

John Huntingdon's Charity

A company limited by guarantee

Founded 1554

ANNUAL REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015



Company Number: 06045630

Charity Number: 1118574



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Trustees Annual Report for the year ended 31 December 2015

Objects & Objectives for the public benefit

The Company's objects and powers are to bring relief either generally or to individual persons who are in conditions of need, hardship or distress in particular, but not exclusively, for the benefit of those who live, work and study in the Parish of Sawston and elsewhere locally.

The Charity achieves these objectives by
supporting individuals and families with **advice** free of charge through the JHC Support Service

giving **grants** to individuals and organisations

housing those most in need in our almshouses

The Trustees have referred to the Charity Commission's general guidance on Public Benefit when reviewing our aims and objectives and in planning the charity's future activities and believe that the activities of the charity clearly demonstrate a direct public benefit.

Review of the year

Founded in 1554, JHC has been providing, as far as we can tell, uninterrupted support for our community for 460 years. The specific methods of delivery might change with the times but the basic needs of a home, warmth and food remain the same. With 20 almshouses we can now give a home to over 60 Sawston residents. We may no longer give out bags of coal but fuel poverty remains an issue for many. Demand for the foodbank remains high. We still do provide the town peas.

The charity doesn't work in isolation but strives to forge links with key strategic groups or individuals in the locality. Staff were able to inform the new MP Heidi Allen of the problems faced by some of her constituents when she was invited to see the work of the charity shortly after she took office. In the new year the local MEP is visiting the office.

With such a long history it is impossible to avoid using the word "continuing" for that is what the Charity does: continues to provide a safety net for those who need it, consolidating and maintaining the charity assets used to meet that need in order that the future generations can continue to be supported.

Achievements

The charity concentrates its work in 3 strategic priority areas identified by the trustees.

Priority 1 Housing - is a continuing need and remains the top priority. The Charity is constantly alert to opportunities to add to the housing stock in order to give more Sawston people who need help the chance to live in the village.

Almshouses: With the addition of Bowers Terrace (see below) the charity now has 20 properties, ranging from 1 bedroom flats to 3 bedroom houses. Our residents are granted a licence for three years during which time they are encouraged to bid for Council properties which might come available. This active policy of moving residents on has meant this year 5 families are now in permanent homes and a further 5 families can be helped for the next three years. King Street Housing continue to manage the properties on behalf of the charity. This service is closely monitored.

Bowers Terrace: work to renovate the house bought from South Cambs District Council last year, 2014, was completed in August with new residents moving in the following month.

John Huntingdon Centre (formerly known as Compass Centre): the building was bought last year, 2014, with the intention of converting it to provide 2 almshouse flats upstairs and a bigger office for the Charity on the ground floor, a space with more meeting rooms all of which will be accessible to the less able, particularly those using wheel chairs. Progress in gaining planning permission was very slow but work on the complex specification eventually got under way. After a tender process CJ Murfitts were appointed as contractors. Building work will start in January 2016, after the asbestos removal work was completed in December.

Babraham Road land development: the charity's remaining parcel of land has been identified in the local plan as an area suitable for development **but** only if it is developed as a whole with the two adjoining land owners, Ward's Charity and The Moulton Trust. This has now gone to the national planning committee so we await the outcome hopefully around spring 2016.

Priority 2 - Partnership working. The use of JHC offices by partner organisations continues to aid collaboration and co-operation with other professionals, as well as providing our clients with a more holistic service. Some of those using the office are:

The **CAB** advice drop in session every Friday morning is always well attended. In addition, our clients have access to CAB specialists in debt employment and family law who hold consultations in the office.

Fortnightly appointments are available with the senior project worker from mental health charity **MIND in Cambridgeshire**

Locality Family workers use the office to run parenting programmes and sessions for victims of domestic abuse.

As office space is at a premium in **Sawston Nursery** the Directors hold some of their meetings in the Charity office.

A number of **health professionals**, midwives and health visitors use our office for their monthly meetings.

Supervised family contact visits are sometimes held, with a social worker on the premises.

Cambridge Housing Society ran a course 'making the most of your money'.

A room is available for **RELATE** to use for their local meetings.

Staff and Trustees of the Charity are actively involved in local initiatives:

Sawston Community hub project: JHC is involved with this project to relocate the community library and Children's Centre. Progress is slow

Children's Centre: JHC continues to be represented on the Advisory board and is in close liaison with their family workers to support those most vulnerable in our community.

The Charity gives financial support to local groups and charities working in Sawston by way of grants. Organisations large and small are encouraged to apply: all requests are considered by the Grant Giving hub which makes recommendations to the full Trustee Board.

Major grants: over £30,000 was given out to a variety of different groups and organisations in order to assist their work with Sawston residents. Detail can be seen in note 13.

Small grants were given to a number of organisations including to Brownies, Rainbows, Guides, Sawston Youth Drama, Jigsaw Preschool, Sawston Senior Citizens. The charity aims to make the process of applying for a small grant as simple as possible and actively encourages groups to apply.

Out and about the **Community orchard** is becoming more established: we are grateful for the support of volunteers who continue to mow the grass and maintain the area.

Priority 3 - advice services. The JHC Support Service is a very popular and much needed and well used resource for people living in and around Sawston. Advice is available for benefits (including disabilities), housing, homelessness and small debts.

