

**CHRIST'S HOSPITAL OF ABINGDON
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED
31 DECEMBER 2015**

CHRIST'S HOSPITAL OF ABINGDON

Incorporating:	The Twitty's Almshouse Charity The Tomkins Almshouse Charity The Abingdon Almshouse and Relief in Need Charity The Charity of John Blacknall The Charity of Richard Wrigglesworth
Statutory and other information	
Co-optative Governors	Mrs G Butt (Master from 01.01.15) Mr D R Barrett (Retired December 2015) Mr M W Matthews Mrs H M Ronaldson Mr G R Morris Mr R Farrant (Resigned February 2016) Lt Col A F M Douglas
Ex Officio Governors	Mr T R Ayling Rev Dr E C Miller Cllr Mrs A Lawrence (To April 2015) Cllr Mrs H Pighills (From May 2015)
Nominative Governors	Cllr Mr A Todd Cllr Mrs M D Badcock (To April 2015) Cllr Mrs M Lovatt (From May 2015) Cllr Mr I Littlejohn (To April 2015) Cllr Mr M Badcock (From May 2015)
Clerk to the Governors	Mrs G K Kent
Principal address of the Charity	1 Old Station Yard Abingdon Oxfordshire OX14 3LQ
Principal Bankers	National Westminster Bank Plc 11 Market Place Abingdon Oxfordshire OX14 3HH
Solicitors	Challenor & Son Stratton House Bath Street Abingdon Oxfordshire OX14 3LA
Auditor	Crowe Clark Whitehill LLP Aquis House 49 – 51 Blagrove Street Reading Berkshire RG1 1PL
Investment managers	Investec Wealth & Investment Limited 2 Gresham Street London EC2V 7QN
Property managing agents	Orpwood Ltd t/a Adkin Orpwood House School Road Ardington Wantage Oxfordshire OX12 8PQ
Registered Charity No	205112

CHRIST'S HOSPITAL OF ABINGDON
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 DECEMBER 2015

The governors present their annual report and financial statements of the charity for the year ended 31 December 2015. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, 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.

STATUS ADMINISTRATION AND CONSTITUTION

The Ancient Corporation of the Master and Governors of the Hospital of Christ of Abingdon ("Ancient Corporation") was created by Letters Patent of King Edward VI in 1553. Christ's Hospital of Abingdon is now a Registered Charity regulated by a Scheme sealed by the Charity Commissioners for England and Wales on 25 January 1971.

The charity number, present Governors and advisors are listed on page 1. Co-optative Governors are appointed by the Governors of the Ancient Corporation for the time being; nominative Governors are appointed by Abingdon on Thames Town Council whilst the Mayor of Abingdon on Thames and the incumbent of the United Benefice of Abingdon with Shippon hold office as Governors *ex officio*.

Governors holding office during the period were as shown page 1.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Christ's Hospital is a Registered Charity regulated by a Scheme sealed by the Charity Commissioners for England and Wales on 25 January 1971. The Governors perform their obligations under the Schemes for the constituent charities by applying the income of the Charity to provide charitable support to residents of the town of Abingdon in Oxfordshire and such part of the ancient parishes of St Helen, St Helen Without and St Nicolas, Abingdon as do not fall within the boundaries of the town. The Governors are able to extend the area of benefit to the immediate surroundings of Abingdon in certain circumstances.

Prospective co-optative Governors are requested to meet with the Master then submit a resume of their career and interests for consideration by members of the Ancient Corporation. Suitable applicants are invited to proceed to appointment, if members of the Ancient Corporation are unanimous. All newly appointed Governors are provided with a copy of the Scheme dated 25th January 1971 and subsequent Orders, a copy of the Annual Report and Financial Statements for the last financial year, the Charity Commission book (or email link) "The Essential Trustee" and a copy of the Almshouse Association book "Standards of Almshouse Management". They also have a briefing meeting with the Master or the Clerk. Governors are encouraged to attend the various seminars organised by the Almshouse Association.

Much of the day to day work of the Governors is carried out by the Governors in Charge, supported by the Clerk, Secretary, Wardens and Park Keeper. Governors in Charge during the year were as follows:

Mrs G Butt	- Master
Lt Col A F M Douglas	- Almshouse Property Estates from Feb 2016 (temporary post)
Mr R S Farrant	- Estates until Feb 2016
Mr T R Ayling	- Park & Gardens
Mr M W Matthews	- Grants Archives from Jan 2016
Mrs H M Ronaldson	- Almshouse Residents
Mr G R Morris	- Finance
Mr D R Barrett	- Archives to Dec 2016

CHRIST'S HOSPITAL OF ABINGDON
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Governors delegate day to day responsibility for various aspects of the Charity's affairs to:

<i>The Clerk</i>	who manages the staff and almshouse property portfolio, maintains the Charity's accounting and other records and carries on the administration of the Charity so as to comply with applicable laws and regulations.
<i>The Investment Managers</i>	who manage the portfolios held by the Charity under a discretionary management mandate.
<i>The Property Managing Agents</i>	who manage the investment property held by the Charity.
<i>The Chartered Surveyors</i>	who advise on the structural integrity of the Charity's almshouse property to ensure a suitable standard is maintained.

Scheme of Governance

Governors meet on the first Thursday of each month throughout the year to enable them to discharge their responsibilities. At these meetings, Governors receive reports from the Governors in Charge on their activities in the previous month which confirm or recommend for discussion, actions to be taken in both the short and longer term. These written and verbal reports provide each Governor with the information necessary to discharge their duties.

The Governors retain responsibility for all key decisions, including approval of:

- The strategy and policies adopted by the Charity to achieve its charitable objectives.
- The annual budget.
- Major capital expenditure, including property acquisition and refurbishment.
- The annual financial statements.
- The appointment of residents to vacant almshouses.
- Grant applications.

A framework of authorities is in place, which maps out the structure of delegation as well as specifying those issues which remain the preserve of the Governors. This framework emphasises the key role of specific Governor responsibility in the exercise of executive control, subject to reporting and ratification by the Governors, as described above. The relevant individuals are identified earlier in this report.

- The Finance Governor monitors and reviews the Charity's financial and internal control as well as its investments.
- The Grants Governor receives, considers and evaluates applications for charitable assistance, according to the provisions of the Scheme.
- The Almshouse Property Governor oversees the management of both Almshouses and health and safety matters relating to the Almshouses and workplaces.
- The Almshouse Residents' Governor looks after the best interests of the residents and takes the lead role in the appointment of new residents.
- The Park and Gardens Governor oversees the management of Albert Park and the Almshouse gardens.
- The Estates (Property) Governor oversees the management of investment properties to ensure rental matters are dealt with in line with the Scheme.
- The Archives Governor is responsible for the recording and safe-keeping of material for the Archives of the Charity, working with the Honorary Archivist.

CHRIST'S HOSPITAL OF ABINGDON
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Related Parties and Conflicts of Interest

The Governors have adopted a comprehensive policy to identify all transactions with related parties or other transactions which might involve any conflict of interest.

