THE GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

England & Wales · Charity number 1176924

Details

Status	Registered
Legal form	CIO
Registered	2018-01-31
Register	View on the Charity Commission register

Contact

Address	John East Centre George Gibson Close Exning Newmarket Suffolk CB8 7LE
Phone	01638578222
Email	georgegibsontrust@gmail.com

Activities

Objects: FOR THE PUBLIC BENEFIT, TO RELIEVE THE NEED OF PERSONS RESIDENT IN NEWMARKET AND THE SURROUNDING AREAS (INCLUDING THE FORMER ADMINISTRATIVE COUNTY OF WEST SUFFOLK) WHO ARE 55 YEARS OF AGE OR OVER AND IN NEED OF FINANCIAL SUPPORT AND ASSISTANCE WITH THE PROVISION OF HEALTHCARE AND HOUSING BY SUCH MEANS AS THE TRUSTEES FROM TIME TO TIME THINK FIT, INCLUDING, BUT NOT LIMITED TO, THE PROVISION OF ALMSHOUSE ACCOMMODATION

Activities: For the public benefit to relieve the need of persons resident in Newmarket and the surrounding areas who are 55 years or over and in need of financial support and assistance with the provision of healthcare and housing

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services
- **What:** General Charitable Purposes
- **Who:** Elderly/old People

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Geography

- Cambridgeshire
- Suffolk

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£437,880	£473,452	-	-
2024-03-31	£527,984	£486,802	£13,869,781	1
2023-03-31	£525,405	£386,115	£13,406,162	1
2022-03-31	£698,795	£464,538	£13,471,001	1
2021-03-31	£379,986	£451,037	-	-

Trustees

Name	Role	Appointed
ROY MAY	Chair	1990-04-01
Deborah Stacey Hargreaves		2022-01-20
Dr MALINI WACE		2012-04-01
Edward Francis Harman Russell		2024-09-12
MICHAEL JOHN DRAKE		2008-04-01
MICHAEL LESLIE LOVEGROVE		2013-04-01
Mary Alice Elizabeth East		2015-09-01
Professor SIDNEY WILLIAM RICKETTS		2015-09-01

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THE GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

England & Wales - Charity number 1176924

Accounts

George Gibson Almshouses Foundation Trust (CIO)

Report and Financial Statements

Year Ended

31 March 2025

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Annual report and financial statements for the year ended 31 March 2025

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Trustees

RE May (Chairman)
MJ Drake
Dr M Wace
ML Lovegrove
Mrs MAE East
S W Ricketts
Mrs D Hargreaves
EFH Russell (Appointed 12 September 2024)

Manager

Mrs F Ouzman

Principal address

The John East Centre, George Gibson Close, Exning, Newmarket, Suffolk, CB8 7LE.

Registered charity number

1176924

Auditors

Chater Allan LLP, 7 Quy Court, Colliers Lane, Stow-cum-Quy, Cambridge, CB25 9AU

Accountant

Andrew D Fisk ACIE, 26 Blackbourne Road, Elmswell, Bury St Edmunds, Suffolk, IP30 9UH.

Bankers

National Westminster Bank Plc, 7 Cornhill, Bury St Edmunds, Suffolk, IP33 1BQ.

Stockbrokers

EFG Harris Allday, 33 Great Charles Street, Birmingham, B3 3JN.

Report of the trustees for the year ended 31 March 2025

The trustees present their annual report together with the audited financial statements for the year ended 31 March 2025. The financial statements have been prepared in accordance with the accounting policies set out on pages 15 to 18 and comply with the charity's trust deed, the Charities Act 2011, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2019.

Structure, governance and management

A new charitable incorporated organisation (CIO), the George Gibson Almshouses Foundation Trust was registered on 31 January 2018 (charity registration number: 1176924), and an order to authorise the transfer of the assets of the previous unincorporated charity the George Gibson Almshouses Foundation (charity registration number: 234807) to the new CIO was obtained from the Charity Commission on 14 March 2018. With effect from 1 April 2020 the transfer of all of the assets and liabilities to the CIO was completed.

The George Gibson Almshouses Foundation was established to provide and maintain almshouses and to assist poor and old people resident in the former administrative county of West Suffolk. The Foundation was established by Trust Deed on 31 March 1959 through the generosity of the late George Gibson.

George Gibson originally transferred to the Foundation funds, primarily shareholdings in the former Atlantic Shipping and Trading Company, and later a further sum of £55,000. In line with its objectives the Foundation built George Gibson Close at Exning, consisting of 32 almshouses in the early sixties. In addition, the Newmarket Day Centre was built in 1980.

Ultimate control of the Foundation rests with the trustees who are responsible for the day to day management of the investments and affairs of the Foundation.

The existing trustees appoint new trustees by reference to the needs of the Foundation with a view to providing the Foundation with appropriately qualified and experienced trustees for the Foundation's requirements. On appointment, the trustees are made aware of the Foundation's activities and their responsibilities through information provided and review of the Foundation's activities. Thereafter individual trustees ensure they are sufficiently trained to act as required.

The trustees meet regularly to agree strategy and areas of activity for the Foundation. Day to day management is largely undertaken by the manager in consultation with the chairman and other trustees as appropriate.

The trustees and the manager are considered to be the key management personnel of the Foundation. All trustees give their time freely and received no remuneration or expenses in the year, other than as detailed in note 6 for one trustee in respect to professional services provided in accordance with the trust deed. The trustees review the salary of the manager periodically, and this is increased in accordance with their assessment of appropriate remuneration for their duties in relation to the particular circumstances of the Foundation.

Details of those in office during the year are given on the contents page of this report.

Objects and activities

The trustees refer to the guidance in Section 17(5) of the Charities Act 2011 on public benefit when reviewing their aims and objectives and planning their future activities.

Objects and activities (continued)

The Foundation's objectives are for the public benefit to: relieve the need of persons resident in Newmarket and the surrounding areas (including the former administrative county of West Suffolk) who are 55 years of age or over and in need of financial support and assistance with the provision of healthcare and housing by such means as the trustees from time to time think fit, including, but not limited to, the provision of almshouse accommodation.

The Foundation aims to achieve these objectives by:

- providing accommodation in the almshouses at George Gibson Close in Exning;
- supporting the work of the Newmarket Day Centre;
- monitoring the Exning Court very sheltered housing project in conjunction with Sanctuary Housing;
- making other donations to projects that fulfil the Foundation's objectives when identified.

These activities are all ongoing and the Foundation sees these as part of its strategic aims into the future.

Achievements and performance

The Foundation, under the power of its Trust Deed, has continued to finance the upkeep and maintenance of George Gibson Close. This provides a safe environment for elderly people with a manager, and has been fully occupied during the year subject to short periods of vacancy. This is seen as one of the key performance indicators of the Foundation's activities.

There have been two significant refurbishments of bungalows undertaken in this year, together with the replacement of a kitchen in a third. In addition the Foundation has continued with its regular maintenance of all properties as required, which has significantly included the completion of the programme of replacement gutters and fascias. The Foundation has also undertaken significant grounds works this year including the felling of a number of trees and the updating of the promenade, patio and borders.

The John East Centre (community room) at George Gibson Close was once again used for a variety of activities and events by residents. The Foundation continued with its usual ongoing maintenance of the Centre in the year.

An electric car charging point installed at the John East Centre during the previous year for use by residents of the George Gibson Close continues to be used.

The Foundation makes a modest service charge for occupancy of the bungalows. In the past year this amounted to a charge per person of £1,128 (2024:£1,820) per year, which is only a small fraction of their open market rental value. This change followed a review that decided that residents should take over responsibility for payment of their own council tax from 1 April 2024, and consequently the revised service charge has been reduced significantly from that in the previous year. A number of garages are also provided to residents at a charge of £260 (2024:£ 260) to those that need them. In so doing needy members of the public benefit from affordable and safe accommodation.

In addition charitable support has been provided to the Newmarket Day Centre which works with retired and frail older people to enable them to have and enjoy a better quality of life, for its ongoing general operation. This has included a donation to cover the cost of some roof repairs and additional leasehold property depreciation costs associated with the replacement of the Day Centre's windows and doors.

The trustees in conjunction with Sanctuary Housing have developed Exning Court as a very sheltered housing project for the elderly at Cotton End Road, Exning. The Foundation continues to be involved in overseeing Exning Court's performance under the terms of the donations made to it when it was established, and a small donation was made in the year to cover the hire of a coach for a residents outing.

Achievements and performance (continued)

The funds of the Foundation have continued to be either invested for future use or applied for the furtherance of the Foundation's objects, and investment performance is detailed below.

In carrying out its activities the Foundation believes that it is providing a real public benefit by the relief of those in need by reason of age, ill health, disability, financial hardship, or other disadvantage. Despite its geographical restrictions and the limited number of bungalows available at George Gibson Close, the Foundation provides for a large section of the public, and the trustees seek to identify those most appropriate to receive that benefit. There is presently a waiting list for occupancy.

Financial review

Total income is reduced compared to last year at £437,880 (2024: £527,984).

Investment income from stock market holdings decreased significantly to £366,870 (2024: £423,177), as a consequence of market factors, and particularly due to the exceptional dividend received last year from Hapag-Lloyd of £76,507 compared to only £11,049 received in this year.

Following the increase in bank interest rates in the previous year the Foundation has received bank deposit interest of £2,572 (2024: £6,577), as less funds have been held on deposit this year than last.

The investment property continues to generate a rental income of £11,400 (2024: £11,400) having been occupied by a tenant for the whole year.

Service charge income is significantly reduced compared to last year at £56,188 (2024: £86,405) as a consequence of the decision to revise service charge rates with effect from 1 April 2024 to take account of residents taking over responsibility for their own council tax payments. Previously residents had paid an annual charge per person of £1,820 (£35 per week), which is now revised to £1,128 for the current year. Generally there are now more single occupancy properties than in the previous years, with the consequent reduction in service charges which is levied per person rather than per property. All bungalows have been occupied during the year subject to short periods following changes of occupants and to facilitate refurbishments when necessary.

Total expenditure has reduced slightly this year to £473,452 (2024: £486,802).

Expenditure in respect to the Almshouses at George Gibson Close decreased to £382,713 (2024: £388,639).

Almshouses maintenance expenditure has increased this year to £160,297 (2024: £117,143). This year's expenditure includes the refurbishment costs of two bungalows and the replacement of a kitchen in another for £81,006 whilst last year only one bungalow was refurbished for £30,867.

General repairs at £24,330 (2024: £43,120) were significantly lower than the previous year primarily due to electrical testing and associated works undertaken in the previous year. Redecoration costs at £22,217 (2024: £9,666) were increased on last year. Costs incurred this year in respect to the now completed replacement programme of gutters and fascias were £32,744 (2024: £33,490).

Garden, woodland and path maintenance was decreased at £51,072 (2024: £57,932).This was primarily due to the significant costs incurred in respect to replacing the paving slabs in the gardens of bungalows last year against costs associated with significant tree works and border refurbishments undertaken this year.

Council tax charges incurred reduced to £1,755 (2024: £36,229) due to the residents taking over responsibility for paying these. The costs now relate to the manager's house and vacant periods in bungalow occupancy.

Financial review (continued)

Medequip monitoring and response service costs of £11,544 (2024: £11,591), and water charges of £7,731 (2024: £7,022), were consistent with the previous years. Insurance costs were reduced at £15,537 (2024: £22,433) following a review of property valuations, and street lighting costs were £1,443 (2024: £1,252). Costs associated with the John East Centre reduced to £13,276 (2024: £14,512) principally as a result of lower electricity costs this year. Depreciation costs associated with the John East Centre at £18,384 and garden machinery at £1,409 were consistent with the previous year. Consequently costs before the allocation of support costs decreased to £282,501 (2024: £287,975).

Costs in relation to charitable support of the Newmarket Day Centre were decreased compared to the previous year at £12,752 (2024: £25,252) before the allocation of support costs, mostly as a consequence of: more donations made in the previous year of £17,064 to cover electrical costs in connection with the new kitchen and for roof repairs, compared to £1,872 this year. Insurance costs increased to £4,916 (2024: £3,030) following a review of the properties valuation together with increased depreciation as a consequence of the replacement of windows and doors undertaken in the year of £5,959 (2024: £4,613).

A small donation was made to Exning Court this year of £397 to cover the hire of a coach for an outing.

Total support costs were similar this year at £104,388 (2024: £104,859). Whilst there were increased payments to the manager of £71,206 (2024: £67,358) to reflect a higher salary, private health costs of £1,155 (2024: £Nil), reduced legal and professional fees of £4,435 (2024:£11,137); and higher office costs of £4,530 (2024: £3,382). Audit and accountancy costs were £21,845 (2024: £21,975).

The proportion of support costs treated as other support costs increased to £57,852 (2024 £53,416), whilst those costs treated as governance costs decreased to £46,536 (2024: £51,443), primarily because of the less legal and professional fees this year. Given the nature of the Foundation's activities the bulk of the total of these support cost are allocated to the Almshouses being £100,212 (2024: £100,664).

Investment management costs were incurred this year in respect to: property maintenance and management costs of £1,488 (2024: £1,646) relating to the investment property at Vincent Close, and management of the investment portfolio of £71,926 (2024: £67,070) by EFG Harris Allday.

A decrease of £19,722 (2024: £422,437 increase) represents the movement in value of the Foundation's investment portfolio. As detailed below in the Foundation's investment policy and performance this largely resulted from the impact of market factors. This results in an overall net outward movement of funds of £55,294 (2024: £463,619 inward) for the year.

The Foundation continues to hold the majority of its net assets in fixed asset investments which amounted to a total of £12,374,687 (2024: £12,218,121) at the year end as detailed below.

The fixed assets of the Foundation amounted to £1,284,116 (2024: £1,237,940) and are held for the charitable purposes of the Foundation. This year saw the replacement of the Newmarket Day Centre's windows and doors for £74,263. Otherwise there have been no changes in the past year aside from normal depreciation.

Debtors were decreased on last year at £70,179 (2024: £111,957) largely due to the deposit paid in advance last year in respect to the cost of window and door replacement works at the Newmarket Day Centre. This amount of £32,541 was also largely responsible for the lower amount of creditors due at the year end of £50,197 (2024: £89,309) together with a creditor for audit fees of £12,000.

Funds held as cash at bank were reduced this year at £135,702 (2024: £391,072). A statement of cash flows is provided on page 14 of these financial statements which summarises the movement in cash funds for the year.

Financial review (continued)

Together with net current assets of £155,684 (2024: £413,720) total funds of the charity at the year end were £13,814,487 (2024: £13,869,781).

The Foundation would anticipate its activities and financial performance to be broadly similar in future years given its ongoing commitments, aside from recognising that property costs are always likely to be somewhat variable. The biggest single risk factor therein is investment performance as discussed below.

Reserves policy

Total funds at the year end were £13,814,487 (2024: £13,869,781). As detailed in note 12 to these financial statements the Foundation has designated funds equivalent to the value of tangible fixed assets and investments to create reserve funds to provide a basis for the provision of those assets, and generation of investment income to further its charitable objectives.

In so doing the trustees recognise that the level of the Designated Capital Fund reserve may fluctuate somewhat, especially due to market factors as discussed below, but that these fluctuations are reasonable in the circumstances, and are likely to be mitigated in the longer term.

Levels of annual income and expenditure in recent years have been such that additional funds have been added to total reserves, principally in the form of additional investments. Some of these funds were utilised to fund the building of the new community room and office, the John East Centre, in 2017, and more recently the new conservatory and windows and doors at the Newmarket Day Centre. Consequently funds previously designated within the Designated Capital Fund, and utilised for this purpose, have now become a part of the Designated Charitable Fixed Asset Fund.

It is the Foundation's policy to aim to cover each year's total expenditure from income generated, which has not been achieved this year. In the current year an increase in property costs associated with the periodic refurbishment and maintenance of bungalows compared to the previous year, has contributed to a deficit of £35,572. Whilst results can vary from year to year, it is anticipated that broadly similar levels of normal income and expenditure to those of recent years will result in positive or near breakeven annual results before investment gains and losses in future years.

There are no restricted funds held by the Foundation.

Investment policy and performance

The trustees have the power to invest in such assets as they see fit. The Foundation holds a large portfolio of investments that have continued to produce the majority of its income from dividends and interest. Investment income from these sources was £369,442 (2024: £429,754) in the year.

A freehold investment property is also let to provide additional investment rental income of £11,400 (2024: £11,400). This has been re-valued at the year-end by the trustees using a housing price market index at £254,200, an increase of £4,200 on last year's value which was based on the valuation of Morris Armitage Estate Agents.

The trustees, through an investment manager (EFG Harris Allday), manage stock market investments on an unconstrained "Managed Discretionary" basis on a higher risk approach aimed at achieving balanced returns. There have been a number of changes in investments during the year as the trustees seek to maximise investment income whilst maintaining market value.

Financial review (continued)

Investment policy and performance (continued)

The fall in interest rates during recent years has led to a significant reduction in the income from this source and the trustees have invested funds previously held on deposit into the stock market where a better return is anticipated.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

The Foundation manages these risks by retaining expert advisors and in consultation with them operating a policy that provides a high degree of diversification of holdings within investment classes that are quoted on recognised stock exchanges. Consequently, there is a very low risk to liquidity. The Foundation principally holds its investment portfolio with a view to maintaining a balanced return and as such would expect short term volatility will be corrected in the longer term.

The stock market investment portfolio gave rise to investment losses of £23,922 (2024: £431,137 gains) during the year, which is indicative of this policy and general market factors at the year end. This was in the context of market reactions to the ongoing economic uncertainties, in part due to geopolitical tensions.

Grant making policy

The trustees make grants to third parties in accordance with the charitable objectives of the Foundation. No grants were made aside from those to the Newmarket Day Centre and Exning Court as detailed in this report.

Risk management

The trustees actively review the major risks which the Foundation faces on a regular basis and believe that such reviews of the Foundation's activities and financial performance, together with the established systems in place, are sufficient to mitigate significant risks.

In particular, the trustees monitor all aspects of health and safety, fire, and risks generally appropriate to their charitable activities. The provision of the Almshouses to elderly beneficiaries gives rise to particular risks that the trustees seek to address through the: provision of an on-site Manager, the Medequip Monitoring and Response System that gives each resident an emergency pendant, and the ongoing maintenance of all bungalows and grounds to a very high standard, and in accordance with all appropriate standards and regulations.

Financial risks are covered by appropriate insurance and the employment of professional advisors as appropriate. The most significant financial risk surrounds investments which are covered as detailed above. In connection with this the Foundation believes that their use of experienced professional advisors is the most appropriate way to limit any potential impact on investment income.

Whilst the Foundation ordinarily relies upon its investment income to fund its activities year on year, it does hold significant reserves should these be required to assist in maintaining ongoing activities.

The Portfolio is reviewed at each meeting with the stockbroker.

Financial review (continued)

Going concern

The trustees have not identified any material uncertainties that may cast significant doubt about the ability of the charity to continue as a going concern. The trustees consider that the Foundation has more than adequate resources to fund its activities into the future.

Plans for future periods

The Foundation aims to continue its support of all existing projects into the future given the nature of its objectives. These require long-term provision and continued investment in the assets to provide these. The Foundation will also continue to consider areas of support appropriate to its objectives.

The Foundation will also continue with its usual pattern of maintenance and refurbishment of George Gibson Almshouses bungalows as circumstances dictate. Specifically all sheds, door steps and gates are to be varnished this year, while internal redecoration will not be undertaken in the current year other than when required as a consequence of bungalow refurbishment.

Further work will be undertaken in relation to lifting and relaying the patio area in front of Exning House and the replanting of borders together with the installation of new low level lighting for safety and security purposes.

The trustees will continue to support the use of the John East Centre with an ongoing programme of events for residents.

The trustees will also continue to consider the feasibility of building some one bedroom properties as there are an increasing number of applications from single people for bungalows at George Gibson Close.

The Foundation being mindful of the financial circumstances of the Foundation have decided that service charges should be increased gradually over the coming years and have increased these with effect from 1 April 2025, and intend that appropriate increases are made annually to better reflect the costs of servicing the bungalows going forward.

The trustees will also continue to support the Newmarket Day Centre and Exning Court as appropriate when suitable needs arise.

Statement of responsibilities of the Trustees

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the trustees and signed on their behalf on

RE May
Chairman

MJ Drake
Trustee

Independent auditor's report to the trustees of George Gibson Almshouses Foundation Trust

Opinion

We have audited the financial statements of the George Gibson Almshouses Foundation Trust (the 'charity') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and 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 charity's affairs as at 31 March 2025 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 Charities Act 2011.

Basis for opinion

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 charity 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 trustees' 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 charity'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 other information comprises the information included in the Report and Financial Statements other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report and Financial Staements. 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 course of 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 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
- sufficient 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 Statement of Trustees' responsibilities set out on page 8, the trustees 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 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

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.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework, that the charity operates in and how the charity is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities Act 2011 and the charity's governing document. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing any manual journal entries and other adjustments, and evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business.

