

THE CHARITY OF ANN EDWARDS

TRUSTEE'S REPORT & ACCOUNTS

2007

Trustee report

for the year ended 31 December 2007

Legal and administrative information

Name

The Charity of Ann Edwards - registered charity number 263956.

Governing instrument

The principal governing instrument is a Charity Commission Scheme dated 11 June 1982, as amended by a further Scheme dated 6 December 1993.

Other information

The Gloucester Diocesan Board of Finance (a company limited by guarantee and a registered charity) is the sole trustee of the charity. The Gloucester Diocesan Board of Finance delegates day-to-day running of the charity to its Glebe committee. Details of the Glebe committee, officers and other relevant organisations are shown on page 3.

Objectives

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

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

Review of activities

No problems were encountered in the year. Despite one of the properties being vacant for a ¼ of the year, the Charity was able to make a healthy surplus in the year due to the Mews being managed cost effectively.

Mr Malcolm Barlow continued as Chairman of the Glebe committee during the year.

Financial review

Occupancy during the year was 98% yielding a rental income after discounts of £27k.

Investment income in the year amounted to just over £63k. Transfers to maintenance funds have been made in accordance with the governing instrument.

Funds stand at just under £1,929k at the end of the year, of which £620k represents the original endowment.

Reserves policy

The Charity holds restricted repair funds to which transfers are made each year in accordance with the governing instrument. The trustees consider that these are sufficient to cover future maintenance costs. Unrestricted free reserves amounted to £717k at the year-end (£652k in 2006). These are in excess of operating requirements, as the trustees consider that current investment income levels are sufficient to cover loss of rental income as a result of voids or other unforeseen circumstances. The Trustees are continuing to actively examine opportunities to use these funds in the furtherance of the Charity's objectives. The Chairman has spoken to the Charity Commissioners who were not adverse to the notion of working in conjunction with another charity, on condition that on no account there was any transfer of funds directly to a different charity. The Trustees are actively looking at widening the Governing instrument to be able to use the funds with a lot more flexibility. Some sort of joint venture would be acceptable.

Investment policy & powers

The trustees have unrestricted investment powers. All non-cash investments are made in CBF Funds, which are common investment funds managed by CCLA Investment Management Limited. The charity invests in the CBF Investment Fund, the CBF Fixed Interest Fund and 7¾% Treasury stock. The trustees consider that investing in these funds serves to spread risk through diversity and uses the investment management skills of the fund managers to achieve consistent performance. This allows investment performance to be optimised and monitored against market benchmarks. The mix of investments in the different CBF funds is determined for each of the funds of the charity to achieve optimal income flow whilst at least maintaining the real value of the investments in the long term.

Risk management

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

Signed on behalf of the trustee

Mr M Barlow
Chairman

Trustee, Officers & Organisations

for the year ended 31 December 2007

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

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

Members of the Glebe Committee who served during the year were:

Mr M Barlow (Chairman)
Mr T Griffin
Mr H F Hart
Mr R Fleetwood
Mrs D Martin
Miss C Tingle
The Revd J Jessop

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

Officers Secretary and Clerk to the Trustee: Mrs. J Watkins

Independent Examiner A T H Edwards
Mazars LLP
Clifton Down House
Clifton Down
Clifton
Bristol BS8 4AN

Bankers Barclays Bank plc
Gloucester Docks
Gloucester GL1 2YJ

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

Independent Examiner's Report

for the year ended 31 December 2007

Independent Examiner's report to the trustee of the Charity of Ann Edwards

I report on the financial statements of the Trust for the year ended 2007, which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the trustee in accordance with section 44 of the Charities Act 1993. My work has been undertaken so that I might state to the charity's trustee those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustee for my examination work, for this report, or for the opinions I have formed.

Respective responsibilities of charity trustee and examiner

The charity's trustee is responsible for the preparation of the financial statements. The charity's trustee considers that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the 1993 Act)) and that an independent examination is needed.