The first quarter saw client number increase by 25%. However this trend did not continue and although almost 300 clients were seen in 2015, this was a decrease of 10% on the previous year. Why there should be a drop is not immediately clear as welfare reforms continue to impact on our clients and staff, resulting in more complex and lengthy appointments.

The most common area of enquiry remains the need for grants to support basic needs, followed by concerns over benefits; we are also finding an increasing number of enquiries concerning housing issues.

This year the Charity gave out £24,899 in grants to individuals in need who live and work in Sawston. We can help those who are not residents in our geographical area by accessing other pots of money, including Radley Charitable Trust, Edward Storey Foundation and Central Aid.

Over 40 clients were referred into our specialist debt adviser who is employed through CAB.

Food bank: Over 243 bags of food were given out through the year, a slight decrease on 2014. However, 100 Christmas hampers were delivered, more than half as many again as the previous year thanks to a generous donation from Smithson Hill towards the cost of food & vouchers for the hampers as well as around £800 worth of food to go in the hampers. The hampers are always well received by the clients.

Befriending: the volunteer continues working with clients identified by our support workers.

The workload of the Advice Services staff is constantly monitored to ensure the correct staffing levels.

Looking forward

The key priorities identified in the 2013 three-year strategic plan are

housing need; this will remain the top priority for the foreseeable future

providing much needed advice services for those in our community in need of help and support

In addition, in the coming year, 2016

We will complete the work converting the Compass Centre into 2 one bedroom almshouse flats and the charity will move into the ground floor office.

Plans will be made for the best use of the current office building setting in motion the necessary planning consents

The Mill Lane properties will be bought and permission sought for the best way to use the land to provide much needed almshouses for local people

Work will begin on the next three-year strategic plan once the charity has moved into the new office and priorities can be set

Financial Review

The Charity finances are remarkably stable. 95% of the charity income comes from assets owned by the charity, namely income drawn from the portfolio, weekly maintenance charges from the almshouses and agreed rents from other properties.

Expenditure is more variable depending as it does on the repairs needed to maintain the properties. This year has seen unusually high repair costs as the opportunity was taken to replace 3 kitchens and bathrooms as properties became vacant.

The net result for the year was a decrease in funds before gains on investments of £73,418 (2014: surplus of £28,893).

Anticipating further opportunities to buy and renovate properties to add to the almshouse stock and wanting to be able to act quickly if such opportunities arise, the Trustees are putting in place a Lombard Loan facility with Rathbones who manage the charity portfolio. The Trustees agreed that in the current economic climate the return achieved on the portfolio was greater

John Huntingdon's Charity Trustees report & financial statements 5

than the interest charged on the loan. As long as this remains the case then it made economic sense to utilise the loan rather than reduce the portfolio to raise the capital to buy the properties. This loan against the value of the portfolio is for a maximum of £1,000,000, and for a maximum of 10 years and will be drawn down only if and when necessary.

Reserves policy

During the year the Trustees, in accordance with the Charity Commission's guidance (Charity Commissioners Booklet CC19 'Charity Reserves'), reviewed its reserves and after assessing the potential threats and risks agreed that its policy should be to maintain sufficient income reserves to ensure the continued avoidance of net current liabilities and to provide sufficient liquid resources to meet both revenue and capital needs. The Trustees monitor the position on a regular basis.

Unrestricted General Reserve

The Charity is fortunate that 95% of the income is known in advance, coming as it does from weekly maintenance charges, agreed rental income from other properties it owns and the income drawn from the portfolio. This money is received quarterly or monthly.

To safeguard the core activities of the charity in case of any breakdown in this regularly flow of cash the Trustees have determined to establish unrestricted reserves to cover at least three months' income, a figure which is reviewed regularly, currently £83,000. The Trustees believe that in particular this would allow the Charity to maintain the level of advice services while maximising investments for long term growth.

At 31 December 2015 the balance on the general reserve was £79,997 (2014: £17,448) which the Trustees believe to be within an acceptable level of the target.

The charity has set aside a number of **designated funds**:

Capital reserve: the charity was set up in 1554 with the gift of land which has never been valued in the accounts (see note 5). Portions of the original bequest were sold, with approval in 1979 and 1994, converting the value into cash, some of which has been used to build or purchase the land and building assets, the residue being invested to produce income. The Trustees continue to maintain the policy to hold a permanent capital reserve based on a historic ownership and sale of land from its foundations in the 16th century. Parts of the original land donated by gift have been sold and the proceeds reinvested in new assets which are represented by the current holdings of land, buildings and investments. Therefore, although not an endowment the Trustees hold these assets in the same manner in as much as preserving and managing the assets wisely in order to meet the needs of the people of Sawston in the future, not just the present.

The balance on the reserve at the year end, which accounts for 94% of the total reserves, was **£8,217,682** (2014: £8,296,287)

Charitable Projects Fund £10,111 (2014: £19,518): In order to enable the Trustees to respond to projects of which they become aware and wish to support but which were not included in the annual budget the Trustees set aside any underspend on the grants to individuals budget topped up with a small portion of the net income for the year to this Fund.

Almshouse Fund: The Trustees have set aside funds of £160,000 this year towards the purchase of two former council houses in Mill Lane from South Cambs District Council. The Charity expects to exchange contracts around Easter.

Cyclical Maintenance Fund £134,804 (2014: £127,835) and **Mordante House Fund £16,823** (2014: £16,154): each year the Trustees set aside funds from property income to ensure the almshouses and Mordante House are well maintained. The level of the annual transfer is in line with the Almshouse Association recommendations. A programme of cyclical repair is being planned for all properties.

