

COMPANY NO: 03522188

CHARITY NUMBER: 1068617

**THE EDWARD GOSTLING FOUNDATION
CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

THE EDWARD GOSTLING FOUNDATION
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

| | Page |
|---|-------------|
| Chair's Review | 1 - 2 |
| Trustees' Report including the Strategic Report | 3 - 21 |
| Trustees' Responsibilities | 22 |
| Independent Auditors' Report to the Members | 23 - 25 |
| Consolidated Statement of Financial Activities | 26 |
| Consolidated and Company Balance Sheets | 27 |
| Consolidated Cash Flow Statement | 28 |
| Notes to the Financial Statements | 29 – 47 |
| Appendix 1 - Detailed Schedule of Grants Paid | 48 - 56 |

THE EDWARD GOSTLING FOUNDATION

CHAIR'S REVIEW

FOR THE YEAR ENDED 31 MARCH 2023

I would like to begin my first review by paying tribute to my predecessor, Mike Street who, after 17 years as Chair and 21 as a Trustee of The Edward Gostling Foundation, retired last year. A person of devout faith, it is evident to all who have worked with Mike throughout his time at the Charity that he is guided by the values he lives by and for EGF it has been wonderful to be led by such a generous and caring person who has the passion and desire to help others, particularly the most disadvantaged in society. It is testament to Mike's creativity, intellect and enthusiasm that the organisation has become such a success having awarded nearly £50M in grants during the time he was Chair. These awards have helped to transform the lives of thousands of vulnerable people. Mike has always made time for the Charity despite holding many other prestigious and busy Board positions and often says that his role as Chair of EGF was the one that gave him the most satisfaction. I know I speak on behalf of all our Trustees and colleagues, past and present, when I say Mike has been an inspirational leader and an absolute joy to work with. On a personal note he has been a great mentor to me and I am honoured to call him my friend. We will truly miss him however I am delighted that he will maintain close links with the Charity and continue to help guide us as President Emeritus.

As I began to consider the challenges of my new role, I was minded to look back at our achievements. It was just over 25 years ago, on 27 February 1998, that our Founding Chair, Ted Gostling, whose name we are now proud to bear, incorporated the Airways Charitable Trust Limited as an independent grant making charity, with a view to providing financial support by way of grants to people who were living in poverty or living with a physical or mental disability. I was honoured to be invited by Ted at that time to become a Trustee to help deliver his 'Charitable Vision' as indeed was John O'Sullivan who remains on the Board as a founding Trustee. In the first year our endeavours resulted in charitable spending of £323,000 with 53 grants awarded. In the current year we have spent £12.6M and awarded 485 grants. Over those 25 years I have held a number of executive and non-executive roles both in the charity and in its subsidiary trading companies. In total, EGF has spent just over £75M, an average of £3M per year, supporting Ted's 'Charitable Vision' *"that people living with a mental and/or physical disability or a long-term illness should have the same choices, quality of life opportunities and aspirations as others"*. In addition, we have grown the Charity's reserves which will now form the bedrock of our funding for charitable giving for the next 8 or so years. I am very proud of this accomplishment but none of the above could have been achieved without the tireless dedication and support of the many wonderful people I have been privileged to work with throughout the years.

EGF's approach to grant making has evolved throughout the years. As an example, we no longer provide direct support to individuals having chosen instead to work proactively with and through a number of operational Charity Partners who are successful at delivering services directly to individuals living in their communities. Looking forward, the UK, as we know, is facing turbulent times with high inflation and a cost of living crisis adding to the challenges that many are still experiencing as a result of the pandemic. As always, in times of economic adversity, it is the most vulnerable in society, those living in poverty with a disability or long-term illness, who suffer the most, with increased costs pushing them even further into poverty. Many of the charities they rely on for support are indeed already struggling themselves after the impact of COVID-19 and they are now facing a further reduction in income and additional costs, with many having to cut vital services just to survive. If these services were to be lost, it would have a devastating impact on community life for some of the most vulnerable in society adding to a deepening social care crisis. As reported last year, we decided to spend out and use our reserves, around £105M at the time, in a concentrated time frame, with a focus on supporting charitable activities which will transform care levels and provide certainty and support to our Charity Partners. To this end, our target is to spend a minimum of £100M on charitable activities by 2032, averaging around £10M per year, to help them build capacity to sustain and grow the services they provide.

One year into the role I am pleased to report excellent progress has been made and cumulatively at the end of year 2 (31 March 2023) our charitable spend has reached £22.1M. With our free reserves now standing at £86.4M, we are well on target to meet and hopefully improve on our goal.

Some £12.6M of this spend was achieved this year and used to award 485 grants from 746 applications. I would like to thank Victoria Hoskins who we appointed as Executive Trustee in April and the small but committed team in Windsor for their exceptional work in achieving this result. Of this, £5.5M was spent on providing legacy grants which we introduced last year as part of the 'spend out' strategy. Charity Partners that benefit from legacy grants are identified proactively by the team in Windsor and then reviewed by Trustees. They are organisations that already have a strong connection with EGF and have demonstrated their ability to make a huge difference in helping us meet our 'Charitable Vision'. Our grants to these legacy partners are awarded under a Deed of Gift which provides long term funding through an endowment of significant capital. These endowments not only confirm their work is already having a transformational impact on the lives of those who are most in need but

THE EDWARD GOSTLING FOUNDATION
CHAIR'S REVIEW
FOR THE YEAR ENDED 31 MARCH 2023

also demonstrate our confidence in their ability to make a sustained difference in the future, long after we are gone.

In addition to the legacy awards, we made donations totalling £4.5M to 426 small community charities with an annual income under £1M and low reserves. These organisations reach out to some of the UK's most disadvantaged people and often find raising funds for core services very difficult and they accounted for over 88% of all awards by number and 39% by value. Using a very simple online application process and targeting a decision within 30 days, applicants can now apply every year for up to £25,000 with no restrictions on how the money is used in furthering their charitable activities. Previously the limit was £5,000. I am delighted to report that 95% of applications under this programme were processed within the 30-day target, with 71% taking just 21 days, an absolutely fantastic achievement by our grants team led by Caroline Kendall, Operations Director. My sincerest thanks to them. I am confident that in the years to come a number of these charities will go on to become legacy partners and receive longer term funding through our endowment programme.

The balance of our grant giving, £2.5M, was distributed through 12 awards of which 5 partners received over £250,000 towards truly innovative capital projects which, when completed, will change the lives of many for the better.

More detail of all our activities can be found in the Strategic Report that follows.

As we embark on year 3 of our 'spend out' journey I am confident the new Investment Policy agreed by Trustees in November 2022 provides the right balance between the cash needed for funding our charitable activities and maximising the income we have available to ensure we will meet the target we have set ourselves and hopefully even beat it. All of us at EGF are very excited about the opportunity to identify and invest in the best possible organisations to carry Ted's legacy forward and to maximise our impact where the need is greatest. We are looking forward to the challenge and remain very focussed on the task ahead.

Finally, it gives me great pleasure to welcome Carole Sawyers who, following her probation period, joined us as a Trustee on 1 July 2022. Carole recently retired as Chief Executive of The Brendoncare Foundation; a Charity Partner dedicated to improving the quality of life for older people. Prior to that she was Chief Executive of The Freemantle Trust, a registered charity providing care and support for adults with a learning disability. I would also like to welcome Mark Holmes as he begins his probationary period prior to his formal appointment as a Trustee later this year. Mark is a Board member and Deputy Chair of Mace Group, a global consultancy and construction firm headquartered in London. Carole and Mark have both agreed to sit on EGF's Grants Committee and their vast experience will be of immense benefit in guiding us through our 'spend out' and search for legacy partners.



D N Taylor
Chair

THE EDWARD GOSTLING FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees of The Edward Gostling Foundation ("The Foundation"), who are also Directors of the charity for the purposes of the Companies Act, present their annual report for the year ended 31 March 2023 under the Companies Act 2006 and the Charities Act 2011, together with the audited financial statements for that year. The financial statements comply with the Companies Act 2006, the charity's governing document and the relevant Statement of Recommended Practice (the Charities SORP (FRS 102)).

REFERENCE AND ADMINISTRATIVE INFORMATION

The Edward Gostling Foundation is a registered charity, registration number 1068617 and a company limited by guarantee, company number 3522188.

Registered Office The Edward Gostling Foundation
Suite 1
61 Thames Street
Windsor
Berkshire
SL4 1QW

Trustees, Directors and Members

The Trustees (who are also Directors and Members of the charity) who held office during the year were as follows:

| | | |
|--------------------|---------------------------|-----------------------|
| D N Taylor | Chair (1) (2) (3) | Appointed 1 July 2022 |
| V E Hoskins | Executive Trustee (1) (3) | Appointed 1 July 2022 |
| C M Erwood | Deputy Chair (2) (3) | Appointed 1 July 2022 |
| C J Clarkson | (1) | |
| R P Meadows | (3) | |
| J J O'Sullivan MBE | (1) (2) | |
| S C O'Sullivan | (3) | |
| R F White | (1) (2) | |
| M A Street OBE | Chair (2) | resigned 1 July 2022 |
| D N Taylor | Executive Trustee | resigned 1 July 2022 |

M A Street OBE was appointed as President Emeritus 1 July 2022.

M Holmes (1) was appointed as an Ex-Officio Member in November 2022 and, subject to a satisfactory probation period, he will be appointed as a Director & Member on 1 July 2023.

- (1) Members of the Grants Committee
- (2) Members of the Remuneration and Nominations Committee
- (3) Members of the Finance & Investment Committee

During the year an indemnity insurance policy was maintained for the Trustees.

Company Secretary P Morris

Key Management

| | |
|-------------|------------------------------------|
| D N Taylor | Executive Trustee to 1 July 2022 |
| V E Hoskins | Executive Trustee from 1 July 2022 |
| C J Kendall | Operations Director |
| P Morris | Finance Director |

**THE EDWARD GOSTLING FOUNDATION
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

PROFESSIONAL ADVISORS

| | |
|---------------------------|--|
| Auditors | Crowe U.K. LLP Aquis House 49-51 Blagrove Street Reading Berkshire RG1 1PL |
| Bankers | Lloyds Bank Plc 33 Old Broad Street London EC2N 1HZ |
| Asset Managers | Investec Wealth & Investment Limited 30 Gresham Street London EC2V 7QN Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU CCLA Senator House 85 Queen Victoria Street London EC4V 4ET Savills Investment Management (UK) Limited 33 Margaret Street London W1G 0JD Rathbone Greenbank Investments 10 Queen Square Bristol BS1 4NT |
| Investment Advisor | DMJ Consultancy Services Limited Tempus Wharf, 29a Bermondsey Wall West London SE16 4SA |
| Solicitors | Russell Cooke LLP 2 Putney Hill London SW15 6AB |
| Property Advisors | CBRE The Quay, 30 Channel Way Ocean Village Southampton SO14 3TG |

**THE EDWARD GOSTLING FOUNDATION
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Foundation, established in 1998, is a charity registered with the Charity Commission, number 1068617 and is governed by Memorandum and Articles of Association (last amended 24 June 2021).

Governing Body

The members of the Governing Body are detailed on page 3. At every Board Appointment Meeting one third of the Trustees are subject to retirement by rotation. Retiring Trustees are eligible for re-appointment if a three quarters majority resolves.

The Board may appoint one of their number as Chair and there is no fixed term for this office. Trustees may also appoint one of their number as the Executive Trustee on such terms as they determine. Such an appointment shall terminate should that person cease to be a Director.

Charity Governance Code

The Trustees have reviewed the Charity Governance Code recommended by the Charity Commission. The code is not a legal or statutory requirement however Trustees believe it demonstrates good practice and will seek to follow its guiding principles and regularly review to see whether improvements to current practice should be made. For example, in November 2022, the Trustees reviewed the Investment Policy and made adjustments to reflect the multi-year spend out strategy and lower risk approach. In June 2021 the Foundation's lawyers undertook an audit of its policies and, as a result, a number of amendments and new policies were introduced and approved by Trustees in June 2021.

Remuneration Policy

The Remuneration Policy applies to all employees.

It is essential that the Foundation's Remuneration Policy allows it to attract and retain people with the right values, experience, knowledge and skills required to lead, manage, support and deliver its strategic aim. Trustees of the Foundation believe that having a competitive reward offering is one of the many ways in which they can secure the very best people who are capable of making a significant impact on the delivery of these objectives.

The Board of Trustees believes the Foundation's benefits package should be competitive and the market sector used for making this assessment will depend on the relevant area of profession the employee is recruited from, the complexity of the role and the value of the level of skills, knowledge and experience which is required to perform the role effectively. This can range from the not-for-profit sector such as other charities of similar size, through to local government, the civil service, financial and other investment sectors.

The Foundation seeks to recruit and retain staff through being a model employer, recognising the impact of work on people's overall health & wellbeing and their family life regardless of their gender. Through its HR policies the Foundation recognises the benefits that can accrue through offering a living wage alongside best in practice policies on flexible working, adoption, maternity and paternity leave, unplanned absences, holiday entitlement and pension arrangements.

Performance Related Pay (PRP) is available throughout all levels of the organisation. The Foundation recognises both operational and financial performance in excess of budget targets through the payment of PRP, with individual KPIs set at the start of each budget year. Individuals undergo an annual performance appraisal which ultimately determines the level of PRP award. Any awards granted may be allocated in part or in whole as a consolidated salary increase and/or a lump sum non-consolidated bonus or be deferred as part of a long-term incentive plan.

**THE EDWARD GOSTLING FOUNDATION
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Trustees also measure the median pay ratio of staff to the highest paid employee. The Foundation's current ratio, based on the median FTE salary is below 5. At this level Trustees do not consider setting a maximum ratio is necessary but they will keep it under review.

The Board of Trustees is responsible for defining the Remuneration Policy and deciding on the remuneration of the Executive Team. The Board delegates this responsibility to the Remuneration and Nominations Committee. The composition and timing of the meetings of the Remuneration and Nominations Committee are set out in its Terms of Reference.

Reasonable and proper remuneration can be paid to any Trustee for services undertaken in the administration of the Foundation providing they withdraw from any meeting whilst such remuneration is discussed and that at no time must a majority of Trustees benefit from such remuneration.

Organisational Management

The members of the Board are legally responsible for the overall management and control of the charitable company. The Foundation's financial year runs from 1 April to 31 March and Trustees aim to meet at least 3 times per year.

The Board has delegated some powers to 3 Committees.