In addition to the Almshouse Association (Registered Charity No 245668), of which one Governor is a trustee/director, various Governors are involved either as trustees or in the management of a number of voluntary organisations in Abingdon, including The Albert Memorial Albert Park Abingdon (Registered Charity No 1076274) and the Monday Club, a voluntary grouping which provides leisure time activities for people with learning disabilities with the aim of improving their conditions of life. Financial transactions between the Charity and these other bodies are detailed in Note 13. Christ's Hospital is a member of the Almshouse Association.

Various Governors are involved either as trustees or in the management of a number of schools in Abingdon, including Abingdon School (Registered Charity No. 1071298), Our Lady's Abingdon Trustees Limited (Registered Charity No. 1120372). One Governor is the Rector of St Helen's Church Abingdon.

Students, or their parents, who are both resident within Abingdon on Thames and in financial need, may apply to the Charity for support with their education providing they are educated in Abingdon on Thames. At present, this means that students attending any of the seventeen schools located in the area of benefit within Abingdon are eligible for educational grants. Qualifying schools include Abingdon School (Registered charity no 1071298), The School of St Helen and St Katharine (Registered charity no 286892), Our Lady's Abingdon (Registered charity no 1120372) and The Unicorn School (Registered charity no 1070807) as well as thirteen schools in the maintained sector.

Remuneration

Our approach to remuneration is designed to ensure we can attract and retain the talented and motivated people we need to achieve our mission and deliver our strategic goals. It is applied consistently across the organisation. We aim to pay competitively in the not-for-profit sector within the context of affordability. We therefore take into account factors such as salaries paid in comparable organisations.

No remuneration was paid either directly or indirectly to any Governor or connected person during the period under review. Reimbursement of expenses occurs infrequently and then only when Governors are acting on Christ's Hospital or Almshouse Association business.

Insurance

The Governors maintain indemnity insurance of up to £1 million. The annual premium charged in these financial statements was £823 (2014: £783). The Governors fully recognise that this does not relieve them of their responsibilities.

CHRIST'S HOSPITAL OF ABINGDON
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

Risk Management Statement

The Governors have assessed the major strategic, business and operational risks which they believe the Charity faces. The external risks and exposure thereto are kept under constant review, together with the internal aspects of health and safety.

A risk management register is maintained and the risks highlighted are reviewed annually to ensure they are properly managed by the Charity. The major risks and preventative measures in place are as follows:

Falling investment income

The investment managers, Investec Wealth and Management Ltd, manage the charity's portfolio within agreed parameters (medium risk) which are monitored at least quarterly and all Governors are provided with summaries of those reports. A representative of the investment company presents a formal annual report and discussion of the portfolio at one of the Governors meetings, usually March. The investment company ensure that the Charity invests in 'defensive' stocks which remain mostly unaffected by economic variations.

Reduction in commercial rental income due to voids

Adkin are a specialist property management company who manage the Charity's property and land and report monthly to the Governors, making recommendations as to the best way to maximise the return on the Charity's portfolio, whilst remaining within the remit of the Scheme.

Damage to Property, i.e Fire,

The Governors seek professional advice on the risks associated with Almshouses and other property and install and monitor safety equipment and measures on a regular basis. In April 2015 a major Fire Safety inspection took place and as a result of this upgrades were made to fire equipment and policies.

Information Damage i.e Fraud, cyber crime

Again the Governors have taken advice on prevention of information theft and updated their Fraud policy to reflect the ever advancing ability of 'fraudsters' to gain access to sensitive information. It is planned to replace some older computer equipment shortly to ensure the latest best practice for back-up and protection of information is adhered to.

Public Benefit

In following the Charity's aims and objectives, Trustees have had regard to the Charity Commission's guidance in complying with their duty in section 17(5) of the Charities Act 2011 on public benefit. The provision of almshouse accommodation for those in need provides an identifiable public benefit which is directly in line with the Charity's aims. Beneficiaries of almshouses must be in need and will be drawn from that section of the public which has been defined in the Scheme.

OBJECTIVES AND ACTIVITIES

Objects

The Objects of Christ's Hospital of Abingdon and its subsidiary charities were created to provide charitable support to residents of the town of Abingdon on Thames in Oxfordshire.

The Charity's strategy is to provide funds both for individuals and organisations so as to provide help and relief within the terms of the Schemes. This can only be achieved within the conditions at the time. The primary objective is the provision of almshouse accommodation. Funds are also available for the relief of need and education of residents within the area of benefit.

CHRIST'S HOSPITAL OF ABINGDON
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

OBJECTIVES AND ACTIVITIES (CONTINUED)

The Charity owns Albert Park recreation ground and whilst the Governors fully recognise their responsibility for the maintenance of this, it does provide a major drain on the Charity's resources.

The charity measures its success in a number of ways. It aims to achieve a 90% occupation rate for almshouses, to maximise the grants paid out and to adhere as closely as possible to its annual budget in all areas. The charity is very proud of its commitment to keep almshouses as up to date as possible within the confines of their listed building status (see 'The estate').

Grants

To achieve the Charity's objects for the public benefit, the Grants Governor considers all applications made for assistance, whether for educational support or relief in terms laid down in the controlling Schemes, including the area of benefit and the availability or otherwise of specific or general funds.

In the last 12 months the Charity has continued to provide Educational Support Grants to 7 individuals and 3 institutions to ensure that children from poorer backgrounds do not miss out on educational trips and opportunities for extra tuition. We have received several encouraging reports from parents and the schools regarding the value of this support. The Charity has also helped 14 individuals and 14 institutions with Relief in Need payments for equipment and/or basic necessities such as stair gates, car seats, cookers and fridges.

Officials working in areas where such circumstances might arise continue to be reminded of the Charity's availability and policies.

The estate

The Governors are proud of the Charities' ownership of a number of freehold properties in Abingdon that are of considerable historic and heritage interest. They are mindful of the inalienable nature of these properties and their duty to maintain them. The most important of these properties are:

Long Alley Almshouses and Hall	1446
Brick Alley Almshouses and outbuildings	1718
St Helen's Wharf Almshouses	1884
St John's Hospital Almshouses	1801
The Tomkins Almshouses	1733
The Twitty's Almshouses	1710
Albert Park and the Conduit House	
The Exchequer Room (forming part of the Church of St Helen, Abingdon)	

Associated with these properties are furniture, fittings, historic artefacts and an extensive archive which the Governors view as both historic and inalienable.

CHRIST'S HOSPITAL OF ABINGDON
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

ACHIEVEMENTS AND PERFORMANCE AND RECORD OF ACTIVITIES

The Charity has again had a successful year in spite of continuing economic pressure. The main objectives have been met, whilst good husbandry of resources has continued. Less significant property expenditure has been undertaken this year and this has resulted in a larger surplus than in recent years (before investment gains and losses) of £216,592 (2014: £191,199) which is applied to the reserves against future expenditure.

