

CHARITY REGISTRATION NUMBER: 701554

Charles Williams Charity
Financial Statements
31 October 2022

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 2022

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Charles Williams Charity

Trustees' Annual Report

Year ended 31 October 2022

The trustees present their report and the financial statements of the charity for the year ended 31 October 2022.

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)
Cllr Jason Hughes
Mr Stephen Marshall OBE
Mrs Caroline McLachlan (Retired 9 March 2022)
Mr Keith Minton
Mr Michael Sansom
Mr Clifford Suller (Retired 23 May 2022)
The Reverend Sue Pratten (Ex Officio)
Ven Jonathan Williams (Ex Officio)
Mr Paul Burley
Mr Ralph Wessel
Ms Gail Giles
Mr Kevin Davies
Cllr Claire Baker-Westhead (Appointed 8 September 2022)
Cllr Stephen Cocks (Appointed 8 September 2022)

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

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

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

Charles Williams Charity

Trustees' Annual Report (*continued*)

Year ended 31 October 2022

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 20224
Ms Gail Giles	23 September 2026
Cllr Claire Baker-Westhead	8 September 2027
Cllr Stephen Cocks	8 September 2027

CO-OPTATIVE TRUSTEES:

Mr Julio Benavides	3 December 2023
Mr Gareth Edwards	8 September 2026
Mr Stephen Marshall OBE	8 May 2027
Mr Timothy Ford	26 September 2024
Mr Paul Burley	20 May 2026
Mr Ralph Wessel	20 May 2026
Mr Kevin Davies	19 May 2027

PRINCIPAL OFFICERS:

Chairman:
Mr Julio Benavides

Deputy Chairman:
Mr Gareth Edwards

Charles Williams Charity

Trustees' Annual Report (*continued*)

Year ended 31 October 2022

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.

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.

Charles Williams Charity

Trustees' Annual Report (*continued*)

Year ended 31 October 2022

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.

Objectives and activities

To assist the School Governors in providing at Charles Williams CiW Primary school (hereafter '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 an 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 2022

Achievements and performance

During the year the Trustees instigated the following:

1. During the pandemic, the charity's ability to perform its daily, weekly and monthly commitments were not affected. The Administration Manager continued her duties remotely and working groups were able to perform their tasks. We are pleased to report that all meetings are now held in person and all is back to normal.
2. The charity remains excited about the re-development of 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. Also, the demountable buildings will be removed and the surfaces made good.

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 did not fully begin until the end of January 2022. Since then, we have seen building costs and material prices rise significantly as well as substantially more work needing to be done on the M&D building. The Welsh Government was approached on three occasions seeking additional financial support. Fortunately, all these requests were approved resulting in nearly doubling the amount of the initial funding of £1,620,000 to £3,097,704. The actual charity contribution remains 15% of the total project cost which is therefore now £464,655.

The M&D building is due to be completed by the end of March 2023. Work will then begin on the rest of the project with a completion date around the end of August 2023.

This has been a very challenging time for all involved and the Charity acknowledges the commitment and hard work of the Management Committee, which consists of Trustees of the Charity, Governors of the school and a representative from the local authority.

3. The charity said goodbye to Mr Cliff Suller who retired from the Charity on 23 May 2022. We would like to thank Cliff for all his efforts and hard work for the Charity. His knowledge of the charity and area work was very much appreciated by the Trustees.

We also bid a fond farewell to Mrs Caroline McLachlan who sadly passed away on 9 March 2022. Caroline was a trustee with the charity for many years and her input was very valuable to the trustees. She will be sadly missed.

4. Last year, the charity reported that they had been approached by Newport Norse, who represent Newport City Council (NCC), for the charity to consider a request from Caerleon RFC, who had 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 owns the freehold and receives 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 remained in place.

During the year the trustees were informed by Norse that they had met with the Council officers and it had been decided that they were not in a position to proceed with a lease at this present time due to the need to assess the use of facilities across the city. They said

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Trustees' Annual Report (*continued*)

Year ended 31 October 2022

that they had a number of interested parties who are looking for a similar lease such as the one that had been proposed between the Charity and Newport City Council and these all need to be reviewed as part of a broader overview of grassroots facilities. Newport Norse will be in touch with further news on proposals in due course.