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

Use of our report

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Chater Allan LLP

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Cambridge
CB25 9AU
Date 21 January 2026

Chater Allan LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Statement of financial activities for the year ended 31 March 2025

	Note	Unrestricted and total funds 2025		Unrestricted and total funds 2024	
		£	£	£	£
Income from:					
Investments					
- Equity holdings			**366,870**		423,177
- Bank deposit interest			**2,572**		6,577
- Rents receivable			**11,400**		11,400
Charitable activities					
- Service charges			**56,188**		86,405
Other					
- Wayleaves and car charger income receivable			**850**		425
Total income			**437,880**		527,984
Expenditure on:					
Raising funds					
Investment management costs – Vincent Close			**1,488**		1,646
– Equity holdings			**71,926**		67,070
			73,414		68,716
Charitable activities	2				
Activities undertaken directly:					
- George Gibson Close – Almshouses		**382,713**		388,639	
- Newmarket Day Centre		**15,884**		28,398	
- Exning Court		**1,441**		1,049	
			400,038		418,086
Total expenditure			**473,452**		486,802
Net (losses)/gains on investments	8		**(19,722)**		422,437
Net movement in funds			**(55,294)**		463,619
Reconciliation of funds:					
Total funds brought forward			**13,869,781**		13,406,162
Total funds carried forward	12		**13,814,487**		13,869,781

The Foundation has no recognised gains or losses other than those shown above in either 2024 or 2025.
All amounts relate to continuing activities.
The notes on pages 15 to 24 form part of these financial statements.

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Balance sheet at 31 March 2025

	Note	2025		2024	
		£	£	£	£
Fixed assets:					
Tangible assets	7		**1,284,116**		1,237,940
Investments	8		**12,374,687**		12,218,121
Total fixed assets			**13,658,803**		13,456,061
Current assets:					
Debtors	9	**70,179**		111,957	
Cash at bank		**135,702**		391,072	
Total current assets		**205,881**		503,029	
Liabilities:					
Creditors: amounts falling due within one year	10	**50,197**		89,309	
Net current assets			**155,684**		413,720
Total net assets	11		**13,814,487**		13,869,781
The funds of the charity:					
Unrestricted funds	12				
- Designated charitable fixed assets fund			**1,284,116**		1,237,940
- Designated capital fund			**12,374,687**		12,218,121
- General fund			**155,684**		413,720
Total charity funds			**13,814,487**		13,869,781

The financial statements were approved by the trustees and authorised for issue on and are signed on their behalf by:

RE May
Chairman

MJ Drake
Trustee

The notes on pages 15 to 24 form part of these financial statements.

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Statement of cash flows at 31 March 2025

	Note	2025	2024
		£	£
Cash flows from operating activities:			
Net cash (used in)/provided by operating activities	14	**(390,430)**	(367,076)
Cash flows from investing activities:			
Investment income		**385,611**	462,576
Purchase of fixed assets		**(74,263)**	(3,660)
Proceeds of sale of investments		**2,375,231**	2,087,953
Purchase of investments		**(2,551,519)**	(2,243,879)
Cash provided by/(used in) investing activities:		**135,060**	302,990
(Decrease)/increase in cash and cash equivalents in the year		**(255,370)**	(64,086)
Total cash and cash equivalents at the beginning of year		**391,072**	455,158
Total cash and cash equivalents at the end of year		**135,702**	391,072
Analysis of cash and cash equivalents			
Cash in hand	15	**135,702**	391,072

The notes on pages 15 to 24 form part of these financial statements.

1 Accounting policies

(a) Basis of accounting and assessment of going concern

The financial statements (accounts) have been prepared under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011.

The George Gibson Almshouses Foundation Trust is a charitable incorporated organisation domiciled and registered in England, which constitutes a Public Benefit entity as defined by FRS102. Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling which is the functional currency of the charity. Monetary amounts in the financial statements are rounded to the nearest £.

In forming their conclusion in respect of going concern, the trustees have considered the financial position of the charity, including the level of free reserves, the level of the investment portfolio and the budget to 31 March 2027. The charity has net current assets of £155,684 and further cash deposits within the investment portfolio of £85,897 at 31 March 2025. In addition, the investment portfolio holds significant assets that could be realised should additional funds be required. As a consequence, the trustees believe the charity is well placed to manage its business risks and there are no material uncertainties in relation to going concern. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

(b) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the monetary value can be measured with sufficient reliability.

Equity income is recognised once the dividend has been declared and notification has been received of the dividend receivable from the investment manager.

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

Rents receivable are recognised when receivable by reference to occupancy of the investment property.

Service charge income is included when receivable and the amount can be measured reliably by the charity, by reference to current occupancy levels of the Almshouses

(c) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (e) below.

1 **Accounting policies *(Continued)***

(d) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(e) Allocation of support costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit, and legal and professional fees together with an apportionment of overhead and support costs.

Support costs including governance costs relating to charitable activities have been apportioned based on an estimation of staff and trustee time spent on each area of charitable activity. The allocation of support and governance costs is analysed in note 3.

(f) Costs of raising funds

Costs of raising funds relate to investment management costs associated with the freehold investment property and equity holdings, which are held to generate investment income.

(g) Charitable activities

Costs of charitable activities include grants, the cost of activities undertaken directly, and support costs including governance costs as detailed in note 2.

(h) Taxation

The Foundation, as a registered charity, is not considered liable for assessment to tax on its charitable income.

(i) Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised. Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided on all tangible fixed assets other than freehold property (with the exception of the John East Centre) at rates calculated to write off the cost, less estimated residual values, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold property – John East Centre	- 50 years
Leasehold property – Newmarket Day Centre	- 99 years
Garden machinery	- 5 years
Office & Centre equipment	- 5 years

No depreciation charge is made in respect of freehold property (with the exception of the John East Centre), as in the opinion of the trustees the residual value of the properties exceeds cost. The trustees conduct an impairment review annually, and have concluded that the estimated residual value of the properties exceeds the book value.

1 **Accounting policies *(Continued)***

(j) Fixed asset investments

Investments excluding investment properties and cash deposits, are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment properties are initially recognised at cost, including any directly attributable expenses. Subsequently investment properties are carried at their fair value at each reporting date, with changes in valuation accounted for through the Statement of Financial Activity. Cash deposits held as investments are stated at cost.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(k) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(l) Debtors

Trade and other debtors are recognised and the settlement due after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

(m) Cash at bank

Cash at bank includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account

(n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(o) Financial instruments

The charity holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

The charity also holds financial assets measured at fair value through the Statement of Financial Activity- see detail of these assets in point (j).

1 **Accounting policies** ***(Continued)***

(p) Funds

Funds held by the charity are:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific future purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements together with details of transfers between funds.

1 Analysis of charitable expenditure

	George Gibson Close	**Newmarket Day Centre**	**Exning Court**	**2025 Total**	2024 Total
	£	**£**	**£**	**£**	£
Property and maintenance	**260,617**	**4,921**	**-**	**265,538**	269,116
Donations	**-**	**1,872**	**397**	**2,269**	17,064
Depreciation and profit/loss on disposal of fixed assets	**21,884**	**5,959**	**-**	**27,843**	27,047
Support and governance costs	**100,212**	**3,132**	**1,044**	**104,388**	104,859
Total	**382,713**	**15,884**	**1,441**	**400,038**	418,086

The Foundation undertook direct charitable activities through the operation of the Almshouses at George Gibson Close.

In addition, it provided support to the Newmarket Day Centre for the elderly, and the Exning Court sheltered housing project in the year.

No other charitable donations were made in the year.

Notes forming part of the financial statements for the year ended 31 March 2025 ***(Continued)***

1 Allocation of support costs

Support cost	Other Support Costs £	Governance Costs £	Total Allocated 2025 £	Total Allocated 2024 £
Staff costs	**54,271**	**18,090**	**72,361**	67,358
PPS, IT, telephone, subscriptions & office costs	**3,398**	**1,132**	**4,530**	3,382
Depreciation of office equipment and profit/loss on disposal of fixed assets	**183**	**61**	**244**	482
Audit and accountancy - audit	-	**12,000**	**12,000**	12,600
- other costs	-	**9,845**	**9,845**	9,375
Legal and professional fees	-	**4,435**	**4,435**	11,137
Trustee meeting & sundry costs	-	**973**	**973**	525
	57,852	**46,536**	**104,388**	104,859

Other support costs are allocated on the basis of an estimate of staff time consistent with the use of resources. Total support costs are then allocated to charitable activities based on an estimate of time spent on each charitable activity as follows:

	2025 £	2024 £
The George Gibson Almshouses 96% (2024: 96%)	**100,212**	100,664
Newmarket Day Centre 3% (2024: 3%)	**3,132**	3,146
Exning Court 1% (2024: 1%)	**1,044**	1,049
Total allocated	**104,388**	104,859

2 Employment costs

	2025 £	2024 £
Wages and salaries	**62,039**	58,744
Social security costs	**7,306**	6,852
Other pension costs	**1,861**	1,762
Other staff costs	**1,155**	-
	72,361	67,358

The Foundation had one (2024: one) employee, with all employee time involved in providing either support to charitable activities or the governance of the Foundation. The Foundation considers that its key management personnel comprise the trustees and the manager, who deals with the day to day management of the Foundation. Total employment benefits paid to the manager in the year amounted to £72,361 (2024: £67,358).

3 Auditor's remuneration

The auditor's remuneration constituted an audit fee of £10,000 (2024:£10,000) excluding VAT.

Notes forming part of the financial statements for the year ended 31 March 2025 ***(Continued)***

4 Related party transactions and trustees' expenses and remuneration

During the year professional fees of £4,050 (2024: £8,687) were paid to Edmondson Hall Solicitors, of which MJ Drake was a consultant and Mrs D Hargreaves a partner. At the year end £Nil (2024: £Nil) was outstanding. There were no other related party transactions with any trustees in either year. No other trustee received any remuneration or had any expenses reimbursed in either year.

5 Tangible fixed assets

	Freehold property	Leasehold property	Garden machinery	Office & Centre equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2024	1,109,460	346,650	25,465	26,507	1,508,082
Additions	-	74,263	-	-	74,263
At 31 March 2025	**1,109,460**	**420,913**	**25,465**	**26,507**	**1,582,345**
Depreciation					
At 1 April 2024	133,802	92,164	23,512	20,664	270,142
Charge for the year	18,384	5,959	1,409	2,335	28,087
At 31 March 2025	**152,186**	**98,123**	**24,921**	**22,999**	**298,229**
Net book value					
At 31 March 2025	**957,274**	**322,790**	**544**	**3,508**	**1,284,116**
At 31 March 2024	975,658	254,486	1,953	5,843	1,237,940

6 Fixed asset investments

	Freehold investment property	UK listed equity investments	2025 Total	2024 Total
	£	£	£	£
Market value				
At 1 April 2024	250,000	11,968,121	12,218,121	11,639,758
Additions	-	2,551,519	2,551,519	2,243,879
Disposal proceeds	-	(2,375,231)	(2,375,231)	(2,087,953)
Revaluation/net investment (losses)/gains	4,200	(23,922)	(19,722)	422,437
At 31 March 2025	**254,200**	**12,120,487**	**12,374,687**	12,218,121
Cost at 31 March 2025	**158,178**	**10,035,891**	**10,194,069**	9,805,070

UK listed equity investments included listed investments at a fair value of £12,034,590 (2024: £11,091,797) with a cost of £9,949,994 (2024: £8,770,568), and cash or cash equivalents of £85,897 (2024: £876,324).

Notes forming part of the financial statements for the year ended 31 March 2025 *(Continued)*

8 Fixed asset investments *(Continued)*

The freehold investment property in Vincent Close, Newmarket has been re-valued by the trustees by reference to movements in the UK Housing Price Index it having been re-valued by Morris Armitage Estate Agents at the previous year end at £250,000. The trustees believe that this is a reasonable estimate of the fair value for the freehold investment property at 31 March 2025.

All listed investments are carried at their fair value. Investments in equities are all traded in quoted public markets, primarily the London Stock Exchange. The basis for fair value for quoted investments is equivalent to market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their market value).

The significance of financial instruments on the ongoing financial sustainability of the Foundation is considered in the financial review and investment policy and performance sections of the trustees' annual report. The main risk to the Foundation from financial instruments lies in a combination of uncertain markets and volatility of equity income.

The Foundation manages these risks by retaining expert advisors and operating a policy that provides a high degree of diversification of holdings within investment classes that are quoted on recognised stock exchanges. Consequently, there is a very low risk to liquidity. The Foundation also principally holds its investment portfolio with a view to maintaining a balanced return and as such would expect short term volatility will be corrected in the longer term.

7 Debtors

	2025	2024
	£	£
Other debtors	**17,912**	19,818
Prepayments and accrued income	**52,267**	92,139
	70,179	111,957

8 Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	**4,416**	52,459
Other taxes and social security	**247**	247
Accruals and deferred income	**45,534**	36,603
	50,197	89,309

Notes forming part of the financial statements for the year ended 31 March 2025 *(Continued)*

9 Analysis of net assets between funds

Current year	**Designated charitable fixed assets fund**	**Designated capital fund**	**General fund**	**Total Funds 2025**
	£	**£**	**£**	**£**
Tangible assets	**1,284,116**	**-**	**-**	**1,284,116**
Investments	**-**	**12,374,687**	**-**	**12,374,687**
Net current assets	**-**	**-**	**155,684**	**155,684**
	1,284,116	**12,374,687**	**155,684**	**13,814,487**

Prior year	Designated charitable fixed assets fund	Designated capital fund	General fund	Total Funds 2024
	£	£	£	£
Tangible assets	1,237,940	-	-	1,237,940
Investments	-	12,218,121	-	12,218,121
Net current assets	-	-	413,720	413,720
	1,237,940	12,218,121	413,720	13,869,781

10 Unrestricted funds

Current year	**Designated charitable fixed asset fund**	**Designated capital fund**	**General fund**	**Total 2025**
	£	**£**	**£**	**£**
Balance at 1 April 2024	**1,237,940**	**12,218,121**	**413,720**	**13,869,781**
Net movement in funds	**-**	**-**	**(55,294)**	**(55,294)**
Transfers between funds	**46,176**	**156,566**	**(202,742)**	**-**
Balance at 31 March 2025	**1,284,116**	**12,374,687**	**155,684**	**13,814,487**

Notes forming part of the financial statements for the year ended 31 March 2025 *(Continued)*

1 Unrestricted funds (*Continued*)

Prior year	Designated charitable fixed asset fund	Designated capital fund	General fund	Total 2024
	£	£	£	£
Balance at 1 April 2023	1,261,809	11,639,758	504,595	13,406,162
Net movement in funds	-	-	463,619	463,619
Transfers between funds	(23,869)	578,363	(554,494)	-
Balance at 31 March 2024	1,237,940	12,218,121	413,720	13,869,781

The Foundation has two designated funds as follows:

- Designated charitable fixed assets fund to represent the net book value of tangible fixed assets. In each year an amount is transferred to or from the fund representing the movement in net book value of tangible fixed assets in the year.

- Designated capital fund to represent the value of investments held by the Foundation to provide investment income to fund its charitable objectives. In each year an amount is transferred to or from the fund representing the movement in value of investments in the year.

1 Financial Instruments

The carrying amounts of the Charity's financial instruments at 31 March were:

	2025	2024
	£	£
Financial assets:		
Instruments measured at fair value through the SOFA	**12,034,590**	11,091,797

11 Reconciliation of net movement in funds to net cash flow from operations

	2025	2024
	£	£
Net movement in funds	**(55,294)**	463,619
Depreciation charges	**28,087**	27,529
(Gains)/losses on investments	**19,722**	(422,437)
Investment income	**(380,842)**	(441,154)
(Increase)/decrease in debtors	**37,009**	(37,590)
Increase/(decrease) in creditors	**(39,112)**	42,957
Net cash (used in)/provided by operating activities	**(390,430)**	(367,076)

Notes forming part of the financial statements for the year ended 31 March 2025 ***(Continued)***

12 Analysis of changes in net funds

	2024	Cash Flow	2025
	£	£	£
Cash at bank and in hand	391,072	(255,370)	**135,702**

13 Capital commitments

Capital expenditure authorised and contracted for but not provided in these financial statements, in relation to the replacement of the windows and doors at the Newmarket Day Centre and associated works, amounts to £Nil (2024: £73,278).

The pages that follow

are for the use of the

trustees only

Schedules to the statement of financial activities for the year ended 31 March 2025

		2025	2024
1	**George Gibson Close – Almshouses**	£	£
	Medequip monitoring & response service	**11,544**	11,591
	Garden, woodlands and path maintenance	**51,072**	57,932
	Council taxes	**1,755**	36,229
	Water charges	**7,731**	7,022
	Insurance	**15,537**	22,433
	Street lighting	**1,443**	1,252
	TV licence fees	**53**	67
	Property costs - General repairs	**24,330**	43,120
	- Redecoration costs (internal & external)	**22,217**	9,666
	- Gutters & fascias replacement	**32,744**	33,490
	- Renovation: number 6	**35,005**	-
	- Renovation: number 14	**-**	30,867
	-Renovation: number 20 (Kitchen)	**13,657**	-
	-Renovation: number 26	**32,344**	-
	John East Centre costs	**13,276**	14,512
	Depreciation - Garden Machinery	**1,409**	1,410
	Depreciation - John East Centre	**18,384**	18,384
		282,501	287,975
	Allocation of support costs	**100,212**	100,664
		382,713	388,639
2	**Newmarket Day Centre**		
	Ground rent	**5**	5
	Insurance	**4,916**	3,030
	Donation for roof repairs	**1,872**	7,200
	Donation for kitchen electrical works	**-**	9,864
	Fire insurance valuation	**-**	540
	Amortisation of leasehold property	**5,959**	4,613
		12,752	25,252
	Allocation of support costs	**3,132**	3,146
		15,884	28,398
3	**Exning Court**		
	Donation for coach hire	**397**	-
	Allocation of support costs	**1,044**	1,049
	Allocation of support costs	**1,441**	1,049

Schedules to the statement of financial activities for the year ended 31 March 2025 (continued)

4 **Support costs**		**2025** **£**	2024 £
Manager's salary		**71,206**	67,358
AXA Private Health Cover		**1,155**	-
PPS,IT, telephone, subscriptions and office costs		**4,530**	3,382
Depreciation/loss(profit) on disposals of office equipment		**244**	482
Audit fees		**12,000**	12,600
Accountancy fees		**9,845**	9,375
Legal and professional fees	- Edmondson Hall	**4,050**	8,687
	- Suffolk County Council planning advice	**385**	-
	- Land Registry fees	**-**	110
	- Doyen Land re Almshouses fire valuation	**-**	2,340
Trustee meeting and sundry costs		**973**	525
		104,388	104,859

THE GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

England & Wales - Charity number 1176924

Accounts

George Gibson Almshouses Foundation Trust (CIO)

Report and Financial Statements

Year Ended

31 March 2024

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Annual report and financial statements for the year ended 31 March 2024

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Trustees

RE May (Chairman)
MJ Drake
Dr M Wace
ML Lovegrove
Mrs MAE East
S W Ricketts
Mrs D Hargreaves
EFH Russell (Appointed 12 September 2024)

Manager

Mrs F Ouzman

Principal address

The John East Centre, George Gibson Close, Exning, Newmarket, Suffolk, CB8 7LE.

Registered charity number

1176924

Auditors

Chater Allan LLP, 7 Quy Court, Colliers Lane, Stow-cum-Quy, Cambridge, CB25 9AU

Accountant

Andrew D Fisk ACIE, 26 Blackbourne Road, Elmswell, Bury St Edmunds, Suffolk, IP30 9UH.

Bankers

National Westminster Bank Plc, 7 Cornhill, Bury St Edmunds, Suffolk, IP33 1BQ.

Stockbrokers

EFG Harris Allday, 33 Great Charles Street, Birmingham, B3 3JN.

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Report of the trustees for the year ended 31 March 2024

The trustees present their annual report together with the audited financial statements for the year ended 31 March 2024. The financial statements have been prepared in accordance with the accounting policies set out on pages 15 to 18 and comply with the charity's trust deed, the Charities Act 2011, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2019.

Structure, governance and management

A new charitable incorporated organisation (CIO), the George Gibson Almshouses Foundation Trust was registered on 31 January 2018 (charity registration number: 1176924), and an order to authorise the transfer of the assets of the previous unincorporated charity the George Gibson Almshouses Foundation (charity registration number: 234807) to the new CIO was obtained from the Charity Commission on 14 March 2018. With effect from 1 April 2020 the transfer of all of the assets and liabilities to the CIO was completed.

The George Gibson Almshouses Foundation was established to provide and maintain almshouses and to assist poor and old people resident in the former administrative county of West Suffolk. The Foundation was established by Trust Deed on 31 March 1959 through the generosity of the late George Gibson.