Residents

In pursuit of the Charity's primary objective of the welfare of the residents, the Warden has contact with all the residents regularly and they are free to attend the weekly coffee morning, and annual Summer Tea Party, to which Governors and staff are also invited.

With the electronic alarm and call system it is felt that the risk to the Charity, and indeed the residents has been minimised. Occupancy levels have remained high, and there are often several applications each time a vacancy is advertised. It remains the policy of the Charity to advertise all vacancies and to accommodate the applicant deemed to be most in need at the time of the vacancy.

The estate

The Governors are mindful and indeed proud of the Charity's heritage but the age and listed building status of some of the assets does entail a financial burden. Despite the heavy demand on the Governors' resources, following their primary duty of maintaining the Charity's assets means that continuing work will always be necessary

The policy of the Governors remains to ensure that, funds permitting, each Almshouse as it falls vacant is upgraded to the most modern standards ready for reoccupation, but this is a difficult and unpredictable area. Works to modernise three almshouses were completed in the early part of 2015 allowing those properties to be occupied for the best part of the year. This helped to achieve a 100% occupation status for at least part of the year.

The regeneration scheme in Albert Park, which is currently funded by two local benefactors, continues to improve the appearance of the Park, much to the delight of the users and Albert Park Residents Association, but it will result in higher running costs in the future when their patronage comes to an end after 2016.

The last Quinquennial Inspection was conducted during 2011 and a programme of necessary works has been drawn up. The next inspection is due in 2016.

It must never be forgotten, however, that within the Governors' responsibility of preserving the Charity's assets, there is no room whatsoever for any complacency. The entire theme of this report remains as usual to demonstrate the Governors' concern at the need to husband the Charity's resources to maximum effect, never forgetting the need to fulfil the charitable objectives laid down in our governing documents.

CHRIST'S HOSPITAL OF ABINGDON
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

FINANCIAL REVIEW

The Charity has come through the effects of the volatile worldwide economic situation relatively well. The UK government continues to deal with the high level of government debt which continues to affect everyone. The recovery of the stock market has affected the capital position at the end of the year and subsequently. Low interest rates mean there is little income from prudent cash holdings. Careful and conservative forecasts and budgets for the next year have been prepared, and the charity is as well placed as it can be to meet significant refurbishment costs in the future. Net incoming resources before other gains or losses were £216,952 (2014: £191,199).

Investment policy

The management of the Charity's investment portfolio is conducted by professional investment managers under discretionary management powers delegated by the Governors, under broad guidelines set by the Governors. These guidelines currently require that the managers protect the value of the capital and income of the Charity in real terms over the medium term by seeking a balanced return between income and capital growth, avoiding high risk. At any one time, the portfolios may comprise fixed interest and equity investments within these criteria. In the avoidance of high risk the managers are instructed not to involve the Charity in derivatives trading, underwriting or off-market transactions. Where necessary, the allocation of income and capital is apportioned according to the figures at the start of the year.

The Governors continue to monitor administrative costs and fees. The Governors are content that they are continuing to avoid high risks. The Governors reserve the right to exclude companies that carry out activities contrary to their aims or from holding particular investments which might damage the Charity's reputation. This policy is reviewed with the investment company during their annual report to the Governors, usually in the March Governors meeting.

In order to measure our performance, ranges percentage of investment types and a bench mark percentage have been set for 2015 and performance comparisons are made for the year end at the annual reporting meeting. The ranges and benchmark % are as follows:

	Range	Bench Mark	Position at 31.12.15
UK Bonds	5-25%	10	8.8
UK Equities	50-85%	66	68.3
Overseas Equities	0-25%	20	19
Infrastructure	0-15%	2	3.6
Cash	0-15%against	2	0.3

As to dealings, a concerted effort was made to increase our exposure to UK smaller companies. Over the long term smaller companies tend to outperform their larger brethren, but at the cost of a lower dividend yield (smaller companies having greater opportunities to reinvest their surplus cash in their business) and less diversification as, usually, they are more UK centred than larger companies. However, given the less than exciting outlook for most overseas markets compared with the UK, we are confident that this is a good time to be adding to UK centred companies.

In accordance with recent practice, the investment property portfolio has not been re-valued, as Governors believe that the value would not have been significantly different to that already shown in the accounts when the properties were re-valued in 2006. The Governors feel the expense of professional fees, which would have been in the region of £14,000, could not be justified. The Governors accept that this will require a qualification to the accounts by the auditors and accept that were the Charity to require the loan of monies (which is unlikely) the qualification may have a detrimental effect; however, it is felt that other observers of these accounts would understand the prudence of the decision not to go ahead with expensive valuations of property not intended for sale.

CHRIST'S HOSPITAL OF ABINGDON
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

FINANCIAL REVIEW (CONTINUED)

As reported above a detailed report by the investment managers is delivered in person to a full meeting of the Governors at least annually. The entire area remains under the continuing close scrutiny of the Governors and the Governor responsible for Finance in pursuit of the risk control as outlined above. The portfolio at the 31st December 2015 was £11,185,277 (2014: £10,943,282).

Reserves Policy

Christ's Hospital has traditionally obtained its income from its land, but increasingly in the last century from other financial investments. As a modest, specialised local charity in the modern world, it is very difficult to attract donations or benefactors. During the last 10 years the collection of Weekly Maintenance Contributions from Almshouse residents has been important in maintaining the charity's ability to protect its reserves toward the extent considered appropriate by the governors for its long term survival as a provider of Almshouses, Relief in Need and Education Grants to the townsfolk of Abingdon.

Listed investment income is related to the capital value of the related assets. If too much is spent, real capital value of a portfolio reduces over time, threatening the long term future of the Charity. The real rate of return on capital over the last century has been limited to about 2 – 3% per annum. The Governors aspire to manage finances within this level of return to meet future expenditure over time.

Times are uncertain, and maintaining old buildings and Albert Park will lead to peaks in future expenditure especially with the loss at the end of 2016 of our generous park benefactors.

Reserves should continue to be increased until they are sufficient to provide income to cover long term risks. Consequently, a strong investment portfolio is needed to generate funds to meet this requirement. The money which stays within the Charity, has not come from donors, and we feel is not being misapplied.

Total funds held by the Charity at the year-end stood at £16,661,808 (2014: £16,400,301). The Charity's unrestricted funds, excluding designations and unrestricted fixed assets, stood at £5,715,572 (2014: £5,439,967) at the year-end. If the market value of listed investments that are held to generate income to support the Charity's activities is excluded from the above sum, the remaining free reserves are £1,174,703 (2014: £1,130,394).

CHRIST'S HOSPITAL OF ABINGDON
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

FUNDS

In addition to the unrestricted funds, which represent accumulated income available to the Governors for such purposes as they may decide, the funds controlled by the Governors fall into a number of classes:

Permanent endowment funds

These funds represent assets which are permanent capital held by the Governors. The property within these funds comprises:

- Freehold land and buildings held for the charities' own use.
- Freehold land and buildings held for charitable purposes, including Almshouses and Albert Park, Abingdon.
- Investments in listed securities and real estate.