Extraordinary Repair Fund £81,823 (2014: £ 102,318): in line with recommended good practice the Trustees set aside funds to meet extraordinary repairs to the almshouses, transferring to the fund amounts in line with those recommended by the Almshouse Association. This year there is a net reduction in the balance on the fund as a number of the houses had new kitchens

There are two **restricted funds**:

Spicer Fund £9,917 (2014: £10,102): JHC took over the assets of the Spicer Charity on its closure; it uses the income generated from the fund's investment for individual grants for child welfare, in line with the original Spicer Charity objectives.

Other restricted income: donations given for specific purposes such as the food bank. Income is fully spent in the year of donation.

Investment Performance and policy

As the Trustees rely heavily on income from the investments, performance of the portfolio is monitored closely, particularly in the current economic climate. In order to further stabilise income the Trustees have adopted a policy similar to a total return approach and have agreed an annual income which will be drawn from the portfolio and paid over in monthly instalments. The Fund Managers, Rathbones, who took over during the year from UBS after a tender process, have been given discretionary powers but work within the Charity's ethical investment policy which is reviewed annually. Currently the Trustees of JHC do not wish to have any direct investment in companies which offer pay day loans at punitive rates of interest. The Fund Managers meet with the Trustees at least twice a year to review performance and the investment policy.

Going Concern

The Charity is fortunate to be able to live within its means, spending income from its own resources and not being reliant on external grants or contracts. The trustees are mindful of

their need to ensure the charity thrives and is in existence to meet the needs of future beneficiaries. For this they have a time frame considerably more than 12 months.

Principal risks and uncertainties

The Trustees conduct an annual review of the major internal and external risks, financial, physical and operational, to which the Charity is exposed and the systems in place to mitigate them. A risk register is maintained and formally reviewed by the Trustees annually and more frequently on an informal basis as required to ensure that they still meet the needs of the Charity. Procedures such as reviewing insurance levels, ensuring up to date DBS checks, providing appropriate staff training, have been put in place to minimise both external and internal risks.

The Trustees believe the overriding risk is a financial one – in a volatile world, the potential loss in value of the investment portfolio and the income it generates on which the Charity relies so heavily. To mitigate this risk the Trustees monitor the performance of the portfolio and the investment managers closely.

Risk

Remuneration policy

The Charity has adopted a remuneration policy which

- ensures delivery of the Charity's objectives;
- retains a motivated workforce with the skill and expertise necessary for charity effectiveness;
- is equitable and coherent;
- takes account of the purposes, aims and values of the Charity;
- ensures that pay levels and pay increases are appropriate in the context of the interests of the Charity beneficiaries

Remuneration for the year ended 31 December 2015 comprised salary and pension contributions. There are no other pecuniary benefits for any members of staff at the Charity. Salaries are reviewed each year in February by the Governance and HR hub which makes recommendations for any increases to the full Board for implementation in April.

Structure, Governance and Management

The organisation is a charitable company limited by guarantee incorporated, in England and Wales, on 9th January 2007 and registered as a Charity with the Charity Commission on 28th March 2007. The Company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association, amended by special resolution on 16 July 2012.

The organisation replaces the original Charity by the same name which dates back to its origins in 1554, taking over the assets and liabilities of the original Charity on 1 April 2007.

Trustees – recruitment and training

All Trustees have a strong Sawston connection: at any time the number of Trustees must be not less than six but no more than eleven. One Trustee, the Vicar of the Parish of Sawston is ex officio. One Trustee place is reserved for the appointment of a Trustee who is nominated by the Parish Council.

With the exception of the Vicar whose appointment is the same as the length of office in the parish, trustees serve for a period of 5 years, with an option to serve for a further 5 years. At the end of ten years they must stand down for at least a year.

In addition to the Vicar and now the Parish Council nomination, the remaining Trustees are recruited by publication of vacancies, followed by application and interview.

The Trustees have taken out indemnity insurance and this provision covers all the directors of the charity, including those that have resigned in the year. This insurance was provided by the charity.

Each new Trustee is given an induction pack and an individual introductory session. They are expected to attend at least one corporate and one individual training day per year. All Trustees are expected to abide by the Code of Conduct which sets out Trustees responsibilities to the Charity.

Governance and management

The Trustees meet in a series of 5 hubs: Finance, Grant Giving, Advice Services, Governance & Human Resources and Property & Land

These hubs have some delegated powers through agreed terms of reference and consist of Trustees and staff. Hub minutes are reported to the full trustee body which meets no fewer than six times per year.

The day to day Charity management is delegated to senior staff.

The annual staff salaries review is discussed in the governance and HR hub which makes recommendations to the full Trustee board.

Auditors

Kingston Smith LLP have acted as auditors for John Huntingdon's Charity since their appointment in 2007.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of John Huntingdon's Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial

Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

select suitable accounting policies and then apply them consistently;

observe the methods and principles in the Charities SORP;

make judgements and 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 charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

there is no relevant audit information of which the charitable company's auditor is unaware; and

the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included in the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Signed on behalf of the Trustees



Sue Reynold Chairman

16 May 2016

John Huntingdon's Charity

We have audited the financial statements of John Huntingdon's Charity for the year ended 31 December 2015 which comprise the Statement of Financial Activities (incorporating the Summary Income and Expenditure Account), the Charity Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 The Financial Reporting Standard Applicable in the UK and Ireland'.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 Part 16 of the Companies Act 2006. Our audit work has been undertaken for no purpose other than to draw to the attention of the charitable company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement (set out on page 9), the trustees' (who are directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2015 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

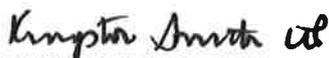
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.



