

Registered Charity Number: 1103731

Registered Company Number: 05092710



Trustees' Report and Financial Statements
United St Saviour's Charity
For the year ended 31st March 2018

Contents Page

Reference and administrative details of the charity2

Trustees' Report3

Independent auditor's report to the members of United St Saviour's Charity16

Statement of Financial Activities19

Balance Sheet.....20

Statement of Cash Flows21

Notes to the Accounts22

Reference and administrative details of the charity

Trustees

Richard Heaton CB, Chair
Tim McNally (retired 27th November 2017)
Colin Jones (retired 25th January 2018)
Camilla McGibbon
Claire Treanor
Julia Tybura
Lord Kennedy of Southwark
Nicola Steuer
Stephen Burns
Rachel Findlay (resigned 22nd May 2017)
Shane Holland (appointed 26th March 2018)
Benjamin Johnson (appointed 26th March 2018)
Emma Snow (appointed 26th March 2018 and resigned 3rd September 2018)

Staff

Martyn Craddock, Chief Executive
Sarah Thurman, Head of Community Investments
Jude Leighton, Head of Housing
Bas Ahsan, Finance Manager
Matthew Allgood, Community Engagement Grants Manager
Elizabeth Caccamo, Senior Scheme Manager (left 30th August 2018)
Katie Roberts, Scheme Manager (St Saviour's Court Purley), (left 4th May 2018)
Debra Reis, Scheme Manager (Hopton's Almshouses)
David Whitney, Gardener

Registered Office

St. Saviour's House, 39-41 Union Street, London SE1 1SD

Independent Auditor

Kingston Smith, Devonshire House, 60 Goswell Road, London EC1M 7AD

Bankers

HSBC Bank Plc, 1 South Place, London EC2M 2UP

Solicitors

Winckworth Sherwood LLP, Minerva House, 5 Montague Close, London SE1 9BB

Investment Managers

Investec Wealth & Investment, 30 Gresham Street, London EC2V 7QN

Registered Charity Number: 1103731

Registered Company Number: 05092710

United St Saviour's Charity incorporates Hopton's Charity, Charity reg. no. 209342 and Homes and Communities Agency reg. no. A2837

Trustees' Report

United St Saviour's Charity

For the year ended 31 March 2018

Our Place in Southwark

United St. Saviour's Charity is a charity with the ambition to make north Southwark a great place for everyone to live, work, learn and play, regardless of their background and circumstances. Our strategic vision is to nurture a Southwark which unites everyone, so that its people are resilient, our communities are sustainable, and our neighbourhoods have a strong identity. From the year our charity was founded in 1541, we have supported people and communities in Southwark.

We are an important part of Southwark's social and economic infrastructure and its largest grant making charity specific to this place. After 500 years, we like to think we know north Southwark intimately. However, the fast pace of transformation and regeneration affecting all communities in Southwark brings both positives and negatives, opportunities and challenges; we see our role in helping ensure the voluntary sector, and the poorer communities most affected by change, remain part of Southwark's future.

Our size, history and reputation positions us to be a trusted leader that influences and inspires other to work in partnership and share our objectives. We foster strong and well-served communities through our grant making and related activities. Our grants will reach £1m for the first time in 2018/19. With our talented community investment team, we aim to maximise impact: helping to build strong communities and tackling social needs particularly among the most marginalised.

We provide social housing for older people of limited means in our two almshouses, with 75 dwellings in total. Hopton's almshouse, built in 1752, is in Bankside, while St Saviour's Court, originally endowed by Thomas Cure in 1584, now stands in Purley. We will build on our history and experience of exceptional almshouse provision with our project to build a further 57 homes right in the heart of north Southwark. Last year we reported our frustration with the speed of progress on this project; now, we are pleased to report that momentum has been restored.

Our Vision

A United Southwark where:
People are resilient
Communities are sustainable
Neighbourhoods have a strong identity

Objectives and Activities

The legal objects of the charity are the relief to persons in need resident in our area of benefit by providing accommodation and by such other means as the trustees think fit. The area of benefit is broadly the parliamentary constituency of Old Southwark and Bermondsey with a few very small areas previously included before electoral boundary changes. The charity currently meets its objects through its main activities of providing almshouse accommodation, and grants to organisations.

Almshouses

United St Saviour's Charity has provided accommodation for Southwark residents since the 16th century. Our almshouses provide high quality, affordable and independent accommodation for residents of Southwark over the age of 60 who are in need. We offer a secure home, in an environment which combines independent living with enhanced elements of community activity and personal support.

We will be building more almshouses, constructed and designed to the highest quality standards which respond to the anticipated needs of a growing and ageing population with different needs and expectations that much sheltered social housing stock fails to meet. We will build locally, allowing more Southwark people the option to remain in the area they know and feel part of. Our vision is to make our new almshouses part of the community, rather than refuges for older people, and become an influential voice in the older persons housing sector.

Trustees' Report (continued)

United St Saviour's Charity

For the year ended 31 March 2018

Community Investments

Our community investments are delivered through grant-making and related activities which support, encourage, convene and build partnerships within Southwark's voluntary and community sector. We provide both large and small grants to charities, non-profit groups and social enterprises. The charity has introduced a more focused approach to its community investments during the year and improved its processes. More detail is given below. Details of our grant-making programmes, and how to apply for grants, are available on our website.

Our assets

Our historic pubs, shops and residential properties in Borough Market and beyond, produce a growing proportion of our income for our community investment and almshouse objectives. We also recognise their historic importance in Southwark, and the role they play in making Borough Market the attractive destination it has become. We take our responsibility to look after these properties for present and future charity beneficiaries very seriously and are active in maintaining the buildings and sustaining positive relationships with our tenants, neighbouring landowners and the local council.

Community Investments

Grant Making Policy and Practice

Applications are welcome from charities and non-profit organisations that support people and communities in our area of benefit. The Charity operates a reactive (or 'open access') small grants and large grants programme. There is also a proactive strategic grant making programme in which the charity identifies areas of need and approaches organisations to meet that need with our funding. The total grants budget in 2017/18 was £850,000. In the current year 2018/19, the budget is £1m.

Details of the grant-making programmes, policies and procedures can be found on the charity's website. Following a consultation and needs analysis in 2016/17, the charity introduced a thematic programme approach across three priority areas: Positive ageing, Strong, resilient communities, Levelling the playing field. Details below.

We promote our grant-making programmes through our website and social media, advertising through local networks, the local press and links with other organisations. Staff attend local events to promote funding opportunities, especially those community events which have been funded by the Charity.

We publish full details of our applications and approvals process on our website.

Grant Making Activities

In the financial year 2017-18 United St Saviour's allocated £1,000,840 to the community investment programme. £175,523 of this covered staff and other costs; £803,640 was awarded in the form of grants. £21,677 went towards 'funding plus' initiatives which help the charity achieve its community investment aims through associated activities.

Trustees' Report (continued)

United St Saviour's Charity

For the year ended 31 March 2018

The themes of the 3 year programme, introduced in 2016-17, continued to guide the community investment programme:

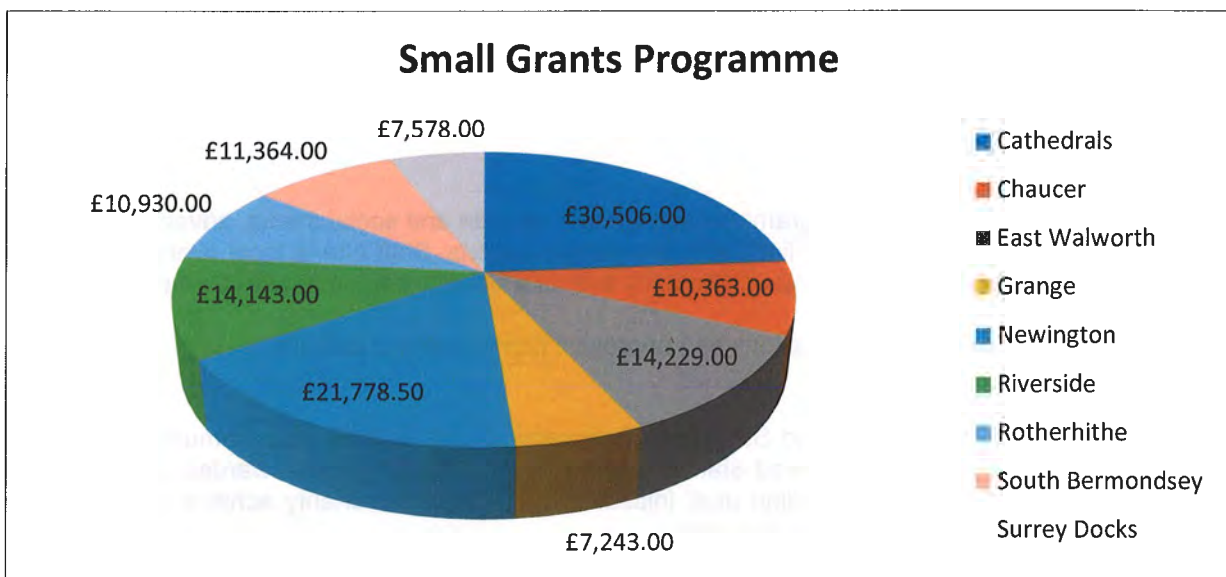
- **Positive ageing:** reducing isolation and increasing wellbeing amongst older residents
- **Strong, resilient communities:** connecting, enabling and strengthening communities
- **Levelling the playing field:** supporting population groups disproportionately experiencing social and economic disadvantage

As in previous years, applications were invited from organisations delivering initiatives in the area of benefit, to two open access funds; large grants for initiatives over £5,000, and small grants for those under £5,000. A strategic grants programme was also introduced. This involves the charity playing a more proactive role in developing and nurturing initiatives which respond to local issues.