Two further funds have been created by orders of the Charity Commissioners made on 21 August and 13 December 1984 to recoup endowment monies spent on the Albert Park service area and in connection with Mullard (Abingdon) Housing Trust respectively.

Designated fund

Extraordinary Repair Fund - This fund has been set up by the Governors in response to the Almshouse Association's guidance to have a fund for each Almshouse to provide for the cost of extraordinary repairs, improvements or building of the Charity's Almshouses. The designated fund balance at the year-end was £329,536 (2014: £303,020) per Note 15.

Restricted funds

These funds represent income and other assets which may be applied only for specified purposes. These amount to £897,111 (2014: £849,273) per Note 16.

The Charity of John Blacknall Church branch

Income payable to the incumbent and churchwardens of the Parish of St Nicolas applicable to the maintenance of the Church of St Nicolas, Abingdon;

The Charity of Richard Wrigglesworth Education branch

Funds available to assist with the education of individuals under the age of 25 by way of exhibition, grant or towards preparing them for entry into a trade;

Almshouse branches

Funds for the provision and maintenance of almshouses and their residents;

Relief in Need branches

Funds available to support people in conditions of need, hardship or distress either individually or generally;

Extraordinary repair funds

Funds created in response to orders of the Charity Commissioners to provide for the cost of extraordinary repairs, improvements or building of the charities' almshouses and other property;

CHRIST'S HOSPITAL OF ABINGDON
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 DECEMBER 2015 (CONTINUED)

PLANS FOR THE FUTURE

The Governors will continue to comply with the requirements of the Charity's Scheme to provide almshouse accommodation, relief in need, educational support and the provision and maintenance of Albert Park.

The Governors remain committed to their policies of maintaining the Charity's assets and particularly the historic nature of many of the buildings in accord with refurbishing the Almshouses to modern standards.

The Governors remain grateful for the generosity of local residents which has assisted them to pursue an additional programme of works in Albert Park intended to secure its long term future for the benefit of the townsfolk of Abingdon. This programme included regenerating the stock of trees, clearing neglected areas and landscaping to recreate the original vistas.

The Charity has supported people in the area of benefit for more than 460 years and it is the Governors' firm intention that this should be continued for the foreseeable future, so that as successive Governors are appointed in future years they may in their turn successfully maintain the Charity for the public benefit.

The Governors are committed to the objective of providing charitable support to residents of the town of Abingdon on Thames in Oxfordshire for an indefinite period. Fundamental to the achievement of this objective is the maintenance of an effective system of corporate governance. This is concerned with the direction and control of the organisation and in particular, with the role of Governors and the need to ensure an effective framework of accountability and risk management.

This report was approved by the Governors on

and signed on their behalf by:

Mrs Glynne Butt (Master)

CHRIST'S HOSPITAL OF ABINGDON
STATEMENT OF GOVERNORS RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2015

The Trustees are responsible for preparing the Governors Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial 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 Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable 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.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, 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 Charities (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. 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.

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF CHRIST'S HOSPITAL OF ABINGDON

We have audited the financial statements of Christ's Hospital of Abingdon for the year ended 31 December 2015 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes numbered 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the Charity's Governors, as a body, in accordance with section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's Governors 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 Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Governors and auditor

As explained more fully in the Statement of Governors' Responsibilities, the Governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 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 charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Governors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Governors' Annual Report and any other surround information to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF CHRIST'S HOSPITAL OF ABINGDON

Basis for qualified opinion on financial statements

With respect to investment properties having a carrying amount of £4,258,000 the Governors have not obtained an up to date independent valuation of the properties, which were last valued in 2006. Without an independent valuation there was insufficient audit evidence available to us to form a view on the fair value of the investment properties at the Balance Sheet date as we were unable to obtain sufficient audit evidence through alternative procedures.

Further explanation is included in note 8 to the accounts.

Qualified opinion on financial statements

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2015 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011

Matters on which we are required to report by exception

In respect solely of the limitation on our work relating to valuation of investment properties, described above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records had been kept.

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

- the information given in the Governors Annual Report is inconsistent in any material respect with the financial statements; or
- the financial statements are not in agreement with the accounting records and returns.

THIS REPORT HAS NOT YET BEEN SIGNED

Crowe Clark Whitehill LLP

Statutory Auditor

Reading

Date:

Crowe Clark Whitehill LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

CHRIST'S HOSPITAL OF ABINGDON
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2015 £	Total 2014 £
Income and endowments from:						
Donations	2	-	10,301	-	10,301	17,010
Investments	3	528,932	63,258	6,330	598,520	571,076
Charitable activities						
- contributions from Almspeople		90,662	92,641	-	183,303	166,781
Other		1,476	-	-	1,476	6,848
Total income and endowments		<u>621,070</u>	<u>166,200</u>	<u>6,330</u>	<u>793,600</u>	<u>761,715</u>
Expenditure on:						
Raising funds	4	22,306	4,107	93,374	119,787	102,267
Charitable activities						
- Grants payable		42,726	16,537	-	59,263	65,062
- Provision of Almshouses		251,223	74,825	-	326,048	310,316
- Albert Park maintenance		58,812	13,099	-	71,910	92,871
Total expenditure	4	<u>375,066</u>	<u>108,568</u>	<u>93,374</u>	<u>577,008</u>	<u>570,516</u>
Net gains on investments		18,934	3,486	22,495	44,915	112,521
Net income		<u>264,938</u>	<u>61,118</u>	<u>(64,549)</u>	<u>261,507</u>	<u>303,720</u>
Transfers between funds		11,883	(13,280)	1,397	-	-
Net movement in funds		276,821	47,838	(63,152)	261,507	303,720
Total funds brought forward		<u>5,770,287</u>	<u>849,273</u>	<u>9,780,741</u>	<u>16,400,301</u>	<u>16,096,581</u>
Total funds carried forward		<u>6,047,108</u>	<u>897,111</u>	<u>9,717,589</u>	<u>16,661,808</u>	<u>16,400,301</u>

The notes on pages 19 to 33 form part of these financial statements

CHRIST'S HOSPITAL OF ABINGDON
BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
FIXED ASSETS			
Tangible assets	7	67,827	68,625
Investment properties	8	4,258,000	4,258,000
Investments	9	<u>11,185,277</u>	<u>10,943,282</u>
		15,511,104	15,269,907
CURRENT ASSETS:			
Debtors	10	110,468	113,271
Cash at bank and in hand		<u>1,097,256</u>	<u>1,076,516</u>
		1,207,724	1,189,787
LIABILITIES:			
Creditors: Amounts falling due within one year	11	<u>(45,020)</u>	<u>(41,393)</u>
NET CURRENT ASSETS		<u>1,162,704</u>	<u>1,148,394</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>16,673,808</u>	<u>16,418,301</u>
Creditors: Amounts falling due after more than one year	12	<u>(12,000)</u>	<u>(18,000)</u>
TOTAL NET ASSETS		<u>16,661,808</u>	<u>16,400,301</u>
THE FUNDS OF THE CHARITY:			
Unrestricted funds			
General	15	5,717,572	5,467,267
Designated	15	<u>329,536</u>	<u>303,020</u>
		6,047,108	5,770,287
Restricted funds	16	897,111	849,273
Endowment funds	17	<u>9,717,589</u>	<u>9,780,741</u>
TOTAL FUNDS	18	<u>16,661,808</u>	<u>16,400,301</u>

