

John Storer Charnwood and John Storer House Foundation

2020/21 Treasurers' Report & Consolidated Summary of Accounts

This report deals with the affairs of the charities, John Storer Charnwood (JSC) (1087692) and John Storer House Foundation (JSHF) (521460), whose finances are closely connected and best viewed on a joint basis. The report is designed to highlight the significant financial outcomes for the financial year ended 31 March 2021 and to comment on the reserves held by the charities. The full accounts for both charities can be seen on request and they have been examined by Evolve Accountants and Business Advisors Ltd. whose reports are unqualified.

With effect from 1 April 2013, all activities of the two charities have been undertaken by JSC, which has become the tenant of JSHF. As a part of the arrangement, JSC is obliged to deliver the objectives of both charities.

The 2020/21 John Storer Charnwood Annual Report and Financial Statements explains the effect on the accounts of the Covid-19 Pandemic lockdowns and restrictions so reference should be made to them for explanation of the changes involved.

The consolidated Statement of Financial Affairs (SOFA) shows the combined incoming and expended resources of the two charities with the consolidated Balance Sheet showing the combined assets, liabilities and fund balances. A very important figure in the consolidated SOFA is that of the net movement of unrestricted funds which include fixed assets. For the financial year, there was a net increase of £77,902 in our unrestricted funds and all of our staff are to be congratulated. We have had to include in the accounts a provision for our historic pension liability from 2016/17 and this amounts to £34,220 as at 31 March 2021. The total unrestricted funds, including fixed assets and after deducting the pension liability, are £721,776 compared with £643,874 in 2019/20 confirming the net increase of £77,902. The total unrestricted funds, including fixed assets and before the pension deduction, are £755,996 (£683,943 in 2019/20).

In establishing how far the total unrestricted funds of £755,996 are adequate to provide a suitable level of cover for our contingent liabilities, including the pension provision, one must deduct £156,973 from this figure in respect of tangible fixed assets. The value of these assets would not be easily realised and the actual value obtained would probably be much less than the balance sheet figure. This leaves £599,023 of which £285,778 is in designated revenue funds set aside to cover the particular needs of developing services, improving and maintaining the building and replacing our buses as they reach the end of their economic life.

The £285,778 balance in the designated revenue funds could be utilised if necessary but the deduction of their value brings the figure for “free” reserves or general funds down to £313,245 as shown in the balance sheet. This figure is more than sufficient to cover our contingent liabilities which would become payable if we had to wind up the two charities, including, as at 31st March 2021, a £40,000 provision for wind up costs, the £34,220 pension provision and a £50,000 provision for redundancy payments pending a current calculation.

Restricted and unrestricted income from investments, donations, fundraising, rentals, catering and other activities was £165,065 (£393,255 in 2019/20). Income from grants amounted to £597,790 (£325,476 in 2019/20). The grant income from Leicestershire County Council increased from £192,757 in 2019/20 to £200,400 in 2020/21 and the grant income from Charnwood Borough Council increased from £124,438 in 2019/20 to £289,795 in 2020/21. We thank both Leicestershire County Council and Charnwood Borough Council for maintaining and indeed increasing their funding. Thanks also go to Shepshed Town Council and the Department for Transport for funding of £7,000 and £1,247 respectively and the National Lottery for funding of £99,348.

The unrealised increase in the value of our share investments was £15,677 in 2020/21 compared with the unrealised reduction of £9,921 in 2019/20. However, share values can go down as well as up as shown in these two financial years.

The financial affairs of the two charities are closely linked and this results in funds due from JSHF to JSC. This shows in the separate published accounts of the two charities but not in the consolidated Balance Sheet because the balances cancel each other out. However, the balance owed by JSHF to JSC at 31 March 2021 was £188,803 compared with £56,803 at 31 March 2020. The 31 March 2021 figure is £132,000 higher than the 31 March 2020 figure due to funds invested in JSHF by JSC in respect of the aim of trying to keep the balances in both charities bank and building society accounts within FSCS Compensation Limits.

John Storer Charnwood normally works with around 240 volunteers at any one time but the majority of the core volunteer force were advised to shield under the lockdown guidance. There were, however, some existing volunteers still active, with many of them carrying out tasks unfamiliar to them. 56 volunteers carried out tasks for Charnwood Community Action, 15 volunteers worked in the Foodbank at John Storer House and a further 40 volunteers provided Telephone Befriending.

The efforts of our staff and volunteers together with the support of our sponsors, funders and users means that the charities are in a good financial position to meet the challenges ahead.

Consequently, we must express our thanks:

- to our paid staff, for their commitment and dedication.
- to our sponsors, funders and users without whom we could not exist.
- to our volunteers whose contributions take many forms without which we could not deliver our services.

John West, Honorary Treasurer JSC

Richard Hassall, Honorary Treasurer JSHF

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