It is my responsibility:

- To examine the financial statements (under section 43(3)(a) of the 1993 Act);
- To follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43(7)(b) of the 1993 Act); and
- To state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes a consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the financial statements.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - To keep accounting records in accordance with section 41 of the 1993 Act; and
 - To prepare financial statements which accord with the accounting records and comply with the accounting requirements of the 1993 Acthave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

ATH Edwards
Chartered Accountant

Mazars LLP
CHARTERED ACCOUNTANTS
and Registered Auditors
Clifton Down House
Beaufort Buildings
Clifton Down
Clifton
Bristol BS8 4AN

Statement of Financial Activities

for the year ended 31 December 2007

	Note	Endowment Fund £	Restricted Repair Funds £	Unrestricted General Fund £	2007 £	2006 £
Incoming resources						
Rents receivable (net)	2	-	-	27,045	27,045	23,790
Investment income		-	3,897	59,373	63,270	52,726
Other incoming resources		-	-	54	54	-
		-	3,897	86,472	90,369	76,516
Resources expended						
Direct charitable expenditure:						
Maintenance of properties		-	-	10,055	10,055	8,505
Depreciation	6	-	-	56	56	56
Other expenditure:						
Administration	3	-	-	6,748	6,748	7,373
		-	-	16,859	16,859	15,934
Net incoming resources before transfers						
		-	3,897	69,613	73,510	60,582
Transfers between funds:						
Cyclical Maintenance Fund	5	-	3,060	(3,060)	-	-
Extraordinary Repair Fund	5	-	2,508	(2,508)	-	-
Net incoming resources for the year		-	9,465	64,045	73,510	60,582
Gains on investments:						
Unrealised		3,673	-	-	3,673	15,083
Net movement in funds		3,673	9,465	64,045	77,183	75,665
Fund balances at 1 January 2007						
Fund balances at 31 December 2007	9	616,820	77,882	1,156,914	1,851,616	1,775,951
		620,493	87,347	1,220,959	1,928,799	1,851,616

Balance sheet

at 31 December 2007

	Note	2007 £	2006 £
FIXED ASSETS			
Tangible fixed assets	6	599,015	599,071
Investments	7	524,493	520,820
		1,123,508	1,119,891
CURRENT ASSETS			
Debtors		658	346
Cash at bank		810,220	740,465
		810,878	740,811
CREDITORS: amounts falling due within 1 year		(5,587)	(9,086)
NET CURRENT ASSETS		805,291	731,725
NET ASSETS		1,928,799	1,851,616
FUNDS			
Endowment		620,493	616,820
Restricted (repair Funds)	8	87,347	77,882
General		1,220,959	1,156,914
		1,928,799	1,851,616

Signed on behalf of the trustees

Mr M Barlow
Chairman

Notes to the financial statements

for the year ended 31 December 2007

I Accounting policies

Presentation of financial information

These financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments. They have been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005, and applicable Accounting Standards in the United Kingdom.

The charity has taken advantage of the exemption permitted for small entities by Financial Reporting Standard 1 and has not published a cash flow statement.

Rents

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

Investment income

This is included in the financial statements when received.

Investments

These are stated at valuation. For shares in Central Board of Finance of the Church of England managed funds this is the bid price ruling at the balance sheet date. For investments quoted on the stock exchange, the mid-price at close of business of the last working day of the year is used.

Changes in the value of investments are shown in the Statement of Financial Activities as unrealised gains or losses.

Tangible fixed assets

Freehold land and buildings are stated at cost.

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

Depreciation is provided on furnishings and other fittings in the houses, bungalows & guest flat on a straight-line basis at a rate of 20% per annum. No depreciation is provided on Ann Edwards Mews. As the remaining useful life of these assets exceeds 50 years and a program of planned maintenance ensures that the residual value does not fall below the carrying value, any depreciation would be immaterial. An annual impairment review is carried out in accordance with FRS15.

Resources expended

All expenditure is accounted for on an accruals basis.