George Gibson originally transferred to the Foundation funds, primarily shareholdings in the former Atlantic Shipping and Trading Company, and later a further sum of £55,000. In line with its objectives the Foundation built George Gibson Close at Exning, consisting of 32 almshouses in the early sixties. In addition, the Newmarket Day Centre was built in 1980.

Ultimate control of the Foundation rests with the trustees who are responsible for the day to day management of the investments and affairs of the Foundation.

The existing trustees appoint new trustees by reference to the needs of the Foundation with a view to providing the Foundation with appropriately qualified and experienced trustees for the Foundation's requirements. On appointment, the trustees are made aware of the Foundation's activities and their responsibilities through information provided and review of the Foundation's activities. Thereafter individual trustees ensure they are sufficiently trained to act as required.

The trustees meet regularly to agree strategy and areas of activity for the Foundation. Day to day management is largely undertaken by the manager in consultation with the chairman and other trustees as appropriate.

The trustees and the manager are considered to be the key management personnel of the Foundation. All trustees give their time freely and received no remuneration or expenses in the year, other than as detailed in note 6 for one trustee in respect to professional services provided in accordance with the trust deed. The trustees review the salary of the manager periodically, and this is increased in accordance with their assessment of appropriate remuneration for their duties in relation to the particular circumstances of the Foundation.

Details of those in office during the year are given on the contents page of this report.

Objects and activities

The trustees refer to the guidance in Section 17(5) of the Charities Act 2011 on public benefit when reviewing their aims and objectives and planning their future activities.

The Foundation's objectives are for the public benefit to: relieve the need of persons resident in Newmarket and the surrounding areas (including the former administrative county of West Suffolk) who are 55 years of age or over and in need of financial support and assistance with the provision of healthcare and housing by such means as the trustees from time to time think fit, including, but not limited to, the provision of almshouse accommodation.

The Foundation aims to achieve these objectives by:
- providing accommodation in the almshouses at George Gibson Close in Exning;
- supporting the work of the Newmarket Day Centre;
- monitoring the Exning Court very sheltered housing project in conjunction with Sanctuary Housing;
- making other donations to projects that fulfil the Foundation's objectives when identified.

These activities are all ongoing and the Foundation sees these as part of its strategic aims into the future.

Achievements and performance

The Foundation, under the power of its Trust Deed, has continued to finance the upkeep and maintenance of George Gibson Close. This provides a safe environment for elderly people with a manager, and has been fully occupied during the year subject to short periods of vacancy. This is seen as one of the key performance indicators of the Foundation's activities.

There has been one significant refurbishment of a bungalow undertaken in this year. In addition the Foundation has continued with its regular maintenance of all properties as required, which has significantly included the ongoing replacement programme of gutters and fascias, which will be completed next year, together with replacing bungalow garden paving slabs, some repairs to fences, and works associated with electrical testing of the bungalows.

The John East Centre (community room) at George Gibson Close was once again used for a variety of activities and events by residents. The Foundation continued with its usual ongoing maintenance of the Centre in the year.

An electric car charging point was installed at the John East Centre during the year for use by residents of the George Gibson Close.

The Foundation makes a modest service charge for occupancy of the bungalows of £35 (2023:£35) per week per person, which is only a small fraction of their open market rental value. In so doing needy members of the public benefit from affordable and safe accommodation. Following a review of this it has been decided that residents will take over responsibility for payment of their council tax in future, and that there will consequently be an appropriate revision in service charges, which has taken effect from 1 April 2024.

In addition charitable support has been provided to the Newmarket Day Centre which works with retired and frail older people to enable them to have and enjoy a better quality of life, for its ongoing general operation. This has included a donation to cover the cost of electrical work required following the installation of a new kitchen and a further donation to cover the cost of some roof repairs.

The trustees in conjunction with Sanctuary Housing have developed Exning Court as a very sheltered housing project for the elderly at Cotton End Road, Exning. The Foundation continues to be involved in overseeing Exning Court's performance under the terms of the donations made to it when it was established.

Achievements and performance (continued)

The funds of the Foundation have continued to be either invested for future use or applied for the furtherance of the Foundation's objects, and investment performance is detailed below.

In carrying out its activities the Foundation believes that it is providing a real public benefit by the relief of those in need by reason of age, ill health, disability, financial hardship, or other disadvantage. Despite its geographical restrictions and the limited number of bungalows available at George Gibson Close, the Foundation provides for a large section of the public, and the trustees seek to identify those most appropriate to receive that benefit. There is presently a waiting list for occupancy.

Financial review

Total income is very similar to last year at £527,984 (2023: £525,405).

Investment income from stock market holdings decreased slightly to £423,177 (2023: £427,049), as a consequence of market factors.

Following the increase in bank interest rates in the year the Foundation has received bank deposit interest of £6,577 (2023: £1,889).

The investment property continues to generate a rental income of £11,400 (2023: £9,470) having been occupied by a tenant for the whole year.

Service charge income is slightly reduced compared to last year at £86,405 (2023: £86,992) largely as a consequence of a bungalow refurbishment in this year with a consequent vacant period. Generally there are now more single occupancy properties than in the previous years, with the consequent reduction in service charges which is levied per person rather than per property. There was no change in the rate of service charges in the current year, but these are being revised with effect from the 1 April 2024 as a consequence of tenants taking responsibility for their own council tax payment. All bungalows have been occupied during the year subject to short periods following changes of occupants and to facilitate refurbishments when necessary.

Total expenditure has increased significantly this year to £486,802 (2023: £386,115).

Expenditure in respect to the Almshouses at George Gibson Close increased to £388,639 (2023: £306,259).

Almshouses maintenance expenditure has increased this year to £117,143 (2023: £59,682). This year's expenditure includes the refurbishment costs of one bungalow for £30,867 whilst the previous year saw no significant costs other than the replacement of the bathroom in the manager's house for £6,404 and £1,625 for completion of the renovation of another bungalow.

General repairs at £43,120 (2023: £20,904) were significantly higher than the previous year primarily due to electrical testing and associated works undertaken in the current year. Redecoration costs at £9,666 (2023: £10,390) were broadly similar to last year. Costs incurred this year in respect to the ongoing replacement programme of gutters and fascias were increased compared to last year at £33,490 (2023: £20,359).

Whilst most other Almshouse costs were similar to last year: garden, woodland and path maintenance was increased at £57,932 (2023: £39,569).This was primarily due to significant costs incurred in respect to replacing the paving slabs in the gardens of bungalows.

Council tax charges incurred reduced to £36,229 (2023: £40,759) due to the personal circumstances of the tenants and is also indicative of the greater number of single occupants in the Almshouses.

Financial review (continued)

All other Almshouse expenditure has been broadly similar to the previous year, although there were small increases in the Medequip monitoring and response service of £11,591 (2023: £10,441), water charges of £7,022 (2023: £5,488), insurance costs of £22,433 (2023: £20,068) and street lighting costs of £1,252 (2023: £546), and a reduction in costs associated with the John East Centre of £14,512 (2023: £16,713) principally as a result of redecoration costs in the previous year.

Consequently costs before the allocation of support costs increased to £287,975 (2023: £213,240).

Costs in relation to charitable support of the Newmarket Day Centre were increased compared to the previous year at £25,252 (2023: £7,218) before the allocation of support costs, as a consequence of: donations made in the current year of £9,864 to cover electrical costs in connection with the new kitchen and £7,200 for roof repairs.

Total support costs were higher this year at £104,859 (2023: £95,896). This was largely as a consequence of: increased payments to the manager of £67,358 (2023: £64,265) to reflect a higher salary, increased legal and professional fees of £11,137 (2023: £5,343); which included the costs (£2,340) of a fire insurance valuation for the Almshouses. Audit and accountancy costs were £21,975 (2023: £21,925).

The proportion of support costs treated as other support costs increased to £53,416 (2023 £51,026), whilst those costs treated as governance costs increased to £51,443 (2023: £44,870), primarily because of the additional legal and professional fees this year. Given the nature of the Foundation's activities the bulk of the total of these support cost are allocated to the Almshouses being £100,664 (2023: £93,019).

Investment management costs were incurred this year in respect to: property maintenance and management costs of £1,646 (2023: £3,144) relating to the investment property at Vincent Close, and management of the investment portfolio of £67,070 (2023: £66,617) by EFG Harris Allday.

An increase of £422,437 (2023: £204,129 decrease) represents the movement in value of the Foundation's investment portfolio. As detailed below in the Foundation's investment policy and performance this largely resulted from the impact of market factors.

This results in an overall net inward movement of funds of £463,619 (2023: £64,839 outward) for the year.

The Foundation continues to hold the majority of its net assets in fixed asset investments which amounted to a total of £12,218,121 (2023: £11,639,758) at the year end as detailed below.

The fixed assets of the Foundation amounted to £1,237,940 (2023: £1,261,809) and are held for the charitable purposes of the Foundation. This year saw no additional costs other than the purchase of an electric car charger for £3,660. Otherwise there have been no changes in the past year aside from normal depreciation.

Debtors were increased on last year at £111,957 (2023: £95,789) notwithstanding reduced accrued investment income, due to a large deposit paid in advance before the year end in respect to the cost of window and door replacement works at the Newmarket Day Centre.

This amount was also largely responsible for the higher amount of creditors due at the year end of £89,309 (2023: £46,352).

Funds held as cash at bank were reduced this year at £391,072 (2023: £455,158). A statement of cash flows is provided on page 14 of these financial statements which summarises the movement in cash funds for the year.

Financial review (continued)

Together with net current assets of £413,720 (2023: £504,595) total funds of the charity at the year end were £13,869,781 (2023: £13,406,162).

The Foundation would anticipate its activities and financial performance to be broadly similar in future years given its ongoing commitments, aside from recognising that property costs are always likely to be somewhat variable, and that it has made a capital commitment of £73,278 in respect to replacement windows and doors at the Newmarket Day Centre in the coming year. The biggest single risk factor therein is investment performance as discussed below.

Reserves policy

Total funds at the year end were £13,869,781 (2023: £13,406,162). As detailed in note 13 to these financial statements the Foundation has designated funds equivalent to the value of tangible fixed assets and investments to create reserve funds to provide a basis for the provision of those assets, and generation of investment income to further its charitable objectives.

In so doing the trustees recognise that the level of the Designated Capital Fund reserve may fluctuate somewhat, especially due to market factors as discussed below, but that these fluctuations are reasonable in the circumstances, and are likely to be mitigated in the longer term.

Levels of annual income and expenditure in recent years have been such that additional funds have been added to total reserves, principally in the form of additional investments. Some of these funds were utilised to fund the building of the new community room and office, the John East Centre, in 2017, and more recently the new conservatory at the Newmarket Day Centre. Consequently funds previously designated within the Designated Capital Fund, and utilised for this purpose, have now become a part of the Designated Charitable Fixed Asset Fund.

It is the Foundation's policy to aim to cover each year's total expenditure from income generated, which has been achieved this year. In the current year an increase in property costs associated with the periodic refurbishment and maintenance of bungalows compared to the previous year, has contributed to a reduced surplus of £41,182. Whilst results can vary from year to year, it is anticipated that broadly similar levels of normal income and expenditure to those of recent years will result in positive or near breakeven annual results before investment gains and losses in future years.

There are no restricted funds held by the Foundation.

Investment policy and performance

The trustees have the power to invest in such assets as they see fit. The Foundation holds a large portfolio of investments that have continued to produce the majority of its income from dividends and interest. Investment income from these sources was £429,754 (2023: £428,938) in the year.

A freehold investment property is also let to provide additional investment rental income of £11,400 (2023: £9,470). This has been re-valued at the year-end by Morris Armitage Estate Agents at £250,000, a reduction of £8,700 on last year's value which was based on the trustees best estimate using market indicies.

The trustees, through an investment manager (EFG Harris Allday), manage stock market investments on an unconstrained "Managed Discretionary" basis on a higher risk approach aimed at achieving balanced returns. There have been a number of changes in investments during the year as the trustees seek to maximise investment income whilst maintaining market value.

Financial review (continued)

Investment policy and performance (continued)

The fall in interest rates during recent years, prior to this year, had led to a significant reduction in the income from this source and the trustees have invested funds previously held on deposit into the stock market where a better return is anticipated.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

The Foundation manages these risks by retaining expert advisors and in consultation with them operating a policy that provides a high degree of diversification of holdings within investment classes that are quoted on recognised stock exchanges. Consequently, there is a very low risk to liquidity. The Foundation principally holds its investment portfolio with a view to maintaining a balanced return and as such would expect short term volatility will be corrected in the longer term.

The stock market investment portfolio gave rise to investment gains of £431,137 (2023: £213,129 losses) during the year, which is indicative of this policy and general market factors at the year end. This was in the context of market reactions to the ongoing economic uncertainties, in part due to geopolitical tensions particularly in the Middle East.

Grant making policy

The trustees make grants to third parties in accordance with the charitable objectives of the Foundation. No grants were made aside from those to the Newmarket Day Centre as detailed in this report.

Risk management

The trustees actively review the major risks which the Foundation faces on a regular basis and believe that such reviews of the Foundation's activities and financial performance, together with the established systems in place, are sufficient to mitigate significant risks.

In particular, the trustees monitor all aspects of health and safety, fire, and risks generally appropriate to their charitable activities. The provision of the Almshouses to elderly beneficiaries gives rise to particular risks that the trustees seek to address through the: provision of an on-site Manager, the Medequip Monitoring and Response System that gives each resident an emergency pendant, and the ongoing maintenance of all bungalows and grounds to a very high standard, and in accordance with all appropriate standards and regulations.

Financial risks are covered by appropriate insurance and the employment of professional advisors as appropriate. The most significant financial risk surrounds investments which are covered as detailed above. In connection with this the Foundation believes that their use of experienced professional advisors is the most appropriate way to limit any potential impact on investment income.

Whilst the Foundation ordinarily relies upon its investment income to fund its activities year on year, it does hold significant reserves should these be required to assist in maintaining ongoing activities.

The Portfolio is reviewed at each meeting with the stockbroker.

Financial review (continued)

Going concern

The trustees have not identified any material uncertainties that may cast significant doubt about the ability of the charity to continue as a going concern. The trustees consider that the Foundation has more than adequate resources to fund its activities into the future.

Plans for future periods

The Foundation aims to continue its support of all existing projects into the future given the nature of its objectives. These require long-term provision and continued investment in the assets to provide these. The Foundation will also continue to consider areas of support appropriate to its objectives.

Specifically the Foundation will also complete its current programme of replacing all gutters and associated materials on the George Gibson Almshouses bungalows that were started in the previous two years in addition to the usual pattern of maintenance and refurbishment as circumstances dictate.

In addition work will be undertaken in relation to lifting and relaying the patio area in front of Exning House and replanting the border; together with the completion of necessary tree works at George Gibson Close following a survey carried out in the current year.

The trustees will continue to support the use of the John East Centre with an ongoing programme of events for residents.

The trustees will also continue to consider the feasibility of building some one bedroom properties as there are an increasing number of applications from single people for bungalows at George Gibson Close.

The Foundation carried out a review of their current policy of paying the council tax for each resident's property and concluded that this should be paid by the individual residents in future not the Foundation. This change has been advised to all residents and has come into force from 1 April 2024. As a consequence of this change in policy the current service charges have been revised from the same date to reflect this.

The trustees have agreed to fund the provision of replacement doors and windows at the Newmarket Day Centre, and work in this respect was completed in autumn of this year.

Statement of responsibilities of the Trustees

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the trustees and signed on their behalf on 16th January 2025

RE May
Chairman

MJ Drake
Trustee

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Independent auditor's report to the trustees of George Gibson Almshouses Foundation Trust

Opinion

We have audited the financial statements of the George Gibson Almshouses Foundation Trust (the 'charity') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and 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 charity's affairs as at 31 March 2024 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 Charities Act 2011.

Basis for opinion

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 charity 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 trustees' 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 charity'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 other information comprises the information included in the Report and Financial Statements other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report and Financial Staements. 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 course of 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 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
- sufficient 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 Statement of Trustees' responsibilities set out on page 8, the trustees 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 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

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.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework, that the charity operates in and how the charity is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities Act 2011 and the charity's governing document. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing any manual journal entries and other adjustments, and evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business.

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

Use of our report

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Chater Allan LLP

Chater Allan LLP
Naomi Hedger
Chartered Accountants
7 Quy Court
Colliers Road
Stow-cum-Quy
Cambridge
CB25 9AU
Date 29 January 2025

Chater Allan LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Statement of financial activities for the year ended 31 March 2024

	Note	Unrestricted and total funds 2024		Unrestricted and total funds 2023	
		£	£	£	£
Income from:					
Investments					
- Equity holdings			**423,177**		427,049
- Bank deposit interest			**6,577**		1,889
- Rents receivable			**11,400**		9,470
Charitable activities					
- Service charges			**86,405**		86,992
Other					
- Wayleaves and car charger income receivable			**425**		5
Total income			**527,984**		525,405
Expenditure on:					
Raising funds					
Investment management costs – Vincent Close			**1,646**		3,144
– Equity holdings			**67,070**		66,617
			68,716		69,761
Charitable activities	2				
Activities undertaken directly:					
- George Gibson Close – Almshouses		**388,639**		306,259	
- Newmarket Day Centre		**28,398**		9,136	
- Exning Court		**1,049**		959	
			418,086		316,354
Total expenditure			**486,802**		386,115
Net gains/(losses) on investments	8		**422,437**		(204,129)
Net movement in funds			**463,619**		(64,839)
Reconciliation of funds:					
Total funds brought forward			**13,406,162**		13,471,001
Total funds carried forward	13		**13,869,781**		13,406,162

The Foundation has no recognised gains or losses other than those shown above in either 2023 or 2024.
All amounts relate to continuing activities.
The notes on pages 15 to 24 form part of these financial statements.

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Balance sheet at 31 March 2024

	Note	2024		2023	
		£	£	£	£
Fixed assets:					
Tangible assets	7		**1,237,940**		1,261,809
Investments	8		**12,218,121**		11,639,758
Total fixed assets			**13,456,061**		12,901,567
Current assets:					
Debtors	9	**111,957**		95,789	
Cash at bank		**391,072**		455,158	
Total current assets		**503,029**		550,947	
Liabilities:					
Creditors: amounts falling due within one year	10	**89,309**		46,352	
Net current assets			**413,720**		504,595
Total assets less current liabilities			**13,869,781**		13,406,162
Provisions for liabilities	11		-		-
Total net assets	12		**13,869,781**		13,406,162
The funds of the charity:					
Unrestricted funds	13				
- Designated charitable fixed assets fund			**1,237,940**		1,261,809
- Designated capital fund			**12,218,121**		11,639,758
- General fund			**413,720**		504,595
Total charity funds			**13,869,781**		13,406,162

The financial statements were approved by the trustees and authorised for issue on 16th January 2025 and are signed on their behalf by:

RE May
Chairman

MJ Drake
Trustee

The notes on pages 15 to 24 form part of these financial statements.

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Statement of cash flows at 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities:			
Net cash (used in)/provided by operating activities	15	**(367,076)**	(277,518)
Cash flows from investing activities:			
Investment income		**462,576**	413,596
Purchase of fixed assets		**(3,660)**	(1,404)
Proceeds of sale of investments		**2,087,953**	461,636
Purchase of investments		**(2,243,879)**	(405,460)
Cash provided by/(used in) investing activities:		**302,990**	468,368
(Decrease)/increase in cash and cash equivalents in the year		**(64,086)**	190,850
Total cash and cash equivalents at the beginning of year		**455,158**	264,308
Total cash and cash equivalents at the end of year		**391,072**	455,158
Analysis of cash and cash equivalents			
Cash in hand	16	**391,072**	455,158

The notes on pages 15 to 24 form part of these financial statements.

1 Accounting policies

(a) Basis of accounting and assessment of going concern

The financial statements (accounts) have been prepared under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011.

The George Gibson Almshouses Foundation Trust is a charitable incorporated organisation domiciled and registered in England, which constitutes a Public Benefit entity as defined by FRS102. Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling which is the functional currency of the charity. Monetary amounts in the financial statements are rounded to the nearest £.

In forming their conclusion in respect of going concern, the trustees have considered the financial position of the charity, including the level of free reserves, the level of the investment portfolio and the budget to 31 March 2026. The charity has net current assets of £413,720 and further cash deposits within the investment portfolio of £876,324 at 31 March 2024. In addition, the investment portfolio holds significant assets that could be realised should additional funds be required. As a consequence, the trustees believe the charity is well placed to manage its business risks and there are no material uncertainties in relation to going concern. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

(b) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the monetary value can be measured with sufficient reliability.

Equity income is recognised once the dividend has been declared and notification has been received of the dividend receivable from the investment manager.

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

Rents receivable are recognised when receivable by reference to occupancy of the investment property.

Service charge income is included when receivable and the amount can be measured reliably by the charity, by reference to current occupancy levels of the Almshouses

(c) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (e) below.

1 **Accounting policies** ***(Continued)***

(d) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(e) Allocation of support costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit, and legal and professional fees together with an apportionment of overhead and support costs.