For all funds, priority was given to initiatives that met local need, demonstrated creativity, fostered reciprocity, tackled the root causes of particular challenges, leveraged additional resources, and were able to demonstrate impact. Organisations were assessed according to track record, clarity of purpose and strategy, effective leadership and governance, collaborative practice, solid financial and operational management. More flexibility is applied to applicants for small grants so as to encourage and support grass-roots activity.

Small Grants Programme

Over the course of the year, 58 small grants, totalling £128,135, were awarded. These grants are largely taken up by small local groups, often run by volunteers. The box below shows the allocation of small grants by area.



Trustees' Report (continued)

United St Saviour's Charity

For the year ended 31 March 2018

Large Grants Programme

12 large grants, totalling £569,743, were awarded in 2017-18, as outlined below.

<p>Duckie: The Posh Club</p>	<p>Run by the Vauxhall Tavern's 'Duckie' team, The Posh Club is a daytime performance club for older people. Styled as a 1940's afternoon tea, it involves live performances, waiters in black tie, vintage crockery, and in-house pianist. Participants are encouraged to dress up and have fun. Trialed, with great success, in Hackney and Crawley, UStSC funds enabled the club to deliver in Southwark, older people isolation is a growing challenge.</p>
<p>Time and Talents: Open Doors</p>	<p>Time & Talents is a dynamic, multi-purpose community centre in Rotherhithe. It provides services for individuals, promotes community cohesion and encourages mutual support. The UStSC grant is helping the charity to extend its reach and engage new communities in this rapidly changing part of Southwark.</p>
<p>Ripe Enterprises: Parent College</p>	<p>The grant is funding skills tutors and employment advisors to improve the literacy, numeracy, digital skills and employment prospects of female carers with children. It has a focus on people from disadvantaged backgrounds and works in collaboration with local children's centres.</p>
<p>Age UK (Lewisham & Southwark): Advising North Southwark</p>	<p>The grant is funding an advisor to deliver a new information and advice service to improve incomes and well-being amongst older people and connecting them to community activities. The service is delivered on an outreach basis, through GP practices, cafes, libraries and community centres where older people feel most comfortable.</p>
<p>School Food Matters: Young Marketeers</p>	<p>Working through schools to grow and cook food for sale in Borough Market, the Young Marketeers project works towards reduction of health inequalities and childhood obesity by increasing knowledge of healthy eating and cooking. It also helps to reduce food poverty and waste and builds trading and entrepreneurial skills for young people.</p>
<p>Salmon Youth Centre: Sticking with Young People</p>	<p>Many young people growing up in Bermondsey face ongoing challenges and obstacles that negatively impact their health, wellbeing and development. In an environment of reducing local services for young people, and rising levels of youth crime, the grant is funding Salmon to deliver high quality youth work to improve lives and futures for young residents.</p>
<p>Home Start Southwark: Bump to Babe</p>	<p>Child poverty is high in north Southwark and this project seeks to reduce its negative impact among higher risk households. 'Bump to Babe' trains local volunteers who provide support to new parents - helping them to deal with the challenges they face in the first months of having a baby. It encourages a good bond between parent and baby that is essential for healthy development and emotional health.</p>
<p>Latin Elephant: Business Readiness Programme</p>	<p>Migrant and ethnic businesses are an integral part of the Elephant and Castle community; they provide goods at reasonable prices, services in specific languages, act as information centres and meeting points for the local population. The grant is enabling Latin Elephant to work with, and support, these businesses so they are better able to negotiate and survive through the planned regeneration.</p>
<p>Southwark Law Centre: Planning Voice</p>	<p>The project is supporting and empowering local people from disadvantaged communities to influence physical developments affecting their local environment. It will enable residents to be effectively involved in planning decisions and ensure that more disadvantaged residents are supported with mitigation measures.</p>

Trustees' Report (continued)

United St Saviour's Charity

For the year ended 31 March 2018

<p>Opening Doors: Southwark Older LGBT Connect</p>	<p>The provision of a wide range of services to isolated older LGBT people living in north Southwark, in partnership with local providers and networks. The support will include social, health and wellbeing activities, befriending, signposting to care services, volunteering opportunities, health and information events. It includes LGTB awareness raising training to local service providers.</p>
<p>Walworth Society: Walworth Community Gardening Network</p>	<p>The grant is funding a project co-ordinator to establish a network of community gardening projects in Walworth's housing estates, streets and community centres that provide mutual aid, support and sharing of best practice to local residents in gardening and food growing skills. It includes on-site gardening training days, an annual gardening conference and annual 'Alternative Chelsea' Garden Show.</p>
<p>London Bubble: Creative Volunteers Chart the Mayflower</p>	<p>2020 is the 400th anniversary of the Mayflower leaving the UK to take settlers to America. The project is creating opportunities for local people to research, discuss and creatively develop workshops relating to the voyage. It will build intergenerational connections and community ownership of the anniversary and stimulate debate and awareness around key themes of migration and religious tolerance.</p>

Strategic Grant-Making

The Charity awarded 6 strategic grants in 2017-18 totalling £127,631.

<p>Community Southwark: Southwark Giving</p>	<p>A place-based giving scheme set up to find new ways to address hidden, unmet and emerging local community needs in Southwark. It is doing this by harnessing the potential of the community, corporate and voluntary sector, and by drawing in additional investment through corporate partners to tackle local challenges.</p>
<p>Southwark Law Centre: Universal Credit Mitigation Project</p>	<p>Universal Credit was introduced to Southwark claimants in 2017. Administration problems have resulted in financial and emotional stress for many claimants and a surge in demand on advice agencies. This project was initiated by United St Saviour's in discussion with local agencies. It is investing additional funds into a consortium of local agencies over the critical 12 months roll-out period and carrying out research into the impact on different population groups, and effective ways of supporting them.</p>
<p>Blackfriars Settlement: Bridging the Gap</p>	<p>Blackfriars' older people service focuses on over 65s in the Bankside area, and includes outreach, a range of activities within the centre itself, and befriending. The service helps to reduce social isolation and increase wellbeing amongst older residents, and to enable them to feel part of the community. The funding will support the salary and on-costs of the older people service manager for 1 year.</p>
<p>Lamlash Garden Association: The Castle Place Project</p>	<p>The project aims to create a new neighbourhood hub and social space for Elephant and Castle residents, including a community centre, studios and workspaces, a cafe and community kitchen on the sites of two former working timber and light industrial yards. The grant contributes to a feasibility study.</p>
<p>Bankside Open Spaces Trust: The Great Get Together</p>	<p>The Great Get Together Bankside is a celebration of the local community and this fantastic area. For one day, on the 24th June, all the streets around Union Street and Redcross Way will be closed to hold a huge street party. It will include many bands, Corsica studios DJs, picnics, a bake-off and bark-off, games, food and entertainment for people of all ages. It is one of only two flagship 'Great Get Togethers' for the Jo Cox Foundation in London.</p>

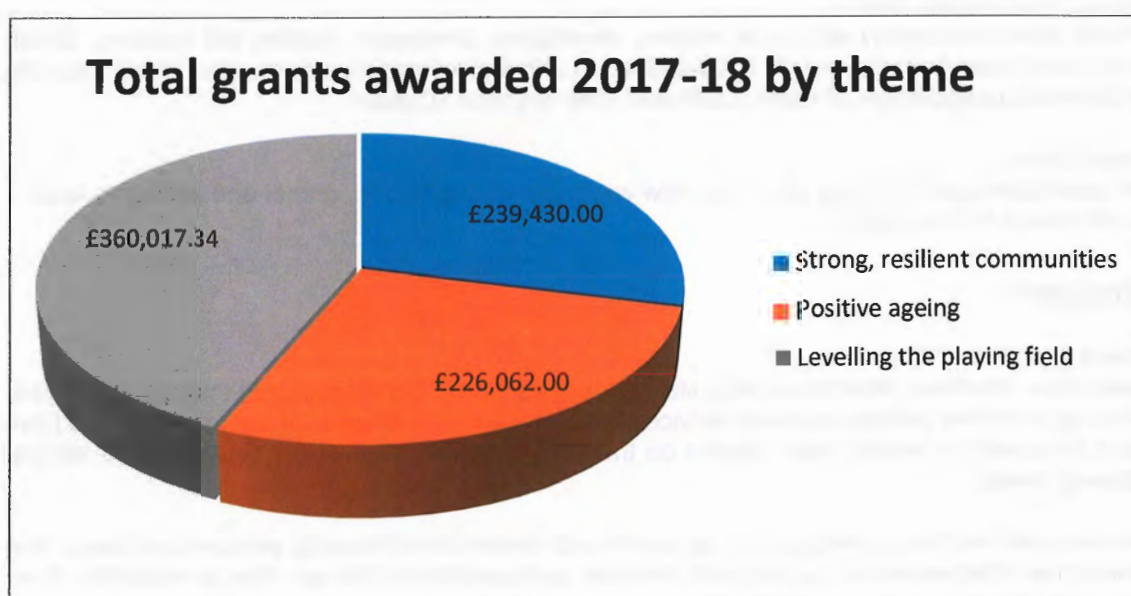
Trustees' Report (continued)