.....
Sandra De Lord, Senior Statutory Auditor
for and on behalf of Kingston Smith LLP,
Statutory Auditor

Devonshire House
60 Goswell Road
London, EC1M 7AD

Date: 19.05.16

John Huntingdon's Charity
Statement of Financial Activities (incorporating an Income & Expenditure Account)
for the year ended 31 December 2015

	Notes	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	Unrestricted Funds 2014 £	Restricted Funds 2014 £	Total Funds 2014 £
Income from							
Donations	2	3,964	8,894	12,858	1,369	8,386	9,755
Charitable activities	3	133,172	-	133,172	124,921	-	124,921
Other activities	4	53,761	-	53,761	53,267	-	53,267
Investments	5	161,772	269	162,041	193,961	984	194,945
Other	6	6,891	-	6,891	10,260	-	10,260
Total income		359,560	9,163	368,723	383,778	9,370	393,148
Expenditure on							
Raising funds:	7	30,761	-	30,761	30,037	-	30,037
Charitable activities:							
Housing		168,696	-	168,696	142,663	-	142,663
Advice Services		104,207	4,768	108,975	84,692	4,693	89,385
Grant Giving	12	127,977	5,732	133,709	95,831	6,339	102,170
Cost of Charitable activities	11	400,880	10,500	411,380	323,186	11,032	334,218
Total expenditure		431,641	10,500	442,141	353,223	11,032	364,255
Net gains on investments	13	194,792	121	194,913	116,190	449	116,639
Net income	9	122,711	(1,216)	121,495	146,745	(1,213)	145,532
Transfers between funds		(1,031)	1,031		-	-	-
Net movement in funds		121,680	(185)	121,495	146,745	(1,213)	145,532
Balances at 1 January		8,579,560	10,102	8,589,662	8,432,815	11,315	8,444,130
Balances at 31 December		8,701,240	9,917	8,711,157	8,579,560	10,102	8,589,662

All amounts relate to continuing activities. There were no recognised gains or losses other than those included above.

The notes on pages 15 to 24 form a part of these financial statements.

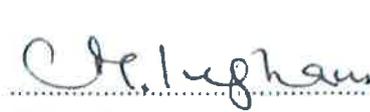
John Huntingdon's Charly
Balance Sheet as at 31 December 2015

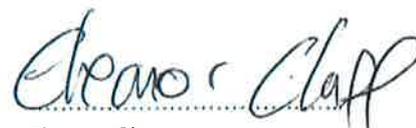
	Notes	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	Unrestricted Funds 2014 £	Restricted Funds 2014 £	Total Funds 2014 £
Fixed Assets							
Tangible fixed assets	15	2,314,419	-	2,314,419	2,294,781	-	2,294,781
Investments	16	5,646,843	9,917	5,656,760	6,323,089	10,102	6,333,191
		<u>7,961,262</u>	<u>9,917</u>	<u>7,971,179</u>	<u>8,617,870</u>	<u>10,102</u>	<u>8,627,972</u>
Current Assets							
Debtors	17	48,138	-	48,138	41,790	-	41,790
Cash at bank and in hand		730,910	-	730,910	120,068	-	120,068
		<u>779,048</u>	<u>-</u>	<u>779,048</u>	<u>161,858</u>	<u>-</u>	<u>161,858</u>
Creditors: amounts falling due within one year	18	(32,502)	-	(32,502)	(196,885)	-	(196,885)
Net current assets		<u>746,546</u>	<u>-</u>	<u>746,546</u>	<u>(35,027)</u>	<u>-</u>	<u>(35,027)</u>
Creditors: amounts falling due after one year	19	(6,568)	-	(6,568)	(3,283)	-	(3,283)
Total Net Assets	21	<u>8,701,240</u>	<u>9,917</u>	<u>8,711,157</u>	<u>8,579,560</u>	<u>10,102</u>	<u>8,589,662</u>
Funds							
General reserve	20	79,997	-	79,997	17,448	-	17,448
Designated funds	20	8,621,243	-	8,621,243	8,562,112	-	8,562,112
Total unrestricted funds		<u>8,701,240</u>	<u>-</u>	<u>8,701,240</u>	<u>8,579,560</u>	<u>-</u>	<u>8,579,560</u>
Restricted funds	20	-	9,917	9,917	-	10,102	10,102
		<u>8,701,240</u>	<u>9,917</u>	<u>8,711,157</u>	<u>8,579,560</u>	<u>10,102</u>	<u>8,589,662</u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard 102.

Approved by the Trustees, and authorised for issue, on 16 May 2016

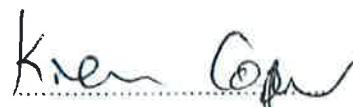

Sue Reynolds


Chris Ingham


Eleanor Clapp


David Baslington


Tom Butler


Kieran Cooper


Ruth Franklin


Kate Gilmore


Eileen Wheatley


Rev Alan Partridge

The notes on pages 15 to 23 form part of these financial statements.

Company Number: 06045630

John Huntingdon's Charity
Notes to the Financial Statements
for the year ended 31 December 2015

1 Accounting Policies

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention.