5. Bibles and book vouchers were provided to the two primary schools - Charles Williams CiW Primary & Caerleon Lodge Hill School.
6. We welcomed the following trustees to the charity:
 - Mr Kevin Davies, as Co-optative Trustee; and
 - Cllr Claire Baker-Westhead and Cllr Stephen Cocks as nominative trustees for Newport City Council.

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

7. During the year, 22 students received grants towards their further and higher education via the Exhibition Grant.

Public benefit statement

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.

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Trustees' Annual Report *(continued)*

Year ended 31 October 2022

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 for the year.

The total incoming resources for the year were £163,437 compared to £168,708 in the previous year.

The investment income of £159,592 has decreased since the previous year (2021: £164,863). Other income was £3,845, both this year and last year.

Total resources expended were £163,000 compared to £91,154 in 2021. This represents an increase of £71,846 which was due to an accrual for the charity's 15% contribution of costs incurred to date on the 21st Century building project at the School. A detailed breakdown of expenditure for the year ended 31 October 2022 for costs of charitable activities can be found in note 7. Investment management fees amounted to £36,782, (2021: £35,149), which is 0.55% on the first £3m and 0.60% on the next £5m.

Investment performance

At the year end, the investments, not including investment properties, were worth £5,290,205. The portfolio generated a return of -6.8%, net of expenses, over the year which was just behind the benchmark return of -5.8%. The relative underperformance of the charity's investments was driven by UK equities and, in particular, the relative underweight to companies in the fossil fuels sector. This stance reflects the longer-term challenges these companies face as the world transitions to a low carbon economy. Performance was also impacted by the restriction against owning companies in the defence sector, which outperformed due to speculation over increased military budgets as a result of rising geopolitical tensions and the Ukraine conflict.

Overall, 2022 was a difficult year for investors as high inflation, rising interest rates, and the war in Ukraine weighed on markets. The move within markets was very polarized, with the Oil & Gas sector generating returns of more than 40% whilst nearly all other sectors declined by more than 10%. Rising interest rates negatively impacted bond prices, leaving investors with nowhere to hide in a broad-based fall in asset prices. As such, according to industry data, the majority of charity portfolios with similar risk profiles significantly underperformed market indices last year.

The investments generated an income of £159,592, which was ahead of the target level of income for 2021/22 of £150,000, despite 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

Charles Williams Charity

Trustees' Annual Report (*continued*)

Year ended 31 October 2022

portfolio was increased.

Church and Roads Fund

The total incoming resources for the year were £2,336 (2021: £2,798) and consisted of investment income and bank interest.

There was expenditure during the year of £747 (2021: £724).

The closing market value of the fixed asset investments was £105,638 at 31 October 2022 (2021: £116,408).

The deficit on unrestricted funds of £735 (2021: surplus of £8,783) has been retained in the General Fund.

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 Evelyn Partners (formerly known as Smith & Williamson Investment Management). Evelyn Partners are responsible investors and signatories to the United Nations principles of responsible investment. This shows that Evelyn Partners 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.

Charles Williams Charity

Trustees' Annual Report (*continued*)

Year ended 31 October 2022

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 £165,000 per annum, uplifted by CPI for subsequent years, with a cap of 5%.

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
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 Evelyn Partners.

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, Evelyn Partners, 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.

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Trustees' Annual Report (*continued*)

Year ended 31 October 2022

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:

- 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 Evelyn Partners' 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.

Charles Williams Charity

Trustees' Annual Report (*continued*)

Year ended 31 October 2022

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.

The trustees are looking forward to the successful completion of the 21st Century re-development of the school buildings and the benefits this will bring to the school community. The proposed completion date is currently September 2023 and so this will hopefully be within the next financial year.

During the year the charity appointed a Project Manager and Surveyor to survey and document maintenance work on the School House. This building is grade II listed and will require a sympathetic approach to works required. The report shall be completed in March 2023 on the internal requirements and further investigations on external parts will follow. It is hoped that the trustees will have a working document detailing urgent works to not so urgent works, always with safety first. A lot of time, and money will be required on the School House and it is the hope of the trustees that their efforts, through the School Development Working Group can have a fully workable maintenance plan.