- The Grants Committee oversees, monitors and evaluates all grant making activities to ensure they are in accordance with the Foundation's 'Charitable Vision'. It has delegated authority from the Board to investigate and make decisions and award grants on more complex applications of up to £250,000.
- The Finance & Investment Committee reviews and recommends to the Trustee Board systems of internal control and financial governance and provides strategic direction and oversight of the Foundation's Investment Policy, asset allocation and the performance of investments.
- The Remuneration and Nominations Committee is responsible for assisting the Board in identifying suitable individuals to act as Trustees and Executive Officers and for determining policy for the remuneration of the Executive Trustee and the other Executive Officers.

These Committees meet formally during the year as required. All Trustees, regardless of whether they are members of these Committees, are invited to attend the meetings.

THE EDWARD GOSTLING FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

The Trust is run on a day-to-day basis by The Executive Trustee, Victoria Hoskins, from 1 July 2022, prior to that, Denis Taylor, with the support of the Finance Director, Petra Morris and the Operations Director, Caroline Kendall. Decisions on grants below £50,000 are delegated by the Board to this Executive Team.

Recruitment and Training of Trustees

Potential Trustees are identified by members of the Board and considered by the Remuneration and Nominations Committee against the Board's requirements concerning eligibility, competence, specialist skills, diversity and knowledge gaps. They seek to achieve a balance of experience and background. Open advertising is undertaken when necessary. Training is regularly offered to all Trustees and when particular areas are required to be addressed, presentations are held at the Board's meetings. Further training is offered at seminars and through briefings.

There is a comprehensive induction process for new appointees to the Board involving briefing meetings with the Chair and Executive Officers and a documentation pack is circulated to all Trustees annually which contains the latest policies, procedures and business plans, as well as formal legal and statutory documentation.

OBJECTS & PRINCIPAL ACTIVITIES

Objects

The objective of the Foundation is clearly articulated in its 'Vision' *"that people living with a mental and/or physical disability or a long-term illness should have the same choices, quality of life opportunities and aspirations as others"*.

The Foundation is primarily a reactive funder supporting a range of projects that reflect its 'Vision' across "4 Life Themes". More information is available in the guidelines published on the Foundation's website at <https://www.edwardgostlingfoundation.org.uk/application-guidelines/>

Principal Activities

The main activity of the Foundation is the award of grants to other charities registered and regulated by a UK Charity Commission to financially support a wide variety of projects that meet its charitable objects. Applications are not accepted by post or e-mail and applicants are required to register online with us to be able to apply for grant funding, via our website, at www.edwardgostlingfoundation.org.uk

STRATEGIC REPORT

Aims and Objectives

As noted above, the Foundation's 'Vision' is that people living with a mental and/or physical disability or a long-term illness should have the same choices, quality of life opportunities and aspirations as others more fortunate than themselves.

In pursuit of our 'Vision' and to enable us to concentrate on the 'bigger picture' of Charitable 'need', all our giving is through 'Charity Partners'. Our financial support enables them to work more readily within their areas of expertise and thereby deliver projects supporting one or more of our "4 Life Themes".

- Health & Wellbeing – improving people's physical/mental health and general welfare
- Independent Living – helping people to live independently
- Respite – recognising family carers for the fantastic and vital work they do
- Transition – helping people into employment, housing or supported living

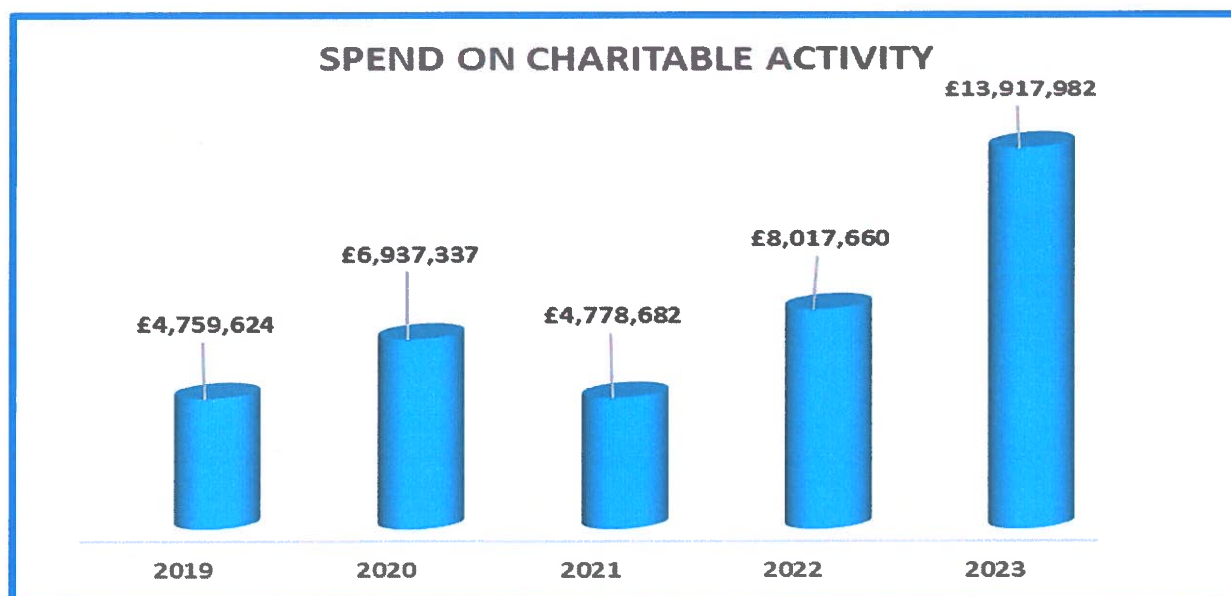
**THE EDWARD GOSTLING FOUNDATION
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

We are extremely proud of the relationships we have with all our remarkable Charity Partners and are proud of the high-quality services that they provide, with a personal touch, in support of those for whom our "Vision" seeks positive and lasting change. These organisations reach out to some of the UK's most disadvantaged people.

The Foundation operates 2 distinct grant programmes offering both unrestricted and restricted funding. Unrestricted funding is provided through our Small Grants Programme which targets small community charities with an annual income of £1M or less. The maximum level of grant available under this programme was increased from £5K to £25K in the 2021/22 year, in recognition of the struggles this group has in raising funds for core costs and to alleviate this. Our Capital Grants programme allows charities of any size to apply for funding of up to £250K towards a project which either enhances or expands an existing service or brings about a truly transformational change in the way support and care are provided. More details of both programmes are available on our website at <https://www.edwardgostlingfoundation.org.uk/apply-for-a-grant/>.

In the year, 485 grants with a total value of £12.6M were awarded of which 88% were through the Small Grants programme with a total value of £4.5M.

In 2021 the Foundation reviewed its strategy and embarked on a spend out programme which aspires to provide over £100M of funding to organisations sharing our 'Vision' by 2032. This effectively doubled the funds we have historically made available for charitable purposes thus helping meet today's increasing needs for the most vulnerable people in society for whom the impact of the COVID-19 pandemic and resulting cost of living crisis is taking a serious toll on both their physical and mental wellbeing. By providing increased financial support, we can help enhance existing or create new sustainable services which will have a significant impact on life today for people with limited tomorrows. The Foundation introduced legacy grants as part of the spend out programme to provide long term funding through an endowment of significant capital. This financial year, £3.9M was spent on providing 7 expendable endowments by Deed of Gift to Charity Partners, along with £1.6M being 'one off' transfers of 4 Social Investments as permanent endowments, also via a Deed of Gift. The Foundation will continue to develop this programme identifying organisations and projects which will have a transformational impact on the lives of those who have the most need and have the ability to make a sustained difference in the future, long after we are gone.



The Foundation employs an Operations Director, Caroline Kendall, to oversee charity operations. Caroline is supported by a small team to enable applications to be assessed and grants to be made within the criteria laid down by Trustees. Under our grant making policy, the priority is to provide financial support that enables one or more of our 'Themes' to be met.

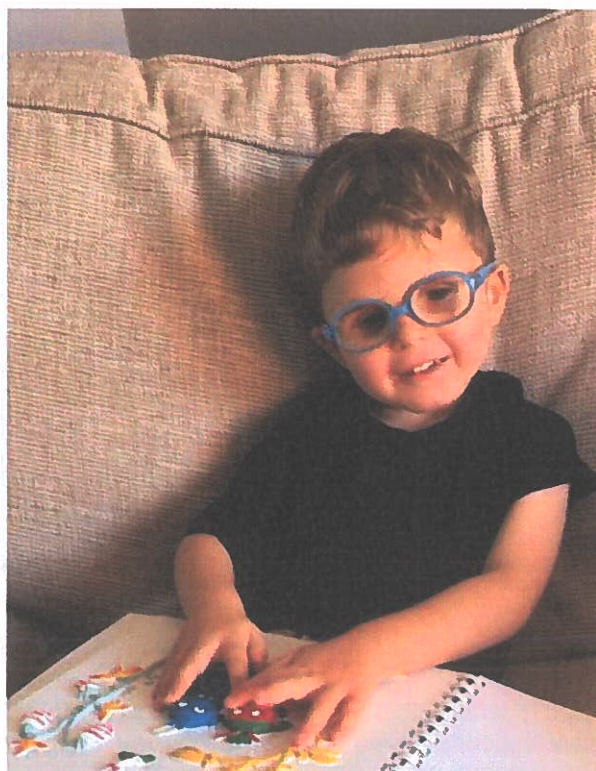
A Case Study on recent grants awarded for each of these 'Themes' can be found on the following pages.

**THE EDWARD GOSTLING FOUNDATION
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

HEALTH & WELLBEING

Improving people's physical/mental health and general welfare

We have been supporting Living Paintings, a charity that seeks to put the life chances of blind and partially sighted children on a par with sighted young people, since they first became known to us in 2015. For more than 30 years the charity has been providing unique audio and tactile 'Touch to See' books which help the children to learn to read, supports them in their learning at school and has a positive impact on their mental health and wellbeing.



These special books are posted to the children from the charity's hugely varied library, free of charge, meaning no child is excluded from accessing the service due to financial circumstance or location. Living Paintings say they are currently reaching just over 2,000 of a potential 26,000 blind and sight impaired children across the UK and their wish is to grow and increase the beneficiary number significantly in the coming years.

Camilla Oldland, Chief Executive said "The life of a blind child is truly tough. They are isolated and marginalised because of their sight loss; they cannot read words on a page or see 'The Very Hungry Caterpillar' as he emerges as a beautiful butterfly, share in images on the classroom teaching board or talk about what the latest trends in fashion look like with their friends. Living Paintings works to change all this by providing access to pictures, books and learning. What we do is only possible thanks to the generosity of funders like The Edward Gostling Foundation. With them we are able to open up a whole new world of magical literacy, engaging learning and shared experiences with sighted people. What we do changes their lives; our blind children are able to shed some of their fears and grow in confidence. It is a joy to watch as they learn to see differently and in doing so take their place more fully in the world".

**THE EDWARD GOSTLING FOUNDATION
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

INDEPENDENT LIVING AT HOME

Helping people to live independently

The Stable Family Home Trust ('SFHT') is a charity supporting people with learning disabilities and their families. Its charitable objective is 'to relieve suffering by providing for the care, accommodation, training, education, future living, employment, occupation and sustenance of physically or mentally disabled people in order to foster and encourage a sense of independence'.



In 2017 when SFHT were looking to move away from traditional residential care home services to providing more supported living accommodation, we worked with them to purchase the first of two suitable properties. This property was subsequently converted to provide a 'real home' where their service users could live with others, with support and its success led to the second house being purchased in 2019. In December 2022 as part of our spend out strategy, Trustees took the decision to gift both properties to SFHT by way of a Permanent Endowment.

Colin Waters, Chief Executive said "We were delighted to receive two properties from The Edward Gostling Foundation as a Deed of Gift. The houses were purchased a few years ago and were carefully considered to be fantastic accommodation for the people with learning disabilities that we support, both houses being in great locations, close to transport links and shopping facilities.

The gift of these houses provides secure long-term homes for people. To have these homes without any rental costs means a much-needed boost to SFHT's finances in what is a very challenging time for all in the social care sector. Both houses have been thoughtfully refitted to ensure each person has their own private en-suite and people are encouraged to choose the way their home is decorated and finished. The people living at these properties experience fulfilling lives in their local community and very much value having their own home and a group of great housemates".

**THE EDWARD GOSTLING FOUNDATION
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

RESPIRE

Recognising family carers for the fantastic and vital work they do

The Rose Road Association has been a charity partner of ours since 2016 and we have been helping to support them achieve their Vision of 'a world where disability is not a barrier'. They offer children and young adults with profound disabilities and health needs, living in Hampshire and the surrounding areas, access to residential respite breaks, community outreach and play schemes amongst many other services, which are vital for these families.



In October 2022, Trustees took the decision to make Rose Road a 'legacy partner' with the award of a £1M Deed of Gift to be used over 8 years, the intention being to provide long term core costs support. Rose Road say that the award has improved their financial wellbeing and resilience and allows them to be able to plan for the future.

Chloe Atkins, Head of Fundraising said: "Support like this isn't something that happens to charities like us every day and it has the potential to change the lives of hundreds of disabled people for the better. Support from The Edward Gostling Foundation will help us to navigate the immediate financial challenges driven by the cost of living crisis and will help us to plan and grow our services over the next few years. This Deed of Gift commitment has given us the confidence to focus our fundraising efforts, business planning and workforce development to give stability to the families we already help and to increase our reach. In real terms, this means reducing our waiting lists for community outreach and overnight respite so we can support more families who need our help now and in the future."

**THE EDWARD GOSTLING FOUNDATION
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

TRANSITION

Helping people into employment, housing or supported living

National Star, a UK charity based in Gloucestershire, is committed to providing services that enable some of the most vulnerable young people in society to realise their potential and to be in control of their own lives. It provides a range of personalised learning, transition, support, care and accommodation in Gloucestershire, Hereford, Malvern and Wales.



Founded in 1967 the charity started with just 10 students. Last year (2021 – 2022) it provided 796,766 hours of service. It runs day education centres in Hereford and Wales and day and residential education from its main campus, Ullenwood, near Cheltenham. It also provides long-term living to 32 adults with disabilities across four locations.

Our most recent grant was towards the cost of providing, equipping and fitting two individual, ensuite study bedrooms in their new residence at Ullenwood. This new facility will enable National Star to provide the best care and support for young people with high needs.

Peter Horne, Deputy Chief Executive, said: “We are enormously grateful to The Edward Gostling Foundation for their generous support. This amazing grant will enable us to provide specialist accommodation and improve the lives of young people with complex physical and learning disabilities. It will allow us to create stimulating space to live, learn and relax in, helping people to get the most out of the life enhancing opportunities that National Star offers”.