This is the first year that the charitable company has prepared its financial statements under FRS 102. The last financial statements prepared under previous UK GAAP were for the year ended 31 December 2014 and the date of transition to FRS 102 was 1 January 2014. No adjustments have been made to comparative data other than the reclassification of governance costs to support costs. This has had £nil effect on net funds per the Statement of Financial Activities nor the Balance Sheet.

FRS 102 has been adopted for the first time when preparing these financial statements. The transition date to FRS 102 was 1 January 2014 and the last financial statements prepared under the previous financial reporting framework were prepared for the year ended 31 December 2014. In preparing the accounts the trustees have considered if in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed and have concluded that no such restatement is required.

The Charity constitutes a public benefit entity as defined by FRS 102.

Going Concern

The trustees have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of these financial statements. In particular, the trustees have considered the charity's forecast and projections and have taken account of pressures on investments. After making enquiries the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operation for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing these financial statements.

Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Cash at bank and in hand

Cash at bank and in hand is taken to mean cash and short term highly liquid investment deposits with a maturity date of three months or less.

Other accounting policies can be found embedded in the note to which they refer as follows:

Incoming resources	notes 2 to 6
Costs of raising funds	note 7
Pensions	note 10
Resources expended	note 11
Grants expenditure	note 12
Tangible Fixed Assets	note 15
Fund accounting	note 20
Taxation	note 22

John Huntingdon's Charity
Notes to the Financial Statements
for the year ended 31 December 2015 (continued)

2 Donations

Accounting policy: Donations are included gross in the SOFA when the Charity is entitled to the income and has actually received the cash into its bank account and the value is thus measured reliably. Donations are treated as unrestricted unless they are specifically restricted by the donor. Income from grants is recognised gross when notification of approval is received and treated as unrestricted unless they are specifically restricted by the donor.

	2015	2014
	£	£
donations	7,126	3,416
grants from other charities	<u>5,732</u>	<u>6,339</u>
	<u>12,858</u>	<u>9,755</u>

3 Income from charitable activities

Accounting policy: Incoming resources from tenants' contributions is included gross when it is due.

	2015	2014
	£	£
tenants contributions	<u>133,172</u>	<u>124,921</u>

4 Income from other activities

Accounting policy: rental income from commercial properties and land holdings is included gross when due, net of VAT where relevant.

	2015	2014
	£	£
commercial rent received	<u>53,761</u>	<u>53,267</u>

5 Investments

Accounting policy: bank interest, income from unquoted funds & dividends received from the portfolio are included gross when received.

From November, coinciding with the change in investment manager the trustees have changed the accounting procedure for drawing income from the portfolio. Previously all dividends received were transferred monthly to the Charity and recognised as income in the SOFA. The Trustees now wish to draw a fixed sum from the portfolio, agreed annually; all dividends when received now remain with the investment managers as realised gains adding to the value of the portfolio. The Trustees have been advised by the Auditors that although to the Charity this is a change in procedure the correct accounting treatment is as if nothing has changed. Therefore all the dividend income is shown on the SOFA as investment income, as in prior years, not split between actual income withdrawn and realised gain on investments.

	2015	2014
	£	£
bank interest	1,333	1,279
income from unquoted funds	897	984
portfolio dividend income received	<u>159,811</u>	<u>192,682</u>
	<u>162,041</u>	<u>194,945</u>

6 Other

Accounting policy: income from solar panel tariffs is included as income when due, net of any VAT.

	2015	2014
	£	£
feed-in tariff	<u>6,891</u>	<u>10,260</u>

John Huntingdon's Charity
Notes to the Financial Statements
for the year ended 31 December 2015 (continued)

7 Costs of raising funds

Accounting policy: The costs of raising funds consists of investment management costs.

	2015	2014
	£	£
investment managers fee	<u>30,761</u>	<u>30,037</u>

8 Staff Costs and remuneration of key management personnel

	2015	2014
	£	£
Staff Costs:		
Wages and salaries	92,455	87,020
Social security	5,174	4,511
Other pension costs	<u>9,125</u>	<u>8,374</u>
	<u>106,754</u>	<u>99,905</u>

The Trust considers its key management personnel comprise the trustees and the Charity Manager. The total employment benefits including employer pension contributions of the key management personnel were £26,130 (2014: £24,791)

	2015	2014
Average number of employees	<u>5</u>	<u>5</u>

The above numbers do not include Trustees who are not permitted to receive remuneration for their duties.

Two Trustees were reimbursed travel expenses incurred on Charity business totaling £139 (2014: two, £69)

9 Net income

	2015	2014
	£	£
This is stated after charging:		
Depreciation	58,573	47,502
Auditors' remuneration		
current year	8,400	8,000
In respect of prior years	831	294
non audit fee	<u>587</u>	<u>1,328</u>

10 Pensions

Accounting policy: The Charity contributes to the personal pension policies of employees. Its commitment to these defined contribution schemes is limited to the contributions payable, which are accounted for as expenditure in the year in which they are incurred.

	2015	2014
	£	£
pension contribution	<u>9,125</u>	<u>8,374</u>

John Huntingdon's Charity
Notes to the Financial Statements
for the year ended 31 December 2015 (continued)

11 Charitable activities costs

Accounting policy: Resources expended are recognised in the period in which they are incurred and include irrecoverable VAT where applicable. Resources are allocated to the particular activity where the cost relates directly to an activity. Salary costs are allocated on the basis of hours worked. Support and governance costs are allocated based on an estimate of staff time.

