

Alderson Disabled Ex-Servicemen's Homes Trust

Registered Charity Number
216803

Report and Accounts
For the Year Ended 31 March 2015

Alderson Disabled Ex-Servicemen's Homes Trust

Legal And Administrative Details
Year Ended 31 March 2015

The Trust is a registered charity - number 216603

The Trustees are:

The Lord Mayor of Birmingham
Councillor M Sharpe
Councillor J Lines
Hon Ald J Whorwood
Councillor Anita Ward

The address for correspondence is:

Dave Boardman
Legal and Democratic Services
Room B25
Council House
Birmingham
B1 1BS

The Trust's bankers are:

Co-operative Bank plc
PO Box 82
118/120 Colmore Row
Birmingham
B3 3AB

The Trust's independent examiner is:

Mr S. Atkins Bsc FCA
Partner in Clement Keys LLP
No 8 Calthorpe Road
Edgbaston
Birmingham
B15 1QT

Alderson Disabled Ex-Servicemen's Homes Trust

Report of the Trustees for the Year Ended 31 March 2015

The Trustees present their report along with the financial statements of the charity for the year ended 31 March 2015. The financial statements have been prepared in accordance with the accounting policies set out in the notes below and comply with the Charity's trust deed and applicable law.

Structure, Governance and Management

The Fund was established by a Trust Deed dated 16 May 1933 by Alderman Bernard Alderson, and is an unincorporated charity.

There are five Trustees responsible for the management of the estate and property, namely:

The Lord Mayor of the City of Birmingham, who shall be Chairman of the Trustees, and four Representative Trustees appointed by the City Council. Representative Trustees hold office for four years and may be re-appointed. There is currently one vacancy for a Representative Trustee.

Objectives and Activities

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aim and objectives of the charity and in planning any future activities.

A lease between the Lord Mayor, Aldermen and Birmingham City Council granted the Trustees a piece of land fronting Kingsbury Road and Holly Lane, Erdington, for a period of 99 years, on which the Trustees have built 16 homes.

The objects of the Fund are to let the 28 dwelling houses in the first instance to disabled ex-service men who have resided in the City of Birmingham for not less than two years consecutively, immediately preceding their tenancy. The Trustees may let to poor persons, giving preference to old age pensioners, in the case of an insufficiency of ex-service men.

Financial Review and Policies

The endowment fund represents the value of the houses at cost.

The unrestricted funds may be invested in any type of investment and are reviewed regularly. Surplus unrestricted funds are built up to meet cyclical property repairs and to ensure sufficient funds are available to cover the annual maintenance of the properties and the administration costs of the Charity.

The freehold interest in the properties is held by Birmingham City Council.

In May 2004 a tenant of one of the properties applied to the City Council to buy the house under Right to Buy legislation. The City Council failed to recognise the interest the Trust had in the property and accordingly sold the house to the tenant.

In recompense the City Council has provided an equivalent dwelling, 25 Halford Grove, Erdington. This property has been leased to the Trust until 24 December 2031, the date when the lease of the other dwellings terminates.

Risk Management

The Trustees keep under review the major strategic and operational risks which the Charity faces and are satisfied that systems have been established in order to minimise the possible effects of such risks on the Charity.

Following the sale, in error, of one of the Trust's properties, as described above, the Trustees have ensured that additional safeguards have been put in place by the City Council to ensure that such a situation can not recur.

Trustees' Responsibilities in Relation to the Financial Statements.

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

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 judgements 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 operation.

The Trustees are responsible for keeping accounting records which 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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf by:

Trustee

Date

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
ALDERSON DISABLED EX-SERVICEMEN'S HOME TRUST**

I report on the accounts of the Charity for the year ended 31 March 2015.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to;

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report


My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

- (i) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with Section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act
- have not been met; or
- (ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

CLEMENT KEYS LLP
Chartered Accountants
No 8 Calthorpe Road
Edgbaston
Birmingham
B15 1QT


Mr S Atkins BSc (Hons) FCA
Partner in Clement Keys LLP
22/10/15

Alderson Disabled Ex-Servicemen's Homes Trust

Statement of Financial Activities For The Year Ended 31 March 2015

Notes	Unrestricted Funds				Total
	2015	2014	2015	2014	
Income Resources					
Rent Receivable	112,228	112,228			106,354
Bank and Investment Interest	415	415			441
Total Incoming Resources	112,643	112,643			106,795
Resources Expended					
Charitable Activities	49,560	49,560			51,547
Interest Payable to BCC					27,733
Repairs & Insurance	34,447	34,447			13,576
Administration Fees	14,255	14,255			92,856
Governance Costs	98,262	98,262			780
Independent Examination Fees	780	780			99,042
Total Resources Expended	99,042	99,042			12,939
Net Incoming Resources	13,601	13,601			318,049
Reconciliation of Funds					
Balance of Fund Brought Forward at 1 April 2014	323,178	323,178			330,988
Balance of Fund Carried Forward at 31 March 2015	336,779	336,779			330,988