THE EDWARD GOSTLING FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Within the delegated powers set down by the Trustees, donations up to £50,000 require the approval of 2 Officers with the same or higher approval authority. Grants between £50,001 and £100,000 must be authorised by the Foundation's Chair and one other Trustee. Any charitable expenditure up to £250,000 can be approved by the Grants Committee, with charitable expenditure over £250,000 requiring the approval of the Board.

The Foundation seeks applications from other charitable organisations by advertising its existence and publication of the application procedure on its website. The website has attracted 1,529 new registrations this year, all of whom are potential partners. The Foundation is also listed as a grant maker under its beneficiary criteria in several other publications as well as with the Charity Commission.

Strategic Investment Objectives

Our investments and assets provide the funding for all our charitable activities (grant and social investments) and cover our support and administration costs. The Trustees review the Investment Policy at a minimum every 3 years, with the current policy effective from November 2022.

The objectives of the Foundation's Investment Policy are:

1. To produce a consistent and sustainable amount of income and capital to meet the Trustees' objective of spending a minimum of £100M on charitable activities between 1 April 2021 and 31 March 2031 leading to the charity spending out and liquidating by FY 2031/32.
2. To ensure sufficient cash in line with planned expenditure and the Trustees' aim of achieving annual expenditure of circa £10M per year on charitable activities.
3. To ensure circa £5M cash or near cash is immediately available in 2031/32 to meet the Trustees' estimated costs of liquidation. This estimate will be reviewed annually with the money designated in a separate fund, with interest added, to help counter inflation.

To meet these investment objectives the Foundation allocates its investments across two areas:

1. Market Investments
2. Programme Related Investments

For efficient operational management, EGF maintains a number of call and short notice access accounts to manage the cash and accessible deposits of liquid investments needed for funding its operating costs associated with running the business and the cash grants paid to Charity Partners. These accounts are primarily funded by the distributable income and realised capital derived from the Market and Programme Related Investments. Any shortfall of income over costs will be covered through the planned sale of assets.

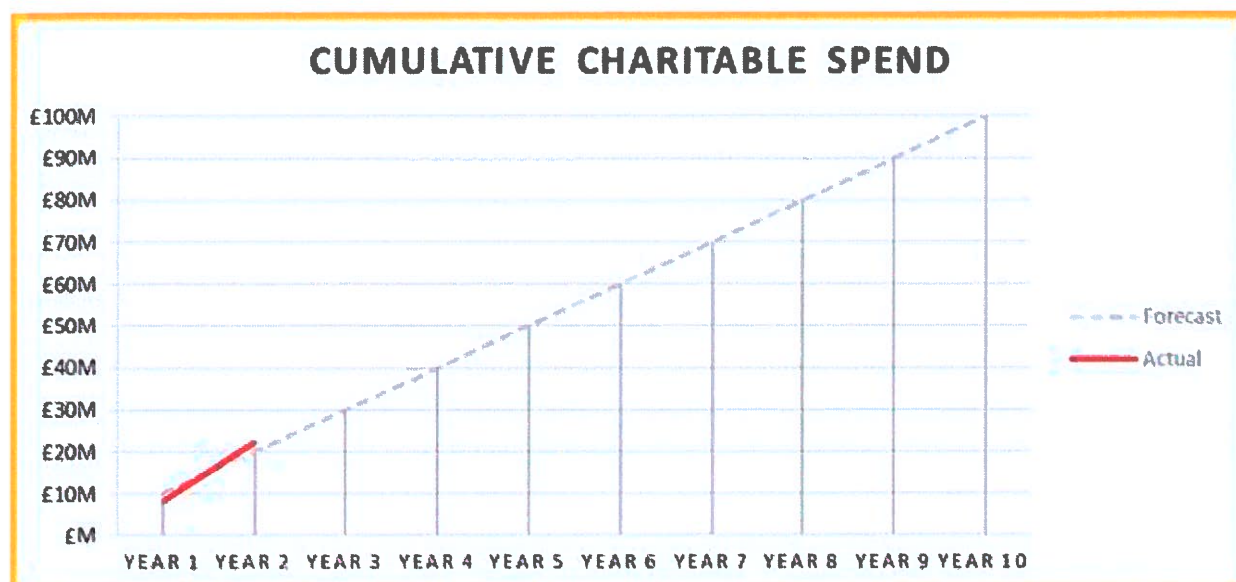
Implementation of the Foundation's investment strategy is the responsibility of the Executive Trustee with support from the external investment managers listed on page 4 and the Finance & Investment Committee.

Achievements

There were 746 new applications from other charities for the grants team to process in the year (FY2021/22: 805). From these applications, 485 (65.0%) were awarded grants (FY21/2022: 466 and 57.9%), 216 (29%) were rejected or withdrawn as they did not meet one of our 'Themes' (FY2021/22: 295 and 36.7%) and 45 (6.0%) applications were still under consideration at 31st March 2023.

**THE EDWARD GOSTLING FOUNDATION
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

In total, spend on charitable activity accounted for in the year was £14,049K (FY2021/22: £8,018K).



Grant pledges awaiting payment at the year-end totalled £4,165K (FY2021/22: £4,452K) being £2,235K in respect of grants awarded and accounted for in previous years and £1,930K for grants awarded and accounted for in the current financial year.

NB. Donations are charged to the accounts in the year they are pledged. The fluctuating charge in respect of donations year on year reflects this accounting treatment.

The tables below illustrate our support of smaller charities which can make a real difference to the local communities they support. Of the grants we awarded, 95% (FY2021/22: 97%) were for £25K and less and 87% (FY2021/22: 80%) went to organisations with an annual income of less than £1M.

Number of Grants Awarded by Value

| | 2020-21 | 2021-22 | 2022-23 |
|----------------------|------------|------------|------------|
| Under £25,000 | 726 | 454 | 461 |
| £25,001 to £100,000 | 1 | 5 | 10 |
| £100,001 to £250,000 | 0 | 4 | 7 |
| Over £250,000 | 0 | 3 | 7 |
| Total | 727 | 466 | 485 |

Number of Grants Awarded By Income Level

| | 2020-21 | 2021-22 | 2022-23 |
|--------------|------------|------------|------------|
| £1M or less | 594 | 373 | 426 |
| £1M - £5M | 128 | 69 | 38 |
| £5M-£10M | 1 | 6 | 8 |
| Over £10M | 4 | 18 | 13 |
| Total | 727 | 466 | 485 |

THE EDWARD GOSTLING FOUNDATION TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

We aim to make decisions on all applications under our Small Grants Programme within one month. For all other applications our target is to decide on 95% of these within 3 months. Applications for awards over £100,000 may take longer mainly due to the cycle of Trustee meetings and the additional due diligence we undertake. Once again we have exceeded target, with 95% of applications being decided within 1 month and 99.4% within 3 months; an exceptional response from the team.

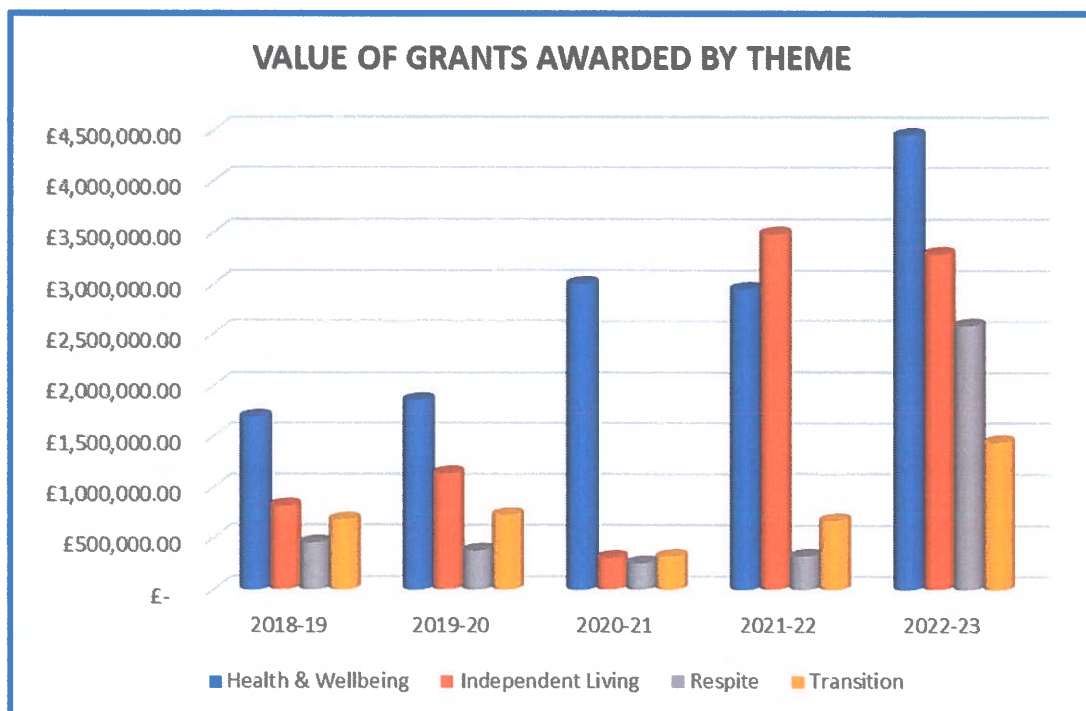
This outstanding performance could not have been achieved without our online application process which has significantly improved the quality of applications we receive, freed up resources and helped speed up our decision-making process.

A key part of the Foundation's strategy over the years has been working in partnership with other grant makers that provide direct funding or vital equipment to individuals facing multiple social challenges through having a disability, a serious long term or life limiting illness and who are living on a low income. Much of the work undertaken by our partners is targeted at enabling people to live independently at home where stress and anxiety levels are lessened thereby promoting health and well-being.

During the year we strengthened our partnership with seven such charities by providing greater financial security through the gift of an expendable endowment. Four of these are 10-year endowments, one is for 8 years, one for 5 and another 4 years. These expendable endowments are a clear way of us demonstrating our trust in the work Charity Partners do on our behalf and how they help us reach people under our four Themes: Health & Wellbeing; Independent Living; Respite; and Transition.

We also transferred, by Deed of Gift, 4 social investment properties with a value of circa £1.6M providing these Charity Partners with added stability and the ability to enhance their own programmes by removing the cost of rent.

The chart below demonstrates that, whilst the majority of our donations by value fall within the Health & Wellbeing and Independent Living Themes, this year we significantly increased our giving within the Respite and Transition Themes.



THE EDWARD GOSTLING FOUNDATION

TRUSTEES' REPORT (CONTINUED)

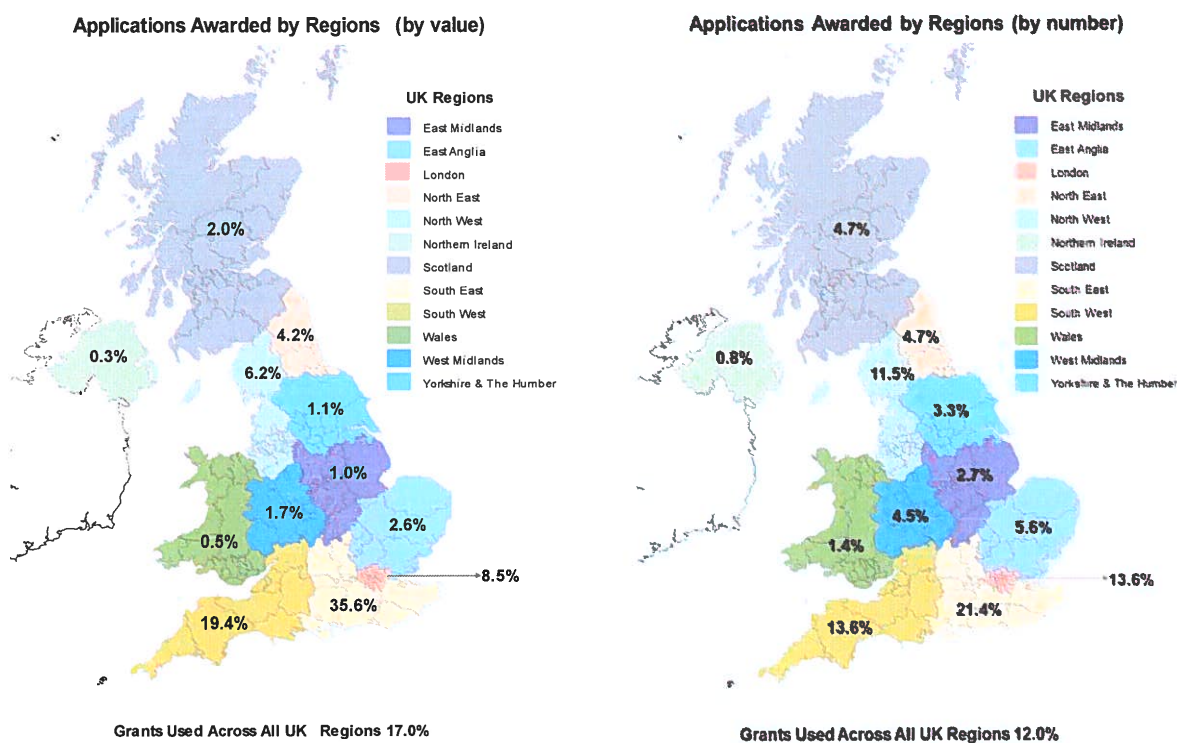
FOR THE YEAR ENDED 31 MARCH 2023

Measuring Impact

Currently the impact of our grant making is measured against what organisations and individuals tell us they are seeking to achieve. In most cases we are part of a funding consortium and only contribute a portion of the overall funding needed and therefore cannot take sole credit for the many remarkable outcomes that are achieved, especially by our partners operating in the care and social services sectors for whom we have much admiration.

We deliberately do not impose a generic set of objectives that our partners must meet, preferring instead for them and their own Trustees to determine how best to spend their funds for greatest impact. For us, we believe our own impact is adequately measured by the reporting grantees are required to submit as to how our grants have been used and their effectiveness on the lives of beneficiaries. We also see this from the thank you letters we receive each year, from site visits, seeing building projects and facilities delivered months and sometimes years earlier than would otherwise have been possible, from seeing new projects flourish and grow when others would not take the risk on funding and from seeing lives transformed with often just a very small financial contribution.

We continue to review our geographic reach and will be looking to target areas of severe and multiple disadvantages in the coming years.



**THE EDWARD GOSTLING FOUNDATION
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17 (5) of the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit. A very good measure of the public benefit that we create can be found in the grants awarded over £10,000 listed on pages 48-56 of this report. The charitable purpose for the Foundation within the meaning of The Act is enshrined within its objects, as given in the memorandum and articles of association which were last updated in June 2021.