	Housing	Advice Services	Grant Giving	2015 Total	Housing	Advice Services	Grant Giving	2014 Total
	£	£	£	£	£	£	£	£
Costs directly allocated to activities								
Grants over £1,000	-	-	30,622	30,622	-	-	17,485	17,485
Smaller grants	-	-	27,509	27,509	-	-	23,423	23,423
Property Maintenance	130,695			130,695	111,226	-	-	111,226
Personnel costs	22,147	64,023	44,387	130,557	20,848	60,176	41,242	122,266
Training	335	86	86	507	470	-	-	470
Support costs allocated to activities								
Professional fees	5,577	16,121	11,177	32,875	3,941	11,374	7,795	23,110
Insurance	1,198	3,464	2,401	7,063	1,167	3,369	2,309	6,845
Irrecoverable VAT	2,704	7,818	5,420	15,942	1,800	5,196	3,561	10,557
Office admin costs	2,847	8,230	5,706	16,783	861	2,485	1,703	5,049
IT costs	1,474	4,262	2,955	8,691	791	2,284	1,565	4,640
Governance costs								
Audit & other finance costs	1,665	4,815	3,338	9,818	1,517	4,378	3,000	8,895
Trustee meetings	54	156	108	318	42	123	87	252
	<u>168,696</u>	<u>108,975</u>	<u>133,709</u>	<u>411,380</u>	<u>142,663</u>	<u>89,385</u>	<u>102,170</u>	<u>334,218</u>

Support are allocated based on the proportion of staff costs

John Huntingdon's Charity
Notes to the Financial Statements
for the year ended 31 December 2015 (continued)

12 Grants

Accounting policy: Grants expenditure must fall within the charitable objects and is allocated at the discretion of the Trustees.

	2015 £	2014 £
Grants £1,000 and over		
Centre 33	2,875	3,000
Cogwheel	6,726	3,500
Relate	3,300	2,500
Romsey Mill	8,000	3,000
Bellbird School	8,521	3,485
Pippins Preschool	1,200	-
Icknield School	-	2,000
	<u>30,622</u>	<u>17,485</u>
Small grants		
Grants to individuals	24,889	21,208
Community	<u>2,620</u>	<u>2,215</u>
	<u>27,509</u>	<u>23,423</u>
	<u>58,131</u>	<u>40,908</u>

13 Net gains on investments

Accounting policy: all gains and losses are taken to the SOFA as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and the opening market value or the purchase cost if bought in this financial year. Unrealised gains and losses are calculated as the difference between the market value at the year end and their carrying value.

	2015 £	2014 £
realised gains or (losses)	61,124	(32,565)
unrealised gains	<u>133,789</u>	<u>149,204</u>
	<u>194,913</u>	<u>116,639</u>

14 Related Party

The Director Chris Ingham is a director of Sawston Childcare Limited, a charitable company limited by guarantee. She has no influence over terms contracted with the Nursery.

Premises are leased to the Nursery at a rent of £42,187 for the year (2014: £ 42,187) with a service charge of £3,000. (2014: £3,000). An insurance premium of £1,163 (2014: £1,185) was also paid by the Nursery.

During the year, as part of the charitable activities, John Huntingdon's Charity paid £1,606 (2014: £1,936) to Sawston Childcare Limited to provide nursery places for clients where an exceptional need has been identified.

During the year three trustees made donations totalling £695 to the charity (2014: £30 given by one Trustee).

John Huntingdon's Charity
Notes to the Financial Statements
for the year ended 31 December 2015 (continued)

15 Tangible Fixed Assets

Accounting policy: Expenditure in excess of £2,000 resulting in a tangible fixed asset is capitalised. Assets are reviewed for impairment if circumstances dictate that their carrying value might exceed their net realisable value. Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful lives, on a straight line over the number of years from the year of acquisition as below.

	number of years	40	60	30	60	60	40	60	
	solar panels	20							
	Building Costs	Building Costs	Mondante	Nursery	Lenten	Bowers	Compass	TOTAL	
	John's Acre	Joyce's Close	House Property	Building Costs	House property	Terrace	Centre		
	£	£	£	£	£	£	£	£	£
Costs									
As at 1 January 2015	152,937	834,628	179,598	666,586	596,710	110,000	350,400	2,890,859	
Additions	-	-	-	-	-	75,543	2,668	78,211	
As at 31 December 2015	<u>152,937</u>	<u>834,628</u>	<u>179,598</u>	<u>666,586</u>	<u>596,710</u>	<u>185,543</u>	<u>353,068</u>	<u>2,969,070</u>	
Depreciation									
As at 1 January 2015	45,487	255,828	113,447	137,133	39,172	1,604	3,407	596,078	
Charge for year	5,247	14,117	6,014	12,033	10,520	4,716	5,926	58,573	
As at 31 December 2015	<u>50,734</u>	<u>269,945</u>	<u>119,461</u>	<u>149,166</u>	<u>49,692</u>	<u>6,320</u>	<u>9,333</u>	<u>654,651</u>	
NBV at 31 December 2015	<u>102,203</u>	<u>564,683</u>	<u>60,137</u>	<u>517,420</u>	<u>547,018</u>	<u>179,223</u>	<u>343,735</u>	<u>2,314,419</u>	
NBV at 31 December 2014	<u>107,450</u>	<u>578,800</u>	<u>66,151</u>	<u>529,453</u>	<u>557,538</u>	<u>108,396</u>	<u>346,993</u>	<u>2,294,781</u>	

This land was donated to the Charity by its Founder in 1554 and no records exist as to the value of the gift at that time. No value is therefore attributed to land in the financial statements.