Support costs including governance costs relating to charitable activities have been apportioned based on an estimation of staff and trustee time spent on each area of charitable activity. The allocation of support and governance costs is analysed in note 3.

(f) Costs of raising funds

Costs of raising funds relate to investment management costs associated with the freehold investment property and equity holdings, which are held to generate investment income.

(g) Charitable activities

Costs of charitable activities include grants, the cost of activities undertaken directly, and support costs including governance costs as detailed in note 2.

(h) Taxation

The Foundation, as a registered charity, is not considered liable for assessment to tax on its charitable income.

(i) Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised. Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided on all tangible fixed assets other than freehold property (with the exception of the John East Centre) at rates calculated to write off the cost, less estimated residual values, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold property – John East Centre	- 50 years
Leasehold property – Newmarket Day Centre	- 99 years
Garden machinery	- 5 years
Office & Centre equipment	- 5 years

No depreciation charge is made in respect of freehold property (with the exception of the John East Centre), as in the opinion of the trustees the residual value of the properties exceeds cost. The trustees conduct an impairment review annually, and have concluded that the estimated residual value of the properties exceeds the book value.

1 **Accounting policies** ***(Continued)***

(j) Fixed asset investments

Investments excluding investment properties and cash deposits, are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment properties are initially recognised at cost, including any directly attributable expenses. Subsequently investment properties are carried at their fair value at each reporting date, with changes in valuation accounted for through the Statement of Financial Activity. Cash deposits held as investments are stated at cost.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(k) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(l) Debtors

Trade and other debtors are recognised and the settlement due after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

(m) Cash at bank

Cash at bank includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account

(n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(o) Financial instruments

The charity holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

The charity also holds financial assets measured at fair value through the Statement of Financial Activity- see detail of these assets in point (j).

1 **Accounting policies** ***(Continued)***

(p) Funds

Funds held by the charity are:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific future purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements together with details of transfers between funds.

2 **Analysis of charitable expenditure**

	George Gibson Close	Newmarket Day Centre	Exning Court	2024 Total	2023 Total
	£	£	£	£	£
Property and maintenance	265,541	3,575	-	269,116	194,143
Donations	-	17,064	-	17,064	-
Depreciation and profit/loss on disposal of fixed assets	22,434	4,613	-	27,047	26,315
Support and governance costs	100,664	3,146	1,049	104,859	95,896
Total	388,639	28,398	1,049	418,086	316,354

The Foundation undertook direct charitable activities through the operation of the Almshouses at George Gibson Close.

In addition, it provided support to the Newmarket Day Centre for the elderly, and the Exning Court sheltered housing project in the year.

No other charitable donations were made in the year.

3 Allocation of support costs

Support cost	Other Support Costs £	Governance Costs £	Total Allocated 2024 £	Total Allocated 2023 £
Staff costs	50,518	16,840	67,358	64,265
PPS, IT, telephone, subscriptions & office costs	2,537	845	3,382	3,087
Depreciation of office equipment and profit/loss on disposal of fixed assets	361	121	482	683
Audit and accountancy - audit	-	12,600	12,600	12,000
- other costs	-	9,375	9,375	9,925
Legal and professional fees	-	11,137	11,137	5,343
Trustee meeting & sundry costs	-	525	525	593
	53,416	51,443	104,859	95,896

Other support costs are allocated on the basis of an estimate of staff time consistent with the use of resources. Total support costs are then allocated to charitable activities based on an estimate of time spent on each charitable activity as follows:

	2024 £	2023 £
The George Gibson Almshouses 96% (2023: 97%)	100,664	93,019
Newmarket Day Centre 3% (2023: 2%)	3,146	1,918
Exning Court 1% (2023: 1%)	1,049	959
Total allocated	104,859	95,896

4 Employment costs

	2024 £	2023 £
Wages and salaries	58,744	55,809
Social security costs	6,852	6,782
Other pension costs	1,762	1,674
	67,358	64,265

The Foundation had one (2023: one) employee, with all employee time involved in providing either support to charitable activities or the governance of the Foundation. The Foundation considers that its key management personnel comprise the trustees and the manager, who deals with the day to day management of the Foundation. Total employment benefits paid to the manager in the year amounted to £67,358 (2023: £64,265).

5 Auditor's remuneration

The auditor's remuneration constituted an audit fee of £10,500 (2023:£10,000) excluding VAT.

6 Related party transactions and trustees' expenses and remuneration

During the year professional fees of £8,687 (2023: £5,343) were paid to Edmondson Hall Solicitors, of which MJ Drake was a consultant and Mrs D Hargreaves a partner. At the year end £Nil (2023: £Nil) was outstanding. There were no other related party transactions with any trustees in either year. No other trustee received any remuneration or had any expenses reimbursed in either year.

7 Tangible fixed assets

	Freehold property	Leasehold property	Garden machinery	Office & Centre equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2023	1,109,460	346,650	25,465	22,847	1,504,422
Additions	-	-	-	3,660	3,660
At 31 March 2024	**1,109,460**	**346,650**	**25,465**	**26,507**	**1,508,082**
Depreciation					
At 1 April 2023	115,418	87,551	22,102	17,542	242,613
Charge for the year	18,384	4,613	1,410	3,122	27,529
At 31 March 2024	**133,802**	**92,164**	**23,512**	**20,664**	**270,142**
Net book value					
At 31 March 2024	**975,658**	**254,486**	**1,953**	**5,843**	**1,237,940**
At 31 March 2023	994,042	259,099	3,363	5,305	1,261,809

8 Fixed asset investments

	Freehold investment property	UK listed equity investments	2024 Total	2023 Total
	£	£	£	£
Market value				
At 1 April 2023	258,700	11,381,058	11,639,758	11,878,574
Additions	-	2,243,879	2,243,879	426,949
Disposal proceeds	-	(2,087,953)	(2,087,953)	(461,636)
Revaluation/net investment gains/(losses)	(8,700)	431,137	422,437	(204,129)
At 31 March 2024	**250,000**	**11,968,121**	**12,218,121**	11,639,758
Cost at 31 March 2024	**158,178**	**9,646,892**	**9,805,070**	9,932,260

UK listed equity investments included listed investments at a fair value of £11,091,797 (2023: £11,214,475) with a cost of £8,770,568 (2023: £9,607,499), and cash or cash equivalents of £876,324 (2023: £166,583).

The freehold investment property in Vincent Close, Newmarket has been re-valued by Morris Armitage Estate Agents at the year end at £250,000, and the trustees believe that this is a reasonable estimate of the fair value for the freehold investment property at 31 March 2024.

8 Fixed asset investments *(Continued)*

All listed investments are carried at their fair value. Investments in equities are all traded in quoted public markets, primarily the London Stock Exchange. The basis for fair value for quoted investments is equivalent to market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their market value).

The significance of financial instruments on the ongoing financial sustainability of the Foundation is considered in the financial review and investment policy and performance sections of the trustees' annual report. The main risk to the Foundation from financial instruments lies in a combination of uncertain markets and volatility of equity income. The Foundation manages these risks by retaining expert advisors and operating a policy that provides a high degree of diversification of holdings within investment classes that are quoted on recognised stock exchanges. Consequently, there is a very low risk to liquidity. The Foundation also principally holds its investment portfolio with a view to maintaining a balanced return and as such would expect short term volatility will be corrected in the longer term.

9 Debtors

	2024	2023
	£	£
Other debtors	**19,818**	28,464
Prepayments and accrued income	**92,139**	67,325
	111,957	95,789

10 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	**52,459**	296
Other taxes and social security	**247**	2,081
Accruals and deferred income	**36,603**	43,975
	89,309	46,352

11 Provisions for liabilities

	2024	2023
	£	£
Balance at 1 April 2023	-	795
Charged in the year	-	(795)
Balance at 31 March 2024	-	-

A licence to occupy the Foundation's investment property for a maximum period of three years rent free was granted in 2020 and a provision based on the estimated rental value of the property was made to be released across that period of three years or until such time as the arrangement ceased in the previous year.

12 Analysis of net assets between funds

Current year	**Designated charitable fixed assets fund**	**Designated capital fund**	**General fund**	**Total Funds 2024**
	£	**£**	**£**	**£**
Tangible assets	**1,237,940**	**-**	**-**	**1,237,940**
Investments	**-**	**12,218,121**	**-**	**12,218,121**
Net current assets	**-**	**-**	**413,720**	**413,720**
	1,237,940	**12,218,121**	**413,720**	**13,869,781**

Prior year	Designated charitable fixed assets fund	Designated capital fund	General fund	Total Funds 2023
	£	£	£	£
Tangible assets	1,261,809	-	-	1,261,809
Investments	-	11,639,758	-	11,639,758
Net current assets	-	-	504,595	504,595
	1,261,809	11,639,758	504,595	13,406,162

13 Unrestricted funds

Current year	**Designated charitable fixed asset fund**	**Designated capital fund**	**General fund**	**Total 2024**
	£	**£**	**£**	**£**
Balance at 1 April 2023	**1,261,809**	**11,639,758**	**504,595**	**13,406,162**
Net movement in funds	**-**	**-**	**463,619**	**463,619**
Transfers between funds	**(23,869)**	**578,363**	**(554,494)**	**-**
Balance at 31 March 2024	**1,237,940**	**12,218,121**	**413,720**	**13,869,781**

13 Unrestricted funds *(Continued)*

Prior year	Designated charitable fixed asset fund £	Designated capital fund £	General fund £	Total 2023 £
Balance at 1 April 2022	1,287,403	11,878,574	305,024	13,471,001
Net movement in funds	-	-	(64,839)	(64,839)
Transfers between funds	(25,594)	(238,816)	264,410	-
Balance at 31 March 2023	1,261,809	11,639,758	504,595	13,406,162

The Foundation has two designated funds as follows:

- Designated charitable fixed assets fund to represent the net book value of tangible fixed assets. In each year an amount is transferred to or from the fund representing the movement in net book value of tangible fixed assets in the year.

- Designated capital fund to represent the value of investments held by the Foundation to provide investment income to fund its charitable objectives. In each year an amount is transferred to or from the fund representing the movement in value of investments in the year.

14 Financial Instruments

The carrying amounts of the Charity's financial instruments at 31 March were:

	2024 £	2023 £
Financial assets:		
Instruments measured at fair value through the SOFA	**11,091,797**	11,214,475

15 Reconciliation of net movement in funds to net cash flow from operations

	2024 £	2023 £
Net movement in funds	**463,619**	(64,839)
Depreciation charges	**27,529**	26,998
(Gains)/losses on investments	**(422,437)**	204,129
Investment income	**(441,154)**	(438,408)
(Increase)/decrease in debtors	**(37,590)**	(4,096)
Increase/(decrease) in creditors & provisions	**42,957**	(1,302)
Net cash (used in)/provided by operating activities	**(367,076)**	(277,518)

16 Analysis of changes in net funds

	2023 £	Cash Flow £	2024 £
Cash at bank and in hand	455,158	(64,086)	**391,072**

17 Capital commitments

Capital expenditure authorised and contracted for but not provided in these financial statements, in relation to the replacement of the windows and doors at the Newmarket Day Centre and associated works, amounts to £73,278 (2023: £Nil).

The pages that follow

are for the use of the

trustees only

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Schedules to the statement of financial activities for the year ended 31 March 2024

		2024	2023
1	**George Gibson Close – Almshouses**	£	£
	Medequip monitoring & response service	**11,591**	10,441
	Health and safety costs	**-**	120
	Garden, woodlands and path maintenance	**57,932**	39,569
	Council taxes	**36,229**	40,759
	Water charges	**7,022**	5,488
	Insurance	**22,433**	20,068
	Street lighting	**1,252**	546
	TV licence fees	**67**	60
	Property costs - General repairs	**43,120**	20,904
	- Redecoration costs (internal & external)	**9,666**	10,390
	- Gutters & fascias replacement	**33,490**	20,359
	- Renovation: number 14	**30,867**	-
	- Renovation: number 29	**-**	6,404
	-Renovation: number 31	**-**	1,625
	John East Centre costs	**14,512**	16,713
	Depreciation - Garden Machinery	**1,410**	1,410
	Depreciation - John East Centre	**18,384**	18,384
		287,975	213,240
	Allocation of support costs	**100,664**	93,019
		388,639	306,259
2	**Newmarket Day Centre**		
	Ground rent	**5**	5
	Insurance	**3,030**	2,600
	Donation for roof repairs	**7,200**	-
	Donation for kitchen electrical works	**9,864**	-
	Fire insurance valuation	**540**	-
	Amortisation of leasehold property	**4,613**	4,613
		25,252	7,218
	Allocation of support costs	**3,146**	1,918
		28,398	9,136
3	**Exning Court**		
	Allocation of support costs	**1,049**	959

Schedules to the statement of financial activities for the year ended 31 March 2024 (continued)

4 Support costs		2024 £	2023 £
Manager's salary		**67,358**	64,265
PPS,IT, telephone, subscriptions and office costs		**3,382**	3,087
Depreciation/loss(profit) on disposals of office equipment		**482**	683
Audit fees		**12,600**	12,000
Accountancy fees		**9,375**	9,925
Legal and professional fees	- Edmondson Hall	**8,687**	5,343
	- Land Registry fees	**110**	-
	- Doyen Land re Almshouses fire valuation	**2,340**	-
Trustee meeting and sundry costs		**525**	593
		104,859	95,896

THE GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

England & Wales - Charity number 1176924

Accounts

George Gibson Almshouses Foundation Trust (CIO)

Report and Financial Statements

Year Ended

31 March 2023

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Annual report and financial statements for the year ended 31 March 2023

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Trustees

RE May (Chairman)
MJ Drake
Dr M Wace
ML Lovegrove
Mrs MAE East
S W Ricketts
Mrs D Hargreaves

Manager

Mrs F Ouzman

Principal address

The John East Centre, George Gibson Close, Exning, Newmarket, Suffolk, CB8 7LE.

Registered charity number

1176924

Auditors

Chater Allan LLP, 7 Quy Court, Colliers Lane, Stow-cum-Quy, Cambridge, CB25 9AU

Accountant

Andrew D Fisk ACIE, 26 Blackbourne Road, Elmswell, Bury St Edmunds, Suffolk, IP30 9UH.

Bankers

National Westminster Bank Plc, 7 Cornhill, Bury St Edmunds, Suffolk, IP33 1BQ.

Stockbrokers

EFG Harris Allday, 33 Great Charles Street, Birmingham, B3 3JN.

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Report of the trustees for the year ended 31 March 2023

The trustees present their annual report together with the audited financial statements for the year ended 31 March 2023. The financial statements have been prepared in accordance with the accounting policies set out on pages 15 to 18 and comply with the charity's trust deed, the Charities Act 2011, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2019.

Structure, governance and management

A new charitable incorporated organisation (CIO), the George Gibson Almshouses Foundation Trust was registered on 31 January 2018 (charity registration number: 1176924), and an order to authorise the transfer of the assets of the previous unincorporated charity the George Gibson Almshouses Foundation (charity registration number: 234807) to the new CIO was obtained from the Charity Commission on 14 March 2018. With effect from 1 April 2020 the transfer of all of the assets and liabilities to the CIO was completed.

The George Gibson Almshouses Foundation was established to provide and maintain almshouses and to assist poor and old people resident in the former administrative county of West Suffolk. The Foundation was established by Trust Deed on 31 March 1959 through the generosity of the late George Gibson.

George Gibson originally transferred to the Foundation funds, primarily shareholdings in the former Atlantic Shipping and Trading Company, and later a further sum of £55,000. In line with its objectives the Foundation built George Gibson Close at Exning, consisting of 32 almshouses in the early sixties. In addition, the Newmarket Day Centre was built in 1980.

Ultimate control of the Foundation rests with the trustees who are responsible for the day to day management of the investments and affairs of the Foundation.

The existing trustees appoint new trustees by reference to the needs of the Foundation with a view to providing the Foundation with appropriately qualified and experienced trustees for the Foundation's requirements. On appointment, the trustees are made aware of the Foundation's activities and their responsibilities through information provided and review of the Foundation's activities. Thereafter individual trustees ensure they are sufficiently trained to act as required.

The trustees meet regularly to agree strategy and areas of activity for the Foundation. Day to day management is largely undertaken by the manager in consultation with the chairman and other trustees as appropriate.

The trustees and the manager are considered to be the key management personnel of the Foundation. All trustees give their time freely and received no remuneration or expenses in the year, other than as detailed in note 6 for one trustee in respect to professional services provided in accordance with the trust deed. The trustees review the salary of the manager periodically, and this is increased in accordance with their assessment of appropriate remuneration for their duties in relation to the particular circumstances of the Foundation.

Details of those in office during the year are given on the contents page of this report.

Objects and activities

The trustees refer to the guidance in Section 17(5) of the Charities Act 2011 on public benefit when reviewing their aims and objectives and planning their future activities.

The Foundation's objectives are for the public benefit to: relieve the need of persons resident in Newmarket and the surrounding areas (including the former administrative county of West Suffolk) who are 55 years of age or over and in need of financial support and assistance with the provision of healthcare and housing by such means as the trustees from time to time think fit, including, but not limited to, the provision of almshouse accommodation.

The Foundation aims to achieve these objectives by:

- providing accommodation in the almshouses at George Gibson Close in Exning;
- supporting the work of the Newmarket Day Centre;
- monitoring the Exning Court very sheltered housing project in conjunction with Sanctuary Housing;
- making other donations to projects that fulfil the Foundation's objectives when identified.

These activities are all ongoing and the Foundation sees these as part of its strategic aims into the future.

Achievements and performance

The Foundation, under the power of its Trust Deed, has continued to finance the upkeep and maintenance of George Gibson Close. This provides a safe environment for elderly people with a manager, and has been fully occupied during the year subject to short periods of vacancy.

There have been no significant refurbishments of bungalows undertaken in this year although the bathroom was replaced in the manager's house. The Foundation has continued with its regular maintenance of all properties as required, which has significantly included the ongoing replacement programme of gutters and fascias, together with replacing some garden paving slabs, and repairs to retaining garden walls, planters and gates.

The John East Centre (community room) at George Gibson Close was once again used for a variety of activities and events by residents. In addition to the usual ongoing maintenance the Centre was redecorated in the year.

Following on from a petition from residents in George Gibson Close the Foundation has purchased an onsite defibrillator together with providing appropriate training for those interested.

The Foundation makes a modest service charge for occupancy of the bungalows of £35 (2022:£35) per week per person, which is only a small fraction of their open market rental value. In so doing needy members of the public benefit from affordable and safe accommodation. Following a review of this it has been decided that residents will take over responsibility for payment of their council tax in future.

In addition charitable support has been provided to the Newmarket Day Centre which works with retired and frail older people to enable them to have and enjoy a better quality of life, for its ongoing general operation.

The trustees in conjunction with Sanctuary Housing have developed Exning Court as a very sheltered housing project for the elderly at Cotton End Road, Exning. The Foundation continues to be involved in overseeing Exning Court's performance under the terms of the donations made to it when it was established.

Achievements and performance (continued)

The funds of the Foundation have continued to be either invested for future use or applied for the furtherance of the Foundation's objects, and investment performance is detailed below.

In carrying out its activities the Foundation believes that it is providing a real public benefit by the relief of those in need by reason of age, ill health, disability, financial hardship, or other disadvantage. Despite its geographical restrictions and the limited number of bungalows available at George Gibson Close, the Foundation provides for a large section of the public, and the trustees seek to identify those most appropriate to receive that benefit. There is presently a waiting list for occupancy.

Financial review

Total income is significantly decreased when compared to last year at £525,405 (2022: £698,795).

Investment income from stock market holdings decreased significantly to £427,049 (2022: £517,616) largely as a consequence of the special dividend of £149,100 received in the previous year from Pennon Group as a consequence of its sale of Viridor in 2020, and its commitment to return the net proceeds to shareholders together with a share consolidation. Aside from this the investment income showed an increase as a consequence of market factors.

Following the increase in bank interest rates in the year the Foundation has received bank deposit interest of £1,889 (2022: £22).

The investment property continues to generate a rental income of £9,470 (2022: £9,540) having been previously occupied by the former warden as a part of her redundancy package, it was following her leaving the property in April 2022, let to a third party from June 2022.

Service charge income is slightly reduced compared to last year at £86,992 (2022: £92,279) largely as a consequence of there being more single occupancy properties now than in the previous year, with the consequent reduction in service charges which is levied per person rather than per property. There was no change in the rate of service charges in the year. All bungalows have been occupied during the year subject to short periods following changes of occupants and to facilitate refurbishments when necessary.

Following the death of the beneficiary occupying the Persimmon Walk property the trustees decided to sell this and it realised a gain on disposal of £79,333 in the previous year.

Total expenditure has decreased significantly this year to £386,115 (2022: £464,538).

Expenditure in respect to the Almshouses at George Gibson Close decreased to £306,259 (2022: £365,744).