Approved and authorised for issue by the Governors on

and signed on their behalf by

Mrs Glynne Butt - Master

G R Morris – Governor

The notes on pages 19 to 33 form part of these financial statements

CHRIST'S HOSPITAL OF ABINGDON
CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 £'000	2014 £'000
Net cash used in operating activities	(372,608)	46,999
<i>Cash flows from investing activities</i>		
Interest, dividends and rents from investments	598,520	571,076
Purchase of furniture and equipment	(2,092)	(3,732)
Proceeds from sale of investments	1,761,170	1,984,407
Purchase of investments	<u>(2,300,991)</u>	<u>(2,199,564)</u>
Net cash provided by investing activities	56,607	352,187
<i>Cash flows from financing activities:</i>		
Repayments of borrowing	<u>(6,000)</u>	<u>(6,000)</u>
Net cash providing financing activities	<u>(6,000)</u>	<u>(6,000)</u>
Change in cash and cash equivalents in the year	(322,001)	393,186
Cash and cash equivalent brought forward	<u>1,460,945</u>	<u>1,067,759</u>
Cash and cash equivalents carried forward	1,138,944	1,460,945
	2015 £'000	2014 £'000
Net income for the reporting period (as per the statement of financial activities)	261,507	303,720
Depreciation charges	2,890	2,232
Loss on sale of investments	305,821	219,090
Dividends, interest and rents from investments	(598,520)	(571,076)
Losses on investments	(350,736)	106,569
Decrease in debtors	2,803	4,601
Decrease in creditors	<u>3,627</u>	<u>(18,137)</u>
Net cash (used in)/provided by operating activities	(372,608)	46,999
	2015 £'000	2014 £'000
Cash awaiting investment with investment managers	41,688	384,429
Cash in hand	485,079	554,805
Notice deposits (less than three months)	<u>612,177</u>	<u>521,711</u>
Total cash and cash equivalents	1,138,944	1,460,945

The notes on pages 19 to 33 form part of these financial statements

CHRIST'S HOSPITAL OF ABINGDON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES

a) Accounting convention

The accounts (financial statements) have been prepared in accordance with the *Accounting and Reporting by Charities: Statement of Recommended Practice (SORP)* in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the *Charities Act 2011* and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts (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 (FRS102) 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.

Christ's Hospital of Abingdon meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Christ's Hospital of Abingdon is a charity registered in the UK (charity number 205112) with its registered office at 1 Old Station Yard, Abingdon, Oxfordshire, OX14 3LQ.

b) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required. In accordance with the requirements of FRS 102 a reconciliation of opening balances and net income/(expenditure) for the year is provided with the net income/(expenditure) under previous GAAP adjusted for the presentation of investment gains/ (losses) as a component of reported income.

	2015
	£
Net income as previously stated	216,592
Adjusted for gains on investments now treated as a component of net income	<u>44,915</u>
2015 net income as restated	<u>261,507</u>

c) Going Concern

The Governors consider that there are sufficient reserves held at the year-end to manage any foreseeable downturn in the UK and global economy. The Governors consider that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future and for this reason the Governors continue to adopt the 'going concern' basis in preparing the accounts.

CHRIST'S HOSPITAL OF ABINGDON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (CONTINUED)

d) Income

Dividends and rents are accounted for in the year to which they relate.

Legacies and voluntary income are accounted for in the year in which they are received.

e) Expenditure

Grants awarded by the Governors are recognised in the statement of financial activities in the period that they are made to the extent that a legal or constructive obligation exists.

Almshouses and Almspeople costs are accounted for on an accruals basis in the year to which they relate.

Pension costs charged in the SOFA represent contributions payable by the charity in that year.

Included within charitable activities are governance costs, which comprise the costs of running the Charity, including strategic planning for its future development, also internal and external audit, any legal advice for the Charity and all the costs of complying with constitutional and statutory requirements.

Support costs are allocated on the basis of time spent (15% Grants Payable, 75% Provision of Almshouses, and 10% Albert Park Maintenance).

f) Grant making

The charity's grant-making process is informed by the best practices of peer organisations, and the Charity Commission's guidelines and recommendations.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant.

Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.

g) Freehold land and buildings

Freehold land and buildings held for the Charity's use are included on the balance sheet at cost. The buildings are depreciated over 50 years on a straight line basis.

The Charity owns certain fixed assets which are historic, inalienable and form part of the permanent endowment, the more important of which are listed in the Report of the Governors. No reliable cost information is available for these assets and their heritage nature means conventional valuation procedures would be unreliable. The Governors have no intention to dispose of these assets in the foreseeable future.

CHRIST'S HOSPITAL OF ABINGDON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (CONTINUED)

h) Other tangible fixed assets

Furniture and equipment are capitalised when considered appropriate and depreciation is calculated to write off the cost over the expected useful lives of the assets concerned. A de-minimus capitalisation limit of £1,000 is applied. The following rates and bases have been used:

Office furniture, fixtures and fittings	20% straight line basis
Office equipment	25% straight line basis
Park equipment	25% straight line basis

i) Fixed asset investment properties

Investment properties are included in the balance sheet at fair value.

j) Fixed asset investments

Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

Realised gains and losses on sales of investments and unrealised gains and losses on revaluation of investments are included in the Statement of Financial Activities.

Investment income is recognised in the financial statements on an accruals basis when the charity becomes legally entitled to it.

Investment income not directly attributable to a specific fund is apportioned to the various funds based on their opening balance position.

k) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of 3 months or less from the date of acquisition or opening of the deposit or similar account.

l) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

m) Leases

In respect of operating leases for which the charity is the lessor, the charity classifies the leasing of the investment properties as an operating lease. The rents received from investment properties are recognised in the financial statements for the period they relate to.

CHRIST'S HOSPITAL OF ABINGDON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (CONTINUED)

n) Funds

Unrestricted funds

General unrestricted funds represent funds which are expendable at the discretion of the Trustees in furtherance of the objects of the charity.

Designated funds

Designated funds are amounts which have been put aside at the discretion of the Governors for specific purposes. Such purposes are within the overall aims of the organisation.

Restricted Funds

Restricted funds are those which must be applied in accordance with the purpose specified by the donor. Expenditure relating to these purposes is charged directly to the fund.