United St Saviour's Charity

For the year ended 31 March 2018

Musicity: Musicity Southwark 2018	Musicity Southwark 2018 celebrates the music, diverse community and architecture of north Southwark with the creation of new pieces of music by local artists at various locations. The music is inspired by local architecture and streamed through the Musicity App at points adjacent to the relevant buildings. One of United St Saviour's Hopton's Almshouse residents is creating a piece inspired by this beautiful building in Hopton's Street.
-----------------------------------	---

The chart below shows the allocation of all grants by priority theme.



2017-18 Funding Plus

The Charity's Funding Plus initiatives in 2017 included a study into the value and impact of the Charity's small grants programme. This was carried out in collaboration with the Peter Minet Trust, another place-based funder working in Southwark.

Training was provided to all grantees to prepare them for the introduction of GDPR. In collaboration with Community Southwark, staff ran two training sessions for local groups on how to make a successful funding application.

Partnerships

In addition to its grant making work, the Charity is involved with several partnerships that help to drive forward its Community Investment aims:

Borough Market Trader Fund

Following the London Bridge terrorist attacks on 3rd June 2017, with Borough Market and Better Bankside, the Charity set up a support fund for local businesses experiencing financial hardship. Contributions to the fund were received from the 3 founding organisations, many other local businesses and members of the public. The Greater London Authority, through the Mayor's Business Continuity Fund, made further funds available in addition to continued fundraising and initiatives by local businesses over the summer of 2017. The fund was released in four phases. In total 107 traders received funding, often in more than one phase, from a total of £400,000.

Trustees' Report (continued)

United St Saviour's Charity

For the year ended 31 March 2018

The Institute for Voluntary Action Research (IVAR) and London Funders published a research study *Learning from funder responses to emergencies*. This draws on the Borough Market Trader Fund as a case study on how grant makers can respond effectively to an emergency.

Big Local South Bermondsey Partnership

United St Saviour's Charity is the locally trusted organisation for (BLSB) a programme which is investing £1m of Big Lottery funds in the area between 2012 and 2022. As 'locally trusted' organisation, the Charity is responsible for the channelling and monitoring of funds to BLSB so that they can deliver changes in line with the priorities identified by local people. The Charity also took on the lease of 4 Market Place, Bermondsey on behalf of BLSB in 2016 and, in 2017, covered the rental costs of the building to enable delivery of the 'Big Local Works' employment and enterprise training & support hub.

Developer Co-ordination Group

The Charity meets informally with local housing developers Grosvenor, Notting Hill Housing, British Land and Lend Lease to explore ways of co-ordinating and maximising the construction related training and employment opportunities in north Southwark over the next 10 years.

Southwark Giving

A place-based giving scheme set up to find new ways to address hidden, unmet and emerging local community needs in Southwark.

Almshouses

Almshouse support services

The charity has effectively maintained high standards of service in the almshouses throughout the year by continuing to deliver person-centered services that meet the varied needs of our residents. We have continued to develop a service that focuses on the complete well-being of our residents and not just their housing needs.

Over the last year we have completed a root and branch review of our housing services and taken time to evaluate the effectiveness of our support services and assistance that we offer to residents of our almshouses. This review has highlighted the growing needs of residents in the almshouses which are becoming increasingly difficult to meet with our existing structure. As a result, we have developed some new roles which focus on the care and support of older people to be introduced into the establishment next year.

Almshouse Building Management

The condition and quality of the almshouses remains of utmost importance to the Charity and we have continued to invest in these valuable assets for the benefit of our beneficiaries. We have successfully completed a full programme of day to day maintenance and capital works in both the almshouses, ensuring that our homes are fit, safe and comfortable for current and future residents. These works have included the modernisation of office and laundry facilities at Hopton's Almshouse, major roof improvements at St Saviour's Court and a comprehensive painting programme at both schemes. Future planned investments include the refurbishment of the communal lounge at Hopton's Almshouse and an upgrade of the heating system at St Saviour's Court

In response to the Grenfell tragedy, we commissioned comprehensive independent fire risk assessments at both our almshouses to satisfy ourselves of the safety of our homes. The results were incorporated into our full health and safety management system.

The transformation of the garden at Hopton's commenced this year and was spearheaded enthusiastic and energetic residents in partnership with external contractors and grounds maintenance organisations.

Trustees' Report (continued)

United St Saviour's Charity

For the year ended 31 March 2018

Almshouse performance management

Voids have continued to be managed effectively this year and internal transfers have been facilitated where requested. Our average void turnaround time was 40 working days (8 weeks) and new residents reported 100% satisfaction with their new home. We have continued to support our residents to pay their weekly maintenance charges and provided additional help and support to residents in receipt of Universal Credit. As a result, we achieved a 100% collection rate after the receipt of housing benefit for all eligible residents.

We undertook an Annual Customer satisfaction survey in November 2017 which provided the following data:

Category	% Residents satisfied or very satisfied
Overall landlord satisfaction	98%
Home and Scheme	92%
Repairs and Maintenance	89%
Staff	93%
Neighbourhood and Community	91%

Over the last year we have shifted the focus of our services on to the care and support of our residents and we will continue to develop this in the coming year by restructuring our housing team in order to ensure that are best meeting needs in the almshouses. Whilst we have been looking ahead, we have reached some notable milestones over the last year including:

- 85 % completion of person-centred support plans for our residents.
- The introduction of new policies and procedures in complaints, safeguarding, health and safety, risk management and data protection.
- Improved resident engagement through an increase in residents' meetings and residents' trips and activities arranged by the Charity.

Our Next Almshouse; a new 500-year legacy

The Charity intends to develop a new almshouse that will provide modern sheltered housing at genuinely affordable rents for an ageing population in Southwark, fit for the 21st Century. Our vision is to help our residents be a part of the community and develop activities which have a wider appeal to the whole community. We want our new almshouse to set a new benchmark in sheltered housing for older people's well-being in the inner city.

To meet our ambition, we instructed architects Witherford Watson Mann to design a building of stunning quality and beauty on a piece of land owned by Southwark Council at 94-116 Southwark Park Road in Bermondsey. Final planning consent was awarded in January 2018. Although the development process has until recently been slow and protracted, the speed has picked up and we are confident that building works will start soon, with our new residents moving in shortly afterwards.

Trustees' Report (continued)

United St Saviour's Charity

For the year ended 31 March 2018

Governance Structures and Charity Information

Structure, governance and management

The Charity undertook a complete review of its governance structures in 2017 and 2018 and brought in external consultants to carry out an independent assessment using the revised NCVO Charity Governance Code which is endorsed by the Charity Commission. The Trustees have made a number of changes and improvements and are now confident that United St Saviour's Charity is a well-governed charity.

History

We can trace our roots back to the fifteenth century. Founded during the reign of Henry VI as the Guild of the Fraternity of the Blessed Virgin Mary, it was later incorporated under a charter of Henry VIII as the Corporation of Wardens of the Parish of St Saviour, Southwark, to manage parish affairs and local charities. We maintain the heritage of the Corporation of Wardens in the various Warden's titles given to each of the Trustees of the modern charity e.g. Warden of the Great Account, Bell Warden, Renter Warden.

Corporate Structure

Today, United St Saviour's Charity is a company limited by guarantee (5092710) and registered charity (number 1103731), incorporated by memorandum and articles in 2004. The company is the corporate trustee of United St Saviour's Endowment Charity, registered charity number 1103731-1, which holds the permanent endowment. The directors of the company effectively act as trustees for both charities. The Charity Commission has issued a uniting direction for both charities. Trustees serve for a maximum of three terms of three years and are expected to live or work in Southwark.

In December 2011 the Charity took on the corporate trusteeship of Hopton's Charity (registered charity no. 209342 and registered provider of social housing no. A2837). With the permission of the Charity Commission, Hopton's Charity transferred all its assets, liabilities and activities to United St Saviour's Charity.

Governance Structure

The Board consists of a minimum of three and a maximum of ten Trustees and meets four or more times a year. An AGM is held in September to deal with corporate business.