Almshouses maintenance expenditure has decreased dramatically this year to £59,682 (2022: £146,700). This year's expenditure does not include any significant refurbishment costs other than the replacement of the bathroom in the manager's house for £8,029, whilst last year three bungalows were refurbished at a cost of £70,061.

General repairs at £20,904 (2022: £24,115) and redecoration costs at £10,390 (2022: £13,309) were broadly similar to last year. Costs incurred this year in respect to the ongoing replacement programme of gutters and fascias were reduced compared to last year at £20,359 (2022: £31,975), and the costs associated with the completion of the replacement of garden gates in the previous year amounted to £7,240.

Financial review (continued)

Whilst most other Almshouse costs were similar to last year: garden, woodland and path maintenance was increased at £39,569 (2022: £28,729) due to some significant woodlands and other grounds work undertaken in the year that included tree works and work to replace retaining garden wall, planters and gates.

All other Almshouse expenditure has been broadly similar to the previous year, except for the reversal of part of the provision for redundancy costs made in 2020 in respect to the former warden of £4,770 in the previous year, which resulted from the reduction of the period of occupancy of the Vincent Close property. Generally costs before the allocation of support costs reduced to £213,240 (2022: £278,473).

Costs in relation to insurance and repairs were incurred in respect to the property at Persimmon Walk in the previous year of £1,849 before the allocation of support costs. This was occupied by a former warden in their capacity as a beneficiary, prior to its subsequent disposal later in the previous year.

Costs in relation to charitable support of the Newmarket Day Centre were decreased compared to the previous year at £7,218 (2022: £23,434) before the allocation of support costs, as a consequence of: donations made of £14,055 to cover air conditioning installation costs and £2,000 to support the Centre's Covid-19 Pandemic "meals on wheels" service; in the previous year.

Total support costs were slightly higher this year at £95,896 (2022: £92,842. This was largely as a consequence of: increased payments to the manager of £64,265 (2022: £58,657) to reflect a higher salary and additional employers national insurance costs, decreased legal and professional fees of £5,343 (2022: £6,517); and decreased audit and accountancy costs of £21,925 (2022: £22,775).

The proportion of support costs treated as other support costs increased to £51,026 (2022 £47,518) whilst those costs treated as governance costs decreased to £44,870 (2022: £45,324). Given the nature of the Foundation's activities the bulk of the total of these support cost are allocated to the Almshouses being £93,019 (2022: £87,271).

Investment management costs were incurred this year in respect to: property maintenance and management costs of £3,144 (2022: £498) relating to the investment property at Vincent Close, and management of the investment portfolio of £66,617 (2022: £67,442) by EFG Harris Allday.

A decrease of £204,129 (2022: £1,011,273 increase) represents the movement in value of the Foundation's investment portfolio. As detailed below in the Foundation's investment policy and performance this largely resulted from the impact that the ongoing conflict in Ukraine had on stock markets, together with other economic factors.

This results in an overall net outward movement of funds of £64,839 (2022: £1,245,530 inward) for the year.

The Foundation continues to hold the majority of its net assets in fixed asset investments which amounted to a total of £11,639,758 (2022: £11,878,574) at the year end as detailed below.

The fixed assets of the Foundation amounted to £1,261,809 (2022: £1,287,403) and are held for the charitable purposes of the Foundation. This year saw no additional costs other than the purchase of a defibrillator for £1,404 and the disposal of a fully depreciated old laptop. Otherwise there have been no changes in the past year aside from normal depreciation.

Funds held as cash at bank were significantly higher this year at £455,158 (2022: £264,308) primarily as a consequence of the surplus of income over expenditure received in the past year, which amounted to £149,748, with only an additional £10,000 being transferred to the investment portfolio during the year

Financial review (continued)

Together with net current assets after provisions for liabilities of £504,595 (2022: £305,024) total funds of the charity at the year end were £13,406,162 (2022: £13,471,001).

The Foundation would anticipate its activities and financial performance to be broadly similar in future years given its ongoing commitments, aside from recognising that property costs are ordinarily likely to be somewhat higher in most years than the past one. The biggest single risk factor therein is investment performance as discussed below.

Reserves policy

Total funds at the year end were £13,406,162 (2022: £13,471,001). As detailed in note 13 to these financial statements the Foundation has designated funds equivalent to the value of tangible fixed assets and investments to create reserve funds to provide a basis for the provision of those assets, and generation of investment income to further its charitable objectives.

In so doing the trustees recognise that the level of the Designated Capital Fund reserve may fluctuate somewhat, especially due to market factors as discussed below, but that these fluctuations are reasonable in the circumstances, and are likely to be mitigated in the longer term.

Levels of annual income and expenditure in recent years have been such that additional funds have been added to total reserves, principally in the form of additional investments. Some of these funds have been utilised to fund the building of the new community room and office, the John East Centre, in 2017, and more recently the new conservatory at the Newmarket Day Centre. Consequently funds previously designated within the Designated Capital Fund, and utilised for this purpose, have now become a part of the Designated Charitable Fixed Asset Fund.

It is the Foundation's policy to aim to cover each year's total expenditure from income generated, which has been achieved this year. In the current year a significant decrease in property costs associated with the periodic refurbishment of bungalows has contributed to a surplus of £139,290. Whilst these results are consequently exceptional in nature it is anticipated that broadly similar levels of normal income and expenditure to those of recent years will result in positive or near breakeven annual results before investment gains and losses in future years.

There are no restricted funds held by the Foundation.

Investment policy and performance

The trustees have the power to invest in such assets as they see fit. The Foundation holds a large portfolio of investments that have continued to produce the majority of its income from dividends and interest. Investment income from these sources was £428,938 (2022: £517,638) in the year.

A freehold investment property is also let to provide additional investment rental income of £9,470 (2022: £9,540). This has been re-valued at the year-end by the trustees at £258,700, a gain of £9,000 on last year's value.

The trustees, through an investment manager (EFG Harris Allday), manage stock market investments on an unconstrained "Managed Discretionary" basis on a higher risk approach aimed at achieving balanced returns. There have been a number of changes in investments during the year as the trustees seek to maximise investment income whilst maintaining market value.

Financial review (continued)

Investment policy and performance (continued)

The fall in interest rates during recent years, prior to this year, had led to a significant reduction in the income from this source and the trustees have invested funds previously held on deposit into the stock market where a better return is anticipated.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

The Foundation manages these risks by retaining expert advisors and in consultation with them operating a policy that provides a high degree of diversification of holdings within investment classes that are quoted on recognised stock exchanges. Consequently, there is a very low risk to liquidity. The Foundation principally holds its investment portfolio with a view to maintaining a balanced return and as such would expect short term volatility will be corrected in the longer term.

The stock market investment portfolio gave rise to investment losses of £213,129 (2022: £988,373 gains) during the year, which is indicative of this policy and general market factors at the year end. In particular this was as a consequence of market reactions to the ongoing economic uncertainties particularly in respect to inflation and to the conflict in Ukraine.

Grant making policy

The trustees make grants to third parties in accordance with the charitable objectives of the Foundation. No grants were made aside from those in the previous year to the Newmarket Day Centre as detailed in this report.

Risk management

The trustees actively review the major risks which the Foundation faces on a regular basis and believe that such reviews of the Foundation's activities and financial performance, together with the established systems in place, are sufficient to mitigate significant risks.

In particular, the trustees monitor all aspects of health and safety, fire, and risks generally appropriate to their charitable activities. The provision of the Almshouses to elderly beneficiaries gives rise to particular risks that the trustees seek to address through the: provision of an on-site Manager, the Medequip Monitoring and Response System that gives each resident an emergency pendant, and the ongoing maintenance of all bungalows and grounds to a very high standard, and in accordance with all appropriate standards and regulations.

Financial risks are covered by appropriate insurance and the employment of professional advisors as appropriate. The most significant financial risk surrounds investments which are covered as detailed above. In connection with this the Foundation believes that their use of experienced professional advisors is the most appropriate way to limit any potential impact on investment income.

Whilst the Foundation ordinarily relies upon its investment income to fund its activities year on year, it does hold significant reserves should these be required to assist in maintaining ongoing activities.

The Portfolio is reviewed at each meeting with the stockbroker.

Financial review (continued)

Going concern

The trustees have not identified any material uncertainties that may cast significant doubt about the ability of the charity to continue as a going concern. The trustees consider that the Foundation has more than adequate resources to fund its activities into the future.

Plans for future periods

The Foundation aims to continue its support of all existing projects into the future given the nature of its objectives. These require long-term provision and continued investment in the assets to provide these. The Foundation will also continue to consider areas of support appropriate to its objectives.

Specifically the Foundation will also continue its current programme of replacing all gutters and associated materials on the George Gibson Almshouses bungalows that were started in previous years in addition to the usual pattern of maintenance and refurbishment as circumstances dictate. In addition work will be undertaken in relation to repairing some of the patio areas where slabs are loose and represent a potential trip hazard.

The trustees are also looking into the possibility of installing solar panels on the John East Centre.

The trustees have subsequent to the year end joined the Almshouses Association for a modest fee as it provides numerous benefits including advice and training seminars.

The trustees will continue to consider the feasibility of building some one bedroom properties ideally within Exning, as there is an increasing number of applications from single people for bungalows at George Gibson Close.

The trustees carried out a review of their current policy of paying the council tax for each resident's property and concluded that this should be paid by the individual residents in future not the Foundation. This change has been advised to all residents and will come into force from 1 April 2024. As a consequence of this change in policy the current service charges are being revised from the same date to reflect this.

Statement of responsibilities of the Trustees

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the trustees and signed on their behalf on 22nd January 2024

RE May
Chairman

MJ Drake
Trustee

Independent auditor's report to the trustees of George Gibson Almshouses Foundation Trust

Opinion

We have audited the financial statements of the George Gibson Almshouses Foundation Trust (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and 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 charity'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 Charities Act 2011.

Basis for opinion

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 charity 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 trustees' 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 charity'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 other information comprises the information included in the Report and Financial Statements other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report and Financial Staements. 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 course of 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 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
- sufficient 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 Statement of Trustees' responsibilities set out on page 8, the trustees 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 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

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.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework, that the charity operates in and how the charity is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities Act 2011 and the charity's governing document. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing any manual journal entries and other adjustments, and evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business.

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

Use of our report

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Chater Allan LLP
Naomi Hedger
Chartered Accountants
7 Quy Court
Colliers Road
Stow-cum-Quy
Cambridge
CB25 9AU
Date 29 Janery 2024

Chater Allan LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Statement of financial activities for the year ended 31 March 2023

	Note	Unrestricted and total funds 2023		Unrestricted and total funds 2022	
		£	£	£	£
Income from:					
Investments					
- Equity holdings			**427,049**		517,616
- Bank deposit interest			**1,889**		22
- Rents receivable			**9,470**		9,540
Charitable activities					
- Service charges			**86,992**		92,279
Other					
- Wayleaves receivable			**5**		5
- Gain on disposal of fixed assets			**-**		79,333
Total income			**525,405**		698,795
Expenditure on:					
Raising funds					
Investment management costs – Vincent Close			**3,144**		498
– Equity holdings			**66,617**		67,442
			69,761		67,940
Charitable activities	2				
Activities undertaken directly:					
- George Gibson Close – Almshouses		**306,259**		365,744	
- Persimmon Walk		**-**		3,706	
- Newmarket Day Centre		**9,136**		25,291	
- Exning Court		**959**		1,857	
			316,354		396,598
Total expenditure			**386,115**		464,538
Net (losses)/gains on investments	8		**(204,129)**		1,011,273
Net movement in funds			**(64,839)**		1,245,530
Reconciliation of funds:					
Total funds brought forward			**13,471,001**		12,225,471
Total funds carried forward	13		**13,406,162**		13,471,001

The Foundation has no recognised gains or losses other than those shown above in either 2022 or 2023.
All amounts relate to continuing activities.
The notes on pages 15 to 24 form part of these financial statements.

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Balance sheet at 31 March 2023

	Note	2023		2022	
		£	£	£	£
Fixed assets:					
Tangible assets	7		**1,261,809**		1,287,403
Investments	8		**11,639,758**		11,878,574
Total fixed assets			**12,901,567**		13,165,977
Current assets:					
Debtors	9	**95,789**		88,370	
Cash at bank		**455,158**		264,308	
Total current assets		**550,947**		352,678	
Liabilities:					
Creditors: amounts falling due within one year	10	**46,352**		46,859	
Net current assets			**504,595**		305,819
Total assets less current liabilities			**13,406,162**		13,471,796
Provisions for liabilities	11		-		(795)
Total net assets	12		**13,406,162**		13,471,001
The funds of the charity:					
Unrestricted funds	13				
- Designated charitable fixed assets fund			**1,261,809**		1,287,403
- Designated capital fund			**11,639,758**		11,878,574
- General fund			**504,595**		305,024
Total charity funds			**13,406,162**		13,471,001

The financial statements were approved by the trustees and authorised for issue on 22nd January 2024 and are signed on their behalf by:

RE May
Chairman

Michael J. Drake

MJ Drake
Trustee

The notes on pages 15 to 24 form part of these financial statements.

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Statement of cash flows at 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities:			
Net cash (used in)/provided by operating activities	15	**(277,518)**	(345,422)
Cash flows from investing activities:			
Investment income		**413,596**	475,459
Purchase of fixed assets		**(1,404)**	(49,697)
Proceeds of sale of fixed assets		**-**	205,840
Proceeds of sale of investments		**461,636**	1,114,715
Purchase of investments		**(405,460)**	(1,237,849)
Cash provided by/(used in) investing activities:		**468,368**	508,468
Increase/(decrease) in cash and cash equivalents in the year		**190,850**	163,046
Total cash and cash equivalents at the beginning of year		**264,308**	101,262
Total cash and cash equivalents at the end of year		**455,158**	264,308
Analysis of cash and cash equivalents			
Cash in hand	16	**455,158**	264,308

The notes on pages 15 to 24 form part of these financial statements.

1 Accounting policies

(a) Basis of accounting and assessment of going concern

The financial statements (accounts) have been prepared under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011.

The George Gibson Almshouses Foundation Trust is a charitable incorporated organisation domiciled and registered in England, which constitutes a Public Benefit entity as defined by FRS102. Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling which is the functional currency of the charity. Monetary amounts in the financial statements are rounded to the nearest £.

In forming their conclusion in respect of going concern, the trustees have considered the financial position of the charity, including the level of free reserves, the level of the investment portfolio and the budget to 31 March 2025. The charity has net current assets of £504,595 and further cash deposits within the investment portfolio of £166,583 at 31 March 2023. In addition, the investment portfolio holds significant assets that could be realised should additional funds be required. As a consequence, the trustees believe the charity is well placed to manage its business risks and there are no material uncertainties in relation to going concern. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

(b) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the monetary value can be measured with sufficient reliability.

Equity income is recognised once the dividend has been declared and notification has been received of the dividend receivable from the investment manager.

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

Rents receivable are recognised when receivable by reference to occupancy of the investment property.

Service charge income is included when receivable and the amount can be measured reliably by the charity, by reference to current occupancy levels of the Almshouses

(c) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (e) below.

1 **Accounting policies** ***(Continued)***

(d) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(e) Allocation of support costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit, and legal and professional fees together with an apportionment of overhead and support costs.

Support costs including governance costs relating to charitable activities have been apportioned based on an estimation of staff and trustee time spent on each area of charitable activity. The allocation of support and governance costs is analysed in note 3.

(f) Costs of raising funds

Costs of raising funds relate to investment management costs associated with the freehold investment property and equity holdings, which are held to generate investment income.

(g) Charitable activities

Costs of charitable activities include grants, the cost of activities undertaken directly, and support costs including governance costs as detailed in note 2.

(h) Taxation

The Foundation, as a registered charity, is not considered liable for assessment to tax on its charitable income.

(i) Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised. Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided on all tangible fixed assets other than freehold property (with the exception of the John East Centre) at rates calculated to write off the cost, less estimated residual values, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold property – John East Centre	- 50 years
Leasehold property – Newmarket Day Centre	- 99 years
Garden machinery	- 5 years
Office & Centre equipment	- 5 years

No depreciation charge is made in respect of freehold property (with the exception of the John East Centre), as in the opinion of the trustees the residual value of the properties exceeds cost. The trustees conduct an impairment review annually, and have concluded that the estimated residual value of the properties exceeds the book value.

1 **Accounting policies** *(Continued)*

(j) Fixed asset investments

Investments excluding investment properties and cash deposits, are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment properties are initially recognised at cost, including any directly attributable expenses. Subsequently investment properties are carried at their fair value at each reporting date, with changes in valuation accounted for through the Statement of Financial Activity. Cash deposits held as investments are stated at cost.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(k) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(l) Debtors

Trade and other debtors are recognised and the settlement due after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

(m) Cash at bank

Cash at bank includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account

(n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(o) Financial instruments

The charity holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

The charity also holds financial assets measured at fair value through the Statement of Financial Activity- see detail of these assets in point (j).

1 **Accounting policies** *(Continued)*

(p) Funds

Funds held by the charity are:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific future purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements together with details of transfers between funds.

2 **Analysis of charitable expenditure**

	George Gibson Close	Newmarket Day Centre	Exning Court	2023 Total	2022 Total
	£	£	£	£	£
Staff costs	-	-	-	-	(4,770)
Property and maintenance	191,538	2,605	-	194,143	264,271
Donations	-	-	-	-	16,055
Depreciation and profit/loss on disposal of fixed assets	21,702	4,613	-	26,315	28,200
Support and governance costs	93,019	1,918	959	95,896	92,842
Total	306,259	9,136	959	316,354	396,598

The Foundation undertook direct charitable activities through the operation of the Almshouses at George Gibson Close.

In addition, it provided support to the Newmarket Day Centre for the elderly, and the Exning Court sheltered housing project in the year.

No other charitable donations were made in the year.

3 Allocation of support costs

Support cost	Other Support Costs £	Governance Costs £	Total Allocated 2023 £	Total Allocated 2022 £
Staff costs	48,199	16,066	64,265	58,657
PPS, IT, telephone & office costs	2,315	772	3,087	3,334
Depreciation of office equipment and profit/loss on disposal of fixed assets	512	171	683	1,366
Audit and accountancy - audit	-	12,000	12,000	13,800
- other costs	-	9,925	9,925	8,975
Legal and professional fees	-	5,343	5,343	6,517
Trustee meeting & sundry costs	-	593	593	193
	51,026	44,870	95,896	92,842

Other support costs are allocated on the basis of an estimate of staff time consistent with the use of resources. Total support costs are then allocated to charitable activities based on an estimate of time spent on each charitable activity as follows:

	2023 £	2022 £
The George Gibson Almshouses 97% (2022: 94%)	93,019	87,271
Persimmon Walk 0% (2022: 2%)	-	1,857
Newmarket Day Centre 2% (2022: 2%)	1,918	1,857
Exning Court 1% (2022: 2%)	959	1,857
Total allocated	95,896	92,842

4 Employment costs

	2023 £	2022 £
Wages and salaries	55,809	46,494
Social security costs	6,782	5,855
Other pension costs	1,674	1,538
	64,265	53,887

The Foundation had one (2022: one) employee, with all employee time involved in providing either support to charitable activities or the governance of the Foundation. The charge above also included a reduction of £Nil (2022: £4,770) to the redundancy provision previously made for the former warden as detailed in note 11. The Foundation considers that its key management personnel comprise the trustees and the manager, who deals with the day to day management of the Foundation. Total employment benefits paid to the manager in the year amounted to £64,265 (2022: £58,657).

5 Auditor's remuneration

The auditor's remuneration constituted an audit fee of £10,000 (2022:£10,000) excluding VAT.

6 Related party transactions and trustees' expenses and remuneration

During the year professional fees of £5,343 (2022: £3,997) were paid to Edmondson Hall Solicitors, of which MJ Drake was a consultant and Mrs D Hargreaves a partner. At the year end £Nil (2022: £Nil) was outstanding. There were no other related party transactions with any trustees in either year. No other trustee received any remuneration or had any expenses reimbursed in either year.

7 Tangible fixed assets

	Freehold property	Leasehold property	Garden machinery	Office & Centre equipment	Total
Cost	£	£	£	£	£
At 1 April 2022	1,109,460	346,650	25,465	22,445	1,504,020
Additions	-	-	-	1,404	1,404
Disposals	-	-	-	(1,002)	(1,002)
At 31 March 2023	**1,109,460**	**346,650**	**25,465**	**22,847**	**1,504,422**
Depreciation					
At 1 April 2022	97,034	82,938	20,692	15,953	216,617
Charge for the year	18,384	4,613	1,410	2,591	26,998
Disposals	-	-	-	(1,002)	(1,002)
At 31 March 2023	**115,418**	**87,551**	**22,102**	**17,542**	**242,613**
Net book value					
At 31 March 2023	**994,042**	**259,099**	**3,363**	**5,305**	**1,261,809**
At 31 March 2022	1,012,426	263,712	4,773	6,492	1,287,403

8 Fixed asset investments

Market value	Freehold investment property £	UK listed equity investments £	2023 Total £	2022 Total £
At 1 April 2022	249,700	11,628,874	11,878,574	10,744,167
Additions	-	426,949	426,949	1,237,849
Disposal proceeds	-	(461,636)	(461,636)	(1,114,715)
Revaluation/net investment gains	9,000	(213,129)	(204,129)	1,011,273
At 31 March 2023	**258,700**	**11,381,058**	**11,639,758**	11,878,574
Cost at 31 March 2023	**158,178**	**9,774,082**	**9,932,260**	9,903,379

UK listed equity investments included listed investments at a fair value of £11,214,475 (2022: £11,395,367) with a cost of £9,607,499 (2022: £9,511,694), and cash or cash equivalents of £166,583 (2022: £233,507).