Fund Structure

The resources of the charity are classified according to restrictions imposed on their origin in accordance with the SORP. Details of the individual funds are outlined in note 9.

Notes to the financial statements: Continued

for the year ended 31 December 2007

2 Rents receivable	2007	2006
	£	£
Gross rents receivable	36,516	36,516
Discounts	(8,692)	(10,172)
Voids	(779)	(2,553)
Net	27,045	23,790

3 Resources used	2007	2006
	£	£
Administration:		
Management charge (note 4)	5,790	6,538
Fee for independent examination	958	835
	6,748	7,373

The management charge is in respect of property management services provided by the Gloucester Diocesan Board of Finance, and is calculated as 17% of gross open market rents.

4 Related party transactions

The Statement of Financial Activities includes a management charge of £5,790 payable to Gloucester Diocesan Board of Finance, the trustee of the charity.

5 Transfer between funds	2007	2006
	£	£
Transfers from the General Fund:		
to the Cyclical Maintenance Fund	3,060	2,890
to the Extraordinary Repairs Fund	2,508	2,380
	5,568	5,270

Transfer to the Cyclical Maintenance Fund and the Extraordinary Repairs Fund were made at the rates of £360 and £295 respectively per property per annum, (2006 - £340 and £280). The rates used are reviewed each year by reference to recommendations published by the Almshouses Association.

Notes to the financial statements: Continued
for the year ended 31 December 2007

6 Tangible fixed assets	Abbeydale equipment £	Freehold land £	Guest flat furniture £	Buildings £	TOTAL £
COST					
At 1 January 2007	4,280	95,000	1,482	503,841	604,603
Additions	-	-	-	-	-
At 31 December 2007	4,280	95,000	1,482	503,841	604,603
DEPRECIATION					
At 1 January 2007	(4,054)	-	(1,478)	-	(5,532)
Charge for year	(56)	-	-	-	(56)
At 31 December 2007	(4,110)	-	(1,478)	-	(5,588)
NET BOOK VALUE					
At 31 December 2006	226	95,000	4	503,841	599,071
At 31 December 2007	170	95,000	4	503,841	599,015

The buildings are a complex of eight dwellings, known as Ann Edwards Mews, which was completed in May 1994.

7 Fixed assets investments		2007 £	2006
Market value at 1 January 2007		520,820	505,737
Net gain on revaluation at 31 December 2007		3,673	15,083
Market value at 31 December 2007		524,493	520,820
Market value at 31 December 2007:	listed	3,982	3,988
	Unlisted	520,511	516,832
		524,493	520,820
Cost at 31 December 2007:	listed	1,960	1,960
	unlisted	289,926	289,926
		291,886	291,886

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

Notes to the financial statements: Continued

for the year ended 31 December 2007

8 Restricted funds	Cyclical Maintenance Fund £	Extra-ordinary Repairs Fund £	2007 Total £	2006 £
Balance at 1 January 2007	34,584	43,298	77,882	69,549
Net movements for year	4,755	4,710	9,465	8,333
Balance at 31 December 2007	39,339	48,008	87,347	77,882

9 Analysis of net assets between funds	Endowment Fund £	Restricted Repair Funds £	General Funds £	TOTAL £
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Fund balances at 31 December 2007**are represented by:**

Tangible fixed assets	95,000	-	504,015	599,015
Fixed asset investments	524,493	-	-	524,493
Debtors	-	-	658	658
Cash	-	74,607	735,613	810,220
Creditors	-	-	(5,587)	(5,587)
Inter-fund indebtedness	1,000	12,740	(13,740)	-
	620,493	87,347	1,220,959	1,928,799

Unrealised gains included above:

On fixed asset investments	232,607	-	-	232,607
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Reconciliation of movements in unrealised gains on investment assets:

Unrealised gains at 1 January 2007	228,934	-	-	228,934
Add net gain on revaluation in year	3,673	-	-	3,673
Unrealised gains at 31 December 2007	232,607	-	-	232,607

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

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

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