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.


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Trustees' Annual Report (*continued*)


Year ended 31 October 2022

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.

The trustees' annual report was approved on 26 May 2023 and signed on behalf of the board of trustees by:


Julio Benavides (May 26, 2023 13:03 GMT+1)

Mr Julio Benavides (Chair)
Trustee


gareth edwards (May 26, 2023 16:24 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 2022

Opinion

We have audited the financial statements of Charles Williams Charity (the 'charity') for the year ended 31 October 2022 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 2022 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 2022

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 2022

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 misappropriation of assets and funds not being expended in line with the charity's objects. 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 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 2022

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.

Charles Williams Charity

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

Year ended 31 October 2022

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 members, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Kara Williams

Kara Williams (May 26, 2023 20:48 GMT+1)

Kara Williams BSc 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

26 May 2023

Charles Williams Charity

Statement of Financial Activities

Year ended 31 October 2022

		2022			2021
	Note	Unrestricted funds £	Endowment funds £	Total funds £	Total funds £
Income and endowments					
Investment income	4	159,592	–	159,592	164,863
Other income	5	3,845	–	3,845	3,845
Total income		<u>163,437</u>	<u>–</u>	<u>163,437</u>	<u>168,708</u>
Expenditure					
Expenditure on raising funds:					
Investment management costs	6	4,922	31,860	36,782	35,150
Expenditure on charitable activities	7	126,218	–	126,218	56,004
Total expenditure		<u>131,140</u>	<u>31,860</u>	<u>163,000</u>	<u>91,154</u>
Net (losses)/gains on investments	8	(100,765)	(416,430)	(517,195)	1,078,914
Net (expenditure)/income and net movement in funds		<u>(68,468)</u>	<u>(448,290)</u>	<u>(516,758)</u>	<u>1,156,468</u>
Reconciliation of funds					
Total funds brought forward		1,314,850	7,893,430	9,208,280	8,051,812
Total funds carried forward		<u>1,246,382</u>	<u>7,445,140</u>	<u>8,691,522</u>	<u>9,208,280</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 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	13	2,850,000	2,850,018
Investments	14	5,290,205	5,843,976
		<u>8,140,205</u>	<u>8,693,994</u>
Current assets			
Debtors	15	14,106	12,861
Cash at bank and in hand		616,687	510,143
		<u>630,793</u>	<u>523,004</u>
Creditors: amounts falling due within one year	16	<u>79,476</u>	<u>8,718</u>
Net current assets		<u>551,317</u>	<u>514,286</u>
Total assets less current liabilities		<u>8,691,522</u>	<u>9,208,280</u>
Net assets		<u>8,691,522</u>	<u>9,208,280</u>
Funds of the charity			
Endowment funds		7,445,140	7,893,430
Unrestricted funds		1,246,382	1,314,850
Total charity funds	18	<u>8,691,522</u>	<u>9,208,280</u>

These financial statements were approved by the board of trustees and authorised for issue on 26 May 2023, and are signed on behalf of the board by:


Julio Benavides (May 26, 2023 13:03 GMT+1)

**Mr Julio Benavides (Chair)
Trustee**


gareth edwards (May 26, 2023 16:24 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 2022

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

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.

3. Accounting policies

Basis of preparation

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.

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 2022

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 2022

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
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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 2022

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 2022

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 2022

4. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Income from listed investments	159,270	159,270	164,821	164,821
Bank interest receivable	322	322	42	42
	<u>159,592</u>	<u>159,592</u>	<u>164,863</u>	<u>164,863</u>

5. Other income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Other income	3,845	3,845	3,845	3,845
	<u>3,845</u>	<u>3,845</u>	<u>3,845</u>	<u>3,845</u>

6. Investment management costs

	Unrestricted Funds £	Endowment Funds £	Total Funds 2022 £
Portfolio management	4,922	31,860	36,782
	<u>4,922</u>	<u>31,860</u>	<u>36,782</u>