Endowment Funds

Endowment funds consist of investments. The purpose to which that investment may be applied is restricted in accordance with the terms of the endowment trust.

o) Critical accounting judgements and key sources of estimation uncertainty

Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The key sources of estimation uncertainty that has a significant effect on the amounts recognised in the financial statements is in respect of the investment property valuation. The charity's investment properties are stated at their estimated fair value as disclosed in Note 8.

CHRIST'S HOSPITAL OF ABINGDON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

2. INCOME – DONATIONS

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Albert Park – local authority contributions	-	4,100	4,100	4,100
Other grants and donations	-	6,201	6,201	12,910
	<u>-</u>	<u>10,301</u>	<u>10,301</u>	<u>17,010</u>

3. INCOME - INVESTMENTS

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2015 £	Total 2014 £
Loan stock interest	27,999	6,326	633	34,958	32,713
Equity dividends	251,705	56,868	5,690	314,264	299,237
Interest on cash held by brokers	282	64	6	352	686
Bank Interest	9,905	-	-	9,905	6,297
Rents	<u>239,041</u>	<u>-</u>	<u>-</u>	<u>239,041</u>	<u>232,143</u>
	<u>528,932</u>	<u>63,258</u>	<u>6,330</u>	<u>598,520</u>	<u>571,076</u>

4. TOTAL RESOURCES EXPENDED

	Direct Costs £	Staff costs £	Depreciation £	Support costs £	Total 2015 £	Total 2014 £
Cost of raising funds						
Investment managers fees	52,919	-	-	-	52,919	51,658
Property costs	<u>66,868</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>66,868</u>	<u>50,609</u>
	119,787	-	-	-	119,787	102,267
Charitable activities						
Grants Payable (Note 6)	47,919	9,486	79	1,779	59,263	65,062
Provision of Almshouses	238,832	76,860	1,458	8,897	326,047	295,633
Albert Park maintenance	<u>47,325</u>	<u>22,047</u>	<u>1,353</u>	<u>1,186</u>	<u>71,910</u>	<u>92,871</u>
Total resources expended	<u>453,863</u>	<u>108,393</u>	<u>2,890</u>	<u>11,862</u>	<u>577,008</u>	<u>570,516</u>
Governance costs included within provision of Almshouses						
Audit	12,542	-	-	-	12,542	10,783
Professional fees	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>3,900</u>
	<u>15,542</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,542</u>	<u>14,683</u>

CHRIST'S HOSPITAL OF ABINGDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

5. STAFF COSTS AND NUMBERS

Staff costs were as follows:-

	2015 £	2014 £
Salaries and wages	99,610	96,707
Social security costs	6,953	6,526
Pension contributions	<u>1,830</u>	<u>1,458</u>
	<u><u>108,393</u></u>	<u><u>104,691</u></u>

No employees earned in excess of £60,000.

The key management personnel of the charity comprise of only the Clerk to the Governors. The total employee benefits of the key management personnel of the charity were £46,147 (2014 – £41,384).

None of the Governors received any remuneration in the current or preceding year.

During the year 3 (2014: 3) Governors were reimbursed expenses in total of £284 (2014: £335), the majority of which were for travel costs.

No Governors made donations to the charity in in 2015 or 2014.

The average monthly number of employees was as follows:-

	No.	No.
Almshouses and Almspeople (1 full-time, 1 part-time)	2	2
Albert Park (1 full-time)	1	1
Management and administration (1 full-time, 2 part-time)	<u>3</u>	<u>3</u>
	<u><u>6</u></u>	<u><u>6</u></u>

The charity contributes to the personal pension schemes for certain of its employees. The pension charge represents the amounts payable by the charity to the funds in respect of the year. No amounts were outstanding at the year end (2014: £nil).

CHRIST'S HOSPITAL OF ABINGDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

6. GRANTS PAYABLE

	Total 2015 £	<i>Total 2014 £</i>
Educational		
Charitable payments for 7 (2014: 10) individuals	19,168	23,531
Charitable payments for 3 (2014: 7) educational institutions	<u>2,716</u>	<u>4,754</u>
	21,884	28,285
Relief		
Charitable payments for 14 (2014: 18) individuals	3,816	3,599
Other social institutions 14 (2014: 14) institutions	<u>9,880</u>	<u>8,550</u>
	13,696	12,149
John Blacknall Church branch	<u>12,339</u>	<u>13,280</u>
	<u>47,919</u>	<u>53,714</u>

7. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Furniture & equipment £	Total £
Cost			
At 1 January 2015	111,500	45,036	156,536
Additions	-	2,092	2,092
Disposals	<u>-</u>	<u>(6,905)</u>	<u>(6,905)</u>
At 31 December 2015	<u>111,500</u>	<u>40,223</u>	<u>151,723</u>
Depreciation			
At 1 January 2015	46,420	41,491	87,911
Charge for the year	1,830	1,060	2,890
Disposals	<u>-</u>	<u>(6,905)</u>	<u>(6,905)</u>
At 31 December 2015	<u>48,250</u>	<u>35,646</u>	<u>83,896</u>
Net book values			
At 31 December 2015	<u>63,250</u>	<u>4,576</u>	<u>67,826</u>
<i>At 31 December 2014</i>	<u>65,080</u>	<u>3,545</u>	<u>68,625</u>

CHRIST'S HOSPITAL OF ABINGDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

8. INVESTMENT PROPERTIES

	2015 £	2014 £
Freehold land and buildings		
Open Market value at 1 January 2015 and 31 December 2015	<u>4,258,000</u>	<u>4,258,000</u>

All properties were valued as at 31 December 2006 by professional valuers in accordance with the Appraisal and Valuation Manual issued by the Royal Institution of Chartered Surveyors on the basis that the properties are held for investment purposes.

The Governors previously disclosed policy was to obtain a professional valuation every five years. However, no professional valuation has been undertaken this year as in the Governors view there has been no material change in market values since the last professional valuation and that the prospective fees of some £14,000 could not be justified on this occasion.

	Valuer - Adkin Commercial £	Valuer – Lambert Smith Hampton £	Valuer – GL Heard & Partners £	Total £
Commercial	-	2,088,000	230,000	2,318,000
Residential	1,675,000	-	-	1,675,000
Agricultural land	150,000	-	-	150,000
Freehold land (leased until 2018)	-	65,000	-	65,000
Freehold land (leased until 2037)	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
	<u>1,875,000</u>	<u>2,153,000</u>	<u>230,000</u>	<u>4,258,000</u>

The charity earns rental income by leasing its properties to tenants under non-cancellable operating leases. Leases in which substantially all risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases. Payments, including prepayments, made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

At the balance sheet date, the charity had contracted with tenants to receive the following future minimum lease payments:

	2015 £	2014 £
Not later than one year	142,201	210,746
Later than one year and not later than five years	217,566	299,909
Later than five years	<u>242,663</u>	<u>275,500</u>
	<u>602,430</u>	<u>786,155</u>

There are no contingent rents recognised as income.