Balance Sheet as at 31 March 2015

Notes	Unrestricted Funds				Total
	2015	2014	2015	2014	
Fixed Assets					
New Properties	1,232,977	1,232,977			1,232,977
Properties	-	-			7,810
Current Assets					
Debtors	112,421	112,421			106,574
Deposits with Birmingham City Council	93,403	93,403			92,960
Cash at Bank	-	-			199,534
Creditors: amounts falling due within one year	128,279	128,279			121,524
Net Current Assets	77,545	77,545			77,910
Creditors: amounts falling due after one year	973,743	973,743			987,709
Total Net Assets	336,780	336,780			330,988
Represented by:					
Funds	336,779	336,779			330,988

Trustee

Date

Alderson Disabled Ex-Servicemen's Homes Trust

**Notes forming part of the Financial Statements
for the Year Ended 31 March 2015**

Note 1 Principal Accounting Policies

a) Accounting Convention

The financial statements are prepared under the historical cost convention in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and within the provisions of the Charities Act 2011.

In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005).

The Trustees have made use of the concession available for smaller charities within the SORP and have chosen to use resource classifications appropriate to the charity's circumstances and activities.

b) Incoming Resources

Rental income is accounted for on an accruals basis. Interest is accounted for on an accruals basis.

c) Resources Expended

Expenditure is accounted for on an accruals basis.

Governance Costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. Expenditure includes any VAT which cannot be recovered, which is reported as part of the expenditure to which it relates.

d) Tangible Fixed Assets

During the prior year, Birmingham City Council built 12 new properties built which have been leased to the trust for a period exceeding 99 years. The value of the new properties was £1,232,977. The trust made an initial repayment of £200,000 and the balance will be repaid out of the rental income from all of its 23 properties. It is expected that this loan will be repaid in 24 years, by 2039/40.

The leasehold properties are included in the accounts at cost on the basis that the residual value of the properties will be maintained.

The Trustees have not obtained an up to date valuation of the historic properties and hence the difference between the historical cost and the current market value is not known.

In addition, the Trustees are of the opinion that the current market value of the properties would be in excess of the historical cost and hence no depreciation has been charged on the properties.

e) Fund Accounting

Details and the nature of each fund are set below.

Unrestricted Funds comprise those funds which the Trustees are free to use in accordance with the charitable objectives.

Endowment Funds represent those assets which must be held permanently by the charity.

	Total 2015	Total 2014
	£	£
Note 2 Bank and Investment Interest		
Birmingham City Council	415	441
	<u>415</u>	<u>441</u>

	Unrestricted Funds	Endowment Funds	Total	Total
Note 3 Fixed Assets				
Cost at 1 April 2014	1,232,977	7,810	1,240,787	1,240,787
Additions	-	-	-	-
As at 31 March 2015	<u>1,232,977</u>	<u>7,810</u>	<u>1,240,787</u>	<u>1,240,787</u>

Note 4 Debtors

Birmingham City Council Local Services Directorate	112,421	106,574
	<u>112,421</u>	<u>106,574</u>

Alderson Disabled Ex-Servicemen's Homes Trust

Notes forming part of the Financial Statements
for the Year Ended 31 March 2015 - continued

Note 5 Deposits with Birmingham City Council

Deposits on 7 day notice

92,960	93,403
92,960	93,403

Note 6 Cash at Bank

Total	2015
2014	

Co-op Bank

-	-
-	-

Note 7 Creditors - amounts falling due within one year

Birmingham City Council
Clement Keys - independent examination fees

119,850	125,725
1,774	2,554
121,624	128,279

Note 8 Creditors - amounts falling due after one year

In April 2010 the Council agreed to dispose of land in Frankley Road, Northfield on a long lease to the Trust at £nil cost and that the Council would build 12 properties and sell these to the Trust at the build cost of £1,232,977.
The 12 properties at Poppy Drive were financed from the Trust's reserves of £200,000 and by a loan from the City Council of £1,032,977. This loan is effectively a repayment mortgage to be repaid from the surplus rent collected on behalf of the Trust by the Council on all of the Trust's 26 properties. It is anticipated that this debt will be fully repaid in approximately 26 years.

Birmingham City Council

973,743	973,743
987,709	987,709

Note 9 Trustee Remuneration and Expenses

No remuneration or expenses was paid to any Trustee from Charity funds during the year. (2014 nil).