Risk Management

The Trustees have examined the principal areas of the Foundation's operation and have considered what major risks arise in each of these areas. They review risk on an annual basis and included in this review is an annual risk audit undertaken by the Executive. The risk management strategy is concerned with ensuring that the level of risk involved is acceptable and that reasonable steps are taken to manage and control the risk.

Trustees are satisfied that effective measures are in place to mitigate identified risks and the annual risk audit mentioned above ensures continued compliance with internal policies and procedures and helps identify new or changing risk profiles. The key risks have been identified and grouped under the following headings:

i) Governance

Having an inappropriate legal structure; acting unconstitutionally; failing to maintain proper records and accounts; not fulfilling regulatory requirements; failing to have appropriately skilled directors; failure to manage conflicts of interest.

Mitigation: Involvement of legal specialists as required, properly constituted boards and committees, employment of suitably qualified and experienced staff, external audit, timetabling of filing deadlines, regular Trustee training, clear conflict of interest policies.

ii) Asset Management

Failure to protect ownership of assets and investments; failure to have sufficient insurance; misappropriation of funds; fraud; failure to employ appropriately skilled staff; failure to control overheads; failure to maintain building fabric; systems failure; disaster or loss of premises.

Mitigation: Due diligence on all property acquisitions, regular review of risk and insurance cover, clear policies and procedures, employment of suitably qualified and experienced staff and investment managers, external audit, budget setting and financial forecasting, planned maintenance programme, remote data back-up and storage, contingency and disaster recovery plans in place and regularly tested.

iii) Financial & Investment Management

Erosion of income and inappropriate investment returns; market economics; interest rate movements; exposure to derivatives; adequacy of reserves and cashflow.

Mitigation: Monitoring and benchmarking investment performance, spread of asset classes, cashflow forecasting, maintenance of good working relationships with our Banks and Investment Managers and professional advisers.

iv) Compliance with Law & Regulation

Breach of legal and regulatory requirements.

Mitigation: Annual external audit, annual internal audit quinquennial review by legal advisers, communication of policies and procedures between management and staff.

**THE EDWARD GOSTLING FOUNDATION
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

v) Grants & Donations

Inappropriate grants spend; lack of "value for money"; lack of grant applications; making inappropriate grants or grants outside of charitable objects.

Mitigation: Established policies and procedures promotion, regular review at board level, ongoing monitoring programme.

In the opinion of the Trustees, the Foundation has established resources and review systems that, under normal conditions, should allow the risks identified by them to be mitigated to an acceptable level in its day to day operations. The Trustees also meet the auditors during the year to discuss the recommendations arising from their annual audit which helps inform their approach.

Fundraising

The Foundation had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

FINANCIAL REVIEW

Investment Policy and Performance

In the 2021/22 year, the Trustees agreed a target of spending £100M on charitable activity over the next 10 years and as such, the Foundation no longer sets an annual donation target related to Net Asset Value.

In November 2022 the Trustees approved a move to a lower risk approach for the investments to decrease the volatility of returns needed to achieve the £100M spend out objective. To measure investment performance the Foundation operates a total return approach with the aim of maximising total returns with a lower level of risk regardless of whether those returns accrue by way of income or capital growth. Management of the investment portfolio is overseen by the Executive Trustee with the support of external professional Investment Managers and members of the Foundation's Finance & Investment Committee. Each Investment Manager is given bespoke benchmarks against which their performance is measured, with the Foundation seeking to maintain sufficient value of its reserves to meet the aim of spending a minimum of £100M on charitable activity between 1 April 2021 and 31 March 2031, leading to the charity spending out and liquidating by FY 2031/32. Budgets and targets for charitable expenditure are agreed annually by Trustees with the aim of averaging £10M per year on charitable activities over a rolling 5-year cycle from April 2022.

Reserves Policy

The Trustees have reviewed the reserves of the charity. The charity currently distributes in excess of its income each year and has no income retained as unrestricted funds. After deducting the value of fixed assets held for the Charity's own use, reserves available for current activities are £86.4M (FY2021/22: £103.9M) which primarily represents the equity held in the Charity's investments which are managed on a total return basis. The Trustees consider that, in conjunction with their liquidity and their investment and distribution policies, the current level of reserves is appropriate to enable them to continue to fund grants, the social investment programme, investment management fees and support and governance costs without eroding the longer-term real value of the Charity's investment capital. The Trustees regularly monitor liquidity and cashflow to ensure these are sufficient to cover ongoing expenditure.

After reviewing the charities forecasts and projections the Trustees consider that there are sufficient reserves at 31 March 2023 to manage any foreseeable downturn in the UK and global economy and that there is a reasonable expectation The Edward Gostling Foundation has adequate resources to continue in operational existence for the foreseeable future and at least to the completion of its 'spend out' in 2032. For this reason, the Trustees continue to adopt the 'going concern' basis in preparing the accounts.

**THE EDWARD GOSTLING FOUNDATION
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

The Foundation has 2 subsidiary undertakings which are described in note 9 to the financial statements, with the net income of these subsidiaries disclosed in note 9b to the financial statements.

As part of our social investment strategy, we provide Charity Partners with concessionary loans and, at 31st March 2023, the outstanding value of these loans was £800K.

Another of the Foundation's programme related investments represents the entire share capital of ACG Participacoes Ltd, a company incorporated in Brazil, which holds the net disposal proceeds from the sale of land and buildings from which a school was previously run for charitable purposes.

A case study on one of our Brazilian Partners is on the following page.

**THE EDWARD GOSTLING FOUNDATION
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

CASE STUDY

LIGA SOLIDÁRIA, BRAZIL



Liga Solidária has been a partner since 2020 and is celebrating its centenary this year, having been founded in 1923 in São Paulo, initially as the Catholic Ladies League of São Paulo. It is a non-profit organisation that offers socio-educational and citizenship programs that, every year, benefit over 13,000 children, adolescents, adults and the elderly who live in extreme poverty.

We have committed to providing funding for two of their projects over a period of 18 months:-

“Cultural Expansion as a Tool for Work” (*Ampliação Cultural como Ferramenta de Trabalho*) where the objective is to better prepare individuals whose options are otherwise very limited, not only for the workplace but also for active involvement in the communities in which they live, through access to culture and cultural development and “Art and Flavour” (*Arte e Sabor*) a project focussing on women in deprived communities who are often their family’s main breadwinner, to teach skills in two specific areas - arts & crafts and cooking as a potential source of income generation. Pictured are some of their latest graduates at their recent graduation ceremony.

Priscila Rodrigues, Director for Fundraising and Volunteers said:- “We are extremely grateful to The Edward Gostling Foundation for their support over the past two years. It has enabled us to develop and run projects for local women, many of whom would otherwise struggle to provide for their families. We have also been able to work with our over 60s to improve cognitive skills, functional capacity and motor skills and, as a work tool, we have sought to broaden cultural horizons by introducing different and impactful cultural activities. It is partnerships like these that allow *Liga Solidária* to plan its actions, strategies and dreams for the future”.

**THE EDWARD GOSTLING FOUNDATION
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

PROVISION OF INFORMATION TO AUDITORS

In determining how amounts are presented within items in the Statement of Financial Activities and balance sheet, the Trustees have had regard to the substance of the reported transaction or arrangement in accordance with generally accepted accounting principles or practice.

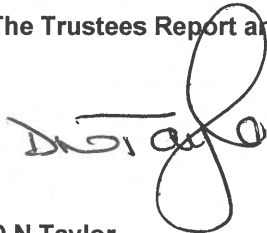
So far as each of the Trustees is aware at the time the report is approved: -

- there is no relevant audit information of which the company's auditors are unaware; and
- 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 auditors are aware of that information.

AUDITORS

Crowe U.K, LLP has indicated its willingness to be reappointed as statutory auditor.

The Trustees Report and the Strategic Report have been approved by order of the Board on

A handwritten signature in black ink, appearing to read 'D N Taylor', with a large, stylized loop at the end.

**D N Taylor
Chair**

20 June 2023

**THE EDWARD GOSTLING FOUNDATION
TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2023**

The Trustees (who are also directors of The Edward Gostling Foundation for the purposes of company law) are responsible for preparing the Trustees' Report, Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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 company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company and group's transactions and disclose with reasonable accuracy at any time the financial position of the company and group 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 company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE EDWARD GOSTLING FOUNDATION

Opinion

We have audited the financial statements of The Edward Gostling Foundation ('the charitable company') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and Charitable Company's affairs as at 31 March 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 the 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

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE EDWARD GOSTLING FOUNDATION

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and Parent Charitable Company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' report

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 22, 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 group or charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations, are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE EDWARD GOSTLING FOUNDATION

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context for the UK operations were the Companies Act 2006, Charities Act 2011, together with the Charities SORP (FRS102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statements.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the charitable company were Charity Commission regulations, Fire safety regulations, General Data Protection Regulation (GDPR) and Health and Safety regulations. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Director about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's Trustees, 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 charitable company's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Janette Joyce

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Reading

20 June 2023

THE EDWARD GOSTLING FOUNDATION
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

| | 2023 £ | 2022 £ |
|--|-----------------------|---------------------|
| Income and endowments from: | | |
| Investments | | |
| - Income from properties | 1,285,226 | 1,517,887 |
| - Other investment income | 2,129,208 | 2,247,578 |
| - Other income (derivative settlement) | <u>380,348</u> | <u>-</u> |
| Total income and endowments | <u>3,794,782</u> | <u>3,765,465</u> |
| Expenditure on: | | |
| Raising funds: | | |
| - Property operating costs | (458,491) | (513,209) |
| - Loan interest and bank charges | (426,625) | (948,022) |
| - Investment management fees and costs | <u>(151,239)</u> | <u>(295,740)</u> |
| | <u>(1,036,355)</u> | <u>(1,756,971)</u> |
| Net income available for charitable application | <u>2,758,427</u> | <u>2,008,494</u> |
| Charitable activities: | | |
| - Grant making costs | (13,460,316) | (7,753,286) |
| - Impairment of Social Investment | (211,194) | - |
| - Support costs | <u>(246,472)</u> | <u>(264,374)</u> |
| Total expenditure | 5 <u>(14,954,337)</u> | <u>(9,774,631)</u> |
| Net (expenditure) before investment (losses)/gains | (11,159,555) | (6,009,166) |
| Revaluation losses on investment properties and fixed assets | (825,000) | (800,000) |
| (Loss) on disposal on investment properties | (83,664) | - |
| Gains/(losses) on listed investment assets | 9d <u>(6,451,742)</u> | <u>3,901,518</u> |
| Net (loss) | (18,519,961) | (2,907,648) |
| Other recognised gains | | |
| Fair value movement on derivative contracts | 1,148,056 | 2,254,124 |
| Actuarial gains/(losses) on defined benefit pension scheme | <u>(95,000)</u> | <u>126,000</u> |
| Net movement in funds | (17,466,905) | (527,524) |
| Reconciliation of funds | | |
| Total funds brought forward at 1 April 2022 | <u>104,423,795</u> | <u>104,951,319</u> |
| Total funds carried forward at 31 March 2023 | <u>£ 86,956,890</u> | <u>£104,423,795</u> |

The notes on pages 29 to 47 form part of these financial statements

THE EDWARD GOSTLING FOUNDATION
CONSOLIDATED AND CHARITY BALANCE SHEETS
COMPANY REGISTRATION NUMBER: 03522188
31 MARCH 2023

| | Notes | Group | | Charity | |
|--|-------|---------------------|---------------------|---------------------|---------------------|
| | | 2023 £ | 2022 £ | 2023 £ | 2022 £ |
| FIXED ASSETS | | | | | |
| Tangible assets | 8 | 525,000 | 501,331 | 525,000 | 501,331 |
| Investments | | | | | |
| - Investment properties | 9a | 5,975,000 | 8,545,358 | 5,975,000 | 8,545,358 |
| - Investments in subsidiaries | 9b | - | - | 20,440,264 | 20,440,264 |
| - Programme related investments | 9c | 6,645,508 | 8,545,822 | 6,639,008 | 8,539,322 |
| - Listed Investments | 9d | <u>52,958,770</u> | <u>84,362,204</u> | <u>52,958,770</u> | <u>84,362,204</u> |
| | | <u>66,104,278</u> | <u>101,954,715</u> | <u>86,538,042</u> | <u>122,388,479</u> |
| CURRENT ASSETS | | | | | |
| Programme related investments | 9c | 50,000 | 50,000 | 50,000 | 50,000 |
| Assets held for sale | 9e | - | 3,737,900 | - | 3,737,900 |
| Debtors | 11 | 4,403,728 | 670,230 | 4,403,728 | 670,230 |
| Cash at bank and in hand | 10 | <u>21,905,614</u> | <u>6,494,591</u> | <u>21,902,281</u> | <u>6,491,258</u> |
| | | 26,359,342 | 10,952,721 | 26,356,009 | 10,949,388 |
| CREDITORS: Amounts falling due within one year | 12 | <u>(4,108,018)</u> | <u>(4,785,539)</u> | <u>(24,538,449)</u> | <u>(25,215,970)</u> |
| NET CURRENT ASSETS/ (LIABILITIES) | | <u>22,251,324</u> | <u>6,167,182</u> | <u>1,817,560</u> | <u>(14,266,582)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 88,355,602 | 108,121,897 | 88,355,602 | 108,121,897 |
| CREDITORS: Amounts falling due after more than one year | 13 | <u>(920,711)</u> | <u>(3,214,101)</u> | <u>(920,711)</u> | <u>(3,214,101)</u> |
| Net assets excluding pension liability | | <u>£ 87,434,891</u> | <u>£104,907,796</u> | <u>£ 87,434,891</u> | <u>£104,907,796</u> |
| Pension Liability | 15 | <u>(478,001)</u> | <u>(484,001)</u> | <u>(478,001)</u> | <u>(484,001)</u> |
| NET ASSETS | | <u>£ 86,956,890</u> | <u>£104,423,795</u> | <u>£ 86,956,890</u> | <u>£104,423,795</u> |
| UNRESTRICTED FUNDS | | | | | |
| Income and expenditure | 14 | 85,826,177 | 92,501,179 | 70,773,175 | 77,448,177 |
| Fair value reserve | 14 | <u>1,130,713</u> | <u>11,922,616</u> | <u>16,183,715</u> | <u>26,975,618</u> |
| | | <u>£ 86,956,890</u> | <u>£104,423,795</u> | <u>£ 86,956,890</u> | <u>£104,423,795</u> |

Included within the group results is a loss of £17,466,905 (2022: £527,524 loss) in respect of The Edward Gostling Foundation. There are no recognised gains or losses other than those reported above.