The freehold investment property in Vincent Close, Newmarket has been re-valued by the trustees at the year end by reference to housing price indices, and believe that a reasonable estimate of the fair value for the freehold investment property at 31 March 2023 is now £258,700.

8 Fixed asset investments *(Continued)*

All listed investments are carried at their fair value. Investments in equities are all traded in quoted public markets, primarily the London Stock Exchange. The basis for fair value for quoted investments is equivalent to market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their market value).

The significance of financial instruments on the ongoing financial sustainability of the Foundation is considered in the financial review and investment policy and performance sections of the trustees' annual report. The main risk to the Foundation from financial instruments lies in a combination of uncertain markets and volatility of equity income. The Foundation manages these risks by retaining expert advisors and operating a policy that provides a high degree of diversification of holdings within investment classes that are quoted on recognised stock exchanges. Consequently, there is a very low risk to liquidity. The Foundation also principally holds its investment portfolio with a view to maintaining a balanced return and as such would expect short term volatility will be corrected in the longer term.

9 Debtors

	2023	2022
	£	£
Other debtors	28,464	32,010
Prepayments and accrued income	67,325	56,360
	95,789	88,370

10 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	296	9,763
Other taxes and social security	2,081	2,247
Accruals and deferred income	43,975	34,849
	46,352	46,859

11 Provisions for liabilities

	2023	2022
	£	£
Balance at 1 April 2022	795	15,105
Reversal of provision in the year	-	(4,770)
Charged in the year	(795)	(9,540)
Balance at 31 March 2023	-	795

A licence to occupy the Foundation's investment property for a maximum period of three years rent free was granted in 2020 and a provision based on the estimated rental value of the property was made to be released across that period of three years or until such time as the arrangement ceases. The arrangement ceased six months earlier than originally provided for and consequently the provision was reduced by £4,770 in the previous year to reflect this revision.

12 Analysis of net assets between funds

Current year

	Designated charitable fixed assets fund £	Designated capital fund £	General fund £	Total Funds 2023 £
Tangible assets	1,261,809	-	-	1,261,809
Investments	-	11,639,758	-	11,639,758
Net current assets	-	-	504,595	504,595
	1,261,809	11,639,758	504,595	13,406,162

Prior year

	Designated charitable fixed assets fund £	Designated capital fund £	General fund £	Total Funds 2022 £
Tangible assets	1,287,403	-	-	1,287,403
Investments	-	11,878,574	-	11,878,574
Net current assets	-	-	305,819	305,819
Provisions for liabilities	-	-	(795)	(795)
	1,287,403	11,878,574	305,024	13,471,001

13 Unrestricted funds

Current year

	Designated charitable fixed asset fund £	Designated capital fund £	General fund £	Total 2023 £
Balance at 1 April 2022	1,287,403	11,878,574	305,024	13,471,001
Net movement in funds	-	-	(64,839)	(64,839)
Transfers between funds	(25,594)	(238,816)	264,410	-
Balance at 31 March 2023	1,261,809	11,639,758	504,595	13,406,162

13 Unrestricted funds (*Continued*)

Prior year

	Designated charitable fixed asset fund £	Designated capital fund £	General fund £	Total 2022 £
Balance at 1 April 2021	1,393,779	10,744,167	87,525	12,225,471
Net movement in funds	-	-	1,245,530	1,245,530
Transfers between funds	(106,376)	1,134,407	(1,028,031)	-
Balance at 31 March 2022	1,287,403	11,878,574	305,024	13,471,001

The Foundation has two designated funds as follows:

- Designated charitable fixed assets fund to represent the net book value of tangible fixed assets. In each year an amount is transferred to or from the fund representing the movement in net book value of tangible fixed assets in the year.

- Designated capital fund to represent the value of investments held by the Foundation to provide investment income to fund its charitable objectives. In each year an amount is transferred to or from the fund representing the movement in value of investments in the year.

14 Financial Instruments

The carrying amounts of the Charity's financial instruments at 31 March were:

	2023 £	2022 £
Financial assets:		
Instruments measured at fair value through the SOFA	**11,214,475**	11,395,367

15 Reconciliation of net movement in funds to net cash flow from operations

	2023 £	2022 £
Net movement in funds	**(64,839)**	1,245,530
Depreciation charges	**26,998**	28,898
Loss/(profit) on sale of fixed assets	**-**	(78,665)
(Gains)/losses on investments	**204,129**	(1,011,273)
Investment income	**(438,408)**	(527,178)
(Increase)/decrease in debtors	**(4,096)**	46,252
Increase/(decrease) in creditors & provisions	**(1,302)**	(48,986)
Net cash (used in)/provided by operating activities	**(277,518)**	(345,422)

16 Analysis of changes in net funds

	2022 £	Cash Flow £	2023 £
Cash at bank and in hand	264,308	190,850	455,158

The pages that follow

are for the use of the

trustees only

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Schedules to the statement of financial activities for the year ended 31 March 2023

1 George Gibson Close – Almshouses	2023 £	2022 £
Warden's redundancy costs	-	(4,770)
Health and safety costs	120	50
Medequip monitoring & response service	10,441	10,198
Garden, woodlands and path maintenance	39,569	28,729
Council taxes	40,759	40,944
Water charges	5,488	5,415
Insurance	20,068	18,798
Street lighting	546	452
TV licence fees	60	90
Property costs - General repairs	20,904	24,115
- Redecoration costs (internal & external)	10,390	13,309
- Gutters & fascias replacement	20,359	31,975
- Gates replacement	-	7,240
- Renovation: number 1	-	13,337
- Renovation: number 16	-	3,763
- Renovation: number 27	-	28,167
- Renovation: number 29	8,029	-
-Renovation: number 31	-	24,794
John East Centre costs	16,713	11,833
Depreciation/loss(profit) on disposals - Garden Machinery	1,410	1,650
Depreciation - John East Centre	18,384	18,384
	213,240	278,473
Allocation of support costs	93,019	87,271
	306,259	365,744

2 Persimmon Walk		
Insurance	-	111
Property costs – general repairs	-	1,738
	-	1,849
Allocation of support costs	-	1,857
	-	3,706

Schedules to the statement of financial activities for the year ended 31 March 2023 (continued)

3	Newmarket Day Centre	2023 £	2022 £
	Ground rent	5	5
	Insurance	2,600	2,760
	Donation to cover new air conditioning costs	-	14,055
	Donation towards covid pandemic meals on wheels	-	2,000
	Amortisation of leasehold property	4,613	4,614
		7,218	23,434
	Allocation of support costs	1,918	1,857
		9,136	25,291

4	Exning Court		
	Allocation of support costs	959	1,857

5	Support costs		
	Manager's salary	64,265	58,657
	PPS,IT, telephone and office costs	3,087	3,334
	Depreciation/loss(profit) on disposals of office equipment	683	1,366
	Audit fees	12,000	13,800
	Accountancy fees	9,925	8,975
	Legal and professional fees - Edmondson Hall	5,343	3,997
	- Anglia Land Surveys	-	2,520
	Trustee meeting and sundry costs	593	193
		95,896	92,842

THE GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

England & Wales - Charity number 1176924

Accounts

George Gibson Almshouses Foundation Trust

Report and Financial Statements

Year Ended

31 March 2022

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Annual report and financial statements for the year ended 31 March 2022

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15	Notes forming part of the financial statements

Trustees

RE May (Chairman)
MJ Drake
Dr M Wace
ML Lovegrove
Mrs MAE East
S W Ricketts
Mrs D Hargreaves (appointed 7 October 2021)
OE Tebbs (resigned 10 June 2021)

Manager

Mrs F Ouzman

Principal address

The John East Centre, George Gibson Close, Exning, Newmarket, Suffolk, CB8 7LE.

Registered charity number

1176924

Auditors

RSM UK Audit LLP, Blenheim House, Newmarket Road, Bury St Edmunds, Suffolk, IP33 3SB.

Accountant

Andrew D Fisk ACIE, 26 Blackbourne Road, Elmswell, Bury St Edmunds, Suffolk, IP30 9UH.

Bankers

National Westminster Bank Plc, 7 Cornhill, Bury St Edmunds, Suffolk, IP33 1BQ.

Stockbrokers

EFG Harris Allday, 33 Great Charles Street, Birmingham, B3 3JN.

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Report of the trustees for the year ended 31 March 2022

The trustees present their annual report together with the audited financial statements for the year ended 31 March 2022. The financial statements have been prepared in accordance with the accounting policies set out on pages 15 to 18 and comply with the charity's trust deed, the Charities Act 2011, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2019.

Structure, governance and management

A new charitable incorporated organisation (CIO), the George Gibson Almshouses Foundation Trust was registered on 31 January 2018 (charity registration number: 1176924), and an order to authorise the transfer of the assets of the previous unincorporated charity the George Gibson Almshouses Foundation (charity registration number: 234807) to the new CIO was obtained from the Charity Commission on 14 March 2018. With effect from 1 April 2020 the transfer of all of the assets and liabilities to the CIO was completed.

The George Gibson Almshouses Foundation was established to provide and maintain almshouses and to assist poor and old people resident in the former administrative county of West Suffolk. The Foundation was established by Trust Deed on 31 March 1959 through the generosity of the late George Gibson.

George Gibson originally transferred to the Foundation funds, primarily shareholdings in the former Atlantic Shipping and Trading Company, and later a further sum of £55,000. In line with its objectives the Foundation built George Gibson Close at Exning, consisting of 32 almshouses in the early sixties. In addition, the Newmarket Day Centre was built in 1980.

Ultimate control of the Foundation rests with the trustees who are responsible for the day to day management of the investments and affairs of the Foundation.

The existing trustees appoint new trustees by reference to the needs of the Foundation with a view to providing the Foundation with appropriately qualified and experienced trustees for the Foundation's requirements. On appointment, the trustees are made aware of the Foundation's activities and their responsibilities through information provided and review of the Foundation's activities. Thereafter individual trustees ensure they are sufficiently trained to act as required.

The trustees meet periodically to agree strategy and areas of activity for the Foundation. Day to day management is largely undertaken by the manager in consultation with the chairman and other trustees as appropriate.

The trustees and the manager are considered to be the key management personnel of the Foundation. All trustees give their time freely and received no remuneration or expenses in the year, other than as detailed in note 6 for one trustee in respect to professional services provided in accordance with the trust deed. The trustees review the salary of the manager periodically, and this is increased in accordance with their assessment of appropriate remuneration for their duties in relation to the particular circumstances of the Foundation.

Details of those in office during the year are given on the contents page of this report.

Objects and activities

The trustees refer to the guidance in Section 17(5) of the Charities Act 2011 on public benefit when reviewing their aims and objectives and planning their future activities.

The Foundation's objectives are for the public benefit to: relieve the need of persons resident in Newmarket and the surrounding areas (including the former administrative county of West Suffolk) who are 55 years of age or over and in need of financial support and assistance with the provision of healthcare and housing by such means as the trustees from time to time think fit, including, but not limited to, the provision of almshouse accommodation.

The Foundation aims to achieve these objectives by:

- providing accommodation in the almshouses at George Gibson Close in Exning;
- providing accommodation at a property in Persimmon Walk, Newmarket;
- supporting the work of the Newmarket Day Centre;
- monitoring the Exning Court very sheltered housing project in conjunction with Sanctuary Housing;
- making other donations to projects that fulfil the Foundation's objectives when identified.

These activities are all ongoing and the Foundation sees these as part of its strategic aims into the future.

Achievements and performance

The Foundation, under the power of its Trust Deed, has continued to finance the upkeep and maintenance of George Gibson Close. This provides a safe environment for elderly people with a manager, and has been fully occupied during the year subject to short periods of vacancy.

There have been three significant refurbishments of bungalows undertaken in this year, which are usually completed when there is a change in residents. In addition the Foundation has continued with its regular maintenance of all properties as required, which has significantly included the ongoing replacement programme of gutters and fascias, together with replacing all garden gates, and providing additional external lighting for the bungalows.

The John East Centre (community room) at George Gibson Close is now once again being used by Almshouse residents for events in the year as last year activities had to cease under Covid-19 secure guidance.

Given the age and comparative vulnerability of residents of the Almshouses the Foundation has continued to have particular regard to ensuring it was as Covid-19 secure as practical by taking appropriate precautions around access to George Gibson Close together with procedures for dealing with the occupants and maintenance issues where this was necessary. On no occasions did this give rise to a situation in which the Foundation was unable to fulfil its charitable objectives. Thankfully only four cases of the Covid-19 virus have been recorded amongst the Almshouse residents to date.

The Foundation makes a modest service charge for occupancy of the bungalows of £35 (2021:£35) per week per person, which is only a small fraction of their open market rental value. In so doing needy members of the public benefit from affordable and safe accommodation.

One beneficiary continued to occupy the freehold property at Persimmon Walk which was provided to her in accordance with the charitable objects of the Foundation until she sadly died early in the year. Subsequently the trustees decided to sell this property, which was completed in September 2021.

In addition charitable support has been provided to the Newmarket Day Centre which works with retired and frail older people to enable them to have and enjoy a better quality of life, for its ongoing general operation.

Achievements and performance (continued)

As a part of this continued support the trustees previously agreed to fund the replacement of the Day Centre's conservatory (Orangery). Work in respect to this, which was ongoing last year, was completed this year and is now in use to everyone's satisfaction. In addition to this the Foundation has provided a donation towards the Day Centre's "meals on wheels" service during the covid pandemic and also covered the cost of installing air conditioning in the Centre.

The trustees in conjunction with Sanctuary Housing have developed Exning Court as a very sheltered housing project for the elderly at Cotton End Road, Exning. The Foundation continues to be involved in overseeing Exning Court's performance under the terms of the donations made to it when it was established.

The funds raised by the Foundation have continued to be either invested for future use or applied for the furtherance of the Foundation's objects, and investment performance is detailed below.

In carrying out its activities the Foundation believes that it is providing a real public benefit by the relief of those in need by reason of age, ill health, disability, financial hardship, or other disadvantage. Despite its geographical restrictions and the limited number of bungalows available at George Gibson Close, the Foundation provides for a large section of the public, and the trustees seek to identify those most appropriate to receive that benefit.

Financial review

Total income is significantly increased when compared to last year at £698,795 (2021: £379,986).

Investment income from stock market holdings increased significantly to £517,616 (2021: £278,626) as a consequence of market factors especially following the Covid-19 pandemic which had seen a reduction in investment income in the previous year compared to recent years. This was also increased because of the special dividend of £149,100 received in the year from Pennon Group as a consequence of its sale of Viridor in 2020, and its commitment to return the net proceeds to shareholders together with a share consolidation.

The investment property continues to generate a notional rental income of £9,540 (2021: £9,540) having been occupied by the former warden as a part of her redundancy package.

Service charge income is similar to last year at £92,279 (2021: £91,761) largely as a consequence of there being no change in the rate of service charges in the year. All bungalows have been occupied during the year subject to short periods following changes of occupants and to facilitate necessary refurbishments.

Following the death of the beneficiary occupying the Persimmon Walk property the trustees decided to sell this and it realised a gain on disposal of £79,333 (2021: £Nil).

Total expenditure has increased slightly this year to £464,538 (2021: £451,037).

Expenditure in respect to the Almshouses at George Gibson Close decreased slightly to £365,744 (2021: £379,220).

Almshouses maintenance expenditure has increased this year to £146,700 (2021: £131,838). This year's expenditure includes the refurbishment costs for three bungalows of £70,061 (2021: £50,757 for two bungalows). General repairs at £24,115 (2021: £18,047) were increased in part due to the provision of additional external lighting to the bungalows, and redecoration costs at £13,309 (2021: £16,148) were broadly similar to last year. Costs incurred this year in respect to the replacement programme of gutters and fascias
were similar to last year at £31,975 (2021: £31,342), and the costs associated with the completion of the replacement of garden gates amounted to £7,240 (2021: £15,544).

Financial review (continued)

Whilst most other Almshouse costs were similar to last year garden, woodland and path maintenance was decreased at £28,729 (2021: £57,833) due to some significant woodlands and other grounds work undertaken in the previous year that included tree works of £18,050 which were not required this year.

Other Almshouse expenditure has been broadly similar to the previous year, except for the reversal of part of the provision for redundancy costs made in 2020 in respect to the former warden of £4,770 (2021: £Nil) which has resulted from the reduction of the period of occupancy of the Vincent Close property. Generally costs before the allocation of support costs reduced to £280,063 (2021: £295,269).

Costs in relation to insurance and repairs were incurred in respect to the property at Persimmon Walk of £1,849 (2021: £1,103) previously occupied by a former warden in their capacity as a beneficiary, prior to its subsequent disposal later in the year.

Costs in relation to charitable support of the Newmarket Day Centre were increased compared to the previous year at £23,434 (2021: £5,119) as a consequence of: donations made of £14,055 (2021: £Nil) to cover air conditioning installation costs and £2,000 (2021: £Nil) to support the Centre's Covid-19 Pandemic "meals on wheels" service; and additional depreciation charge of £4,614 (2021: £2,395) following completion of the replacement of the conservatory at the Centre.

Total support costs were slightly higher this year at £92,842 (2021: £89,309. This was largely as a consequence of: increased payments to the manager of £58,657 (2021: £57,819); decreased legal and professional fees of £6,517 (2021: £8,187) as a consequence of changes to the charity going forward made last year; and increased audit and accountancy costs of £22,775 (2021: £19,375) resulting from accounting for those changes together with increased regulatory requirements.

The proportion of support costs treated as other support costs increased to £47,518 (2021: £46,207) whilst those costs treated as governance costs increased to £45,324 (2021: £43,102). Given the nature of the Foundation's activities the bulk of the total of these support cost are allocated to the Almshouses being £87,271 (2021: £83,951).

Investment management costs were incurred this year in respect to: repairs of £498 (2021: £1,310) to the investment property at Vincent Close and management of the investment portfolio of £67,442 (2021: £58,927) by EFG Harris Allday.

An increase of £1,011,273 (2021: £1,890,357) represents the movement in value of the Foundation's investment portfolio. As detailed below in the Foundation's investment policy and performance this largely resulted from the impact that the Covid-19 pandemic and the conflict in Ukraine had on stock markets, together with other economic factors.

This results in an overall net inward movement of funds of £1,245,530 (2021: £1,819,306) for the year.

The Foundation continues to hold the majority of its net assets in fixed asset investments which amounted to a total of £11,878,574 (2021: £10,744,167) at the year end as detailed below.

The fixed assets of the Foundation amounted to £1,287,403 (2021: £1,393,779) and are held for the charitable purposes of the Foundation. This year included additional costs of £43,226 incurred to complete the replacement conservatory at the Newmarket Day Centre, and the disposal of the Persimmon Walk property which originally cost £126,507. Otherwise there have been no significant changes in the past year aside from minor items of equipment and normal depreciation.

Financial review (continued)

Funds held as cash at bank were significantly higher this year at £264,308 (2021: £101,262) primarily as a consequence of additional income received in the past year although an additional £190,000 has been transferred to the investment portfolio during the year. Together with net current assets after provisions for liabilities of £305,024 (2021: £87,525) total funds of the charity at the year end were £13,471,001 (2021: £12,225,471).

The Foundation would anticipate its activities and financial performance to be broadly similar in future years given its ongoing commitments, aside from the exceptional income referred to above. The biggest single risk factor therein is investment performance as discussed below.

Reserves policy

Total funds at the year end were £13,471,001 (2021: £12,225,471). As detailed in note 13 to these financial statements the Foundation has designated funds equivalent to the value of tangible fixed assets and investments to create reserve funds to provide a basis for the provision of those assets, and generation of investment income to further its charitable objectives.

In so doing the trustees recognise that the level of the Designated Capital Fund reserve may fluctuate somewhat, especially due to market factors as discussed below, but that these fluctuations are reasonable in the circumstances, and are likely to be mitigated in the longer term.

Levels of annual income and expenditure in recent years have been such that additional funds have been added to total reserves, principally in the form of additional investments. Some of these funds have been utilised to fund the building of the new community room and office, the John East Centre, in 2017, and more recently the new conservatory at the Newmarket Day Centre. Consequently funds previously designated within the Designated Capital Fund, and utilised for this purpose, have now become a part of the Designated Charitable Fixed Asset Fund.