As John's Acre, Joyce's Close and the Nursery stand on parts of the gifted land the cost value of each of these buildings comprises construction costs only.

John Huntingdon's Charity
Notes to the Financial Statements
for the year ended 31 December 2015 (continued)

16 Fixed Asset Investments

Accounting policy: Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the quoted market price. The SOFA includes the net gains and losses arising on revaluation and disposal throughout the year (see note 13).

The Charity does not acquire put options, derivatives or other complex instruments.

	2015	2014
	£	£
Portfolio held with investment manager		
Opening value	5,843,850	5,798,490
Additions at cost	3,676,723	2,196,040
Disposals at carrying value	(4,320,775)	(2,292,624)
Unrealised gains/(losses) on revaluation	<u>132,482</u>	<u>141,944</u>
Market value at 31 December 2015	<u>5,332,280</u>	<u>5,843,850</u>
Cash	<u>170,983</u>	<u>337,153</u>
Total value at 31 December 2015	<u><u>5,503,263</u></u>	<u><u>6,181,003</u></u>
	2015	2014
	£	£
UK equities	2,287,483	3,129,156
Fixed interest	735,625	480,872
Overseas equities	1,607,014	1,433,454
Other	702,158	800,368
Cash held within the portfolio	<u>170,983</u>	<u>337,153</u>
	<u><u>5,503,263</u></u>	<u><u>6,181,003</u></u>
Unquoted Investment Funds		
Opening value	152,188	144,928
Capitalised income	5,968	4,199
Unrealised (loss)/ gain on revaluation	<u>(4,659)</u>	<u>3,061</u>
Market value at 31 December 2015	<u>153,497</u>	<u>152,188</u>
Total valuation at 31 December 2015	<u><u>5,656,760</u></u>	<u><u>6,333,191</u></u>
Total cost at 31 December 2015	<u><u>£4,991,572</u></u>	<u><u>£5,228,949</u></u>

Investments which represent more than 5% of the market value of the portfolio at year end.

	2015	2014
	£	£
ishares UK Gilts	365,550	480,872
UBS S&P500	384,502	663,873
Charity Property Fund	313,740	-

John Huntingdon's Charity
Notes to the Financial Statements
for the year ended 31 December 2015 (continued)

17 Debtors

Accounting policy: other debtors are shown as the amount due. Prepayments are valued at the amount prepaid. Debtors are considered to be basic financial instruments under FRS 102.

	2015	2014
	£	£
VAT and other taxes	383	-
Other debtors	40,744	37,930
Prepayments	7,011	3,860
	<u>48,138</u>	<u>41,790</u>

18 Creditors: Amounts falling due within one year

Accounting policy: creditors and provisions are recognised where the charity has a present obligation resulting from a past event which will result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement value. With the exception of accruals, creditors are considered to be basic financial instruments under FRS102 and are measured at fair value.

Accounting policy- loan: while interest rates remained low the Trustees recognise the sense in borrowing against the value of the portfolio in order to add to the stock of almshouses. The loan secured by a fixed and floating charge over the Charity's investments and cash deposits was paid off during the year. It is the Charities intention to take out a similar loan in the coming year as a way of adding to the housing stock while keeping the value of the portfolio intact.

	2015	2014
	£	£
Trade creditors	16,443	8,678
Tax and Social Security	2,334	6,776
Accruals and sundry creditors	13,725	20,211
Secured loan	-	161,220
	<u>32,502</u>	<u>196,885</u>

19 Creditors: Amounts falling due after five years

	2015	2014
	£	£
VAT due under Capital Goods Scheme	<u>6,568</u>	<u>3,283</u>

John Huntingdon's Charity
Notes to the Financial Statements
for the year ended 31 December 2015 (continued)

20 Funds

Accounting policy: Unrestricted funds are available for use at the discretion of the trustees in furtherance of the objects of the charity. Designated funds are unrestricted funds earmarked by the trustees for particular purposes. Restricted funds are subject to restrictions on their spending, imposed by the donor.

	Balance at 1 January 2015 £	Incoming Resources £	Resources Expended £	Realised & unrealised gains & (losses) £	Transfers £	Balance at 31 December 2015 £
Unrestricted Funds						
General reserve	17,448	199,121	(367,109)	-	230,537	79,997
Designated Funds						
Capital Reserve	8,296,287	159,811	-	193,606	(432,022)	8,217,682
Almshouse Fund	-	-	-	-	160,000	160,000
Charitable Projects Fund	19,518	-	(19,518)	-	10,111	10,111
Cyclical Maintenance Fund	127,835	-	(4,226)	165	11,030	134,804
Extraordinary Repairs Fund	102,318	628	(35,457)	1,021	13,313	81,823
Mordante House Repairs Fund	16,154	-	(5,331)	-	6,000	16,823
	8,562,112	160,439	(64,532)	194,792	(231,568)	8,621,243
Restricted Funds						
Other restricted income	-	8,894	(8,894)	-	-	-
Spicer Fund	10,102	269	(1,606)	121	1,031	9,917
	10,102	9,163	(10,500)	121	1,031	9,917
	8,589,662	368,723	(442,141)	194,913	-	8,711,157

Designated Funds

Capital Reserve The trustees continue to maintain the policy to hold a permanent capital reserve based on a historic ownership and sale of land from its 16th century foundations. Elements of the original gift of land have been sold and the proceeds reinvested in new assets which are represented by the current holdings of land, buildings and investments. These assets are retained in the manner of a permanent endowment and have continued to be invested to meet the needs of the people of Sawston for the present and the future.