Approved and authorised for issue by the Trustees on 20/6/2023 and signed on their behalf by


D N Taylor
Chair

The notes on pages 29 to 47 form part of these financial statements

THE EDWARD GOSTLING FOUNDATION
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

| | | 2023 | 2022 |
|---|-------|----------------------------|---------------------------|
| | Notes | £ | £ |
| Net cash (used in)/ provided by operating activities: | 16 | (15,973,513) | (5,326,294) |
| Net cash from investing activities: | | | |
| Investment income | | 2,129,208 | 2,247,578 |
| Interest paid | | (426,625) | (948,022) |
| Purchase of property, plant and equipment | | (332) | (1,124) |
| Purchase of listed investments | | (42,305,432) | (7,870,081) |
| Additions to investment properties | | - | (30,358) |
| Net proceeds from sale of investment properties | | 5,329,236 | 825,000 |
| Profit from sale of fixed assets | | - | 34,660 |
| Proceeds from listed investments | | 67,158,803 | 12,516,788 |
| Purchase of social investment | | - | (1,000,000) |
| Settlement of derivative | | (1,111,452) | - |
| Movement in social investment loans | | <u>100,000</u> | <u>50,000</u> |
| Net cash provided by (used in) / investing activities | | <u>30,873,406</u> | <u>5,824,441</u> |
| Change in cash and cash equivalents in the reporting period | | 14,899,893 | 498,147 |
| Cash and cash equivalents at the beginning of the reporting period | | <u>7,037,488</u> | <u>6,539,341</u> |
| Cash and cash equivalents at the end of the reporting period | | <u>£ 21,937,381</u> | <u>£ 7,037,488</u> |
| Cash and cash equivalents are represented by | | | |
| Cash at bank and in hand | | 21,905,614 | 6,494,591 |
| Cash held with investment manager | | <u>31,767</u> | <u>542,897</u> |
| | | <u>£ 21,937,381</u> | <u>£ 7,037,488</u> |
| CHANGE IN MOVEMENT IN NET FUNDS | | | |
| | | At 1 April 2022 £ | Cash flow £ |
| Cash at bank and in hand | | 6,494,591 | 15,411,023 |
| Cash held with investment manager | | <u>542,897</u> | <u>(511,130)</u> |
| Net Funds | | <u>7,037,488</u> | <u>21,937,381</u> |

The notes on pages 29 to 47 form part of these financial statements

THE EDWARD GOSTLING FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. COMPANY INFORMATION

The principal activity of the charity is to assist those in poverty or who are aged and in need or who have a physical or mental disability. On 11th February 2019 the charity changed its name to The Edward Gostling Foundation. The charity (registered number 03522188 and charity number 1068617), is incorporated and domiciled in the UK. The address of the registered office is Suite 1, 61 Thames Street, Windsor, Berkshire, SL4 1QW.

2. ACCOUNTING POLICIES

a) Basis of accounting

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 (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Edward Gostling Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Basis of consolidation

The consolidated accounts include the trading activities, assets and liabilities of the group subsidiary companies in accordance with the Charity SORP. Intra-group transactions have been eliminated on consolidation.

No separate SOFA or Income and Expenditure Account have been presented for the Charity alone as permitted by section 408 of the Companies Act 2006.

c) Going concern

After reviewing the charities forecasts and projections the Trustees consider that there are sufficient reserves at 31 March 2023 to manage any foreseeable downturn in the UK and global economy and that there is a reasonable expectation The Edward Gostling Foundation has adequate resources to continue in operational existence for the foreseeable future and at least to the completion of its 'spend out' in 2032. For this reason, the Trustees continue to adopt the 'going concern' basis in preparing the accounts.

d) Income

Rental income is accounted for on an accruals basis. Trading turnover is included on the basis of sales invoiced or work done in accordance with the terms of contract. All other income, including payments under Gift Aid, is accounted for under the accruals concept.

Deferred income exists since property income is invoiced in advance for rents due.

e) Expenditure

Expenditure is accounted for on an accruals basis and is classified under headings that aggregate all costs related to that category. Costs are allocated on a direct cost basis. Liabilities are recognised as expenditure when there is a legal or constructive obligation committing the charity to the expenditure. Grants, both single and multi-year are recognised in the accounts as liabilities after they have been approved by the Trustees, the recipients have been notified and there are no further terms and conditions to be fulfilled.

Prior to 2022 only charitable staff costs were allocated to charitable activities. To reflect our 'spend out' strategy since April 2022 all expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings below:

THE EDWARD GOSTLING FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

2. ACCOUNTING POLICIES (CONTINUED)

f) Expenditure on raising funds

Expenditure on raising funds comprises those cost, including support costs, directly attributable to the investment portfolio and raising investment income.

g) Expenditure on charitable activities

The cost of charitable activities consist of grants awarded and a proportion of the management and administrative charge, governance and other costs

h) Investment properties

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Financial Activities.

Where investment properties are held to be sold, the assets are reclassified as being current assets and included in the Balance Sheet at their open market values.

i) Programme related investments

Programme related investments are stated at the cost of investment less any recognised impairment.

j) Other tangible fixed assets

During the year Trustees amended their capitalisation policy to reflect their 'spend out' strategy and anticipated closure in 2032. Excluding freehold and long leasehold land, depreciation is provided on other fixed assets, with a purchase cost in excess of £5,000, at rates calculated to write off their cost less estimated residual value over their useful economic lives as follows: -

| | |
|---------------------------|-----------------------------------|
| Furniture and equipment | - 15-18% on a straight-line basis |
| Computer equipment | - 25-33% on a straight-line basis |
| Plant and machinery | - 25% on a reducing balance basis |
| Motor vehicles | - 25% on a reducing balance basis |
| Assets under construction | - no depreciation |

Assets brought forward from previous years with a depreciated value of less than £5,000 have been written down in the year and charged to revenue.

The capitalisation policy for the purchase of properties is to capitalise all the costs of purchase, any abortive costs are written off.

Land and buildings are carried at fair value determined annually by external valuers.

k) Investments

Investments are stated at market value, or where no market value is readily available, at net asset value. Any changes on value are transferred to the fair value reserve. Realised gains are calculated based on net proceeds compared to the carrying amount and are credited or debited to reserves as appropriate.

l) Assets held for sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Refer to note 9e for the Trustee's assessment in classifying the investment properties as held for sale.

THE EDWARD GOSTLING FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

2. ACCOUNTING POLICIES (CONTINUED)

m) Operating leases: The Charity as lessor

Rental income from operating leases is credited to profit or loss on a straight-line basis over the lease term.

n) Reserves

Reserves represent unrestricted funds available for the future activities of the Charity.

o) Pension costs

The Edward Gostling Foundation participates in the Social Housing Pension Scheme (SHPS), and retirement benefits to employees are funded by contributions from all participating employers and employees in the scheme. The financial statements reflect at fair value the assets and liabilities arising from the Charities retirement benefit obligations and any relating funding.

A defined contribution pension scheme including an auto enrolment arrangement is also operated by The Edward Gostling Foundation with the pension charge representing the amounts payable by the Group to the fund in respect of the year.

p) Taxation

The Edward Gostling Foundation is a registered Charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities as it falls within the various exemptions available to registered Charities.

q) Financial instruments

Basic financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at amortised cost. Note 18 provides more information on financial instruments where future cash flows are anticipated, with financial assets referring to fixed asset investments (excluding investment property), cash at bank and in hand and debtor balances excluding prepayments, and financial liabilities referring to all creditor balances excluding deferred income and social security and other taxes.

Derivatives, including interest rate swaps, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the Statement of Financial Activities. The charity does not currently apply hedge accounting for interest rate derivatives.

THE EDWARD GOSTLING FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

3. JUDGEMENTS AND ESTIMATES

In the application of the charity's accounting policies, which are described in note 2, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The key sources of estimation uncertainty that have an effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

- Valuation of investment properties and fixed assets – the charity's land and buildings are stated at their estimated fair value based on professional valuations as disclosed in notes 8 and 9a.
- Valuation of the Interest rate SWAP as disclosed in note 13.
- Impairment of the investment properties/asset held for sale as disclosed in notes 9a and 9e.
- Assumptions used for the calculation of the pension scheme liability as disclosed in note 15.

4. GRANTS PAYABLE IN THE FURTHERANCE OF CHARITY OBJECTIVES

| | 2023 £ | 2022 £ |
|------------------------------|--------------------------|-------------------------|
| Organisations | 12,646,501 | 7,433,235 |
| Allocated overheads (note 5) | <u>395,194</u> | <u>-</u> |
| | <u>13,041,695</u> | <u>7,433,235</u> |

THE EDWARD GOSTLING FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

5. TOTAL EXPENDITURE

| | Staff Costs £ | Other costs £ | Depreciation £ | 2023 Total £ | 2022 Total £ |
|--------------------------------------|---------------------|---------------------|-------------------|--------------------|--------------------|
| Expenditure on: | | | | | |
| Property operating costs | 273,385 | 168,443 | 16,663 | 458,491 | 513,208 |
| Loan interest and bank charges | - | 426,625 | - | 426,625 | 948,022 |
| Investment management fees and costs | - | 151,239 | - | 151,239 | 295,740 |
| | <u>273,385</u> | <u>746,307</u> | <u>16,663</u> | <u>1,036,355</u> | <u>1,756,970</u> |
| Charitable activities | | | | | |
| Grant making costs (note 4) | 418,621 | 13,041,695 | - | 13,460,316 | 7,753,286 |
| Support costs | 162,322 | 84,150 | - | 246,472 | 264,374 |
| Impairment of social investment | - | 211,194 | - | 211,194 | - |
| | <u>580,943</u> | <u>13,337,039</u> | <u>-</u> | <u>13,917,982</u> | <u>8,017,660</u> |
| Total expenditure | <u>£ 854,328</u> | <u>£14,083,346</u> | <u>£ 16,663</u> | <u>£14,954,337</u> | <u>£ 9,774,630</u> |

Included within other costs are governance costs of £30,925 (2022: £29,925).

6. NET INCOME

| | 2023 £ | 2022 £ |
|--|---------------|---------------|
| This is stated after charging: | | |
| Group auditors' remuneration - Audit fees: | | |
| - relating to parent company | 30,925 | 26,750 |
| - relating to corporation tax | - | 1,000 |
| Depreciation of tangible fixed assets | <u>16,663</u> | <u>16,156</u> |

THE EDWARD GOSTLING FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

7. STAFF NUMBERS AND EMOLUMENTS

Staff costs consist of:

| | 2023 | Group | 2022 |
|--|-------------------------|--------------|-------------------------|
| | £ | | £ |
| Wages and salaries | 726,993 | | 555,313 |
| Social security costs | 85,167 | | 70,299 |
| Other pension costs (includes FRS102 defined benefit pension movement) | 42,168 | | 62,725 |
| | <u>£ 854,328</u> | | <u>£ 688,337</u> |

The total average number of employees during the period was as follows:

| | 2023 | 2022 |
|---------------------------|-----------------|-----------------|
| | Number | Number |
| Administration/management | <u>8</u> | <u>7</u> |

The number of employees on a full-time equivalent basis was 4.10 (2022: 4.05).

The number of employees with total emoluments in excess of £60,000 (including taxable benefits but excluding pension scheme contributions):

| | 2023 | 2022 |
|---------------------|-----------------|-----------------|
| | Number | Number |
| £90,000 - £100,000 | - | 1 |
| £100,000 - £110,000 | 2 | - |
| £110,000 - £120,000 | - | 1 |
| £140,000 - £150,000 | 1 | - |
| £220,000 - £230,000 | 1 | 1 |
| £230,000 - £240,000 | <u>-</u> | <u>-</u> |

2 of the highest paid employees (2022: 2) were accruing benefits under defined benefit pension schemes at a cost of £27,233 (2022: £17,027).

Key management personnel include the Trustees and key management listed on page 3. Their aggregate remuneration (including company pension contributions and employers NI) was £720,765 (2022: £504,794).

THE EDWARD GOSTLING FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

7. STAFF NUMBERS AND EMOLUMENTS (CONTINUED)

Trustees

| | 2023 £ | 2022 £ |
|---|------------------|------------------|
| Emoluments (including pension costs and taxable benefits) | <u>£ 403,098</u> | <u>£ 233,249</u> |

The highest paid director during the year received emoluments of £229,348 (2022: £225,749). Further details of Trustee remuneration and benefits can be found in note 17.

During the year 1 Trustee (2022: 1) received reimbursed expenses in respect of travel and subsistence totalling £1,350 (2022: £1,283).

These payments are made under the legal authority of the Memorandum and Articles.

8. TANGIBLE ASSETS

Group and charity

| | Land & Buildings £ | Other equipment £ | Total £ |
|------------------------|--------------------------|-------------------------|------------------|
| Cost | | | |
| At 1 April 2022 | 485,000 | 100,317 | 585,317 |
| Additions | - | 332 | 332 |
| Disposals | - | - | - |
| Revaluation | <u>40,000</u> | <u>-</u> | <u>40,000</u> |
| At 31 March 2023 | <u>525,000</u> | <u>100,649</u> | <u>625,649</u> |
| Depreciation | | | |
| At 1 April 2022 | - | 83,986 | 83,986 |
| Charge for the year | - | 16,663 | 16,663 |
| Revaluation adjustment | - | - | - |
| Disposals | <u>-</u> | <u>-</u> | <u>-</u> |
| At 31 March 2023 | <u>-</u> | <u>100,649</u> | <u>100,649</u> |
| Net book value | | | |
| At 31 March 2023 | <u>£ 525,000</u> | <u>£ -</u> | <u>£ 525,000</u> |
| At 31 March 2022 | <u>£ 485,000</u> | <u>£ 16,331</u> | <u>£ 501,331</u> |

The asset within Land and Buildings is the ground floor of Thames Street which is used as the head office. This was valued at 31 March 2023 by an independent valuer, CBRE Chartered Surveyors on an open market value basis.

THE EDWARD GOSTLING FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

9a. INVESTMENT PROPERTIES

Group and charity

| | £ |
|-----------------------------------|---------------------------|
| Cost/valuation | |
| At 1 April 2022 | 8,545,358 |
| Revaluations | (865,000) |
| Disposals | (1,675,000) |
| Removal of prior year legal costs | (30,358) |
| | <hr/> |
| At 31 March 2023 | <u>£ 5,975,000</u> |
| <i>At 31 March 2022</i> | <i><u>£ 8,545,358</u></i> |

Properties were valued as at 31 March 2023 by CBRE, Chartered Surveyors.

All of the above properties are Freehold Properties.