CHRIST'S HOSPITAL OF ABINGDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

9. INVESTMENTS

	2015 £	2014 £
Market value at 1 January 2015	10,558,853	10,669,355
Additions	2,300,991	2,199,564
Disposals at brought forward market value	(2,066,991)	(2,203,497)
Unrealised gains on revaluations	<u>350,736</u>	<u>(106,569)</u>
Market value at 31 December 2015*	11,143,589	10,558,853
Cash awaiting investment	<u>41,688</u>	<u>384,429</u>
Total as at 31 December 2015	<u>11,185,277</u>	<u>10,943,282</u>
*Historical costs of investments at 31 December 2015	<u>9,022,395</u>	<u>8,436,798</u>

The year-end market value is made up as follows:

UK fixed interest	971,722	1,309,885
UK equities	7,649,278	7,257,505
Overseas equities	2,125,264	1,546,038
Other assets	397,325	445,425
Cash and accrued interest	<u>41,688</u>	<u>384,429</u>
	<u>11,185,277</u>	<u>10,943,282</u>

10. DEBTORS

	2015 £	2014 £
Trade debtors	-	4,726
Prepayments and accrued income	<u>110,468</u>	<u>108,545</u>
	<u>110,468</u>	<u>113,271</u>

11. CREDITORS: Amounts falling due within one year

	2015 £	2014 £
Long term loan	6,000	6,000
Trade creditors	3,513	8,018
Social Security and other taxes	2,658	2,680
Accruals	<u>32,849</u>	<u>24,695</u>
	<u>45,020</u>	<u>41,393</u>

CHRIST'S HOSPITAL OF ABINGDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

12. CREDITORS: Amounts falling due after more than one year

	2015 £	2014 £
Long term loan (see below)	<u>12,000</u>	<u>18,000</u>
The loan is repayable by instalments as follows: -		
In greater than five years	-	-
Within two to five years	6,000	12,000
Within one to two years	<u>6,000</u>	<u>6,000</u>
	12,000	18,000
Within one year	<u>6,000</u>	<u>6,000</u>
Total	<u>18,000</u>	<u>24,000</u>

The Charity received a 10 year interest free loan totalling £60,000 from the Almshouse Association for which there was an arrangement fee of 5%. Half yearly repayments of the loan commenced in the year ended 31 December 2009.

13. FINANCIAL INSTRUMENTS

	2015 £	2014 £
Basic financial assets	12,379,878	12,118,665
Basic financial liabilities	54,362	56,713

Basic financial assets are all investments (excluding investment properties), debtors plus cash in hand minus prepayments.

Basic financial liabilities are all creditors less due in less than one year plus creditors due in more than one year minus taxation payable.

The entity's income, expense, gains and losses in respect of financial instruments are summarised below:

	2015 £	2014 £
Total dividend and interest income for basic financial assets	359,479	338,933
Total interest expense for basic financial liabilities	-	-
Total gains in respect of basic financial assets	44,915	112,521

CHRIST'S HOSPITAL OF ABINGDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

14. RELATED PARTIES

One Governor is also a Trustee of the Almshouse Association (Registered charity no 245668). During the year the Charity purchased services to the value of £700 (2014: £658) from the Almshouse Association. In 2009 an interest free loan of £60,000 was received from the Association by the Charity of which £18,000 (2014: £24,000) was outstanding at the balance sheet date, as shown in Note 12. An annual fee on the loan of £300 (2014: £300) was paid.

Two Governors are trustees of the Albert Memorial (Abingdon) Charity (Registered charity no 1076274) to whom the Charity paid £800 (2014: £800) during the year to help with the maintenance of the memorial in Albert Park, Abingdon.

One Governor is the Chair of the Monday Club, a voluntary grouping which provides leisure time activities for people with learning disabilities with the aim of improving their quality of life. The Charity paid £2,000 (2014: £1,750) to the Monday Club during the year.

Four Governors are members of the Abingdon Town Council which granted the Charity £4,100 (2014: £4,100) during the year towards the upkeep of Albert Park.

15. UNRESTRICTED FUNDS

	<i>At 1 January 2015 £</i>	Incoming resources £	Resources expended £	Gains £	Transfers £	At 31 December 2015 £
Designated funds						
- extraordinary repair fund	303,020	9,680	(1,465)	1,244	17,057	329,536
General funds	<u>5,467,267</u>	<u>611,390</u>	<u>(373,601)</u>	<u>17,690</u>	<u>(5,174)</u>	<u>5,717,572</u>
	<u>5,770,287</u>	<u>621,070</u>	<u>(375,066)</u>	<u>18,934</u>	<u>11,883</u>	<u>6,047,108</u>

Extraordinary Repair Fund

This fund has been set up by the Governors in response of the Almshouse Association's guidance to have a fund for each Almshouse to provide for the cost of extraordinary repairs, improvements or building of the charities' Almshouses.

Property Capital Fund

A temporary endowment fund was created, pursuant to an order of the Charity Commissioners sealed on 16 October 1972, in respect of the property known as South Abingdon Community Centre. This property was sold during the year ended 31 December 2000 and the proceeds were used to open a Property Capital Fund which has now been transferred to general funds.

Transfers

The transfer from General Fund to Extraordinary Repair Fund is made in accordance with the recommendations of the Almshouse Association. The charity has transferred in excess of the minimum required and varies depending on the Governors best estimate of the state and costs required for that set of Almshouses.

Transfer from the Property Capital Fund to General fund is in order to release this designated fund which is deemed no longer required by the Governors.

The transfer from General Funds to the Endowment Recoupment Funds is in accordance with the Recoupment Orders.

CHRIST'S HOSPITAL OF ABINGDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

16. RESTRICTED FUNDS

	<i>At 1 January 2015 £</i>	Incoming resources £	Resources expended £	Gains/ (losses) £	Transfers £	At 31 December 2015 £
Albert Park grant	-	-	-	-	-	-
Other restricted funds	-	10,301	(10,301)	-	-	-
John Blacknall						
Church branch	30,507	-	(12,339)	125	289	18,582
Relief in need branch	<u>271,926</u>	<u>33,212</u>	<u>(6,074)</u>	<u>1,116</u>	<u>(13,569)</u>	<u>286,612</u>
	302,433	33,212	(18,413)	1,241	(13,280)	305,194
Richard Wrigglesworth						
Relief in need branch	82,756	6,629	(5,011)	339	221	84,934
Education	<u>22,200</u>	<u>2,167</u>	<u>(107)</u>	<u>92</u>	<u>(221)</u>	<u>24,131</u>
	104,956	8,796	(5,118)	431	-	109,065
Abingdon Almshouse						
Almshouse branch	118,532	30,502	(22,750)	486	(1,844)	124,926
Extraordinary repair	137,377	4,388	(654)	564	1,844	143,509
Relief in need branch	<u>(3,773)</u>	<u>1,663</u>	<u>(6,440)</u>	<u>(16)</u>	<u>-</u>	<u>(8,566)</u>
	252,136	36,553	(29,854)	1,034	-	259,869
Tomkins Almshouse						
Almshouse branch	22,918	51,337	(29,483)	95	(6,454)	38,413
Extraordinary repair	<u>60,454</u>	<u>1,931</u>	<u>(292)</u>	<u>249</u>	<u>6,454</u>	<u>68,796</u>
	83,372	53,268	(29,775)	344	-	107,209
Twitty's Almshouse						
Almshouse branch	22,930	21,404	(14,702)	94	(1,384)	28,341
Extraordinary repair	82,874	2,647	(401)	340	1,384	86,844
Legacy	<u>572</u>	<u>18</u>	<u>(3)</u>	<u>2</u>	<u>-</u>	<u>589</u>
	<u>106,376</u>	<u>24,070</u>	<u>(15,106)</u>	<u>436</u>	<u>-</u>	<u>115,774</u>
Total restricted funds	<u><u>849,273</u></u>	<u><u>166,200</u></u>	<u><u>(108,568)</u></u>	<u><u>3,486</u></u>	<u><u>(13,280)</u></u>	<u><u>897,111</u></u>

Almshouse branches

Funds for the provision and maintenance of almshouses and their residents.