It is the Foundation's policy to aim to cover each year's total expenditure from income generated, which has been achieved this year. In the current year a significant increase in investment income, including a special dividend of £149,100, combined with sale of the Persimmon Walk property for a gain of £79,333 have contributed to a surplus of £234,667. Whilst these results are consequently exceptional in nature it is anticipated that broadly similar levels of normal income and expenditure to those of recent years will result in positive or near breakeven annual results before investment gains and losses in future years.

There are no restricted funds held by the Foundation.

Investment policy and performance

The trustees have the power to invest in such assets as they see fit. The Foundation holds a large portfolio of investments that have continued to produce the majority of its income from dividends and interest. Investment income from these sources was £517,638 (2021: £278,680) in the year.

A freehold investment property is also let to provide additional investment rental income of £9,540 (2021: £9,540). This has been re-valued at the year-end by the trustees at £249,700, a gain of £22,900 on last year's value.

The trustees, through an investment manager (EFG Harris Allday), manage stock market investments on an unconstrained "Managed Discretionary" basis on a higher risk approach aimed at achieving balanced returns. There have been a number of changes in investments during the year as the trustees seek to maximise investment income whilst maintaining market value.

Financial review (continued)

Investment policy and performance (continued)

The fall in interest rates during recent years has led to a significant reduction in the income from this source and the trustees have invested funds previously held on deposit into the stock market where a better return is anticipated.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

The Foundation manages these risks by retaining expert advisors and in consultation with them operating a policy that provides a high degree of diversification of holdings within investment classes that are quoted on recognised stock exchanges. Consequently, there is a very low risk to liquidity. The Foundation principally holds its investment portfolio with a view to maintaining a balanced return and as such would expect short term volatility will be corrected in the longer term.

The stock market investment portfolio gave rise to significant investment gains of £988,373 (2021: £1,869,557) during the year, which is indicative of this policy and general market factors at the year end. In particular this was as a consequence of market reactions to the Covid-19 Pandemic in previous years and the subsequent stock market recovery by this year end, and reaction to the conflict in Ukraine.

Grant making policy

The trustees make grants to third parties in accordance with the charitable objectives of the Foundation. No grants aside from those made to the Newmarket Day Centre as detailed in this report, were made in the current or previous year.

Risk management

The trustees actively review the major risks which the Foundation faces on a regular basis and believe that such reviews of the Foundation's activities and financial performance, together with the established systems in place, are sufficient to mitigate significant risks.

In particular, the trustees monitor all aspects of health and safety, fire, and risks generally appropriate to their charitable activities. The provision of the Almshouses to elderly beneficiaries gives rise to particular risks that the trustees seek to address through the: provision of an on-site Manager, the Medequip Monitoring and Response System that gives each resident an emergency pendant, and the ongoing maintenance of all bungalows and grounds to a very high standard, and in accordance with all appropriate standards and regulations.

Financial risks are covered by appropriate insurance and the employment of professional advisors as appropriate. The most significant financial risk surrounds investments which are covered as detailed above. In connection with this the Foundation believes that their use of experienced professional advisors is the most appropriate way to limit any potential impact on investment income.

Whilst the Foundation ordinarily relies upon its investment income to fund its activities year on year, it does hold significant reserves should these be required to assist in maintaining ongoing activities.

Financial review (continued)

Going concern

The trustees have not identified any material uncertainties that may cast significant doubt about the ability of the charity to continue as a going concern. The trustees consider that the Foundation has more than adequate resources to fund its activities into the future.

Plans for future periods

The Foundation aims to continue its support of all existing projects into the future given the nature of its objectives. These require long-term provision and continued investment in the assets to provide these. The Foundation will also continue to consider areas of support appropriate to its objectives.

Specifically the Foundation will also continue its current programme of replacing all gutters and associated materials on the George Gibson Almshouses bungalows that were started in previous years in addition to the usual pattern of maintenance and refurbishment as circumstances dictate.

The trustees will continue to consider the feasibility of building some one bedroom properties ideally within Exning, as there is an increasing number of applications from single people for bungalows at George Gibson Close.

Following on from a petition from residents in George Gibson Close the Foundation is providing an onsite defibrillator together with arranging appropriate training for those interested.

The Foundation whilst being mindful of the ongoing implications of any Covid-19 virus control measures and the potential duration of those control measures, does not believe that this should fundamentally impact upon its ability to continue to undertake its operations in future periods at the present time.

Statement of responsibilities of the Trustees

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the trustees and signed on their behalf on 23 January 2023

RE May
Chairman

MJ Drake
Trustee

Independent auditor's report to the trustees of George Gibson Almshouses Foundation Trust

Opinion

We have audited the financial statements of the George Gibson Almshouses Foundation Trust (the 'charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and 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 charity's affairs as at 31 March 2022 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 Charities Act 2011.

Basis for opinion

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 charity 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 trustees' 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 charity'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 other information comprises the information included in the Report and Financial Statements other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report and Financial Staements. 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 course of 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 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
- sufficient 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 Statement of Trustees' responsibilities set out on page 8, the trustees 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 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

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.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework, that the charity operates in and how the charity is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities Act 2011 and the charity's governing document. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing any manual journal entries and other adjustments, and evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business.

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

Use of our report

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Claire Sutherland
Chartered Accountants
Blenheim House
Newmarket Road
Bury St Edmunds
Suffolk
IP33 3SB

Date 27 January 2023

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Statement of financial activities for the year ended 31 March 2022

	Note	Unrestricted and total funds 2022		Unrestricted and total funds 2021	
		£	£	£	£
Income from:					
Investments					
- Equity holdings			**517,616**		278,626
- Bank deposit interest			**22**		54
- Rents receivable			**9,540**		9,540
Charitable activities					
- Service charges			**92,279**		91,761
Other					
- Wayleaves receivable			**5**		5
- Gain on disposal of fixed assets			**79,333**		-
Total income			**698,795**		379,986
Expenditure on:					
Raising funds					
Investment management costs – Vincent Close			**498**		1,310
– Equity holdings			**67,442**		58,927
			67,940		60,237
Charitable activities	2				
Activities undertaken directly:					
- George Gibson Close – Almshouses		**365,744**		379,220	
- Persimmon Walk		**3,706**		2,889	
- Newmarket Day Centre		**25,291**		6,905	
- Exning Court		**1,857**		1,786	
			396,598		390,800
Total expenditure			**464,538**		451,037
Net gains on investments	8		**1,011,273**		1,890,357
Net movement in funds			**1,245,530**		1,819,306
Reconciliation of funds:					
Total funds brought forward			**12,225,471**		10,406,165
Total funds carried forward	13		**13,471,001**		12,225,471

The Foundation has no recognised gains or losses other than those shown above in either 2021 or 2022.
All amounts relate to continuing activities.
The notes on pages 15 to 24 form part of these financial statements.

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Balance sheet at 31 March 2022

	Note	2022		2021	
		£	£	£	£
Fixed assets:					
Tangible assets	7		**1,287,403**		1,393,779
Investments	8		**11,878,574**		10,744,167
Total fixed assets			**13,165,977**		12,137,946
Current assets:					
Debtors	9	**88,370**		82,903	
Cash at bank		**264,308**		101,262	
Total current assets		**352,678**		184,165	
Liabilities:					
Creditors: amounts falling due within one year	10	**46,859**		81,535	
Net current assets			**305,819**		102,630
Total assets less current liabilities			**13,471,796**		12,240,576
Provisions for liabilities	11		**(795)**		(15,105)
Total net assets	12		**13,471,001**		12,225,471
The funds of the charity:					
Unrestricted funds	13				
- Designated charitable fixed assets fund			**1,287,403**		1,393,779
- Designated capital fund			**11,878,574**		10,744,167
- General fund			**305,024**		87,525
Total charity funds			**13,471,001**		12,225,471

The financial statements were approved by the trustees and authorised for issue on 23 January 2023 and are signed on their behalf by:

RE May
Chairman

MJ Drake
Trustee

The notes on pages 15 to 24 form part of these financial statements.

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Statement of cash flows at 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities:			
Net cash (used in)/provided by operating activities	15	**(345,422)**	(337,467)
Cash flows from investing activities:			
Investment income		**475,459**	309,088
Purchase of fixed assets		**(49,697)**	(73,447)
Proceeds of sale of fixed assets		**205,840**	-
Proceeds of sale of investments		**1,114,715**	1,577,247
Purchase of investments		**(1,237,849)**	(1,519,235)
Cash provided by/(used in) investing activities:		**508,468**	293,653
Increase/(decrease) in cash and cash equivalents in the year		**163,046**	(43,814)
Total cash and cash equivalents at the beginning of year		**101,262**	145,076
Total cash and cash equivalents at the end of year		**264,308**	101,262
Analysis of cash and cash equivalents			
Cash in hand	16	**264,308**	101,262

The notes on pages 15 to 24 form part of these financial statements.

1 Accounting policies

(a) Basis of accounting and assessment of going concern

The financial statements (accounts) have been prepared under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011.

The George Gibson Almshouses Foundation Trust is a charitable incorporated organisation domiciled and registered in England, which constitutes a Public Benefit entity as defined by FRS102. Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling which is the functional currency of the charity. Monetary amounts in the financial statements are rounded to the nearest £.

In forming their conclusion in respect of going concern, the trustees have considered the financial position of the charity, including the level of free reserves, the level of the investment portfolio and the budget to 31 March 2024. The charity has net current assets of £305,819 and further cash deposits within the investment portfolio of £233,507 at 31 March 2022. In addition, the investment portfolio holds significant assets that could be realised should additional funds be required. As a consequence, the trustees believe the charity is well placed to manage its business risks and there are no material uncertainties in relation to going concern. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

(b) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the monetary value can be measured with sufficient reliability.

Equity income is recognised once the dividend has been declared and notification has been received of the dividend receivable from the investment manager.

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

Rents receivable are recognised when receivable by reference to occupancy of the investment property.

Service charge income is included when receivable and the amount can be measured reliably by the charity, by reference to current occupancy levels of the Almshouses

(c) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (e) below.

1 Accounting policies *(Continued)*

(d) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(e) Allocation of support costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit, and legal and professional fees together with an apportionment of overhead and support costs.

Support costs including governance costs relating to charitable activities have been apportioned based on an estimation of staff and trustee time spent on each area of charitable activity. The allocation of support and governance costs is analysed in note 3.

(f) Costs of raising funds

Costs of raising funds relate to investment management costs associated with the freehold investment property and equity holdings, which are held to generate investment income.

(g) Charitable activities

Costs of charitable activities include grants, the cost of activities undertaken directly, and support costs including governance costs as detailed in note 2.

(h) Taxation

The Foundation, as a registered charity, is not considered liable for assessment to tax on its results.

(i) Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised. Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided on all tangible fixed assets other than freehold property (with the exception of the John East Centre) at rates calculated to write off the cost, less estimated residual values, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold property – John East Centre	- 50 years
Leasehold property – Newmarket Day Centre	- 99 years
Garden machinery	- 5 years
Office & Centre equipment	- 5 years

No depreciation charge is made in respect of freehold property (with the exception of the John East Centre), as in the opinion of the trustees the residual value of the properties exceeds cost. The trustees conduct an impairment review annually, and have concluded that the estimated residual value of the properties exceeds the book value. Leasehold property includes assets in the course of construction, which are not depreciated as they are not yet in use.

1 Accounting policies *(Continued)*

(j) Fixed asset investments

Investments excluding investment properties and cash deposits, are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment properties are initially recognised at cost, including any directly attributable expenses. Subsequently investment properties are carried at their fair value at each reporting date, with changes in valuation accounted for through the Statement of Financial Activity. Cash deposits held as investments are stated at cost.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(k) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(l) Debtors

Trade and other debtors are recognised and the settlement due after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

(m) Cash at bank

Cash at bank includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account

(n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(o) Financial instruments

The charity holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

The charity also holds financial assets measured at fair value through the Statement of Financial Activity- see detail of these assets in point (j).

1 Accounting policies *(Continued)*

(p) Funds

Funds held by the charity are:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific future purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements together with details of transfers between funds.

2 Analysis of charitable expenditure

	George Gibson Close	Persim--mon Walk	Newmar - ket Day Centre	Exning Court	2022 Total	2021 Total
	£	£	£	£	£	£
Staff costs	(4,770)	-	-	-	(4,770)	-
Property and maintenance	259,657	1,849	2,765	-	264,271	276,561
Donations	-	-	16,055	-	16,055	-
Depreciation and profit/loss on disposal of fixed assets	23,586	-	4,614	-	28,200	24,930
Support and governance costs	87,271	1,857	1,857	1,857	92,842	89,309
Total	365,744	3,706	25,291	1,857	396,598	390,800

The Foundation undertook direct charitable activities through the operation of the Almshouses at George Gibson Close and a property at Persimmon Walk.

In addition, it provided support to the Newmarket Day Centre for the elderly, and the Exning Court sheltered housing project in the year.

No other charitable donations were made in the year.

3 Allocation of support costs

Support cost	Other Support Costs £	Governance Costs £	Total Allocated 2022 £	Total Allocated 2021 £
Staff costs	**43,993**	**14,664**	**58,657**	57,819
PPS, IT, telephone & office costs	**2,501**	**833**	**3,334**	2,954
Depreciation of office equipment and profit/loss on disposal of fixed assets	**1,024**	**342**	**1,366**	836
Audit and accountancy - audit	**-**	**13,800**	**13,800**	11,725
- other costs	**-**	**8,975**	**8,975**	7,650
Legal and professional fees	**-**	**6,517**	**6,517**	8,187
Trustee meeting & sundry costs	**-**	**193**	**193**	138
	47,518	**45,324**	**92,842**	89,309

Other support costs are allocated on the basis of an estimate of staff time consistent with the use of resources. Total support costs are then allocated to charitable activities based on an estimate of time spent on each charitable activity as follows:

	2022 £	2021 £
The George Gibson Almshouses 94% (2021: 94%)	**87,271**	83,951
Persimmon Walk 2% (2021: 2%)	**1,857**	1,786
Newmarket Day Centre 2% (2021: 2%)	**1,857**	1,786
Exning Court 2% (2021: 2%)	**1,857**	1,786
Total allocated	**92,842**	89,309

4 Employment costs

	2022 £	2021 £
Wages and salaries	**46,494**	50,542
Social security costs	**5,855**	5,761
Other pension costs	**1,538**	1,516
	53,887	57,819

The Foundation had one (2021: one) employee, with all employee time involved in providing either support to charitable activities or the governance of the Foundation. The charge above also included a reduction of £4,770 (2021: £Nil) to the redundancy provision previously made for the former warden as detailed in note 11. The Foundation considers that its key management personnel comprise the trustees and the manager, who deals with the day to day management of the Foundation. Total employment benefits paid to the manager in the year amounted to £58,657 (2021: £57,819).

5 Auditor's remuneration

The auditor's remuneration constituted an audit fee of £10,000 (2021:£9,000) excluding VAT.

6 Related party transactions and trustees' expenses and remuneration

During the year professional fees of £3,997 (2021: £8,187) were paid to Edmondson Hall Solicitors, of which MJ Drake was a consultant and Mrs D Hargreaves a partner. At the year end £Nil (2021: £1,820) was outstanding. There were no other related party transactions with any trustees in either year. No other trustee received any remuneration or had any expenses reimbursed in either year.

7 Tangible fixed assets

	Freehold property	Leasehold property	Garden machinery	Office & Centre equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2021	1,235,967	303,424	23,939	19,404	1,582,734
Additions	-	43,226	2,716	3,755	49,697
Disposals	(126,507)	-	(1,190)	(714)	(128,411)
At 31 March 2022	**1,109,460**	**346,650**	**25,465**	**22,445**	**1,504,020**
Depreciation					
At 1 April 2021	78,650	78,324	20,232	11,749	188,955
Charge for the year	18,384	4,614	1,410	4,490	28,898
Disposals	-	-	(950)	(286)	(1,236)
At 31 March 2022	**97,034**	**82,938**	**20,692**	**15,953**	**216,617**
Net book value					
At 31 March 2022	**1,012,426**	**263,712**	**4,773**	**6,492**	**1,287,403**
At 31 March 2021	1,157,317	225,100	3,707	7,655	1,393,779

8 Fixed asset investments

	Freehold investment property	UK listed equity investments	2022 Total	2021 Total
	£	£	£	£
Market value				
At 1 April 2021	226,800	10,517,367	10,744,167	8,911,822
Additions	-	1,237,849	1,237,849	1,519,235
Disposal proceeds	-	(1,114,715)	(1,114,715)	(1,577,247)
Revaluation/net investment gains	22,900	988,373	1,011,273	1,890,357
At 31 March 2022	**249,700**	**11,628,874**	**11,878,574**	10,744,167
Cost at 31 March 2022	**158,178**	**9,745,201**	**9,903,379**	9,502,430

The freehold investment property in Vincent Close, Newmarket has been re-valued by the trustees at the year end by reference to housing price indices, and believe that a reasonable estimate of the fair value for the freehold investment property at 31 March 2022 is now £249,700.

8 Fixed asset investments *(Continued)*

All listed investments are carried at their fair value. Investments in equities are all traded in quoted public markets, primarily the London Stock Exchange. The basis for fair value for quoted investments is equivalent to market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their market value).

The significance of financial instruments on the ongoing financial sustainability of the Foundation is considered in the financial review and investment policy and performance sections of the trustees' annual report. The main risk to the Foundation from financial instruments lies in a combination of uncertain markets and volatility of equity income. The Foundation manages these risks by retaining expert advisors and operating a policy that provides a high degree of diversification of holdings within investment classes that are quoted on recognised stock exchanges. Consequently, there is a very low risk to liquidity. The Foundation also principally holds its investment portfolio with a view to maintaining a balanced return and as such would expect short term volatility will be corrected in the longer term.

9 Debtors

	2022	2021
	£	£
Other debtors	**32,010**	12,659
Prepayments and accrued income	**56,360**	70,244
	88,370	82,903

10 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	**9,763**	6,421
Other taxes and social security	**2,247**	2,299
Accruals and deferred income	**34,849**	72,815
	46,859	81,535

11 Provisions for liabilities

	2022	2021
	£	£
Balance at 1 April 2021	**15,105**	24,645
Reversal of provision in the year	**(4,770)**	-
Charged in the year	**(9,540)**	(9,540)
Balance at 31 March 2022	**795**	15,105

A licence to occupy the Foundation's investment property for a maximum period of three years rent free was granted in 2020 and a provision based on the estimated rental value of the property was made to be released across that period of three years or until such time as the arrangement ceases. Subsequent to the year end the arrangement ceased six months earlier than originally provided for and consequently the provision was reduced by £4,770 in the current year to reflect this revision.

12 Analysis of net assets between funds

Current year	**Designated charitable fixed assets fund** £	**Designated capital fund** £	**General fund** £	**Total Funds 2022** £
Tangible assets	**1,287,403**	-	-	**1,287,403**
Investments	-	**11,878,574**	-	**11,878,574**
Net current assets	-	-	**305,819**	**305,819**
Provisions for liabilities	-	-	**(795)**	**(795)**
	1,287,403	**11,878,574**	**305,024**	**13,471,001**

Prior year	Designated charitable fixed assets fund £	Designated capital fund £	General fund £	Total Funds 2021 £
Tangible assets	1,393,779	-	-	1,393,779
Investments	-	10,744,167	-	10,744,167
Net current assets	-	-	102,630	102,630
Provisions for liabilities	-	-	(15,105)	(15,105)
	1,393,779	10,744,167	87,525	12,225,471

13 Unrestricted funds

Current year	**Designated charitable fixed asset fund** £	**Designated capital fund** £	**General fund** £	**Total 2022** £
Balance at 1 April 2021	**1,393,779**	**10,744,167**	**87,525**	**12,225,471**
Net movement in funds	-	-	**1,245,530**	**1,245,530**
Transfers between funds	**(106,376)**	**1,134,407**	**(1,028,031)**	-
Balance at 31 March 2022	**1,287,403**	**11,878,574**	**305,024**	**13,471,001**

13 Unrestricted funds (*Continued*)

Prior year	Designated charitable fixed asset fund £	Designated capital fund £	General fund £	Total 2021 £
Balance at 1 April 2020	1,346,099	8,911,822	148,244	10,406,165
Net movement in funds	-	-	1,819,306	1,819,306
Transfers between funds	47,680	1,832,345	(1,880,025)	-
Balance at 31 March 2021	1,393,779	10,744,167	87,525	12,225,471

The Foundation has two designated funds as follows:

- Designated charitable fixed assets fund to represent the net book value of tangible fixed assets. In each year an amount is transferred to or from the fund representing the movement in net book value of tangible fixed assets in the year.

- Designated capital fund to represent the value of investments held by the Foundation to provide investment income to fund its charitable objectives. In each year an amount is transferred to or from the fund representing the movement in value of investments in the year.