Following the governance review there are now two committees of the Board: Community Investment Committee and Finance, Investments and Audit Committee. Each Committee meets four times per year. The Housing Committee was disbanded in June 2018.

Trustees review strategy and priorities of the Charity at their meetings, taking into account grant making, almshouse management and building development programmes, investments and risk management. An annual strategy meeting is held by Trustees to plan priorities.

The Trustees consider the Board of Trustees and the Chief Executive as comprising the key management personnel of the Charity. The day to day management and control of the Charity is delegated to the Chief Executive.

Trustees are required to disclose all relevant interests and register them with the Chief Executive and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises.

Trustees' Report (continued)

United St Saviour's Charity

For the year ended 31 March 2018

Trustee training, recruitment and remuneration

Trustees keep the skills requirement of the Board under review and undertake regular training. New Trustees are recruited through agencies, word of mouth and public advertisement, and participate in an induction programme organised by the Chief Executive.

All Trustees give their time freely and no Trustee remuneration was paid in the year.

Staff remuneration

The Chief Executive's salary is reviewed by the Board. Salaries are normally increased with reference to inflation indices. Staff remuneration is also benchmarked with grant-making and almshouse charities of a similar size and activity on a regular basis.

Membership bodies and partnerships

The Charity is a member of NCVO as well as the grant makers' umbrella body the Association of Charitable Foundations. We are also a member of London Funders, a group of investors and grant making organisations in London's civil society. We also work closely with other grant making trusts in Southwark and attend the Southwark Funders' meetings.

In respect of our almshouse provision, the Charity is a member of the National Almshouses Association, and part of the Larger Almshouses Networking Group. Staff attend meetings and receive updates from the Housing Learning and Improvement Network, particularly on aspects of Extra Care housing provision. We are also members of the g320 group of small London housing associations, the Charity Property Group, and EROSH.

Within Southwark, we are pleased to take an active part in many networks, community assemblies and neighbourhood meetings, and maintain a strong relationship with Southwark Council. We retain a close relationship to our historic parish responsibilities by holding our annual Thomas Cure commemoration service at Southwark Cathedral, where many local people pay respect to one of our principal ancient benefactors. We are active in the Borough Market Environs Group, which helps ensure that the character of the area is not harmed by developments and changes and influences the shape of new developments.

Public Benefit

Trustees have referred to the Charity Commission's general guidance on public benefit including its guidance 'Public benefit: running a charity (PB2)' to ensure that activities meet the requirements.

Risk mitigation

Trustees review the major risks faced by the Charity annually. Trustees have examined key controls over financial and operational systems and other business risks which the Charity faces and confirm that systems are in place to mitigate the significant risks. The Charity's risk register addresses operational risk, financial risk and reputational risk, which could arise through, for example, fraud or ineffective grant making.

The principal risks that the Trustees have identified are reputational, operational and financial. The inability to house our older residents in our almshouses, either temporarily or longer-term, as a result of disaster, health and safety failure or fire etc, is mitigated through control systems and insurance.

Some of the almshouse residents are considered vulnerable persons, and this brings risk of an adult safeguarding failure. This is mitigated through control systems such as safeguarding procedures and staff training. The charity's financial position may be impacted by significant cost-over run on a major capital project. Strong financial systems and professional management should help mitigate this. The Charity has also taken steps to comply with the new General Data Protection Regulations (GDPR) and, given the sensitivity of the personal data we hold, have added this to our risk register.

Trustees' Report (continued)

United St Saviour's Charity

For the year ended 31 March 2018

Financial review

United St Saviour's Charity continues to grow financially, and this year reached £2m income for the first time. Growth was steady in 2017/18 and the forecast is to continue growing at approximately 4% pa over the next 5 years.

Income grew by 23.9% to £2,445,695 (2016/17 = £1,974,022) which reflects the income received from Network Rail as part of the compensation claim from the Thameslink project. Apart from the latter, there were small increases across all other income heads. Our investment properties rents continued to increase upon new tenancies and re-lettings. Better void turnaround times at the almshouses helped grow income from weekly maintenance contributions.

Expenditure grew by 21.9% to £2,133,612 (2016/17 = £1,750,175) with significant increases in community investment grant activity and improvements to the way we support our almshouse residents. These are sustainable costs and the charity intends to grow its grant giving beyond £1m in 2018/19.

The charity's total assets were £46.7m at year end, a 5.6% increase from 2016/17.

Reserves policy

The Trustees reviewed its reserves policy in 2018 and adopted a risk-based approach to setting unrestricted reserves. Having considered the significant risks the charity is exposed to, Trustees consider that a prudent level of general reserves to hold equate to approximately 8 months of budgeted expenditure or £1.42m.

The current level of free reserves is £1.62m.

	<u>31.03.2018</u>	<u>31.03.2017</u>
	£	£
Total Unrestricted Funds – General Funds (Note 22)	3,663,011	3,499,504
Less: Tangible Fixed Assets (Note 23)	(35,298)	(41,683)
Investment Property (Note 18)	(2,009,843)	(1,465,500)
	=====	=====
Total Liquid reserves	£1,617,870	£1,992,320
Free reserves, equivalent to eight months annual expenditure	£1,422,408	£1,166,783

Investment policy and performance

The overall objectives are to create sufficient income and capital growth to enable the Charity to carry out its purposes consistently year by year with due and proper consideration for future needs and the maintenance of, and if possible, enhancement of the value of the invested funds while they are retained. Standard criteria are:

Objective: 'Balanced' return between income and capital

Risk: Medium

Mandate: Discretionary

The Charity's aim is to maximise total return on its investments. The investment manager advises Trustees of what they consider is the sustainable distribution level from the investment portfolio without eroding the underlying value of the endowment after taking into account projected inflation and fees. In 2017/18 this amount was approximately £454,000. Some of the unrestricted fund capital and all the income may be used at any time for the furtherance of the Charity's aims.

Trustees' Report (continued)

United St Saviour's Charity

For the year ended 31 March 2018

These objectives are to be achieved within the framework of a socially responsible and ethical investment policy which is set out in more detail in the Charity's detailed "Investment Policy". For example, the Trustees do not wish the Investment Managers to invest in any company that manufactures hand guns or has more than a 15% interest in such a company. Similarly, given links between gambling and poverty the Trustees would wish to ensure that no investment is made in a company whose activities comprise more than 25% of gambling.

The investment portfolio is managed on a discretionary basis by Investec, except for a single holding in an Aberdeen Asset Managers Fund. Investec provide quarterly performance reports to the Finance and Investments Committee who will review the performance. The Charity has been satisfied with the manager's performance in 2016/17.

The Charity's investment properties in Southwark provide a significant part of the Charity's income. They include four pubs, nine retail shop units, one office, eight flats and one house. Many of these properties are historic properties built on land left to the Charity in the 16th Century. These historic properties were refurbished during 2015 and successfully re-let as commercial retail shops and residential flats. The Charity is forecasting long-term growth in rents as a result of its capital improvements and lettings policy.

FUTURE PLANS

The charity has ambitious plans to grow the impact of our community investment programmes, the number of almshouses, our balance sheet, and our connections and place in Southwark.

In the year ahead, the Grants programme team will increase the number of grants awarded, in line with the increased budget, and use the charity's recently established impact framework to ensure that funds are used to their greatest effect. Recommendations from the Small grants review will be taken forward so that the small grants are reaching the places and communities which would most benefit. The team will also develop relationships with a range of agencies to explore ways of working more closely and combining resources where possible.

We are increasingly confident that we will enter into the detailed design phases of the development and finalise the legal arrangements with the new developers who have taken on our almshouse in Bermondsey. We will also continue to look for, identify opportunities to develop, and influence others that providing more social housing for older people in Southwark, will lead to positive outcomes for communities and the well-being of our older residents.

We will continue to deal with the historic backlog of essential capital works at Hopton's Almshouse and support our staff and residents in bringing back the gardens and common areas to former glories. The housing team will implement new working structures to enhance the support services to residents at both almshouse schemes and increase resident engagement.

We will continue to look for ways to invest in Southwark property and increase the value of our balance sheet as a result.

A full copy of the 5-year strategic plan to 2020 is available on the Charity's website.

Trustees' Report (continued)

United St Saviour's Charity

For the year ended 31 March 2018

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are the directors of United St Saviour's Charity for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. 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 operation.

The Trustees are responsible for keeping adequate 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 detection and prevention 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 on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITORS

Kingston Smith have indicated their willingness to continue in office and offer themselves for re-appointment as such, under Section 485 of the Companies Act 2006.

PREPARATION OF THE REPORT

This report has been prepared taking advantage of the small companies exception of section 415A of the Companies Act 2006. It was approved and authorised for issue by the Trustees on 24 September 2018 and signed on its behalf by:



RICHARD HEATON

Chair of the Board of Trustees
24th September 2018

Independent auditor's report to the trustees of United St Saviour's Charity

Opinion

We have audited the financial statements of United St Saviour ('the charitable company') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material

United St Saviour's Charity
For the year ended 31 March 2018

**Independent auditor's report to the trustees of United St Saviour's Charity
(continued)**

misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees (who are also the 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

United St Saviour's Charity
For the year ended 31 March 2018

**Independent auditor's report to the trustees of United St Saviour's Charity
(continued)**

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of this report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to 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.