9b. INVESTMENTS IN SUBSIDIARIES

| Charity | Subsidiaries |
|-------------------------|----------------------------|
| | £ |
| Valuation | |
| At 1 April 2022 | 20,440,264 |
| Impairment | - |
| Disposal | <hr/> |
| At 31 March 2023 | <u>£ 20,440,264</u> |

The Edward Gostling Foundation owns the entire share capital of the following companies, the results of which have been consolidated into these financial statements.

| Name | Type of business | Aggregate of share capital and reserves | Profit/(loss) |
|----------------------------|---|--|----------------------|
| | | £ | £ |
| ACG Rented Properties Plc* | Former Basepoint holding company, not trading | 20,440,264 | - |

The registered office of the above company is Suite 1, 61 Thames Street, Windsor, SL4 1QW.

*This is a directly held company (registered number 02439673).

THE EDWARD GOSTLING FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

9b. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

In addition to the above The Edward Gostling Foundation owns the entire share capital of the following company which is treated as a programme related investment and is therefore not consolidated.

ACG Participacoes Ltda - see note 9c

Dormant company:

Airways Housing Trust Plc - dissolved 28 June 2022
ACG Rented Properties Plc - not trading- see Note 22 also

All the companies within the group are incorporated in England and Wales under the Companies Act 2006 with the exception of ACG Participacoes Ltda which is incorporated in Brazil.

9c. PROGRAMME RELATED INVESTMENTS

| | Group | | Charity | |
|-------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Fixed Assets | | | | |
| Dame Hannah Rogers Trust | 250,000 | 350,000 | 250,000 | 350,000 |
| Exeter Royal Academy Loan | 500,000 | 500,000 | 500,000 | 500,000 |
| Otterbourne Hill property | 2,019,016 | 2,019,016 | 2,019,016 | 2,019,016 |
| Launchpad Reading property | - | 331,974 | - | 331,974 |
| Brazilian Investment | 951,492 | 1,162,686 | 944,992 | 1,156,186 |
| Hayes Avenue property | - | 545,378 | - | 545,378 |
| Dame Hannah Rogers Trust | 2,925,000 | 2,925,000 | 2,925,000 | 2,925,000 |
| Blyth property | - | 78,651 | - | 78,651 |
| Bell Vue Crescent property | - | 633,117 | - | 633,117 |
| | 6,645,508 | 8,545,822 | 6,639,008 | 8,539,322 |
| Current Assets | | | | |
| Dame Hannah Rogers Trust | 50,000 | 50,000 | 50,000 | 50,000 |
| Total programme related investments | <u>£ 6,695,508</u> | <u>£ 8,595,822</u> | <u>£ 6,689,008</u> | <u>£ 8,589,322</u> |

The Edward Gostling Foundation Group own R\$3,000,000 shares in ACG Participacoes Ltd which represents 100% of the share capital of that company. ACG Participacoes Ltd holds cash to be used for charitable purposes overseas. In the Trustees' opinion this investment should be accounted for as a programme related investment, as it is held to facilitate the Group to further its charitable objectives and not for financial gain.

THE EDWARD GOSTLING FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

9d. LISTED INVESTMENTS

| | Group and Charity | |
|-----------------------------------|--------------------------|--------------------------|
| | 2023 | 2022 |
| | £ | £ |
| Investments of 1 April 2022 | 83,819,307 | 84,564,496 |
| Additions | 42,305,432 | 7,870,081 |
| Disposals | (67,158,803) | (12,516,788) |
| Revaluations | <u>(6,451,742)</u> | <u>3,901,518</u> |
| Market value at 31 March 2023 | 52,514,194 | 83,819,307 |
| Cash held with investment manager | 31,767 | 542,897 |
| Accrued investment interest | <u>412,809</u> | <u>-</u> |
| | <u>52,958,770</u> | <u>84,362,204</u> |

At the year end the following investments represented more than 5% of the total investments:

| | | |
|--|-----------|-----------|
| Charities Properties Fund | 0% | 10% |
| CCLA Charities Ethical Investment Fund | 13% | 9% |
| CCLA Charities Global Equity Income | 15% | 9% |
| Sarasin & Partners Climate Active Fund | 0% | 4% |
| Sarasin Income and Reserves Fund | <u>0%</u> | <u>6%</u> |

Investments comprise:

| | Group and Charity | |
|-----------------------------------|--------------------------|--------------------------|
| | 2023 | 2022 |
| | £ | £ |
| Fixed interest stocks | 38,150,889 | 7,214,380 |
| Property funds | - | 9,040,557 |
| Equity investments | 14,776,114 | 67,564,370 |
| Fixed term deposits and cash held | <u>31,767</u> | <u>542,897</u> |
| | <u>52,958,770</u> | <u>84,362,204</u> |

9e. ASSETS HELD FOR SALE

| | Group and Charity | |
|--|--------------------------|------------------|
| | 2023 | 2022 |
| | £ | £ |
| Assets held for sale at 1 April 2022 | 3,737,900 | - |
| Assets sold in the year | (3,737,900) | - |
| Investment properties transferred to held for sale | - | 3,755,000 |
| Impairment on estimated costs to sell | - | (17,100) |
| Assets held for sale at 31 March 2023 | <u>-</u> | <u>3,737,900</u> |

The year-end balance for assets held for sale is Nil (2022: Flat 2, Thames Street, Windsor, with value included above of £855,000 and sales price of £855,000 and Basepoint, Southampton and Folkestone with value included above of £2,900,000 and sales price of £3,300,000. The Trustees estimate the costs to sell are £17,100).

THE EDWARD GOSTLING FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

10. CASH AT BANK AND IN HAND

| | Group | | Charity | |
|--------------------------|--------------------------|-------------------------|--------------------------|-------------------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Cash at bank and in hand | <u>21,905,614</u> | <u>6,494,591</u> | <u>21,902,281</u> | <u>6,491,258</u> |

No (2022: £1.15m) cash is held as security against the hedging contracts at 31 March 2023.
Refer to note 13 for further disclosure on the hedging contracts.

11. DEBTORS

| | Group and Charity | |
|--------------------------------|---------------------------|-------------------------|
| | 2023 | 2022 |
| | £ | £ |
| Trade debtors | 4,577 | 84,823 |
| Other debtors | 4,155,507 | 576,830 |
| Prepayments and accrued income | <u>243,644</u> | <u>8,577</u> |
| | <u>£ 4,403,728</u> | <u>£ 670,230</u> |

THE EDWARD GOSTLING FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

12. CREDITORS: Amounts falling due within one year

| | Group | | Charity | |
|------------------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Trade creditors | 15,176 | 23,570 | 15,176 | 23,570 |
| Amounts owed to group undertakings | - | - | 20,430,431 | 20,430,431 |
| Other taxes and social security | 24,124 | 59,724 | 24,124 | 59,724 |
| Other creditors | 15,312 | 77,851 | 15,312 | 77,851 |
| Grants payable | 3,778,254 | 4,412,154 | 3,778,254 | 4,412,154 |
| Accruals and deferred income | 275,152 | 212,240 | 275,152 | 212,240 |
| | <u>£ 4,108,018</u> | <u>£ 4,785,539</u> | <u>£ 24,538,449</u> | <u>£ 25,215,970</u> |

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

| | Group and Charity | |
|---------------------|--------------------------|---------------------------|
| | 2023 | 2022 |
| | £ | £ |
| Derivative contract | 534,245 | 3,174,101 |
| Grants payable | 386,466 | 40,000 |
| | <u>£ 920,711</u> | <u>£ 3,214,101</u> |

The company had two hedging instruments in place, both taken out in 2007, to protect itself against increases in interest rates in line with the group's interest rate management policy:

- £10m at 4.98% until August 2027, bank cancellable on an annual basis from August 2009
- £10m at 4.7% until September 2027, bank cancellable on an annual basis from September 2009.

During the year the second hedging instrument has been settled.

The remaining hedging instrument has been measured at fair value and recognised in the financial statements in accordance with FRS 102.

No (2022: £1.15m) cash is held as security against the hedging contracts at 31 March 2023, however one property does remain as security.

The Trustees expect that the remaining hedge will remain in place until expiry in 2027.

THE EDWARD GOSTLING FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

14. RESERVES

Group 2023

| | Income and expenditure account £ | Fair value reserve £ | Total £ |
|---|---|----------------------------|--------------------------|
| Reserve balances brought forward | 92,501,179 | 11,922,616 | 104,423,795 |
| Net expenditure | (11,159,555) | | (11,159,555) |
| (Loss) on listed investments | - | (6,451,742) | (6,451,742) |
| (Loss) on investment properties | - | (825,000) | (825,000) |
| (Loss) on disposal on investment properties | - | (83,664) | (83,664) |
| Re-measurement of pension liability | (95,000) | - | (95,000) |
| Hedging transfer from prior year | 3,431,497 | (3,431,497) | - |
| Fair value movement on derivative contracts | <u>1,148,056</u> | <u>-</u> | <u>1,148,056</u> |
| Reserve balances carried forward | <u>85,826,177</u> | <u>1,130,713</u> | <u>86,956,890</u> |

Charity 2023

| | Income and expenditure account £ | Fair value reserve £ | Total £ |
|---|---|----------------------------|--------------------------|
| Reserve balances brought forward | 77,448,177 | 26,975,618 | 104,423,795 |
| Net expenditure | (11,159,555) | - | (11,159,555) |
| Gain on listed investments | - | (6,451,742) | (6,451,742) |
| Gain/(loss) on investment properties | - | (825,000) | (825,000) |
| (Loss) on disposal on investment properties | - | (83,664) | (83,664) |
| Re-measurement of pension liability | (95,000) | - | (95,000) |
| Hedging transfer from previous year | 3,431,497 | (3,431,497) | - |
| Fair value movement on derivative contracts | <u>1,148,056</u> | <u>-</u> | <u>1,148,056</u> |
| Reserve balances carried forward | <u>70,773,175</u> | <u>16,183,715</u> | <u>86,956,890</u> |

Group 2022

| | Income and expenditure account £ | Fair value reserve £ | Total £ |
|---|---|----------------------------|---------------------------|
| Reserve balances brought forward | 98,384,345 | 6,566,974 | 104,951,319 |
| Net expenditure | (6,009,166) | - | (6,009,166) |
| Gain on listed investments | - | 3,901,518 | 3,901,518 |
| Gain/(loss) on investment properties | - | (800,000) | (800,000) |
| Re-measurement of pension liability | 126,000 | - | 126,000 |
| Fair value movement on derivative contracts | <u>-</u> | <u>2,254,124</u> | <u>2,254,124</u> |
| Reserve balances carried forward | <u>92,501,179</u> | <u>11,922,616</u> | <u>104,423,795</u> |

THE EDWARD GOSTLING FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

14. RESERVES (CONTINUED)

Charity 2022

| | <i>Income and expenditure account £</i> | <i>Fair value reserve £</i> | <i>Total £</i> |
|--|---|-------------------------------------|--------------------|
| <i>Reserve balances brought forward</i> | 83,331,343 | 21,619,976 | 104,951,319 |
| <i>Net expenditure</i> | (6,009,166) | - | (6,009,166) |
| <i>Gain on listed investments</i> | - | 3,901,518 | 3,901,518 |
| <i>Gain/(loss) on investment properties</i> | - | (800,000) | (800,000) |
| <i>Re-measurement of pension liability</i> | 126,000 | - | 126,000 |
| <i>Fair value movement on derivative contracts</i> | <u> </u> | <u>2,254,124</u> | <u>2,254,124</u> |
| <i>Reserve balances carried forward</i> | <u>77,448,177</u> | <u>26,975,618</u> | <u>104,423,795</u> |

15. PENSION COMMITMENTS

The company participates in the Social Housing Pension Scheme (the Scheme), a multi- employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

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 last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2020. This valuation revealed a deficit of £1,522m. A Recovery Plan has been put in place with the aim of removing this deficit by 30 September 2026.

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.

For financial years ending on or before 28 February 2019, it was not possible for the company to obtain sufficient information to enable it to account for the Scheme as a defined benefit scheme, therefore the company has accounted for the Scheme as a defined contribution scheme.

For financial years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the company to account for the Scheme as a defined benefit scheme.

For accounting purposes, a valuation of the scheme was carried out with an effective date of 30 September 2022 to inform the liabilities for accounting year ends from 31 March 2023 to 28 February 2024 inclusive.

Contributions payable to the Scheme in the year were £143,168 (2022: £105,725).

The fair value movement on the pension liability was (£95,000) (2022: £126,000).

THE EDWARD GOSTLING FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

15. PENSION COMMITMENTS (CONTINUED)

Fair value of plan assets, present value of defined benefit obligation, and defined benefit asset (liability)

| | 31 March 2023 £'000 | <i>31 March 2022 £'000</i> |
|--|------------------------------------|------------------------------------|
| Fair value of plan assets | 2,034 | <i>2,977</i> |
| Present value of defined benefit obligation | (2,512) | <i>(3,461)</i> |
| Surplus (deficit) in plan | (478) | <i>(484)</i> |
| Defined benefit asset (liability) to be recognised | (478) | <i>(484)</i> |

Reconciliation of opening and closing balances of the defined benefit obligation

| | Period from 31 March 2022 to 31 March 2023 £'000 | <i>Period from 31 March 2021 to 31 March 2022 £'000</i> |
|--|---|---|
| Defined benefit obligation at start of period | 3,461 | <i>3,586</i> |
| Current service cost | 23 | <i>47</i> |
| Expenses | 3 | <i>3</i> |
| Interest expense | 96 | <i>77</i> |
| Member contributions | 42 | <i>27</i> |
| Actuarial losses/(gains) due to scheme experience | 1 | <i>143</i> |
| Actuarial losses/(gains) due to changes in financial assumptions | (1,031) | <i>(291)</i> |
| Actuarial losses/(gains) due to changes in demographic assumptions | (6) | <i>(57)</i> |
| Benefits paid and expenses | (77) | <i>(74)</i> |
| Defined benefit obligation at end of period | 2,512 | <i>3,461</i> |

Reconciliation of opening and closing balances of the fair value of plan assets

| | Period from 31 March 2022 to 31 March 2023 £'000 | <i>Period from 31 March 2021 to 31 March 2022 £'000</i> |
|---|---|---|
| Fair value of plan assets at start of period | 2,977 | <i>2,933</i> |
| Interest income | 84 | <i>64</i> |
| Experience on plan assets (excluding amounts included in interest income) – gain/(loss) | (1,131) | <i>(79)</i> |
| Employer contributions | 139 | <i>106</i> |
| Member contributions | 42 | <i>27</i> |
| Benefits paid and expenses | (77) | <i>(74)</i> |
| Fair value of plan assets at end of period | 2,034 | <i>2,977</i> |

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2022 to 31 March 2023 was (£1,047,000) (2022: £15,000).

