THE CITY OF WINCHESTER TRUST LIMITED
REPORT OF THE COUNCIL AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

REFERENCE AND ADMINISTRATIVE INFORMATION

Registered in England and Wales, number 00609812
Registered with the Charity Commission, Charity Number 251798

OFFICERS AND MEMBERS OF COUNCIL

PRESIDENT	Professor Joy Carter DL
VICE PRESIDENTS	Sir Donald Insall CBE FSA RWA FRIBA FRTPI SP Dipl (Hons)
	Capt Antony Skinner RN
COUNCIL MEMBERS	
CHAIRMAN	K Leaman RIBA*
VICE CHAIRMEN	M Carden MBE AADip RIBA*
	I A D Patton*
	J Beveridge LLB*
HONORARY TREASURER	N W Gibbins*
OTHER COUNCIL MEMBERS	B Brinkman
	Mrs S Carden BA
	P Davies MA
	Dr M F Huntley (retired 5 June 2018)
	B Lipscomb
	Ms J Martin MSc
	R C H Morgan-Giles MBA MA*
	Miss S C Owers BA
	Mrs J M Rich OBE
	J Stanning*
	Dr M E Tiles PhD BPhil
	A Morgan
	Ms S J Turner
COMPANY SECRETARY	Ms T M Robertson
MEMBERSHIP SECRETARY	Mrs J M Rich OBE

Members of the finance and Resources Committee indicated by an *

Council members act as Trustees of the Charity and Directors of the Company Limited by Guarantee.

COMPANY INFORMATION

REGISTERED OFFICE AND POSTAL ADDRESS	32 Upper Brook Street Winchester Hampshire SO23 8DG
INDEPENDENT EXAMINERS	Butler & co Chartered Accountants and Registered Auditors Bennett House The Dean Alresford Hampshire SO24 9BH
BANKERS	Barclays Bank Plc 50 Jewry Street Winchester Hampshire SO23 8RG
SOLICITORS	Dutton Gregory 23 St Peters Street Winchester Hampshire SO23 8BT
INVESTMENT MANAGERS	Rathbones Fiennes House 32 Southgate Street Winchester Hampshire SO23 9EH

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Chairman's Report

Administration

Tessa Robertson has now been with us for over a year. Tessa has been a tower of strength and we would all wish to thank her for the major contribution she has made to the Trust and its activities. A special thank you also to John Beveridge for standing in when the Chairman was recovering from surgery during last Autumn.

Civic Voice

As you are probably aware, we are members of Civic Voice, which champions the causes of many Civic Societies throughout England. They always have a themed cause for Societies to consider and this year it is the audit of buildings within designated conservation areas. Some conservation areas have now been running for fifty years and it was felt that it was time they should be examined, assessed and upgraded as is felt necessary. Winchester City Council's Conservation Officers will be undertaking such an audit, starting shortly. The Trust is contributing towards the research necessary to check, update and register buildings. We do have volunteers from our membership, but we would always welcome more.

Every year, Civic Voice run a prestigious architectural award scheme throughout England. Last year the Trust put forward the refurbishment of the Winchester University Chapel which was accepted and not only won in its category but went on to be the best overall scheme in all categories. This year we have put forward the refurbishment of the Winchester College Treasury/Museum building designed by Radley House Partnership. This too has been accepted for consideration, so we wait to see how this is assessed by the jury.

Heritage Open Days

This has become a huge success, ably led by Nicky Gottlieb and Becky Brown. The problem is that they have made open days such a success that they now need some substantial help both ‘people’ help as well ‘financial’. It is costing around £20,000 at its current level of activity, so there is always stress and strain to reach this target. Contributions for either help or sponsorship money would be gratefully received.

Walks

This year’s walks are well under way. They are always interesting and even though many of us think we know Winchester well, there are many more interesting facts on offer. So a big thank you to both the contributors and to Paul Williams, who has the difficult task of organising the talks and walks.

Outings

So far this year there has been one outing to Christchurch, visiting one of the Henri de Blois great Norman Priory churches. The outing also took in All Saints Church at Bransgore with its interesting mural and memorial tablets with lettering by Eric Gill. Another outing has been arranged in September to two of the livery halls in the City

of London - those of the Armourers' and Brasiers' Company and the Skinners' Company. An outing was also arranged to Mells in Somerset, but unfortunately this had to be cancelled due to lack of numbers.

Vision document

Several of our members have been involved in preparing a Vision for Winchester document. The basic idea is to look well forward and anticipate what could be the 'hoped for' scenario for the future of the City. No doubt some of the vision will be provocative but that is part of the purpose, which is to prompt people to think, because what we are undertaking today will affect us in five to ten years ahead.