V. V. J. M. LLP

Neil Finlayson (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London EC1M 7AD

10 / 10 / 2018

Statement of Financial Activities

United St Saviour's Charity

For the year ended 31 March 2018

	Notes	Unrestricted Funds (£)	Restricted Funds (£)	Endowment Funds (£)	2018 (£)	2017 (£)
Statement of Financial Activities						
Income and endowments from:						
Donations and Legacies	3	3,087	2,000	836	5,923	9,761
Investments	4	1,514,077	-	401,431	1,915,508	1,474,142
Charitable Activities	5	514,536	-	-	514,536	486,637
Other	6	9,728	-	-	9,728	3,482
Total		2,041,428	2,000	402,267	2,445,695	1,974,022
Expenditure on:						
Raising Funds	7	(188,059)	0	(29,200)	(217,259)	(167,684)
Charitable Activities	8	(1,745,329)	(2,000)	(169,024)	(1,916,353)	(1,582,491)
Total		(1,933,388)	(2,000)	(198,224)	(2,133,612)	(1,750,175)
Net (losses)/ gains on Investments		(32,671)	-	2,190,875	2,158,204	4,652,314
Net Income/(Expenditure)		75,369	-	2,394,918	2,470,287	4,876,161
Net movement in funds		75,369	-	2,394,918	2,470,287	4,876,161
Reconciliation of Funds						
Total Funds at 1 April		10,142,066	203,347	33,905,135	44,250,548	39,374,387
Current year earnings		75,369	-	2,394,918	2,470,287	4,876,161
Total Funds at 31 March		10,217,435	203,347	36,300,053	46,720,835	44,250,548

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised during the year.

The notes on pages 23 to 40 form part of these financial statements.

Balance Sheet

Company Number : 05092710

United St Saviour's Charity

For the year ended 31 March 2018

	Notes	2018 (£)	2017 (£)
Balance Sheet			
Fixed Assets:			
Tangible assets	15	8,351,270	8,462,524
Investments	16	36,840,735	34,709,935
Total Fixed Assets:		45,192,005	43,172,459
Current assets:			
Debtors	19	1,763,487	1,313,626
Cash at bank and in hand		778,945	818,955
Total Current assets:		2,542,432	2,132,581
Creditors: Amounts falling due within one year	20	(857,343)	(856,263)
Net Current Assets		1,685,089	1,276,318
Total Assets less Current Liabilities			
Creditors: Amounts falling due after more than one year	21	(156,259)	(198,229)
Total Net Assets		46,720,835	44,250,548
The funds of the charity:			
Endowment funds	22	36,300,053	33,905,135
Restricted income funds	22	203,347	203,347
Unrestricted funds	22	10,217,435	10,142,066
Total funds of the charity:		46,720,835	44,250,548

The financial statements have been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 24th September 2018 and signed on their behalf by:



Richard Heaton

Chair of the Board of Trustees



Stephen Burns

Chair of Finance, Investments and Audit Committee

The notes on pages 23 to 40 form part of these financial statements

Statement of Cash Flows
United St Saviour's Charity
For the year ended 31 March 2018

	Note	2018(£)	2017(£)
Cash flow from operating activities			
Net cash flow from operating activities	23	(2,027,984)	(1,223,659)
Cash flow from investing activities			
Dividends, interest and rents from investments	4	1,964,077	1,474,142
Purchase of tangible assets	14	(3,507)	(25,715)
Purchase of investment property	17	(522,594)	(880,217)
Proceeds from sale of other investments	16	2,211,554	3,770,208
Purchase of other investments	16	(1,562,740)	(3,218,751)
Net cash flow from investing activities		2,086,790	1,119,667
Change in cash and cash equivalents in the year		58,806	(103,992)
Cash and cash equivalents brought forward		836,870	940,862
Cash and cash equivalents carried forward	24	895,676	836,870

Notes to the Accounts

United St Saviour's Charity For the year ended 31 March 2018

1. Accounting Policies

1.1 General Information and basis of preparation

United St Saviour's Charity is a charitable company registered in England & Wales (Registered Office: St. Saviours House, 39-41 Union Street, London, SE1 1SD). The company number is 05092710. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are the relief in need to persons resident in the area of benefit by providing accommodation and such other means as the trustees think fit.

The Charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with 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 (FRS102) issued on 16 July 2014, (SORP (FRS102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland, the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the Charity and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these accounts are set out below. These policies have been consistently applied to all years unless otherwise stated.

1.2 Funds

General funds are unrestricted funds which are available for the use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated Funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in note 22.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim of each restricted fund is set out in note 22.

Endowment funds represent those assets which must be held permanently by the Charity. Income arising on the endowment can be used in accordance with the objects of the charity and is included in unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

Notes to the Accounts (continued)

United St Saviour's Charity

For the year ended 31 March 2018

1.3 Income

All income is included in the Statement of Financial Activities when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations to be recognised, the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then the income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy, the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income, dividend and rent income is recognised as the charity's right to receive payment is established.

Interest on funds held on deposit is included when receivable and when the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

1.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings.

Costs of raising funds include investment management costs and the direct costs of managing the Charity's investment properties;

Expenditure on charitable activities includes all costs incurred on furthering the objects of the Charity; and

Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating the performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Support Costs

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs and governance costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to activities on the basis of staff involved in activities. (See note 10.)

Notes to the Accounts (continued)

United St Saviour's Charity

For the year ended 31 March 2018

1.5 Tangible Fixed Assets

All assets costing more than £500 are capitalised

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less their estimated residual value, of each asset on a systematic basis over its useful life as follows.

Freehold property - 30-70 years

Fixtures and fittings - 10-20 years

Office Equipment - 5 years

(Freehold land is not depreciated)

1.6 Investment properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in 'Net gains/(losses) on Investments in the Statement of Financial Activities.

1.7 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value using the closing quoted market price. All gains and losses are taken to the Statement of Financial Activities as they arise.

The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year. As investments are revalued to fair value continuously, no realised gains or losses arise.

1.8 Debtors and creditors receivable/payable within one year

Debtors are recognised when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

All expenditure is accounted for on an accruals basis. Creditors are recognised when the Charity has present legal or constructive obligation resulting from a past event to make a payment to a third party, it is probable that settlement will be required and the amount due to settle the obligation can be measured or estimated reliably.

1.9 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 with the exception of bank loans which are subsequently measured at amortised cost using effective interest method.

Notes to the Accounts (continued)

United St Saviour's Charity

For the year ended 31 March 2018

1.10 Tax

The Charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1.11 Leases

Rental payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities in a straight-line basis over the minimum lease term including any lease incentives received.

1.12 Employee Benefits

The Charity operates a money purchase scheme as described in more detail in note 26. Although contributions are variable as described in the note, the Charity is unable to identify its share of the underlying assets and liabilities of the scheme and it is therefore accounted for as if it were a defined contribution scheme.

1.13 Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the levels of reserves for the Charity to be able to continue as a going concern.

1.14 Judgements and key sources of estimation uncertainty

The following judgements have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements.

- Depreciation rates for tangible fixed assets
- Valuation of investment properties
- Valuation of pension deficit liability

The above also represent the key sources of estimation uncertainty.

2. Related Party Transactions

There were no related party transactions during the year (2017: Nil)

Notes to the Accounts (continued)

United St Saviour's Charity

For the year ended 31 March 2018

	Unrestricted (£)	Restricted (£)	Endowment (£)	2018 (£)	2017 (£)
3. Income from Donations					
Grants	-	2,000	-	2,000	-
Donations	3,087	-	836	3,923	9,761
Total Income from Donations	3,087	2,000	836	5,923	9,761

The £2,000 restricted grant was received in relation to the Great Get Together. In 2017 all income from donations was unrestricted.