THE EDWARD GOSTLING FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

15. PENSION COMMITMENTS (CONTINUED)

Assets

| | 31 March 2023 £'000 | 31 March 2022 £'000 |
|-------------------------------|------------------------------------|------------------------------------|
| Global Equity | 38 | 571 |
| Absolute Return | 22 | 119 |
| Distressed opportunities | 62 | 107 |
| Credit relative value | 77 | 99 |
| Alternative risk premia | 4 | 98 |
| Emerging market debt | 11 | 87 |
| Risk sharing | 150 | 98 |
| Insurance linked security | 51 | 69 |
| Property | 88 | 80 |
| Infrastructure | 232 | 212 |
| Private debt | 90 | 76 |
| Opportunistic Illiquid credit | 87 | 100 |
| High yield | 7 | 26 |
| Opportunistic Credit | - | 11 |
| Cash | 15 | 10 |
| Corporate bond fund | - | 199 |
| Long lease property | 61 | 77 |
| Secured income | 93 | 111 |
| Liability driven investment | 937 | 831 |
| Currency Hedging | 4 | (12) |
| Net current assets | <u>5</u> | <u>8</u> |
| Total assets | <u><u>2,034</u></u> | <u><u>2,977</u></u> |

Key Assumptions

| | 31 March 2023 % per annum | 31 March 2022 % per annum |
|---|--|--|
| Discount rate | 4.78 | 2.79 |
| Inflation (RPI) | 3.19 | 3.59 |
| Inflation (CPI) | 2.75 | 3.20 |
| Salary growth | 3.75 | 4.20 |
| Allowed for commutation of pension for cash at retirement | 75% of maximum allowed | 75% of maximum allowed |

The mortality assumptions adopted at 31 March 2023 imply the following life expectancies

| | Life expectancy at age 60 (Years) | Life expectancy at age 60 (Years) |
|-------------------------|--|--|
| Male retiring in 2023 | 21.0 | 21.1 |
| Female retiring in 2023 | 23.4 | 23.7 |
| Male retiring in 2043 | 22.2 | 22.4 |
| Female retiring in 2043 | 24.9 | 25.2 |

***THE EDWARD GOSTLING FOUNDATION**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

16. RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

| | 2023 £ | 2022 £ |
|---|-----------------------------|----------------------------|
| Net movement in funds | (17,466,905) | (527,524) |
| Depreciation | 16,663 | 16,156 |
| Investment income | (2,129,208) | (2,247,578) |
| Interest paid | 426,625 | 948,022 |
| Net (gain)/loss on investments | 6,451,742 | (3,901,518) |
| Revaluation on investment properties and fixed assets | 825,000 | 800,000 |
| Impairment of social investments | 211,194 | - |
| Impairment loss relating to estimate sales costs | 30,358 | 17,100 |
| (Profit)/loss on sale of property, plant and equipment | - | (34,660) |
| (Profit) on derivative settlement | (380,348) | - |
| Loss on sale of investment properties | 83,664 | - |
| Gifted social investments | 1,589,120 | - |
| Pension movement | (6,000) | - |
| Decrease in debtors | (4,146,307) | (37,941) |
| Decrease in creditors | <u>(1,479,111)</u> | <u>(358,351)</u> |
| Net cash provided by/ (used in) operating activities | <u>£(15,973,513)</u> | <u>£(5,326,294)</u> |

17. TRUSTEE REMUNERATION AND BENEFITS

During the year the following amounts have been paid to Trustees in their operational capacities.

| | 2023 £ | 2022 £ |
|---|----------------|----------------|
| Denis Taylor (Executive Trustee): Remuneration | <u>229,348</u> | <u>225,749</u> |
| Christine Erwood: Remuneration | <u>30,000</u> | <u>7,500</u> |
| Victoria Hoskins (Executive Trustee) | <u>143,705</u> | <u>-</u> |

These payments were made under the legal authority of the charity's Memorandum and Articles of Association.

THE EDWARD GOSTLING FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

18. FINANCIAL INSTRUMENTS

Group

| | 2023 £ | 2022 £ |
|--|-------------------|-------------------|
| Financial assets | | |
| Financial assets measured at fair value through the Statement of Financial Activities | <u>58,933,770</u> | <u>92,907,561</u> |
| Financial liabilities | | |
| Financial liabilities measured at fair value through the Statement of Financial Activities | <u>(534,245)</u> | <u>3,174,101</u> |

Charity

| | 2023 £ | 2022 £ |
|--|-------------------|-------------------|
| Financial assets | | |
| Financial assets measured at fair value through the Statement of Financial Activities | <u>58,933,770</u> | <u>92,907,561</u> |
| Financial liabilities | | |
| Financial liabilities measured at fair value through the Statement of Financial Activities | <u>(534,245)</u> | <u>3,174,101</u> |

Financial assets measured at amortised cost comprise trade debtors, amounts owed by group undertakings, other debtors and cash and cash equivalents.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, other creditors, and accruals excluding deferred income and social security and other taxes.

Financial liabilities measured at fair value comprise interest rate swaps.

Financial assets measured at fair value comprise listed investments and investment properties.

THE EDWARD GOSTLING FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

19. OPERATING LEASES: THE CHARITY AS LESSOR

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

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

Group

| | 2023 £ | 2022 £ |
|--|-------------------------|--------------------------|
| Not later than 1 year | 817,539 | 1,250,051 |
| Later than 1 year and not later than 5 years | 2,482,112 | 3,401,194 |
| Later than 5 years | <u>6,623,569</u> | <u>14,715,707</u> |
| | <u><u>9,923,220</u></u> | <u><u>19,366,952</u></u> |

Charity

| | 2023 £ | 2022 £ |
|--|-------------------------|--------------------------|
| Not later than 1 year | 817,539 | 1,250,051 |
| Later than 1 year and not later than 5 years | 2,482,112 | 3,401,194 |
| Later than 5 years | <u>6,623,569</u> | <u>14,715,707</u> |
| | <u><u>9,923,220</u></u> | <u><u>19,366,952</u></u> |

20. RELATED PARTY TRANSACTIONS

C Erwood was appointed as a Trustee of Dame Hannah Rogers Trust on 15 June 2020, a charity in which The Edward Gostling Foundation has a social investment. C Erwood resigned as a Trustee on 1 August 2022. Total property income between 1 April 2022 and 31 July 2022 was £88,610 and for the year to 31 March 2023 was £265,831 (2022: £255,607). There was also a social investment loan outstanding in respect of the Dame Hannah Rogers Trust at year end of £300,000 (2022: £400,000).

C Erwood also received trustee expenses in the year to 31 March 2023 which totalled £1,350 (2022: £1,283) in respect of travel and subsistence.

S O'Sullivan, a Trustee of The Edward Gostling Foundation, provided legal services to ACG Participacoes Ltda, a 100% owned subsidiary of The Edward Gostling Foundation, in the year to 31 March 2023 which totalled £30,478 (2022: £14,260). There was a balance of £nil (2022: £nil) outstanding as at 31 March 2023.

21. COMMITMENTS

At the year end, the Foundation had a contracted capital commitment of £nil (2022: £nil).

22. POST BALANCE SHEET EVENT

On 24th April 2023 the entire investment in Brazil was transferred from ACG Rented Properties PLC, to its parent company Edward Gostling Foundation.

THE EDWARD GOSTLING FOUNDATION
DETAILED SCHEDULE OF GRANTS AWARDED
FOR THE YEAR ENDED 31 MARCH 2023

Grants awarded for £10,000 and above:

| Organisations | 2023 £ | 2022 £ |
|--|-----------|-----------|
| 4Sight Vision Support | 25,000 | - |
| A Way Out | - | 16,000 |
| ABF The Soldiers' Charity | 250,000 | 25,000 |
| Afghanistan and Central Asian Association | 10,000 | - |
| Age Concern North Norfolk | - | 10,000 |
| Age Exchange | 25,000 | - |
| Age UK Norwich | - | 25,000 |
| Age UK Plymouth | 19,000 | - |
| Age Well east Ltd | 10,000 | - |
| Alice (Relief of Poverty and Advancement of Community) | - | 25,000 |
| Alive Activities Ltd | 25,000 | - |
| Allsorts Gloucestershire | 10,000 | - |
| Ambitious about Autism | - | 10,000 |
| Amy and Friends | - | 10,000 |
| Applecast | 125,000 | 25,000 |
| Ashford Volunteer Centre | 10,000 | - |
| Ashgate Hospice | 20,000 | - |
| Aspens Charities | 25,000 | - |
| Autism Early Support Trust Ltd | 23,576 | - |
| Autistic society Greater Manchester area (ASGMA) | 10,000 | - |
| Back on Track Manchester | 10,000 | - |
| Batten Disease Family Association | 10,000 | - |
| Beat Routes | 24,000 | - |
| Benrigg Trust | 25,000 | - |
| Blind in Business | 10,000 | 10,000 |
| Blue Smile Project T/A Blue Smile | 10,000 | - |
| Blyth Star Enterprises | 328,651 | - |
| Brain Injury Matters (NI) | 25,000 | - |
| Brainturust | 25,000 | - |
| Breakthrough UK | 10,000 | - |
| Brendoncare Clubs | 25,000 | 10,000 |
| Bridge Care | - | 25,000 |
| Bridgend Carers Centre | 25,000 | - |
| Brighton Therapy Centre | 10,000 | - |
| Bromley & Croydon Women's Aid | 10,000 | - |
| Bromley Brighter Beginnings | 10,000 | - |
| Buddy Bear Trust | - | 250,000 |
| BUILD Charity Ltd | - | 10,000 |
| Buttle UK | - | 250,000 |
| Buzzer Buses (Dial-a-Ride) Ltd | - | 10,000 |
| Camphill MK Communities | 100,000 | - |
| Cancer Campaign in Suffolk | 10,000 | 10,000 |
| Cancer Help (Preston) Ltd | 10,000 | - |

THE EDWARD GOSTLING FOUNDATION
DETAILED SCHEDULE OF GRANTS AWARDED (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

| | | |
|---|--------|--------|
| Cancer Support Scotland (Tak Tent) | 10,000 | - |
| Care in Mind | - | 10,000 |
| Caring Hands | 10,000 | - |
| Caritas Anchor House | - | 25,000 |
| Carlisle Youth Zone | 25,000 | - |
| Cerebral Palsy International Sports and Recreation Association (CPISRA) | - | 10,000 |
| Cerebral Palsy Scotland | - | 10,000 |
| Challengers | 25,000 | - |
| Checkin Works | 10,000 | - |
| CHEXS | - | 18,872 |
| Children Ahead Ltd | 10,000 | - |
| Children Today Charitable Trust | - | 10,000 |
| Chilterns MS Centre | 25,000 | - |
| CLAPA – Cleft Lip & Palate Association | 10,000 | - |
| Community Drug and Alcohol Recovery Services | 10,000 | - |
| Clydesdale Community Initiatives | | - |
| Community Drug and Alcohol Recovery Services | | 12,000 |
| Connects & Co | - | 10,000 |
| Cope Children's Trust (known as rainbows Hospice for Children and Young People) | 10,000 | - |
| Coping with Cancer North East | 10,000 | - |
| CPotential | - | 25,000 |
| Crossroads Barnsley Ltd | 10,000 | - |
| Crossroads North Argyll | - | 10,000 |
| Croydon Voluntary Association for the Blind (Aka Croydon Vision) | 25,000 | - |
| CVYP Ltd Cramlington Voluntary Youth Project | 10,000 | - |
| Daylight Centre Fellowship | 10,000 | - |
| Dean and Cauvin Young People's Trust | 10,000 | - |
| Demelza Hospice Care for Children | 38,000 | - |
| Derbyshire Carers Association | | 10,000 |
| Designability Charity Ltd | 50,000 | - |
| Disability Sports Coach | 15,000 | - |
| Disablement Association of Barking & Dagenham (DABD) | | 10,000 |
| Discover U | | 10,000 |
| East Northamptonshire Faith Group | | 10,000 |
| ECHO for Extra Choices in Herefordshire Limited | 10,000 | - |
| Electric Umbrella | 10,000 | - |
| ELHAP | 25,000 | - |
| Emmaus North East | 18,000 | - |
| Empowering Futures | 10,000 | - |
| Enable Ability | 16,974 | - |
| Equi-Power Central Scotland RDA | 10,000 | - |
| ESTEEM | - | 25,000 |
| Evergreen Care UK | 10,000 | - |
| Extratime | 25,000 | - |
| Families in Focus (Essex) | 10,000 | - |
| Families United Network | | 10,000 |
| Family Friends | 10,000 | - |

THE EDWARD GOSTLING FOUNDATION
DETAILED SCHEDULE OF GRANTS AWARDED (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

| | | |
|--|--------|-----------|
| Family Fund | - | 1,025,000 |
| Family Support Derbyshire | - | 20,000 |
| Florence Nightingale Aid in Sickness Trust | - | 250,000 |
| Friends of the Award (Edinburgh and the Lothians) | 10,000 | - |
| Friends of the Elderly | - | 1,000,000 |
| GASP Motor Project | 10,000 | - |
| Give a Dog a Bone... and an animal a home | - | 10,000 |
| Giving World | 25,000 | 25,000 |
| Glebe House (Charnwood) Ltd | 10,000 | - |
| Goals Beyond Grass | 10,000 | - |
| Grampian Autistic Society | - | 10,000 |
| Greenock Medical Aid Society | 10,000 | - |
| Growing Works | 10,000 | - |
| Hackney Caribbean Elderley Organiation | 10,000 | - |
| Halo Children's Foundation | - | 10,000 |
| Harlow Stroke Support-Rehab Centre | - | 12,000 |
| Harrow Association of Disabled People | 10,000 | - |
| Headliners (UK) | - | 24,831 |
| Headway Bath and District | 10,000 | - |
| Headway Hertfordshire Limited | 15,000 | - |
| Headway Norfolk & Waveney | 20,000 | - |
| Headway Norfolk & Waveney Ltd | - | 10,000 |
| Headway Suffolk | 25,000 | - |
| Healthy Living Projects Ltd | 10,000 | - |
| Heartbeat North West Cardiac Care | 10,000 | - |
| Heel & Toe Children's Charity | - | 15,000 |
| Helen & Douglas House | 20,000 | - |
| Helping Older People New Forest | 10,000 | - |
| Home-Start Clackmannanshire | - | 10,000 |
| Home-Start High Peak | - | 10,000 |
| Home-Start Portsmouth | 10,000 | 10,000 |
| Home-Start Wessex (Formerly known as Home-Start South East Dorset) | 10,000 | - |
| Hope for Tomorrow | 10,000 | - |
| Hope House Children's Hospice | 20,000 | - |
| Hope Support Services | 10,000 | - |
| HopScotch Children's Charity | - | 23,206 |
| Horizon Sports Club | 15,000 | - |
| HOOR Community | - | 10,000 |
| Illuminate Charity | 10,000 | - |
| Independence at Home | - | 1,000,000 |
| Insight – Counselling Coaching And Support Services | 25,000 | - |
| Interest Link Borders | 10,000 | - |
| It's Your Life | 10,000 | - |
| Jeremiahs Journey | 10,000 | - |
| Kangaroos Mid Sussex | - | 10,000 |
| Katharine House Hospice | - | 18,000 |
| Katherine Low Settlement | 25,000 | - |
| KEEN London | 16,000 | - |
| Kent Multiple Sclerosis therapy Centre | 25,000 | - |
| Key Changes Music Therapy | - | 15,000 |
| Kingston Carers' Network | - | 25,000 |