Water Close Garden

Many of you will have heard that the iconic Water Close Garden has been sold. Hampshire Gardens Trust and the City of Winchester Trust were very concerned about the garden's future. This encapsulates one of the great views towards the Cathedral's East End. Much time was spent in particular by Judith Martin in both researching its history as well as trying to ensure its security against development of any kind, as we all consider the area so important to Winchester.

Finance

Thanks to Nick Gibbins and his team for all the work that they undertake on our behalf. Finance is one of the toughest jobs in an organisation, such as ours.

Plans for the future

- We will continue to monitor and if necessary comment on major new development plans affecting several central sites within the City. The following summarizes the position on these proposals as at June 2018.

  Central Area (Silver Hill)

  There have been meetings concerned with finalising the Supplementary Planning Document (SPD) which attempts to set out the way fowvard for development opportunities in the area around the bus station site. The wording for this has been watered down due to the draft SPD being challenged. This could mean that if the SPD is adopted the development on this site is much more open to providing what we consider a less than satisfactory end result driven only by commercial requirements.

  Station Approach

  There are two sites involved, Carfax and Cattle Market. Currently only the Carfax site is being looked at in detail. The architects have been looking at not just the Carfax site but particularly at the area around the routes from the station to the centre of Winchester as well. Although not in the brief, it is obviously important to try and link the two areas. The same applies to the difficult problem of reducing traffic impact. The master planning of the Carfax

area is nearly completed and will no doubt be presented to the public in the near future.

Leisure Centre

A planning application has just been submitted. This no doubt will take some time to progress through the planning system. The Trust has been involved in monitoring the pre-application progress, and consider the building and the landscape proposals to be promising

.

- To respond to the draft Winchester Movement Strategy when it is published and examine the implications for development within the City
- To participate more fully in the organisation of Winchester's Heritage Open Days and to put on a photographic exhibition of Winchester ‘Then and Now’ as part of this September's programme
- Work with the City Council to support their planned conservation area audit and to develop a plan for preparing a local list of heritage assets
- Publish and promote a ‘Vision for Winchester’ document
- Continue to organise specialist fins around Winchester as well as organising tours further afield to increase the understanding of conservation and how other trusts and councils react to the demands of government legislation, developer's requirements etc

Public Benefit

In setting objectives for the year, the Trust Council has given careful consideration to the Charity Commission's general advice on public benefit and is mindful of the need to report on how its aims have been achieved during the year. The Trust was founded in 1957 for the purposes and objects set out later in this report, and continues to carry out its work in serving the public interest.

Governing Document

The City of Winchester Trust Ltd. (the Trust) was founded in 1957 and incorporated as a company limited by guarantee in 1958. As such it has no share capital, The liability of individual members is limited to a sum not exceeding £10. it is governed by its Memorandum and Articles of Association, which was last amended in 2000. The Trust is registered as Company Number 00609812 and Charity Number 251798.

Organisational Structure

The Council has responsibility for the management and control of the Trust. However certain financial functions are delegated to the Finance and Resources Committee and other panels and groups are formed and their leaders appointed by Council for specific purposes, projects and continuing activities. Council members are elected for three years at the Annual General Meeting but may stand for re-election at the end of their term.

Council members act as trustees of the charity and directors of the company limited by guarantee.

The Objects of the Trust

The Trust's objects are fully described in the Memorandum of Association. They can be summarised as follows:

To seek to conserve the character of the City of Winchester and its surrounding area by:

- Preserving and protect;
- Preserving and protecting its buildings, spaces and artefacts;
- Sponsoring and encouraging new building, redevelopment, landscaping and conservation in accordance with the highest architectural standards;
- Promoting awareness of the above;

Investment Objectives, Powers and Policies

The Investment powers of the Council are given by the Memorandum and Articles of Association.

The investment objectives of the Trust are to preserve the Trust's assets to allow the charity the ability to finance its activities both in the short and longer term.

The Trust's policy is to of balance its investments in financial instruments between active and passive investment approaches. The active element comprises a portfolio managed on a discretionary basis by an investment manager while the passive element comprises investments in low cost Exchange Traded Funds, for which the Trust's investment manager acts as custodian. In addition part of the Trust's leasehold property, the flats at 30 Upper Brook St, is held for investment purposes, the rental income representing the main element of the Trust's annual income.

The investment objective for the Trust's investments in financial instruments is to achieve a balance between capital growth to secure the Trust's longer-term objectives and income generation to provide income, in addition to membership subscriptions, to finance its current charitable activities.

