>115,808</u>	<u><b>116,408</b></u>
<b>Impairment</b>			
<b>At 1 November 2020 and 31 October 2021</b>			<u><b>–</b></u>
<b>Carrying amount</b>			
<b>At 31 October 2021</b>	<u>600</u>	<u>115,808</u>	<u><b>116,408</b></u>
At 31 October 2020	<u>10,617</u>	<u>84,802</u>	<u>95,419</u>

All investments shown above are held at valuation.

#### Financial assets held at fair value

Fixed asset investments are held at fair value in accordance with FRS102 SORP. The value is determined with reference to the portfolio managed by Smith & Williamson Investment Managers.

### 30. Debtors

	2021 £	2020 £
Other debtors	<u><b>2,792</b></u>	<u>2,569</u>

### 31. Analysis of charitable funds

#### Unrestricted funds

	At 1 November 2020 £	Income £	Expenditure £	Gains and losses £	At 31 October 2021 £
General Fund	<u>38,713</u>	<u>2,798</u>	<u>(207)</u>	<u>6,192</u>	<u><b>47,496</b></u>

	At 1 November 2019 £	Income £	Expenditure £	Gains and losses £	At 31 October 2020 £
General Fund	<u>38,412</u>	<u>2,583</u>	<u>(175)</u>	<u>(2,107)</u>	<u>38,713</u>

# Charles Williams Charity Church and Road Estate

## Notes to the Financial Statements (continued)

Year ended 31 October 2021

### 31. Analysis of charitable funds (continued)

#### Endowment funds

	At 1 November 2020 £	Income £	Expenditure £	Gains and losses £	At 31 October 2021 £
Expendable Endowment Fund	68,205	—	(518)	15,521	83,208

	At 1 November 2019 £	Income £	Expenditure £	Gains and losses £	At 31 October 2020 £
Expendable Endowment Fund	73,924	—	(439)	(5,280)	68,205

### 32. Analysis of net assets between funds

	Unrestricted Funds £	Endowment Funds £	Total Funds 2021 £
Investments	33,200	83,208	116,408
Current assets	14,296	—	14,296
<b>Net assets</b>	<b>47,496</b>	<b>83,208</b>	<b>130,704</b>

	Unrestricted Funds £	Endowment Funds £	Total Funds 2020 £
Investments	27,214	68,205	95,419
Current assets	11,499	—	11,499
<b>Net assets</b>	<b>38,713</b>	<b>68,205</b>	<b>106,918</b>

### 33. Related parties

When the Charity was set up, two separate functions were established, one for the school and the other for the Church and Road Estate and the funds are kept separate. During the year, Charles Williams Charity received investment income totalling £2,792 (2020: £2,569) on behalf of the Church and Road Estate. £2,569 was received from Charles Williams Charity during the year. At the year-end, £2,792 was due to the Church and Road Estate (2020: £2,569) which is included in other debtors.