	Unrestricted Funds £	Endowment Funds £	Total Funds 2021 £
Portfolio management	4,837	30,313	35,149
	<u>4,837</u>	<u>30,313</u>	<u>35,149</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Charity school insurance costs	19,503	19,503	16,789	16,789
Repairs and maintenance of the Charity school	71,507	71,507	4,830	4,830
Higher Education grants	7,200	7,200	7,200	7,200
Grants to the Charity School	-	-	-	-
Other grants and book costs	1,372	1,372	1,610	1,610
Wages and pensions – see note 11	18,095	18,095	17,206	17,206
Office costs	1,607	1,607	1,989	1,989
Bank charges	202	202	234	234
Support costs – legal fees	-	-	-	-
Support costs – audit fees	5,385	5,385	4,783	4,783
Support costs – payroll bureau and accountancy	1,347	1,347	1,363	1,363
	<u>126,218</u>	<u>126,218</u>	<u>56,004</u>	<u>56,004</u>

Charles Williams Charity

Notes to the Financial Statements (continued)

Year ended 31 October 2022

8. Net (losses)/gains on investments

	Unrestricted Funds £	Endowment Funds £	Total Funds 2022 £
Gains/(losses) on cash held for investment purposes	–	10,152	10,152
Gains/(losses) on revaluation of investments	(105,973)	(422,376)	(528,349)
Gains/(losses) on disposal of investment assets	5,208	(4,206)	1,002
	<u>(100,765)</u>	<u>(416,430)</u>	<u>(517,195)</u>

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

9. Net (expenditure)/income

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

	2022 £	2021 £
Depreciation of tangible fixed assets	18	325

10. Auditors remuneration

	2022 £	2021 £
Fees payable for the audit of the financial statements	5,384	4,783
Fees payable to the charity's auditor and its associates for other services:		
Other non-audit services	1,347	1,363

11. Staff costs

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

	2022 £	2021 £
Wages and salaries	17,271	16,354
Employer contributions to pension plans	824	852
	<u>18,095</u>	<u>17,206</u>

Charles Williams Charity

Notes to the Financial Statements (continued)

Year ended 31 October 2022

11. Staff costs (continued)

The average head count of employees during the year was 1 (2021: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	2021
	No.	No.
Number of staff	<u>1</u>	<u>1</u>

No employee received employee benefits of more than £60,000 during the year (2021: 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 £
Cost			
At 1 November 2021 and 31 October 2022	<u>2,850,000</u>	<u>5,498</u>	<u>2,855,498</u>
Depreciation			
At 1 November 2021	–	5,480	5,480
Charge for the year	–	18	18
At 31 October 2022	<u>–</u>	<u>5,498</u>	<u>5,498</u>
Carrying amount			
At 31 October 2022	<u>2,850,000</u>	<u>–</u>	<u>2,850,000</u>
At 31 October 2021	<u>2,850,000</u>	<u>18</u>	<u>2,850,018</u>

Charles Williams Charity

Notes to the Financial Statements (continued)

Year ended 31 October 2022

14. Investments

	Cash or cash equivalents £	Listed investments £	Investment properties £	Total £
Cost or valuation				
At 1 November 2021	311,595	5,501,656	30,725	5,843,976
Additions	–	1,472,627	–	1,472,627
Disposals	(20,062)	(1,477,987)	–	(1,498,049)
Fair value movements	–	(528,349)	–	(528,349)
At 31 October 2022	<u>291,533</u>	<u>4,967,947</u>	<u>30,725</u>	<u>5,290,205</u>
Impairment				
At 1 November 2021 and 31 October 2022				<u>–</u>
Carrying amount				
At 31 October 2022	<u>291,533</u>	<u>4,967,947</u>	<u>30,725</u>	<u>5,290,205</u>
At 31 October 2021	<u>311,595</u>	<u>5,501,656</u>	<u>30,725</u>	<u>5,843,976</u>

All investments shown above are held at valuation.

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 Evelyn Partners Investment Managers (formerly known as Smith & Williamson).

15. Debtors

	2022 £	2021 £
Prepayments and accrued income	<u>14,106</u>	<u>12,861</u>

Charles Williams Charity

Notes to the Financial Statements (continued)

Year ended 31 October 2022

16. Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals and deferred income	77,045	5,808
Social security and other taxes	113	118
Other creditors	2,318	2,792
	<u>79,476</u>	<u>8,718</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 £824 (2021: £852).