The Trust's policy is to accept a high risk of volatility within its investment portfolio, both in terms of capital value and income generation, while aiming over time to achieve returns above the rate of inflation. This policy has been adopted due to the lower returns currently available on lower risk asset classes and the Trust's capacity as a long-term investor to accept temporary capital losses as a result of fluctuations in equity markets. The Trust's investments are confined to listed investments of a collective nature, in order to achieve diversification, which reduces the risk of permanent capital loss arising from the failure of a particular company or sector.

Property Revaluation Policy

The Trust adopts the policy of revaluing its property every five years, commencing 31 March 2003, so that Trust's property was revalued at 31 March 2018.

Reserves Policy

The annual accounts show the assets and liabilities attributable to the funds by type and which are approved by the Council. The Council plans its expenditure within available resources whilst maintaining reserves which gives the Trust flexibility to achieve its aims for the foreseeable future.

Risk Management

The Council has reviewed the major risks to which the Trust is exposed, as identified by the Council, and is satisfied that systems and planned actions are in place to mitigate those risks.

Council Responsibilities

It is a requirement of company law for the Council to prepare financial statements for each accounting period. They must give a true and fair view of the state of affairs of the Trust and of the surplus or deficit for that period.

The Council must:

- Prepare the financial statements on the basis that the Trust is a going concern;
- Select appropriate accounting policies and apply them consistently;
- Make judgements and estmates that are prudent and reasonable;
- Disclose whether any material departures have been made from these policies;

The council is responsible for keeping proper accounting records which should be able to disclose at any time the financial position of the Company and enable the Council to ensure compliance with the Companies Act 2006.The Council is also responsible for safeguarding the assets of the Trust and for taking reasonable steps for the prevention and detection of fraud and other financial irregularities.

During the period under review the Charity has complied with the provisions of the Charities Act 2011.

Independent Examiners

Butler & Co. have been appointed as Independent Examiners and will be proposed for reappointment.

Small Company Status

This Report has been prepared with the special provisions of Part 15 of the Companies Act, 2006 relating to Small Companies

On behalf of the Council

K Leaman
Chairman
3 July 2018

THE CITY OF WINCHESTER TRUST LIMITED
REPORT OF THE COUNCIL AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

I report on the accounts of the Trust for the year ended 31st March 2018, which are set out in the following pages.

Respective responsibilities of Council of Management and Examiners

As described on an earlier page the Council Members (who also act as trustees for the charity) are responsible for the preparation of the accounts, and they consider that an audit is not required for this year (under section 144 of the Charities Act 2011) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- Examine the accounts (under section 145 of the Charities Act 2011);
- To follow the procedures laid down in the general directions given by the charity commissioners (under section t45(5)(b) of the Charities Act 2011);
- To state whether particular matters have come to my attention.

Basis of independent examiner's report

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

Independent examiner’s statement

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

- Which gives me reasonable cause to believe that, in any material respect, the requirements
  (a) To keep accounting records in accordance with s130 of the Companies Act 2006; and

(b) To prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Companies Act 2006 have not been met; or

- To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

signed by Mrs J M Butler FCA (Independent Examiner) Date: 1st August 2018

Butler & Co
Chartered Accountants and Registered Auditors
Bennett House
The Dean
Alresford
Hampshire
SO24 9BH

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REPORT OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

	Unrestricted Funds 2018	Restricted Funds 2018	Total Funds 2018	Total Funds 2017
Income from:	**£**	**£**	**£**	**£**
Donations and legacies (Note 2)	16,091	-	16,091	26,333
Charitable Activities (Note 3)	1,416	-	1,416	2,032
Other trading activities (Note 4)	1,387	-	1,387	1,728
Investment income (Note 5)	25,480	421	25,901	26,333
Total Income	44,374	421	44,796	56,108
Expenditure on (Note 6)				
Raising funds	8,514	69	8,583	10,151
Charitable Activities	23,807	-	23,807	26,560
Total Expenditure	32,321	69	32,390	36,711
Gain on revaluation of Property	15,000	-	15,000	-
Net Gains/(Losses) on Investment Assets	(7,699)	170	(7,529)	24,930
Net Movement in Funds	19,354	522	19,876	44,327

Reconciliation of funds:

Total funds brought forward at 1 April 2017	719,353	11,316	730,669	686,342
Total funds carried forward at 31 March 2018	738,707	11,838	750,545	730,669

	Notes	31 March 2018 £	31 March 2018 £	31 March 2017 £	31 March 2017 £
Fixed assets					
Tangible assets	**9**		497,748		485,330
Investments	**10**		213,413		199,618
			711,161		684,948
Current assets					
Stocks	**11**	2,033		2,220	
Debtors	**12**	3,056		22,099	
Cash on deposit and at bank		45,634		29,190	
Creditors	**13**	(6,250)		(7,788)	
Net curent assets			39,384		45,721
NET ASSETS			750,545		730,669
FUNDS					
Unrestricted - designated	**14**	700,080		674,388	
Unrestricted - undesignated	**14**	38,627		44,965	
			738,707		719,353
Restricted			11,838		11,316
			750,545		730,669

Total designated funds include a properly revaluation reserve of £317,414 (2017: £302,414)

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2018.