	Unrestricted (£)	Restricted (£)	Endowment (£)	2018 (£)	2017 (£)
4. Income from Investments					
Rents and other income receivable from investment properties	1,060,011	-	401,431	1,461,442	1,043,881
Income receivable from Listed Investments	453,643	-	-	453,643	429,504
Interest receivable	423	-	-	423	757
Total Income from investments	1,514,077	-	401,431	1,915,508	1,474,142

	Unrestricted (£)	Restricted (£)	Endowment (£)	2018 (£)	2017 (£)
5. Income from Charitable Activities					
Almshouses - weekly maintenance	514,536	-	-	514,536	486,637
Total Income from Charitable Activities	514,536	-	-	514,536	486,637

	Unrestricted (£)	Restricted (£)	Endowment (£)	2018 (£)	2017 (£)
6. Other Income					
Compensation	1,623	-	-	1,623	-
South Bermondsey Partnership Administration fee	8,105	-	-	8,105	3,482
Total Other Income	9,728	-	-	9,728	3,482

	Unrestricted (£)	Restricted (£)	Endowment (£)	2018 (£)	2017 (£)
7. Expenditure on Raising Costs Investment Costs					
Investment Management Fees	29,224	-	29,200	58,424	56,079
Direct Costs of managing Investment properties	145,916	-	-	145,916	101,783
Support and governance costs	12,919	-	-	12,919	9,822
Total Expenditure on Raising Costs Investment Costs	188,059	-	29,200	217,259	167,684

Notes to the Accounts (continued)

United St Saviour's Charity

For the year ended 31 March 2018

	Unrestricted (£)	Restricted (£)	Endowment (£)	2018 (£)	2017 (£)
8. Expenditure on Charitable Activities					
Grant Giving					
Grants Payable	801,640	2,000	-	803,640	706,510
Direct grant giving and employment costs	129,377	-	-	129,377	113,905
Support costs	67,823	-	-	67,823	51,562
Total Grant Giving	998,840	2,000	-	1,000,840	871,977
Direct Charitable Activities					
Direct charitable Activity costs	588,235	-	169,024	757,259	587,748
Support Costs	158,254	-	-	158,254	122,766
Total Direct Charitable Activities	746,489	-	169,024	915,513	710,514
Total Expenditure on Charitable Activities	1,745,329	2,000	169,024	1,916,353	1,582,491

	Unrestricted (£)	Restricted (£)	Endowment (£)	2018 (£)	2017 (£)
9. Reconciliation of Grants Payable					
Grants payable at 1 April	500,784	-	-	500,784	264,070
Grants awarded during the year	801,640	2,000	-	803,640	706,510
Grants paid during the year	(884,242)	-	-	(884,242)	(469,796)
Grants payable at 31 March	418,182	2,000	-	420,182	500,784

Notes to the Accounts (continued)

United St Saviour's Charity

For the year ended 31 March 2018

	Unrestricted (£)	Restricted (£)	Endowment (£)	2018 (£)	2017 (£)
10. Support Costs					
Support costs (excluding governance costs)					
Office Rent	22,500	-	-	22,500	14,187
Computer Expenses	10,353	-	-	10,353	8,952
Other Office Expenses	46,459	-	-	46,459	26,382
Communication, branding, annual reports	16,209	-	-	16,209	15,726
Bank Charges	2,339	-	-	2,339	1,924
Irrecoverable VAT	2,252	-	-	2,252	5,099
Training and recruitment costs	4,191	-	-	4,191	9,690
Staff Costs	67,107	-	-	67,107	37,593
Depreciation	7,051	-	-	7,051	8,571
Total Support costs (excluding governance costs)	178,461	-	-	178,461	128,124
Governance Costs					
Staff costs	21,599	-	-	21,599	30,022
Auditors remuneration - Audit costs	10,904	-	-	10,904	10,307
Accountancy fees	13,170	-	-	13,170	3,635
Professional Fees	12,188	-	-	12,188	8,616
Trustee - Expenses	201	-	-	201	145
Board of Trustees refreshments	2,473	-	-	2,473	2,186
Other governance costs	-	-	-	-	1,115
Total Governance Costs	60,535	-	-	60,535	56,026
Total Support Costs (Notes 7 & 8)	238,996	-	-	238,996	184,150

Notes to the Accounts (continued)

United St Saviour's Charity

For the year ended 31 March 2018

	Unrestricted (£)	Restricted (£)	Endowment (£)	2018 (£)	2017 (£)
11. Grants Payable					
Southwark Giving	10,000	-	-	10,000	-
Lamlash Garden Association	5,000	-	-	5,000	-
Southwark Law Centre	48,631	-	-	48,631	-
Blackfriars Bridging the Gap	40,000	-	-	40,000	-
Musicity Southwark	14,000	-	-	14,000	-
Bankside Open Spaces Trust	10,000	-	-	10,000	-
Duckie Ltd - The Posh Club	45,000	-	-	45,000	-
SALMON YOUTH CENTRE - Sticking with Young People	130,282	-	-	130,282	-
School Food Matters - Young Marketeers	39,300	-	-	39,300	-
Southwark Law Centre - Planning Voice	33,000	-	-	33,000	-
Latin Elephant CIO - Business Readiness Programme for Migrant & Ethnic Businesses	30,018	-	-	30,018	-
Home-Start Southwark - Bump to Babe	39,897	-	-	39,897	-
Time and Talents Association - Open Doors	18,000	-	-	18,000	-
Ripe Enterprises Ltd - Parent College	39,882	-	-	39,882	-
The Walworth Society - Walworth Community Gardening Network	31,400	-	-	31,400	-
Age UK Lewisham and Southwark) - Advising North Southwark	42,964	-	-	42,964	-
Opening Doors London - Southwark Older LGBT Connect	60,000	-	-	60,000	-
London Bubble Theatre - Creative Volunteers Chart the Mayflower	60,000	-	-	60,000	-
Ripe Enterprises	-	-	-	-	35,000
Advising London	-	-	-	-	63,463
Surrey Docks Farm	-	-	-	-	56,000
London Reclaimed	-	-	-	-	33,375
Silverfit	-	-	-	-	45,704
Cargobike Life CIC	-	-	-	-	30,519
Pembroke House	-	-	-	-	90,657
The Reader	-	-	-	-	32,000
Bankside Open Spaces	-	-	-	-	41,628
Bede House Association	-	-	-	-	52,708
Time and Talents Association	-	-	-	-	65,942
Balance of grant de-committed	(20,200)	-	-	(20,200)	(4)
Small Grants Grants (up to £5,000)	126,136	2,000	-	128,136	176,927
Grants authorised but not taken up	(1,670)	-	-	(1,670)	(17,409)
Total Grants Payable	801,640	2,000	-	803,640	706,510

The Charity currently focuses its grant-making and broader Community Investment programme on three priority themes; Positive Aging, Strong Resilient Communities, and Levelling the Playing Field. In turn, these respond to key needs within its area of benefit (north Southwark). Supporting these priorities are three grants programmes; Open Access Large grants of over £5,000, Open Access Small grants of £5,000 or less, and Strategic Grants. Financial and in-kind support is also provided to key local partners through a 'Funder Plus' programme which involves capacity building, training and connecting. Grants are awarded to a range of groups such as registered charities and social enterprises, and locally based community groups run by volunteers.

Notes to the Accounts (continued)

United St Saviour's Charity

For the year ended 31 March 2018

12. Trustees' and Key Management Personnel remuneration and expenses

The total amount of employee benefits received by key management personnel was £97,413 (2017: £95,487) The charity considers its key management personnel to comprise the trustees and CEO.

No Trustees (2017: None) are accruing pension arrangements

The Trustees neither received nor waived any remuneration during the year (2017: Nil)

Expenses of £68 were paid to trustees this year in relation to a museum ticket (2017: £145)

	2018 (£)	2017 (£)			
13. Net Income/(Expenditure) for the year - is stated after charging					
Depreciation of tangible fixed assets	114,761	117,635			
Auditors remuneration - audit of financial information	10,050	9,500			
Auditors remuneration - other services	11,350	-			
Operating lease charges	34,500	14,187			
	Unrestricted (£)	Restricted (£)	Endowment (£)	2018 (£)	2017 (£)

14. Staff Costs

Wages and salaries	293,459	-	-	293,459	258,180
Social Security costs	28,010	-	-	28,010	23,307
Other pension costs	16,750	-	-	16,750	21,466
Total Staff Costs	338,219	-	-	338,219	302,953

The average number of employees during the year was 8.15 (2017: 7.5)

The number of employees who received employee benefits (excluding employer pension costs) for more than £60,000 is as follows:

	2018	2017
In the band £80,000 - £90,000	1	1

Pension contributions of £4,935 were paid on behalf of key management personnel (2017 £4,838)

Notes to the Accounts (continued)

United St Saviour's Charity

For the year ended 31 March 2018

15. Tangible Fixed Assets

	Freehold Properties (£)	Fixtures and Fittings (£)	Office Equipment (£)	Total (£)
Cost				
At 1 April 2017	9,973,288	156,696	44,897	10,174,881
Additions	-	509	2,978	3,507
At 31 March 2018	9,973,288	157,205	47,895	10,178,388
Depreciation				
At 1 April 2017	1,552,447	136,169	23,741	1,712,357
Charge for the year	104,871	2,839	7,051	114,761
At 31 March 2018	1,657,318	139,008	30,792	1,827,118
Net Book Value				
At 31 March 2018	<u>8,315,970</u>	<u>18,197</u>	<u>17,103</u>	<u>8,351,270</u>
At 1 April 2017	<u>8,420,841</u>	<u>20,527</u>	<u>21,156</u>	<u>8,462,524</u>

Freehold properties above includes freehold land at a cost of £3,470,000 (all relating to St Saviours Court).

There is no record of the original cost of the Hopton's Almshouse and therefore no value has been assigned to its original cost nor its related freehold land. The cost of the property relates to refurbishment work since 1983.