Almshouse Fund The Trustees set aside funds to enable the charity to purchase suitable properties to add to the almshouse stock as opportunities arise.

Charitable Projects Fund Setting aside funds for the following financial year to allow the Trustees to respond to projects of which they wish to support.

Cyclical Maintenance Fund Funds set aside to meet cyclical maintenance costs to the almshouse properties at the rate recommended by the Almshouse Association.

Extraordinary Repairs Fund Funds set aside to meet extraordinary repair costs to the almshouse properties at the rate recommended by the Almshouse Association.

Mordante House Repairs Fund Funds set aside towards future maintenance costs of the property in order to keep it in good repair and fit for purpose.

Restricted Funds

Other restricted income The Charity receives occasional grants and donations for specific charitable purposes. The income is fully spent in the year.

Spicer Fund Assets transferred to JHC from the Spicer Fund on its closure to be used for specific expenditure which the Trustees consider to be in sympathy with the Spicer Charity's original objective of supporting child welfare.

John Huntingdon's Charity
Notes to the Financial Statements
for the year ended 31 December 2015 (continued)

21 Analysis of Net Assets between Funds

	Tangible Fixed Assets £	Investments £	Debtors £	Cash at Bank £	Creditors £	2015 Total £
Unrestricted Funds						
General reserve	-	-	48,138	70,929	(39,070)	79,997
Designated Funds						
Capital Reserve	2,314,419	5,503,263	-	400,000	-	8,217,682
Almshouse Fund	-	-	-	160,000	-	160,000
Charitable Projects Fund	-	-	-	10,111	-	10,111
Cyclical Maintenance Fund	-	61,757	-	73,047	-	134,804
Extraordinary Repairs Fund	-	81,823	-	-	-	81,823
Mordante House Repairs Fund	-	-	-	16,823	-	16,823
	<u>2,314,419</u>	<u>5,646,843</u>	<u>-</u>	<u>659,981</u>	<u>-</u>	<u>8,621,243</u>
Restricted Funds						
Spicer Fund	-	9,917	-	-	-	9,917
	<u>-</u>	<u>9,917</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,917</u>
	<u>2,314,419</u>	<u>5,656,760</u>	<u>48,138</u>	<u>730,910</u>	<u>(39,070)</u>	<u>8,711,157</u>

22 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

23 Trustee indemnity insurance

During the year the charity paid £710 (2014: £700) for Trustee indemnity insurance

24 Capital commitment

Early in 2016 the Charity will be adding 4 almshouses with the completion of the purchase of two properties on Mill Lane and the conversion of the first floor of the former Compass Centre at a total cost of approximately

Further details can be found in the Trustees Report.

John Huntingdon's Charity
Notes to the Financial Statements
Administrative Information

Company number	6045630	
Charity number	1118574	
Registered Office	John Huntingdon House Tannery Road, Sawston CB22 3UW	
Trustees	who are also directors under company law, who served during the year and up to the date of this report were as follows:	
	David Baslington	
	Tom Butler	
	Eleanor Clapp	Treasurer
	Kieran Cooper	
	Reg Cullum	(retired May 2015)
	Ruth Franklin	(appointed July 2015)
	Kate Gilmore	
	Chris Ingham	Vice Chair
	Rev Alan Partridge	
	Sue Reynolds	Chair
	Eileen Wheatley	
Key management personnel	Jill Hayden	Charity Manager & Company Secretary
Auditors	Kingston Smith LLP 60 Goswell Road London EC1M 7AD	
Solicitors	Taylor Vinters Merlin Place Cambridge CB4 0DP	
Investment Advisers	Rathbones 1 Curzon Street London W1J 5UB	
Insurance Brokers	Gibbs Denley Crystal House Swavesey CB4 5UG	
Bankers	Barclays Bank plc Woollards Lane Gt Shelford CB 2 5NA	
	Co-operative Bank PO Box 250 Skelmersdale WN8 6WT	
	CAFcash West Malling Sussex ME19 4JQ	

John Huntingdon's Charity
Notes to the Financial Statements
Administrative Information

Hub membership

Governance & HR	Chris Ingham Eleanor Clapp Kate Gilmore David Baslington Ruth Franklin Kieran Cooper Eileen Wheatley Staff: Jill Hayden and Trudy Carder
Property & Land	Tom Butler Eleanor Clapp Kieran Cooper Ruth Franklin Eileen Wheatley Staff: Jill Hayden and Trudy Carder
Grant Giving	Chris Ingham Sue Reynolds Eileen Wheatley David Baslington Alan Partridge Kieran Cooper Ruth Franklin Staff: Jill Hayden, Sarva Babla & Trudy Carder
Advice Services	Sue Reynolds Chris Ingham Kate Gilmore Alan Partridge Eileen Wheatley Ruth Franklin Kieran Cooper Staff: Jill Hayden, Sarva Babla & Kay Deering
Finance	Eleanor Clapp Tom Butler Eileen Wheatley Ruth Franklin Kieran Cooper Accountant: Hilary Seaward Staff: Jill Hayden & Trudy Carder