The Council has confirmed that no notice has been deposited requiring the company to obtain an audit of its financial statements for the year ended 31 March 2018 in accordance with Section 476 of the Companies Act 2006.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Charities Statement of Recommended Practice (FRS 102)

ON BEHALF OF THE COUNCIL

signed K. Leaman
(Chairman)
3 July 2018

signed N W Gibbins
(Hon. Treasury)
3 July 2018

THE CITY OF WINCHESTER TRUST LIMITED
REPORT OF THE COUNCIL AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1 NOTES TO THE ACCOUNTS - ACCOUNTING POLICIES

The accounting policies adopted by the Trust are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

a. Basis of Accounting

The financial statements have been prepared under the historical cost convention as modified by the inclusion of fixed asset investments at market value, and in accordance with the Companies Act 2006, Charities Act 2011 and the Charities Statement of Recommended Practice (FRS 102).

b. Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds are unrestricted funds earmarked by the Council for particular purposes. Restricted funds are subjected to restrictions on their expenditure imposed by donors. The Alder Bequest restricted fund, both capital and income is restricted to expenditure on the trusts archives.

c. Income

Income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Income from donations and legacies is received by way of donations, membership subscriptions and gifts and is included in full in the Statement of Financial Activities when receivable.
- Donated sen/ices and facilities are included at the value to the charity where this can be quantified. The value of services by volunteers has not been included in these accounts.
- Investment income is included when receivable.
- Grants, where entitlement is not conditional on the delivery of specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant. Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

d. Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes VAT which cannot be recovered, and is reported as part of the expenditure to which it relates:

- Expenditure on Raising Funds comprises the costs associated with attracting income from trading activities and the management of the Trust's investments.
- Expenditure on Charitable Activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Also included are Governance costsincluding those costs associated with meeting the constitutional and statutory requirements of the charity.
- All costs are allocated between the expenditure categories of the Financial Statements on a basis designed to reflect the use of the resource. Costs relating to a particular activity have been allocated directly; others are apportioned on an appropriate basis.

e. Tangible Fixed Assets

Individual assets costing £500 or more are capitalised at cost. Depreciation is calculated to write down the cost of fixed assets to their estimated residual value over their expected useful lives. Leasehold property is not depreciated for the foreseeable future on the basis the asset has a long useful economic life and is held primarily for charity use. All other fixed assets are depreciated on a reducing balance basis at 25% per annum.

f. Stocks

Stocks are valued at the lower of cost and net realisable value.

FURTHER NOTES TO THE ACCOUNTS

	31 March 2018	31 March 2017
2 OTHER DONATIONS	£	£
Legacies	5,000	20,000
Member's subscriptions	7,386	4,321
Donations	1,929	755
Gift Aid	1,776	939
	16,091	26,015

3 INCOME FROM CHARITABLE ACTIVITIES	£	£
Sale of own publications	644	1,112
Donations from walks	717	570
Heritage Open Weekend	55	350
	1,416	2,032

4 INCOME FROM OTHER TRADING ACTIVITIES	£	£
Sale of Cards	1,316	1,340
Visits and outings (net)	71	478
Car boot sale concession	-	(90)
	1,387	1,728

5 INVESTMENT INCOME	£	£
Dividends and interest (includes £421 restricted income (2017 - £416)	6,494	7,321
Rental income	19,407	19,012
	25,901	26,333

	31 March 2018	31 March 2017
6 EXPENDITURE	£	£

On Raising Funds		
Financial investments		
Investment management fees (includes £69 from restricted funds)	1,098	1,132
Let property investments		
Letting fees	2,742	2,589
Let property repairs	621	1,669
Depreciation	1,942	2,590
Cost of cards	895	914
Support Costs (see Note 8)	1,285	1,257
	8,583	10,151
On Charitable Activities		
Project and Activities Expenditure (See Nte 7)	4,539	6,143
Cost of own publications	494	854
Governanve costs		
Accountancy	1,440	1,440
Valuation fees	900	-
AGM and meeting costs	550	347
Annual Report printing & postage	572	621
Support Costs (see Note 8)	15,312	17,155
	23,807	26,560

During the period under review no remuneration was paid to the trustees. Expenses totalling £2.509 (2017: £1,351) has been reimbursed to the trustees during the period under review.