18. Analysis of charitable funds

Unrestricted funds

	At 1 November 2021 £	Income £	Expenditure £	Gains and losses £	At 31 October 2022 £
General fund	<u>1,314,850</u>	<u>163,437</u>	<u>(131,140)</u>	<u>(100,765)</u>	<u>1,246,382</u>

	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>

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

Charles Williams Charity

Notes to the Financial Statements (continued)

Year ended 31 October 2022

18. Analysis of charitable funds (continued)

Endowment funds

	At 1 November 2021 £	Income £	Expenditure £	Gains and losses £	At 31 October 2022 £
Permanent Endowment Fund	<u>7,893,430</u>	<u>–</u>	<u>(31,860)</u>	<u>(416,430)</u>	<u>7,445,140</u>

	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>

19. Analysis of net assets between funds

	Unrestricted Funds £	Endowment Funds £	Total Funds 2022 £
Tangible fixed assets	–	2,850,000	2,850,000
Investments	694,912	4,595,293	5,290,205
Current assets	630,793	–	630,793
Creditors less than 1 year	<u>(79,323)</u>	<u>(153)</u>	<u>(79,476)</u>
Net assets	<u>1,246,382</u>	<u>7,445,140</u>	<u>8,691,522</u>

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

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 £2,318 (2021: £2,792) on behalf of the Church and Road Estate. £2,792 was paid to the Church and Road Estate during the year. At the year-end, £2,318 was due to the Church and Road Estate (2021: £2,792) and is included in other creditors.

Charles Williams Charity Church and Road Estate

Independent Auditor's Report to the Members of Charles Williams Charity Church and Road Estate

Year ended 31 October 2022

Opinion

We have audited the financial statements of Charles Williams Charity Church and Road Estate (the 'charity') for the year ended 31 October 2022 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 2022 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 Members of Charles Williams Charity Church and Road Estate (continued)

Year ended 31 October 2022

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 Members of Charles Williams Charity Church and Road Estate (continued)

Year ended 31 October 2022

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 misappropriation of assets and funds not being expended in line with the charity's objects. 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 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 Members of Charles Williams Charity Church and Road Estate (continued)

Year ended 31 October 2022

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.

Charles Williams Charity Church and Road Estate

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

Year ended 31 October 2022

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 members, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Kara Williams

Kara Williams (May 26, 2023 20:48 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

26 May 2023

Charles Williams Charity Church and Road Estate

Statement of Financial Activities

Year ended 31 October 2022

		2022			2021
	Note	Unrestricted funds £	Endowment funds £	Total funds £	Total funds £
Income and endowments					
Investment income	24	2,336	—	2,336	2,798
Total income		<u>2,336</u>	<u>—</u>	<u>2,336</u>	<u>2,798</u>
Expenditure					
Expenditure on raising funds:					
Investment management costs	25	213	534	747	724
Total expenditure		<u>213</u>	<u>534</u>	<u>747</u>	<u>724</u>
Net (losses)/gains on investments	26	(2,858)	(7,165)	(10,023)	21,712
Net (expenditure)/income and net movement in funds		<u>(735)</u>	<u>(7,699)</u>	<u>(8,434)</u>	<u>23,786</u>
Reconciliation of funds					
Total funds brought forward		47,496	83,208	130,704	106,918
Total funds carried forward		<u>46,761</u>	<u>75,509</u>	<u>122,270</u>	<u>130,704</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 38 to 43 form part of these financial statements.

Charles Williams Charity Church and Road Estate

Statement of Financial Position


31 October 2022

	Note	2022 £	£	2021 £
Fixed assets				
Investments	29		105,638	116,408
Current assets				
Debtors	30	2,318		2,792
Cash at bank and in hand		14,314		11,504
		<u>16,632</u>		<u>14,296</u>
Net current assets			<u>16,632</u>	<u>14,296</u>
Total assets less current liabilities			<u>122,270</u>	<u>130,704</u>
Funds of the charity				
Endowment funds			75,509	83,208
Unrestricted funds			<u>46,761</u>	<u>47,496</u>
Total charity funds	31		<u>122,270</u>	<u>130,704</u>

These financial statements were approved by the board of trustees and authorised for issue on 26 May 2023, and are signed on behalf of the board by:


Julio Benavides (May 26, 2023 13:03 GMT+1)

Mr Julio Benavides
Trustee


gareth edwards (May 26, 2023 16:24 GMT+1)

Mr Gareth Edwards
Trustee

The notes on pages 38 to 43 form part of these financial statements.