THE EDWARD GOSTLING FOUNDATION
DETAILED SCHEDULE OF GRANTS AWARDED (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

| | | |
|---|---------|---------|
| Kool Carers South East Ltd | 10,000 | - |
| Lagan's Foundation | 20,000 | - |
| L'Arche | - | 10,000 |
| Launchpad Reading | 31,974 | - |
| Leo's | 10,000 | - |
| Lifecentre | - | 20,000 |
| Lifelites | - | 250,000 |
| Lindengate | 10,000 | - |
| LinkAble Woking Limited | 25,000 | - |
| Little Gate Farm | - | 20,000 |
| Little Miracles Charitable Incorporated Organisation | - | 24,272 |
| Littlelifts | 10,000 | - |
| Longfield Hospice Care | - | 15,000 |
| Macmillan Caring Locally | - | 10,000 |
| Magic Me | 10,000 | - |
| Making a Difference to Maidstone | 10,000 | - |
| Manchester Carers Centre | 10,000 | - |
| Marches Family Network | 20,000 | - |
| Martlets Hospice | 150,000 | - |
| Maytree Respite Care | 100,000 | - |
| Megan Baker House Ltd | 25,000 | - |
| Meningitis Research Foundation | - | 10,000 |
| Merlin MS Centre | - | 25,000 |
| Merton Community Transport | 10,000 | - |
| Merton Mencap | 10,000 | - |
| MhIST | 10,000 | - |
| Middlesex Association for the Blind | - | 25,000 |
| Mind in Harrowgate District | 10,000 | - |
| Mind in Mid Herts | 25,000 | - |
| Minstead Trust | 100,000 | - |
| Mosaic – supporting Bereaved Children | 24,889 | - |
| MS-UK | 10,000 | - |
| Multiple Sclerosis Therapy Centre Lothian (trading as Compass. Therapy. Support. Community) | 25,000 | - |
| Music of Life | 15,000 | - |
| Musical Keys | 10,000 | 10,000 |
| MYTIME Young Carers | 25,000 | - |
| Narthex Sparkhill | - | 10,000 |
| National Star Foundation | 399,388 | - |
| Neuro Therapy Centre (NTC) | 25,000 | - |
| Neuro Wellbeing Centre | 20,000 | - |
| New Forest disability Information Service | 10,000 | - |
| Newent Association for the Disabled | 10,000 | - |
| Newlife The Charity for Disabled Children | - | 25,000 |
| No5 Young People | - | 25,000 |
| Noah's Ark Children's Hospice | 100,000 | - |
| North Norfolk Community Transport | 10,000 | 10,000 |
| North Yorkshire Music Therapy Centre | 10,000 | - |
| Oakleaf Enterprise | 20,000 | 25,000 |
| Oasis Lords Hill (Running name Southampton City Farm) | - | 10,000 |

THE EDWARD GOSTLING FOUNDATION
DETAILED SCHEDULE OF GRANTS AWARDED (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

| | | |
|--|-----------|---------|
| OCD Action | 10,000 | - |
| OCD-UK | 14,000 | - |
| Omega the National Association for End of Life Care | 15,000 | - |
| One Small thing | 250,000 | - |
| Open Door Exmouth | 20,000 | 10,000 |
| Open Story Tellers | 10,000 | - |
| Our Time | 10,000 | - |
| Ouseburn Farm Charity Limited | 10,000 | - |
| Oxfordshire Sexual Abuse and Rape Crisis Centre | 25,000 | - |
| Parkinsons UK | - | 10,000 |
| Paul's Cancer Support | 10,000 | - |
| Penzance and West Penwith Old Peoples Welfare Trust | 10,000 | - |
| People First Merseyside Company Limited | 10,000 | - |
| Phab Ltd | - | 15,000 |
| PKAVS Mental Health & Wellbeing Hub | 25,000 | - |
| Playskill | 10,000 | - |
| Poetsin – the Creative Mental Health Charity | 10,000 | - |
| PramaLife | 10,000 | - |
| Princess Alice Hospice | 13,000 | - |
| Proton Foundation | 10,000 | - |
| Purple Insight 1628 | 25,000 | - |
| Purple Patch Arts | - | 25,000 |
| Radford Care Group | 10,000 | - |
| Rainbow Living SW | 25,000 | - |
| Rainbow Trust Children's Charity | - | 10,000 |
| RAW Workshop | - | 10,000 |
| Reach Learning Disability | - | 50,000 |
| Reading Rep Theatre | 10,000 | - |
| Regenerate | 20,000 | - |
| Relate West Surrey | 10,000 | - |
| Revitalise | 250,000 | - |
| Royal Humbestone Ltd | 25,000 | - |
| Royal Air Forces Association | - | 20,000 |
| S.H.E. UK (Supporting, Educating, Healing) | 10,000 | - |
| SAFA Cumbria | 10,000 | - |
| Safe New Futures | 25,000 | - |
| Safely Net (UK) | 10,000 | - |
| Scarborough and District Mencap | 10,000 | - |
| Sea Sanctuary | 40,000 | - |
| Sebastian's Action Trust | 1,000,000 | 100,000 |
| Second Change Childrens Charity | 25,000 | - |
| Shine East Norfolk | 10,000 | - |
| Skills for People | 10,000 | - |
| Skylarks Charity | 10,000 | - |
| Slough Community Transport | 10,000 | - |
| SNAAP (Special Needs Advisory & Activities Projects) | 10,000 | - |
| Social Link | 10,000 | - |
| SOS' Special Educational Needs | 12,000 | - |
| South Essex advocacy Services | 10,000 | - |
| SPACE | 10,000 | - |

THE EDWARD GOSTLING FOUNDATION
DETAILED SCHEDULE OF GRANTS AWARDED (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

| | | |
|---|---------|---------|
| Sparkle (South Wales) | 25,000 | - |
| SPEAK WITH IT | 10,000 | - |
| SPEAR London | - | 10,000 |
| Sport 4 Life UK | - | 15,000 |
| ST Ann's Hospice | 500,000 | - |
| St Helens Carers Centre | 13,500 | - |
| St Luke's Hospital | 15,000 | - |
| St Margaret's Centre | 10,000 | - |
| St Mary's Church, Bourne Street | - | 50,000 |
| St Mary's Secret Garden | - | 10,000 |
| Stepney Bank Stables | 10,000 | - |
| Stockdales of Sale. Antricham & District Ltd | 15,000 | - |
| Street Connect | 10,000 | - |
| Strength and Learning Through Horses | 10,000 | - |
| Stroud Court Community Trust | - | 25,000 |
| Stuart Low Trust | - | 12,000 |
| Sudbury Neighbourhood Centre (Middlesex) Ltd | 20,000 | - |
| Sunshine Wishes Children's Charity | - | 10,000 |
| Sutton Vision | 10,000 | - |
| Swindon Carers Cente | 10,000 | - |
| Swings & Smiles | 10,000 | - |
| Sydenham Garden | 10,000 | - |
| Tailor Ed Foundation | 10,000 | - |
| Talitha Arts | 20,000 | - |
| Team Oasis | 10,000 | - |
| Thames Hospice | | 146,000 |
| The Anthony Seddon Fund | 10,000 | - |
| The Archway Foundation | 20,000 | - |
| The Association for the Rehabilitation of Communication and Oral Skills (ARCOS) | - | 15,000 |
| The Blackthorn Trust | - | 25,000 |
| The Bodie Hodges Foundation | - | 50,000 |
| The Brain and Spine Foundation | 25,000 | - |
| The Brendoncare Foundation | - | 25,000 |
| The Bridge Foundation | 12,000 | - |
| The Carers Centre | 10,000 | - |
| The Chamwell Centre Charity | 25,000 | - |
| The east to west Trust | 20,000 | 13,000 |
| The Eric Liddell Centre | - | 15,000 |
| The Eric Liddell Community | 20,000 | - |
| The Garwood Foundation | 250,000 | - |
| The Gellideg Foundation Group | 10,000 | - |
| The Grace Eyre Foundation | 100,000 | - |
| The Green Team (Edinburgh and Lothians) Limited | 10,000 | - |
| The Greenbank Project | | - |
| The Helpful Bureau | - | 10,000 |
| The Hextol Foundation | - | 10,000 |
| The Joshua tree | 10,000 | - |
| The Jubilee House Care Trust | 13,000 | - |
| The Keppleway Trust | 10,000 | - |

THE EDWARD GOSTLING FOUNDATION
DETAILED SCHEDULE OF GRANTS AWARDED (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

| | | |
|--|-----------|--------|
| The Kids Network | 10,000 | - |
| The Life Project (Bath) | - | 10,000 |
| The Living Paintings Trust | 10,000 | 14,500 |
| The Living Room | - | 10,000 |
| The Manchester Deaf Centre | 10,000 | - |
| The Markfield Project Limited | - | 10,000 |
| The Mary Stevens Hospice | 20,000 | - |
| The Meath Epilepsy Charity | - | 25,000 |
| The Mortimer Society | 25,000 | - |
| The Mount Camphill Community Limited | - | 10,000 |
| The Movement Centre for Targeted Training | 15,000 | - |
| The Mulberry Centre | 10,000 | - |
| The Mustard Tree Foundation (Engage) | 10,000 | - |
| The Neuromuscular Centre | 10,000 | - |
| The Open Theatre Company | 10,000 | - |
| The People Hive | - | 10,000 |
| The Peter Pan Centre for Children with Special Needs | - | 20,000 |
| The Principle Trust Children's Charity | 10,000 | - |
| The Rainbow Centre | - | 10,000 |
| The Road to Recovery Trust | - | 12,000 |
| The Rose Road Association | 1,000,000 | 21,282 |
| The Sara Lee Trust | 25,000 | - |
| The Shallowford Trust | - | 25,000 |
| The Southmead Project | 10,000 | - |
| The Speedwell Trust | - | 25,000 |
| The Spring Centre | 10,000 | - |
| The Stable Family Home Trust | 1,178,495 | - |
| The Stuart Low Trust | 10,000 | - |
| The Thomley Hall Centre Limited (Thomley) | 25,000 | - |
| The Vine Centre | 10,000 | - |
| The West of England MS Therapy Centre | 15,000 | - |
| Time Out Group (North West) | 10,000 | - |
| Time to Talk Befriending | 10,000 | - |
| Together Collective | 25,000 | - |
| Together Dementia Support | 10,000 | - |
| Torch Trust for the Blind | 10,000 | - |
| Toucan Employment | 10,000 | - |
| Town Break SCIO | 25,000 | - |
| Trauma Breakthrough | - | 22,775 |
| Treetops Hospice Trust | - | 10,000 |
| Treloar Trust | - | 65,000 |
| Trust Links Ltd | 20,000 | - |
| TTVS | 23,977 | - |
| Turning the Red Lights Green | - | 25,000 |
| UK Men's Sheds Association | 10,000 | - |
| Umbrella Derby & Derbyshire | 10,000 | - |
| UNICEF UK | 20,000 | - |
| Ups and Downs Southwest | 10,000 | - |
| Veterans Aid | 25,000 | - |
| Veterans at Ease Ltd | 10,000 | - |

THE EDWARD GOSTLING FOUNDATION
DETAILED SCHEDULE OF GRANTS AWARDED (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

| | | |
|--|--------------------------|-------------------------|
| Viewpoint | 10,000 | - |
| Vision Support Barrow & District | 10,000 | - |
| Visyon | 25,000 | - |
| Waltham Forest Churches Night Shelter (WFCNS) | 100,000 | - |
| Warwickshire Young Carers | 10,000 | - |
| Waterloo Uncovered | 12,500 | - |
| Watford Sheltered Workshop | - | 25,000 |
| Watford Sheltered Workshop Limited | 250,000 | - |
| We Hear You | 10,000 | - |
| Wellspring Family Centre | 10,000 | - |
| Wellspring Therapy & Training | - | 20,000 |
| West Berkshire Therapy Centre | 10,000 | - |
| West Cumbria Domestic Violence Support | 10,000 | - |
| West Kent Mind | 10,000 | - |
| West Norfolk Riding for the Disabled Association the Magpie Centre | 10,000 | - |
| Westbank Community and Health Care | 25,000 | - |
| Whitehaven Community Trust Limited | 25,000 | - |
| Whizz-Kidz | 1,000,000 | - |
| Wight DASH | 10,000 | - |
| Windsor Christian Action | 20,000 | - |
| Wish | - | 10,000 |
| Womankind Bristol Women's Therapy Centre | 10,000 | - |
| Women's Health Matters | 25,000 | - |
| Worcester Snoezelen CIO | 10,000 | - |
| Wycombe Women's Aid Ltd | 10,000 | - |
| Yellow Submarine Holidays | 25,000 | - |
| Yes to Life | 10,000 | - |
| Yesu | 10,000 | - |
| YMCA Exeter Community Projects | - | 10,000 |
| Yorkshire Brain Tumour Charity | 10,000 | - |
| You Raise Me Up | 24,540 | - |
| Young and Inspired | 10,000 | - |
| Young Carers Development Trust | 10,000 | - |
| Young Concern Trust (YCT) | 10,000 | - |
| Youth Concern | 24,436 | 25,000 |
| Youth Space | 10,000 | - |
| Zoë's Place Baby Hospice | - | 10,000 |
| | <u>11,536,900</u> | <u>6,110,738</u> |

THE EDWARD GOSTLING FOUNDATION
DETAILED SCHEDULE OF GRANTS AWARDED (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

| | 2023 | 2022 |
|----------------------------------|-------------------------|-----------------------|
| | £ | £ |
| Outstanding pledges | | |
| Due within 1 year | | |
| Organisations | <u>3,778,253</u> | <u>530,500</u> |
| Due greater than 1 year | | |
| Organisations | <u>386,465</u> | <u>40,000</u> |
| Total outstanding pledges | <u><u>4,164,718</u></u> | <u><u>570,500</u></u> |