Cost of Freehold Properties	£
St Saviour's Court, Purley	9,122,128
Hopton's Almshouses, Southwark	851,160
	<u>9,973,288</u>

	Unrestricted (£)	Restricted (£)	Endowment (£)	2018 (£)	2017 (£)
16. Fixed Asset Investments					
Listed investments (including bank balance of a capital nature)	7,155,722	-	7,697,917	14,853,639	15,513,933
Investment Property	2,009,843	-	19,977,251	21,987,094	19,196,000
Investment - Subsidiary Company	2	-	-	2	2
Total Fixed Asset Investments	<u>9,165,567</u>	<u>-</u>	<u>27,675,168</u>	<u>36,840,735</u>	<u>34,709,935</u>

Notes to the Accounts (continued)

United St Saviour's Charity

For the year ended 31 March 2018

Subsidiaries

Hopton's Charity

The Charity holds the corporate trusteeship of Hopton's Charity, registered charity number 209342. Hopton's Charity has been dormant since 2013 when, with the permission of the Charity Commission, its assets, liabilities and activities were merged with those of the charity. The Hopton's endowment is shown separately in Note 22.

United St Saviour's Development Company Limited

On 30th October 2014, the charity incorporated a new company called United St Saviour's Development Company Limited. The company has two £1 shares which are held by the Charity and was dormant between its incorporation and the year end.

United St Saviour's Endowment Charity

United St Saviour's Charity is the Corporate Trustee of United St Saviour's Endowment Charity, registered charity number 1103731-1, which holds the Charity's permanent endowment, and is linked to the main Charity.

	Unrestricted (£)	Restricted (£)	Endowment (£)	2018 (£)	2017 (£)
17. Listed Investments					
Listed Investments movement					
At 1 April	7,742,224	-	7,753,796	15,496,020	15,660,964
Additions	781,512	-	781,228	1,562,740	3,196,058
Disposals	(1,381,117)	-	(830,437)	(2,211,554)	(3,361,002)
Revaluations	(55,173)	-	(55,125)	(110,298)	-
Total Listed Investments movement	7,087,446	-	7,649,462	14,736,908	15,496,020
Listed investments capital account	68,276	-	48,455	116,731	17,913
At 31 March	7,155,722	-	7,697,917	14,853,639	15,513,933
	Unrestricted (£)	Restricted (£)	Endowment (£)	2018 (£)	2017 (£)

18. Investment Property

At 1 April	1,465,500	-	17,730,500	19,196,000	16,149,500
Additions	521,843	-	751	522,594	880,217
Revaluations	22,500	-	2,246,000	2,268,500	2,166,283
At 31 March	2,009,843	-	19,977,251	21,987,094	19,196,000

	Unrestricted (£)	Restricted (£)	Endowment (£)	2018 (£)	2017 (£)
19. Debtors					
Trade Debtors	300,898	-	-	300,898	13,370
Other debtors	12,028	-	-	12,028	132,450
New Almshouse - Prepayment	884,236	-	-	884,236	804,735
Other prepayments and accrued income	164,894	-	401,431	566,325	363,071
Total Debtors	1,362,056	-	401,431	1,763,487	1,313,626

Notes to the Accounts (continued)

United St Saviour's Charity

For the year ended 31 March 2018

During the year ended 31 March 2018 the charity continued work on the development of a new almshouse as explained in the Trustees Report. The Charity has not yet formally acquired the land where the almshouse is to be built and hence costs incurred to date are shown as a prepayment instead of being included in fixed assets.

A compensation amount of £401,431 has been agreed with Network Rail in respect of lost rental income and permanent financial effect on some of the charity's properties. £401,431 has been included as income relating to the St Saviours Court Endowment Fund for the year and as a debtor at the year end.

Previously included in other debtors was an amount of £59,885 which related to costs incurred relating to the compensation claim detailed above. As the compensation amount has now been agreed these costs have been charged to St Saviours Court Endowment Fund through the Income and Expenditure Account.

	Unrestricted (£)	Restricted (£)	Endowment (£)	2018 (£)	2017 (£)
20. Creditors - Amounts Falling Due Within One Year					
Trade Creditors	54,001	-	-	54,001	88,900
Taxation and social security	64,967	-	-	64,967	43,995
Other Creditors	121,352	-	-	121,352	57,008
Accruals and deferred income	231,349	-	4,268	235,617	231,856
Pension Deficit Liability - Due in less than one year	14,465	-	-	14,465	14,465
Grants Payable	364,941	2,000	-	366,941	420,039
Total Creditors - Amounts Falling Due Within One Year	851,075	2,000	4,268	857,343	856,263

Deferred Income	(£)
At 1 April 2017	39,023
Resources deferred during the year	153,332
Amounts released from previous year	(39,023)
At 31 March 2018	<u>153,332</u>

Income has been deferred for rent received for the upcoming year.

	Unrestricted (£)	Restricted (£)	Endowment (£)	2018 (£)	2017 (£)
21. Creditors - Amount falling due after one year					
Pension Deficit Liability	103,018	-	-	103,018	117,484
Grants payable	53,241	-	-	53,241	80,745
Total Creditors - Amount falling due after one year	156,259	-	-	156,259	198,229

Notes to the Accounts (continued)

United St Saviour's Charity

For the year ended 31 March 2018

22a. Fund Reconciliation

	At 1 April 2017	Income	Expenditure	Transfers in/out	Gains/ (losses)	At 31 March 2018
	(£)	(£)	(£)	(£)	(£)	(£)
Designated Funds						
Almshouse development	5,000,000	-	-	-	-	5,000,000
Maintenance Reserve Fund: St Saviours Court	257,308	-	(75,815)	34,900	-	216,393
Maintenance Reserve Fund: Hopton's Almshouse	173,484	-	(205,823)	78,500	-	46,161
Major Repairs Fund: Park Street	106,062	-	(25,900)	20,000	-	100,162
Sinking Fund	1,105,708	-	-	86,000	-	1,191,708
Total Designated Funds	6,642,562	-	(307,538)	219,400	-	6,554,424
General Funds						
General Fund	3,499,504	2,041,428	(1,625,850)	(219,400)	(32,671)	3,663,011
Total Unrestricted funds	10,142,066	2,041,428	(1,933,388)	-	(32,671)	10,217,435
Endowment Funds						
USSC Endowment	32,219,583	401,431	(168,034)	-	2,176,629	34,629,609
Hopton's Endowment	1,685,552	836	(30,190)	-	14,246	1,670,444
Total Endowment Funds	33,905,135	402,267	(198,224)	-	2,190,875	36,300,053
Restricted Funds						
Almshouse development	203,347	-	-	-	-	203,347
Restricted Grants	-	2,000	(2,000)	-	-	-
Total of Funds	44,250,548	2,445,695	(2,128,612)	-	2,158,204	46,720,835

The Almshouse Development Fund has been created to meet the contribution the charity will be required to make towards developing the new almshouse in Bermondsey. As part of the conditions associated with the planning permission granted in January 2016 for the land at 94-116 Southwark Road, the charity will be required to fund up to £5 million towards the overall development costs which are likely to exceed £28 million. The Fund is expected to be used on completion of the development which is anticipated in 2021.

The Maintenance Reserve Funds for both St Saviour's Court and the Hopton's Almshouse were formed by merging the Cyclical Repairs Fund and the Extraordinary Repairs Funds for each property. The Cyclical Repairs Funds were established to pay for cyclical repairs at the almshouses arising from the quinquennial review (including painting of the exterior and common parts) and the Extraordinary repairs funds for repairs other than day-to-day and cyclical repairs. Transfers are made into the funds according to guidance provided by the Almshouse Association.

The Major repairs fund was established to provide funding for a future programme of works for Park Street properties. The programme of works started in February 2018 and was completed by June 2018.

The Sinking Fund has been established to provide for the building of St Saviour's Court at the end of its useful life. An annual transfer is made each year so that around £6,000,000 will have been transferred by the end of the expected 70-year useful life to provide for rebuilding. The fund is invested, and it is therefore anticipated that inflationary increases in building costs will be offset by capital appreciation. The investment gain/(loss) arising on funds in the year is shown above.

The Charity's investments are comprised of a number of designated, endowment and general funds. The associated investment gains and investment management costs have been apportioned between the funds in proportion to the value of the investments held in each fund at the start of the year.

Endowment Funds

The Charity's permanent endowments comprise all the freehold properties and all but one of the investment properties, together with a balance of non-property investments. The percentage of investments that are represented by endowment funds at the start of the year was 50.0% (2017: - 51.2%). This percentage is applied to investment gains and losses and investment management costs to apportion these to the Endowment Funds.

Expenditure charged to the Endowment Funds are respectively depreciation on the almshouse properties and investment management costs on the endowed investment.

Notes to the Accounts (continued)

United St Saviour's Charity

For the year ended 31 March 2018

General Funds

The Charity's general funds are unrestricted funds which are available for the use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes. The percentage of investments that are represented by general funds at the start of the year was 50.0% (2017: - 48.8%).

Restricted Funds

The Almshouse Development Restricted Fund represents grants received from the development partner towards the development of the new almshouse as detailed in the Trustees report.