Charles Williams Charity Church and Road Estate

Notes to the Financial Statements

Year ended 31 October 2022

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 2022

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 2022

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	Total Funds 2022	Unrestricted Funds	Total Funds 2021
	£	£	£	£
Income from listed investments	2,318	2,318	2,793	2,793
Bank interest receivable	18	18	5	5
	<u>2,336</u>	<u>2,336</u>	<u>2,798</u>	<u>2,798</u>

25. Investment management costs

	Unrestricted Funds	Endowment Funds	Total Funds 2022
	£	£	£
Portfolio management	<u>213</u>	<u>534</u>	<u>747</u>

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

Charles Williams Charity Church and Road Estate

Notes to the Financial Statements *(continued)*

Year ended 31 October 2022

26. Net (losses)/gains on investments

	Unrestricted Funds £	Endowment Funds £	Total Funds 2022 £
Gains/(losses) on revaluation of investments	(2,850)	(7,144)	(9,994)
Gains/(losses) on disposals of investments	(8)	(21)	(29)
	<u>(2,858)</u>	<u>(7,165)</u>	<u>(10,023)</u>

	Unrestricted Funds £	Endowment Funds £	Total Funds 2021 £
Gains/(losses) on revaluation of investments	4,832	12,111	16,942
Gains/(losses) on disposals of investments	1,360	3,410	4,770
	<u>6,192</u>	<u>15,521</u>	<u>21,712</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 2022

29. Investments

	Cash or cash equivalents £	Listed investments £	Total £
Cost or valuation			
At 1 November 2021	600	115,808	116,408
Additions	–	7,704	7,704
Disposals	(198)	(8,282)	(8,480)
Fair value movements	–	(9,994)	(9,994)
At 31 October 2022	<u>402</u>	<u>105,236</u>	<u>105,638</u>
Impairment			
At 1 November 2021 and 31 October 2022			<u>–</u>
Carrying amount			
At 31 October 2022	<u>402</u>	<u>105,236</u>	<u>105,638</u>
At 31 October 2021	<u>600</u>	<u>115,808</u>	<u>116,408</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 Evelyn Partners Investment Managers (formerly known as Smith & Williamson).

30. Debtors

	2022	2021
	£	£
Other debtors	<u>2,318</u>	<u>2,792</u>

31. Analysis of charitable funds

Unrestricted funds

	At 1 November 2021 £	Income £	Expenditure £	Gains and losses £	At 31 October 2022 £
General Fund	<u>47,496</u>	<u>2,336</u>	<u>(213)</u>	<u>(2,858)</u>	<u>46,761</u>
	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>47,496</u>

Charles Williams Charity Church and Road Estate

Notes to the Financial Statements (continued)

Year ended 31 October 2022

31. Analysis of charitable funds (continued)

Endowment funds

	At 1 November 2021 £	Income £	Expenditure £	Gains and losses £	At 31 October 2022 £
Expendable Endowment Fund	<u>83,208</u>	<u>—</u>	<u>(534)</u>	<u>(7,165)</u>	<u>75,509</u>

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

32. Analysis of net assets between funds

	Unrestricted Funds £	Endowment Funds £	Total Funds 2022 £
Investments	30,129	75,509	105,638
Current assets	<u>16,632</u>	<u>—</u>	<u>16,632</u>
Net assets	<u>46,761</u>	<u>75,509</u>	<u>122,270</u>

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

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 £2,318 (2021: £2,792) on behalf of the Church and Road Estate. £2,792 was received from Charles Williams Charity during the year. At the year end, £2,318 was due to the Church and Road Estate (2021: £2,2792) which is included in other debtors.