FURTHER NOTES TO THE ACCOUNTS

7 PROJECTS AND ACTIVITIES EXPENDITURE

	31 March 2018	**31 March 2017**
	£	£
Projects		

Winchester 2020 expenses	-	500
Design Awards 2015	254	-
	254	500

Activities

TrustNews	3,072	1,912
Civic Voice - the national organisation	692	1,010
Other civic societies and environmentall associations	166	171
Roger Brown model relocation	-	2,000
Traffic Management and cycling event	300	-
Thomas Micklam paper	-	200
Heritage Open Weekend	55	350
	4,539	6,143

8 SUPPORT COSTS BREAKDOWN BY ACTIVITY

Support Costs	Raising Funds	Charitable Activities	Total 2018	Basis of Allocation	Total 2017
	£	£	£		£
Secretarial staff cost	1,050	7,700	8,750		7,833
25% of other support costs	235	1,726	1,962		2,645
	12%	88%		Time	
Other support costs					
Cleaning			633		521
Light, heat aand water			1,332		1,304
Insurance			1,514		1,556
Business Rates			1,006		994
Property Expenditure			877		3,818
Depreciation			572		763
Telephone/Internet			784		648
Admin, postage, stationery			173		201
Equipment/ Consumables			1,098		434
Sundry Expenses			83		340
Barclays Bank compensation			225		-
			7,847		10,579

Remaining 75% of support costs		5,885	5,885		7,934
		100%		Usage of Heritage Centre	
Total Support Costs	1,285	15,312	16,597		18,412

FURTHER NOTES TO THE ACCOUNTS

9 TANGIBLE FIXED ASSETS

	Leasehold Property	Fixtures and fittings	Office Equipment	Total
	£	£	£	£
Cost and valuation (V)	**(V)**			
At 1 April 2017	475,000	39,687	13,126	527,613
Additions				
Revauation	15,000			15,000
At 1 April 2018	490,000	39,687	13,126	542,813
Depreciation				
At 1 April 2017	-	29,629	12,854	42,483
Charge for the year	-	2,514	68	2,582
At 31 March 2018	-	32,143	12,922	45,065
Net Book Value				
At 31 March 2018	490,000	7,544	204	497,748
At 31 March 2017	475,000	10,058	272	485,330

Leasehold property included at valuation would have been included on a historical cost basis at 31 March 2018 with Cost £172,586, Depreciation to date £33,628 and Net Book Value £138,958.

The leasehold property was revalued at 31 March 2018 by Carter Jonas, surveyors and valuers.

10 FIXED ASSET INVESTMENTS

	31 March 2018	31 March 2017
	£	£
investments	177,705	196,618
Cash balances	35,708	3,533
	213,413	199,618
Listed investments		
Market value at 1 April 2017	196,085	171,721
Additions	76,598	47,966
Disposals	(87,449)	(48,532)
Change in market value	(7,529)	24,930
Market value at 31 March 2018	177,705	196,085
Historical cost at 31 March 2018	163,261	141,369

11 STOCKS

	31 March 2018	31 March 2017
	£	£
Goods purchased for resale (Christmas cards, notecards, publications)	2,033	2,220

12 DEBTORS

	£	£
Due within one year		
Other debtors	1,521	20,915
Prepayments	1,535	1,184
	3,056	22,099

13 CREDITORS

	£	£
Due within one year		
Trade creditors	-	-
Accruals	6,250	7,788
	6,250	7,788

14 ANALYSIS OF FUNDS

Unrestricted Funds
Designated Funds

Tangible Fixed Assets	497,748		485,330	
investments*	191,575		177,676	
Extraordinary repair fund	10,000		10,626	
Chippingdale Fund for Education	757		756	
Total Designated Funds		700,080		674,388
Undesignated funds		38,627		44,965
Restricted Fund				
Alder bequest re Trust Archives		11,838		11,316
		750,545		730,669

*included in unrestricted funds are investments amounting to £22,333 (2017: £21,117) which are designated funds set aside for the purpose of replacing the Trust‘s premises on expiry of the lease. It is the Trust's policy to hold the fund for the duration of the 99 year lease.

15 COMMITMENTS FOR FUTURE EXPENDITURE

There were no material commitments either at the beginning or at the end of the year.