22b. Fund Reconciliation (prior year)	At 1 April 2016 (£)	Income (£)	Expenditure (£)	Transfers in/out (£)	Gains/(losses) (£)	At 31 March 2017 (£)
Designated Funds						
Almshouse Development	5,000,000	-	-	-	-	5,000,000
Cyclical Repairs: St Saviour's Court	106,100	-	(17,565)	10,300	-	98,835
Cyclical Repairs: Hopton's Almshouse	162,092	-	(94,257)	65,358	-	133,193
Extraordinary Repairs: St Saviour's Court	144,009	-	(6,136)	20,600	-	158,473
Extraordinary Repairs: Hopton's Almshouse	76,843	-	(44,983)	8,431	-	40,291
Major Repairs Fund: Park Street	-	-	(20,938)	127,000	-	106,062
Sinking Fund	1,019,708	-	-	86,000	-	1,105,708
Total Designated Funds	6,508,752	-	(183,879)	317,689	-	6,646,562
General Funds						
General Fund	2,014,009	1,974,022	(1,433,301)	(347,405)	1,292,179	3,499,504
Total Unrestricted funds	8,522,761	1,974,022	(1,617,180)	(29,716)	1,292,179	10,142,066
Endowment Funds						
USSC Endowment	29,039,663	-	(101,702)	29,716	3,251,906	32,219,583
Hopton's Endowment	1,608,616	-	(31,293)	-	108,229	1,685,552
Total Endowment Funds	30,648,279	-	(132,995)	29,716	3,360,135	33,905,135
Restricted Funds						
Almshouse Development	203,347	-	-	-	-	203,347
Total of Funds	39,374,387	1,974,022	(1,750,175)	-	4,652,314	44,250,548

	Unrestricted (£)	Restricted (£)	Endowment (£)	2018 (£)	2017 (£)
23a. Analysis of Net Assets between Funds					
Tangible Fixed Assets	35,298	-	8,315,972	8,351,270	8,462,524
Fixed Asset Investments	9,165,567	-	27,675,168	36,840,735	34,709,935
Current Assets	2,023,904	205,347	313,181	2,542,432	2,132,581
Creditors due within one year	(851,075)	(2,000)	(4,268)	(857,343)	(856,263)
Creditors due in more than one year	(156,259)	-	-	(156,259)	(198,229)
Total Analysis of Net Assets between Funds	10,217,435	203,347	36,300,053	46,720,835	44,250,548

Notes to the Accounts (continued)

United St Saviour's Charity

For the year ended 31 March 2018

	Unrestricted (£)	Restricted (£)	Endowment (£)	2017 (£)	2016 (£)
23b. Analysis of Net Assets between Funds (prior year)					
Tangible Fixed Assets	41,683	-	8,420,841	8,462,524	8,554,444
Fixed Asset Investments	9,225,641	-	25,484,294	34,709,935	30,027,376
Current Assets	1,929,234	203,347	-	2,132,581	1,603,949
Creditors due within one year	(856,263)	-	-	(856,263)	(686,433)
Creditors due in more than one year	(198,229)	-	-	(198,229)	(124,949)
Total Analysis of Net Assets between Funds	10,142,066	203,347	33,905,135	44,250,548	39,374,387

	2018 (£)	2017 (£)
24. Reconciliation of net movement in funds to net cash flow from operating activities		
Net income for the year as per Statement of Financial Activities	2,470,287	4,876,161
Adjustment for:		
Depreciation charges	114,761	117,635
(Gains)/losses on investments	(2,158,204)	(4,651,896)
Dividends, interest and rents from investments	(1,964,077)	(1,474,142)
Increase in debtors	(449,861)	(334,527)
Decrease in creditors	(40,890)	243,110
Net cash used in operating activities	<u>(2,027,984)</u>	<u>(1,223,659)</u>

	Unrestricted (£)	Restricted (£)	Endowment (£)	2018 (£)	2017 (£)
25. Analysis of Cash and Cash Equivalents					
Cash in Hand	601,962	205,347	(28,364)	778,945	818,820
Bank balance of a capital nature	68,276	-	48,455	116,731	17,913
Total Analysis of Cash and Cash Equivalents	670,238	205,347	20,091	895,676	836,733

26. Pension Commitments

SCHEME: TPT Retirement Solutions – The Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2011. This valuation showed assets of £780m, liabilities of £928m and a deficit of £148m.

Notes to the Accounts (continued)

United St Saviour's Charity

For the year ended 31 March 2018

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum	(payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum	(payable monthly and increasing by 3% each on 1st April)

Unless a concession has been agreed with the Trustee the term to 30 September 2025 applies.

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

	31 March 2018	31 March 2017	31 March 2016
	(£000s)	(£000s)	(£000s)
Present value of provision	116	130	137

PRESENT VALUES OF PROVISION

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period Ending 31 March 2018 (£000s)	Period Ending 31 March 2017 (£000s)
Provision at start of period	130	137
Unwinding of the discount factor (interest expense)	2	3
Deficit contribution paid	(14)	(14)
Remeasurements - impact of any change in assumptions	(2)	4
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	116	130

INCOME AND EXPENDITURE IMPACT

	Period Ending 31 March 2018 (£000s)	Period Ending 31 March 2017 (£000s)
Interest expense	2	3
Remeasurements – impact of any change in assumptions	(2)	4
Remeasurements – amendments to the contribution schedule	-	-
Contributions paid in respect of future service*	-	-
Costs recognised in income and expenditure account	16	14

Notes to the Accounts (continued)

United St Saviour's Charity

For the year ended 31 March 2018

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

ASSUMPTIONS

	31 March 2018	31 March 2017	31 March 2016
	% per annum	% per annum	% per annum
Rate of discount	1.71	1.32	2.07

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

27. Funds held as an intermediary agent

United St Saviour's Charity is the locally trusted support organisation for the Big Local South Bermondsey, a ten-year investment programme financed by a charity called Local Trust with Lottery funding. The Charity holds funds on behalf of the South Bermondsey partnership (SBP), which delivers the fund programme and disburses grants on its behalf to agreed projects and activities following receipt of financial claims. The Charity receives funding from Local Trust to disburse on SBP's behalf. The financial statements do not include this funding. The summary of fund movements in the year is as follows:

	2018 (£)	2017 (£)
At 1 April	57,239	19,346
Income	147,546	144,945
Expenditure	(153,227)	(107,052)
At 31 March	<u>51,558</u>	<u>57,239</u>

The Charity also received a management fee from Local Trust for grant administration and running costs of £8,105 excluding VAT for the year (2017: £3,482 excluding VAT). This income has been included in the Statement of Financial Activities.

Borough Market Trader's Fund

Following the London Bridge terrorist attacks on 3rd June, Borough Market, United St Saviour's Charity and Better Bankside set up a support fund for local businesses experiencing financial hardship. Contributions to the fund were received from the 3 founding organisations, many other local businesses and members of the public. The Greater London Authority, through the Mayor's Business Continuity Fund, made further funds available in addition to continued fundraising and initiatives by local businesses over the summer.

The fund was released in four phases.

In total 107 traders received funding, often in more than one phase, from a total of £400,000:

- Phase 1 awards: £32,650
- Phase 2 awards: £92,180 + £2,000 one off loan
- Phase 3 awards: £225,000
- Phase 4 awards: £48,000

The financial statements do not include this funding.

The summary of fund movements in the year is as follows:

	2018 (£)	2017 (£)
At 1 April	-	-
Income	400,629	-
Expenditure	(400,629)	-
At 31 March	<u>-</u>	<u>-</u>

Notes to the Accounts (continued)

United St Saviour's Charity

For the year ended 31 March 2018

28. Contingent Liability - Hopton's Charity

The total Social Housing grant to help finance the refurbishment costs of the Hopton's Almshouse amounted to £455,077. The Social Housing Grant is repayable under certain circumstances; primarily following the sale of a property but will normally be restricted to the net proceeds of the sale.

29. Financial Instruments

	2018 (£)	2017 (£)
Financial Assets		
Measured at Fair Value		
Fixed asset listed investments	14,853,639	15,513,933
Measured at amortised cost		
Trade Debtors	300,898	13,370
Other debtors	12,028	132,450
Accrued Income	530,667	363,071
	<u>843,593</u>	<u>508,891</u>
Held at face value		
Cash at bank and in hand	778,945	818,955
Financial liabilities		
Measured at amortised cost		
	2018 (£)	2017 (£)
Trade Creditors	54,001	88,900
Other creditors	121,352	101,004
Accruals	235,617	363,804
Grants payable	420,182	500,784
	<u>760,429</u>	<u>1,054,492</u>

30. Operating Lease Commitments

At 31 March 2018, the charity had outstanding commitments for future minimum lease payments under non-cancellable leases which falls due as follows:

	2018 (£)	2017 (£)
Within one year	34,500	34,500
Between two and five years	120,000	132,000
In over five years	6,563	29,063
	<u>161,063</u>	<u>195,563</u>