Relief in Need branches

Funds available to support people in conditions of need, hardship or distress either individually or generally.

Extraordinary repair fund

Funds created in response to orders of the Charity Commissioners to provide for the cost of extraordinary repairs, improvements or building of the charities' almshouses and other property.

The Charity of John Blacknall - Church branch

Income payable to the Incumbent and Churchwardens of the Parish of St Nicolas applicable to the maintenance of the Church of St Nicolas, Abingdon.

CHRIST'S HOSPITAL OF ABINGDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

16. RESTRICTED FUNDS (Continued)

The Charity of Richard Wigglesworth

Education Branch Funds available to assist with the Education of individuals under the age of 25 by way of exhibition, grant or towards preparing them for entry into a trade.

Transfers

The transfers to John Blacknall Church Branch and the Richard Wigglesworth Education Fund are made to meet the requirements of the Scheme of that Charity.

Transfers from Almshouse funds to Extraordinary Repair Funds are made in accordance with the recommendations of the Almshouse Association. The charity has transferred in excess of the minimum required and varies depending on the Governors best estimate of the state and costs required for that set of Almshouses.

CHRIST'S HOSPITAL OF ABINGDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

17. ENDOWMENT FUNDS

	<i>At 1 January 2015</i>	Incoming resources	Resources expended	Gains/ (losses)	Transfers	At 31 December 2015
	£	£	£	£	£	£
Christ's Hospital						
Permanent	8,451,594	-	(70,733)	17,042	-	8,397,903
Capital recoupment						
- Order A	142,258	4,544	(2,423)	583	1,039	146,001
- Order B	<u>55,896</u>	<u>1,786</u>	<u>(952)</u>	<u>229</u>	<u>358</u>	57,317
	8,649,748	6,330	(74,108)	17,854	1,397	8,601,221
John Blacknall						
Permanent	<u>737,243</u>	-	<u>(12,559)</u>	<u>3,026</u>	-	727,710
Richard Wigglesworth						
Permanent						
- General	124,765	-	(2,125)	512	-	123,152
- Education	<u>45,629</u>	-	<u>(778)</u>	<u>187</u>	-	45,038
	170,394	-	(2,903)	699	-	168,190
Abingdon Almshouse						
Permanent						
- Almshouse branch	107,588	-	(1,832)	441	-	55,112
- Relief in need branch	<u>55,834</u>	-	<u>(951)</u>	<u>229</u>	-	-
	163,422	-	(2,783)	670	-	161,309
Tomkins Almshouse						
Permanent	<u>41,288</u>	-	<u>(704)</u>	<u>169</u>	-	40,753
Twitty's Almshouse						
Permanent	<u>18,646</u>	-	<u>(317)</u>	<u>77</u>	-	18,406
	<u>9,780,741</u>	<u>6,330</u>	<u>(93,374)</u>	<u>22,495</u>	<u>1,397</u>	9,717,589

Capital Recoupment Funds were set up in accordance with the Charity Commission Recoupment orders August 1984 and December 1984 to recoup the permanent endowment. The other Funds are permanent Endowment funds held in accordance with the restriction and used to generate restricted funds for the charity.

Transfers

Capital Recoupment Order 'A' sealed on the 13th December 1984 in the sum of £215,000 for 'land and buildings', repayment being £1,039.46 per annum for 53 years from the date of the Order.

Capital Recoupment Order 'B' sealed on the 21st August 1984 in the sum of £65,000 for 'provision of a service area in Albert Park', repayment being £0.55% per annum of the sum expended for 50 years from the date of the Order.

For both Orders the Trustees shall permit the dividends accruing to be invested thereon by way of accumulation until twelve months after the last payment.

CHRIST'S HOSPITAL OF ABINGDON
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

18. ALLOCATION OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed assets £	Investment properties £	Investments £	Net current assets £	Long Term loan £	Total £
Endowed	41,827	4,258,000	5,417,762	-	-	9,717,589
Restricted	-	-	897,111	-	-	897,111
Designated	-	-	329,536	-	-	329,536
Unrestricted General	<u>26,000</u>	<u>-</u>	<u>4,540,869</u>	<u>1,162,703</u>	<u>(12,000)</u>	<u>5,717,572</u>
	<u>67,827</u>	<u>4,258,000</u>	<u>11,185,278</u>	<u>1,162,703</u>	<u>(12,000)</u>	<u>16,661,808</u>

19. STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVES BY FUND TYPE

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2014 £
INCOME AND ENDOWMENTS FROM:					
Donations		-	17,010	-	17,010
Investments		507,153	58,119	5,804	571,076
Charitable activities - contributions from Almspeople		75,651	91,130	-	166,781
Other		<u>6,848</u>	<u>-</u>	<u>-</u>	<u>6,848</u>
Total income and endowments		<u>589,652</u>	<u>166,259</u>	<u>5,804</u>	<u>761,715</u>
EXPENDITURE ON:					
Raising funds		72,733	3,688	25,846	102,267
Charitable activities					
- Grants payable		60,865	4,197	-	65,062
- Provision of Almshouses		226,867	68,766	-	310,316
- Albert Park maintenance		<u>73,062</u>	<u>19,809</u>	<u>-</u>	<u>92,871</u>
Total expenditure		<u>442,777</u>	<u>101,893</u>	<u>25,846</u>	<u>570,516</u>
Net gains on investments		<u>48,190</u>	<u>8,034</u>	<u>56,297</u>	<u>112,521</u>
Net income		195,065	72,400	(36,255)	303,220
Transfer between funds		<u>35,840</u>	<u>(6,462)</u>	<u>(29,378)</u>	<u>-</u>
Net movement in funds		230,905	65,938	6,877	303,720
Total funds brought forward		<u>5,539,382</u>	<u>783,335</u>	<u>9,773,864</u>	<u>16,096,581</u>
Total funds carried forward		<u>5,770,287</u>	<u>849,273</u>	<u>9,780,741</u>	<u>16,400,301</u>