14 Financial Instruments

The carrying amounts of the Charity's financial instruments at 31 March were:

	2022 £	2021 £
Financial assets:		
Instruments measured at fair value through the SOFA	**11,395,367**	10,370,235

15 Reconciliation of net movement in funds to net cash flow from operations

	2022 £	2021 £
Net movement in funds	**1,245,530**	1,819,306
Depreciation charges	**28,898**	25,767
Loss/(profit) on sale of fixed assets	**(78,665)**	-
(Gains)/losses on investments	**(1,011,273)**	(1,890,357)
Investment income	**(527,178)**	(288,220)
(Increase)/decrease in debtors	**46,252**	(44,920)
Increase/(decrease) in creditors & provisions	**(48,986)**	40,956
Net cash (used in)/provided by operating activities	**(345,422)**	(337,467)

16 Analysis of changes in net funds

	2021 £	Cash Flow £	2022 £
Cash at bank and in hand	101,262	163,046	264,308

THE GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

England & Wales - Charity number 1176924

Accounts

George Gibson Almshouses Foundation Trust

Report and Financial Statements

Year Ended

31 March 2021

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Annual report and financial statements for the year ended 31 March 2021

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Trustees

RE May (Chairman)
MJ Drake
Dr M Wace
OE Tebbs (resigned 10 June 2021)
ML Lovegrove
Mrs MAE East
S W Ricketts
Mrs D Hargreaves (appointed 7 October 2021)

Manager

Mrs F Ouzman

Principal address

The John East Centre, George Gibson Close, Exning, Newmarket, Suffolk, CB8 7LE.

Registered charity number

1176924

Auditors

RSM UK Audit LLP, Blenheim House, Newmarket Road, Bury St Edmunds, Suffolk, IP33 3SB.

Accountant

Andrew D Fisk ACIE, 26 Blackbourne Road, Elmswell, Bury St Edmunds, Suffolk, IP30 9UH.

Bankers

National Westminster Bank Plc, 7 Cornhill, Bury St Edmunds, Suffolk, IP33 1BQ.

Stockbrokers

EFG Harris Allday, 33 Great Charles Street, Birmingham, B3 3JN.

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Report of the trustees for the year ended 31 March 2021

The trustees present their annual report together with the audited financial statements for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies set out on pages 14 to 17 and comply with the charity's trust deed, the Charities Act 2011, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2019.

Structure, governance and management

A new charitable incorporated organisation (CIO), the George Gibson Almshouses Foundation Trust was registered on 31 January 2018 (charity registration number: 1176924), and an order to authorise the transfer of the assets of the previous unincorporated charity the George Gibson Almshouses Foundation (charity registration number: 234807) to the new CIO was obtained from the Charity Commission on 14 March 2018. The Foundation has now implemented this transfer, with effect from 1 April 2020 and will operate as the CIO from that date having transferred all the assets and liabilities of the old Foundation to the new CIO. Consequently these are the first financial statements that have been prepared for the new Foundation.

The George Gibson Almshouses Foundation was established to provide and maintain almshouses and to assist poor and old people resident in the former administrative county of West Suffolk. The Foundation was established by Trust Deed on 31 March 1959 through the generosity of the late George Gibson.

George Gibson originally transferred to the Foundation funds, primarily shareholdings in the former Atlantic Shipping and Trading Company, and later a further sum of £55,000. In line with its objectives the Foundation built George Gibson Close at Exning, consisting of 32 almshouses in the early sixties. In addition, the Newmarket Day Centre was built in 1980.

There had been no material change in the policies adopted by the old Foundation since its inception, and the trustees considered that there was a need to update the objects of the Foundation to better reflect changes in society and better provide public benefit. Consequently, the old Foundation contacted the Charity Commission with a view to revising its Trust Deed. In so doing the Foundation has modernised its objectives both geographically and generally, simplified its governance structure with trustees replacing the former governors and administrative trustees, and adopting Charitable Incorporated Organisation (CIO) status going forward.

Ultimate control of the Foundation rests with the trustees who are responsible for the day to day management of the investments and affairs of the Foundation.

The existing trustees appoint new trustees by reference to the needs of the Foundation with a view to providing the Foundation with appropriately qualified and experienced trustees for the Foundation's requirements. On appointment, the trustees are made aware of the Foundation's activities and their responsibilities through information provided and review of the Foundation's activities. Thereafter individual trustees ensure they are sufficiently trained to act as required.

The trustees meet periodically to agree strategy and areas of activity for the Foundation. Day to day management is largely undertaken by the manager in consultation with the chairman and other trustees as appropriate. The trustees and the manager are considered to be the key management personnel of the Foundation. All trustees give their time freely and received no remuneration or expenses in the year, other than as detailed in note 6 for one trustee in respect to professional services provided in accordance with the trust deed. The trustees review the salary of the manager periodically, and this is increased in accordance with their assessment of appropriate remuneration for their duties in relation to the particular circumstances of the Foundation. Details of those in office during the year are given on the contents page of this report.

It is with regret that the trustees record the death of Simon Gibson on 3 May 2021 who was former chairman and trustee of the Foundation for many years.

Objects and activities

The trustees refer to the guidance in Section 17(5) of the Charities Act 2011 on public benefit when reviewing their aims and objectives and planning their future activities.

The Foundation's objectives are for the public benefit to: relieve the need of persons resident in Newmarket and the surrounding areas (including the former administrative county of West Suffolk) who are 55 years of age or over and in need of financial support and assistance with the provision of healthcare and housing by such means as the trustees from time to time think fit, including, but not limited to, the provision of almshouse accommodation.

The Foundation aims to achieve these objectives by:

- providing accommodation in the almshouses at George Gibson Close in Exning;
- providing accommodation at a property in Persimmon Walk, Newmarket;
- supporting the work of the Newmarket Day Centre;
- monitoring the Exning Court very sheltered housing project in conjunction with Sanctuary Housing;
- making other donations to projects that fulfil the Foundation's objectives when identified.

These activities are all ongoing and the Foundation sees these as part of its strategic aims into the future, following the transfer of the assets of the previous Foundation to it on 1 April 2020.

Achievements and performance

The Foundation, under the power of its Trust Deed, has continued to finance the upkeep and maintenance of George Gibson Close. This provides a safe environment for elderly people with a manager, and has been fully occupied during the year subject to short periods of vacancy that has allowed for maintenance work as appropriate. There have been two significant refurbishments undertaken in relation to the properties this year.

The John East Centre (community room) at George Gibson Close was not used by Almshouse residents for events in the year as activities had to cease under Covid-19 secure guidance.

Given the age and comparative vulnerability of residents of the Almshouses the Foundation had particular regard to ensuring it was Covid-19 secure by taking appropriate precautions around access to George Gibson Close together with procedures for dealing with the occupants and maintenance issues where this was necessary. On no occasions did this give rise to a situation in which the Foundation was unable to fulfil its charitable objectives. No cases of the Covid-19 virus have been recorded amongst the Almshouse residents to date.

The Foundation makes a modest service charge for occupancy of the bungalows of £35 (2020:£25) per week per person, which is only a small fraction of their open market rental value. This was the first increase in service charges for very many years. In so doing needy members of the public benefit from affordable and safe accommodation.

The Foundation undertook a restructuring of its day to day operations in the previous year and a new role was established of Almshouse manager that encompassed that of the former warden and of administration going forward. This new structure is now well established and working to everyones satisfaction.

One beneficiary continued to occupy the freehold property at Persimmon Walk which was provided to her in accordance with the charitable objects of the Foundation during the year, but sadly the beneficiary died after the year end and the trustees have now sold this property.

In addition charitable support has been provided to the Newmarket Day Centre which works with retired and frail older people to enable them to have and enjoy a better quality of life, for its ongoing general operation.

Achievements and performance (continued)

As a part of this continued support the trustees agreed to fund the replacement of the Day Centre's conservatory (Orangery) and work in respect to this was ongoing at the year end. Subsequent to the year end this was completed and is now in use.

The trustees in conjunction with Sanctuary Housing have developed Exning Court as a very sheltered housing project for the elderly at Cotton End Road, Exning. The Foundation continues to be involved in overseeing Exning Court's performance under the terms of the donations made to it when it was established.

The funds raised by the Foundation have continued to be either invested for future use or applied for the furtherance of the Foundation's objects, and investment performance is detailed below.

In carrying out its activities the Foundation believes that it is providing a real public benefit by the relief of those in need by reason of age, ill health, disability, financial hardship, or other disadvantage. Despite its geographical restrictions and the limited number of bungalows available at George Gibson Close, the Foundation provides for a large section of the public, and the trustees seek to identify those most appropriate to receive that benefit.

As otherwise referred to in this report the Foundation has now concluded the transfer of its activities to a new CIO with effect from 1 April 2020, which is taking forward those activities with amended but broadly similar objectives into the future, under a simplified governance structure as agreed with the Charity Commission.

Financial review

Total income is significantly reduced when compared to last year at £379,986 (2020: £420,348).

Investment income from stock market holdings decreased significantly to £278,626 (2020: £345,690) as a consequence of market factors. The investment property continues to generate a notional rental income of £9,540 (2020: £8,070) having been occupied by the former warden as a part of her redundancy package.

Service charge income has increased significantly compared to last year at £91,761 (2020: £65,929) largely as a consequence of an increase in the rate of service charges from £25 per person per week to £35. This was the first increase in service charges for very many years. All bungalows have been occupied during the year subject to short periods following changes of occupants and to facilitate necessary refurbishments.

Total expenditure has decreased slightly this year to £451,037 (2020: £475,095).

Most significantly this was in respect to the Almshouses at George Gibson Close where expenditure decreased to £379,220 (2020: £401,164). This was mostly attributable to the reorganisation of the Foundation's operational structure in the previous year, which resulted in the redundancy of the former warden and a consolidation of those duties with the former clerk to the trustees, as a manager. As a consequence the warden's salary costs (including redundancy costs) in 2020 of £55,531 were not incurred in the current year.

Almshouses maintenance expenditure has increased this year to £131,838 (2020: £119,146). This year's expenditure includes the refurbishment cost for two bungalows of £50,757 (2020: £82,997 for one bungalow and the manager's house). General repairs at £18,047 (2020: £20,994) and redecoration costs at £16,148 (2020: £15,155) were similar to last year, whilst additional costs were incurred this year in respect to the replacement of gutters of £31,342 (2020: £Nil) and the replacement of gates of £15,544 (2020: £Nil).

Whilst most other Almshouse costs were similar to last year garden, woodland and path maintenance was increased at £56,022 (2020: £38,168) due to some significant woodlands and other grounds work undertaken in the year.

Financial review (continued)

Other Almshouse expenditure has been broadly similar to the previous year with the exception of: a reduction in street lighting costs due to an overcharge for electricity last year and to repairs undertaken last year being £192 (2020: £5,182). Insurance costs increased to £17,379 (2020: £14,596) and council taxes to £40,404 (2020: £36,818) but generally costs before the allocation of support costs reduced to £295,269 (2020: £319,030).

Costs in relation to insurance and repairs, were incurred in respect to the property at Persimmon Walk of £1,103 (2020: £535) for occupancy by a former warden in their capacity as a beneficiary.

Costs in relation to charitable support of the Newmarket Day Centre was decreased compared to the previous year at £5,119 (2020: £7,071) as a consequence of the professional fees incurred this year in relation to the replacement of the conservatory at the Centre being included in the capital cost rather than as an expense (2020: £2,031).

Total support costs were slightly higher this year at £89,309 (2020: £87,375). This was largely as a consequence of increased payments to the new manager of £57,819 (2020: £43,664) following the reorganisation of the Foundation's operations; together with decreased legal and professional fees of £8,187 (2020: £27,200) as a consequence of the former warden's redundancy and particularly given the changes to the charity going forward made last year; and increased audit and accountancy costs of £19,375 (2020: £11,780) resulting from accounting for those changes.

The proportion of support costs treated as other support costs increased to £46,207 (2020: £32,790) as a consequence of the manager taking on the role of the former warden for the entire year as following the reorganisation of the Foundation's operations last year, whilst those costs treated as governance costs decreased to £43,102 (2020: £54,585) as a consequence of the reduced legal and professional fees and increased audit and accountancy costs resulting from this. Given the nature of the Foundation's activities the bulk of the total of these support cost are allocated to the Almshouses being £83,951 (2020: £82,134).

Investment management costs were incurred this year in respect to: repairs of £1,310 (2020: £4,252) to the investment property at Vincent Close and management of the investment portfolio of £58,927 (2020: £56,832) by EFG Harris Allday.

An increase of £1,890,357 (2020: £495,652 decrease) represents the movement in value of the Foundation's investment portfolio. As detailed below in the Foundation's investment policy and performance this largely resulted from the impact that the Covid-19 virus pandemic had on stock markets.

This results in an overall net inward movement of funds of £1,819,306 (2020: £550,399 outward) for the year.

The Foundation continues to hold the majority of its net assets in fixed asset investments which amounted to a total of £10,744,167 (2020: £8,911,822) at the year end as detailed below.

The fixed assets of the Foundation are held for the charitable purposes of the Foundation and aside from the costs incurred to date for the replacement conservatory at the Newmarket Day Centre of £66,256 have shown no significant changes in the past year aside from normal depreciation being £1,393,779 (2020:£1,346,099).

Together with net current assets after provisions for liabilities of £87,525 (2020: £148,244) total funds of the charity at the year end were £12,225,471 (2020: £10,406,165).

The Foundation would anticipate its activities and financial performance to be broadly similar in future years given its ongoing commitments, aside from the exceptional expenditure referred to above. The biggest single risk factor therein is investment performance as discussed below.

Financial review (continued)

Reserves policy

Total funds at the year end were £12,225,471 (2020: £10,406,165). As detailed in note 13 to these financial statements the Foundation has designated funds equivalent to the value of tangible fixed assets and investments to create reserve funds to provide a basis for the provision of those assets, and generation of investment income to further its charitable objectives.

In so doing the trustees recognise that the level of the Designated Capital Fund reserve may fluctuate somewhat, especially due to market factors as discussed below, but that these fluctuations are reasonable in the circumstances, and are likely to be mitigated in the longer term.

Levels of annual income and expenditure in recent years have been such that additional funds have been added to total reserves, principally in the form of additional investments. Some of these funds have been utilised to fund the building of the new community room and office, the John East Centre, in 2017. Consequently funds previously designated within the Designated Capital Fund, and utilised for this purpose, have now become a part of the Designated Charitable Fixed Asset Fund.

It is the Foundation's policy to aim to cover each year's total expenditure from income generated, although this has not been achieved in either of the past two years. In the current year a fall in investment income combined with significant ongoing maintenance expenditure have contributed to a deficit of £71,051. In the previous year the additional costs associated with the redundancy of the former warden, and professional fees in connection with this and the future of the Foundation contributed to a deficit of £54,747. In both years these were exceptional factors and it is anticipated that broadly similar levels of income and expenditure to those of recent years will result in positive annual net income before investment gains and losses in future years.

There are no restricted funds held by the Foundation.

Investment policy and performance

The trustees have the power to invest in such assets as they see fit. The Foundation holds a large portfolio of investments that have continued to produce the majority of its income from dividends and interest. Investment income from these sources was £278,680 (2020: £346,344) in the year.

A freehold investment property is also let to provide additional investment rental income of £9,540 (2020: £8,070). This has been re-valued at the year-end by the trustees at £226,800, a gain of £20,800 on last year's value.

The trustees, through an investment manager (EFG Harris Allday), manage stock market investments on an unconstrained "Managed Discretionary" basis on a higher risk approach aimed at achieving balanced returns. There have been a number of changes in investments during the year as the trustees seek to maximise investment income whilst maintaining market value.

The fall in interest rates during recent years has led to a significant reduction in the income from this source and the trustees have invested funds previously held on deposit into the stock market where a better return is anticipated.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Financial review (continued)

Investment policy and performance (continued)

The Foundation manages these risks by retaining expert advisors and in consultation with them operating a policy that provides a high degree of diversification of holdings within investment classes that are quoted on recognised stock exchanges. Consequently, there is a very low risk to liquidity. The Foundation principally holds its investment portfolio with a view to maintaining a balanced return and as such would expect short term volatility will be corrected in the longer term.

The stock market investment portfolio gave rise to significant investment gains of £1,869,557 (2020: losses of £499,852) during the year, which is indicative of this policy and general market factors at the year end. In particular this was as a consequence of market reactions to the Covid-19 Pandemic at the previous year end and the subsequent stock market recovery by this year end.

Grant making policy

The trustees make grants to third parties in accordance with the charitable objectives of the Foundation. No grants were made in the current or previous year.

Risk management

The trustees actively review the major risks which the Foundation faces on a regular basis and believe that such reviews of the Foundation's activities and financial performance, together with the established systems in place, are sufficient to mitigate significant risks.

In particular, the trustees monitor all aspects of health and safety, fire, and risks generally appropriate to their charitable activities. The provision of the Almshouses to elderly beneficiaries gives rise to particular risks that the trustees seek to address through the: provision of an on-site Manager, the Medequip Monitoring and Response System that gives each resident an emergency pendant, and the ongoing maintenance of all bungalows and grounds to a very high standard, and in accordance with all appropriate standards and regulations.

The trustees have also considered the impact of the Covid-19 virus on their activities and believe they have taken appropriate additional measures to ensure that the Foundation is Covid-19 secure. The trustees are pleased to report that there have been no cases of Covid-19 on the Almshouses site.

Financial risks are covered by appropriate insurance and the employment of professional advisors as appropriate. The most significant financial risk surrounds investments which are covered as detailed above. In connection with this and the potential impact of the Covid-19 virus, the Foundation believes that their use of experienced professional advisors is the most appropriate way to limit any potential impact on investment income that may stem from the economic impact of the virus on investment returns.

Whilst the Foundation ordinarily relies upon its investment income to fund its activities year on year, it does hold significant reserves should these be required to assist in maintaining ongoing activities.

The trustees have met virtually when appropriate given the Covid-19 virus to ensure appropriate governance of the charity is maintained, and most fortunately the presence of an on-site manager and office has allowed the Foundation to operate largely as before despite the impact of the Covid-19 virus.

Financial review (continued)

Going concern

The trustees have not identified any material uncertainties that may cast significant doubt about the ability of the charity to continue as a going concern. The trustees consider that the Foundation has more than adequate resources to fund its activities into the future.

The trustees have also considered the impact of the Covid-19 virus on the going concern basis and as is detailed in this report do not believe that the control measures or duration of those measures have or will impact, at present time, in a manner that would require any adjustments as a consequence.

Plans for future periods

The Foundation aims to continue its support of all existing projects into the future given the nature of its objectives. These require long-term provision and continued investment in the assets to provide these. The Foundation will also continue to consider areas of support appropriate to its objectives.

Specifically this will see the completion of the replacement conservatory (Orangery) at the Newmarket Day Centre. Building works in this respect were ongoing at the Foundation's year end.

The Foundation will also continue its current programme of replacing all gutters and associated materials on the George Gibson Almshouses bungalows that were started in the past year in addition to the usual pattern of maintenance and refurbishment as circumstances dictate.

The trustees will consider the possibility of building some one bedroom properties at George Gibson Close as there is an increasing number of applications from single people.

The property owned by the Foundation at Persimmon Walk and occupied by a former warden as a beneficiary of the charity has been sold following the death of the occupant.

The Foundation whilst being mindful of the ongoing implications of the Covid-19 virus control measures and the potential duration of those control measures, does not believe that this should fundamentally impact upon its ability to continue to undertake its operations in future periods at the present time.

Statement of responsibilities of the Trustees

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the trustees and signed on their behalf on 25 January 2022

RE May
Chairman

MJ Drake
Trustee

Independent auditor's report to the trustees of George Gibson Almshouses Foundation Trust

Opinion

We have audited the financial statements of the George Gibson Almshouses Foundation Trust (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the Balance sheet, Cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and 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 charity's affairs as at 31 March 2021 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 Charities Act 2011.

Basis for opinion

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 charity 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 trustees' 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 charity'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 other information comprises the information included in the Report of the Trustees other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of the Trustees. 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 course of 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.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Charities Act 2011 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
- sufficient 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 Statement of Trustees' responsibilities set out on page 8, the trustees 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 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
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.

The extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

Independent auditor's report to the trustees of George Gibson Almshouses Foundation Trust *(Continued)*

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- the charity operate in and how the charity is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities Act 2011 and the charity's governing document. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing any manual journal entries and other adjustments, and evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business, challenging any judgments and estimates.

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

Use of our report

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Claire Sutherland
Chartered Accountants
Blenheim House
Newmarket Road
Bury St Edmunds
Suffolk
IP33 3SB
Date 31 January 2022

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Statement of financial activities for the year ended 31 March 2021

	Note	Unrestricted and total funds 2021		Unrestricted and total funds 2020	
		£	£	£	£
Income from:					
Investments					
- Equity holdings			**278,626**		345,690
- Bank deposit interest			**54**		654
- Rents receivable			**9,540**		8,070
Charitable activities					
- Service charges			**91,761**		65,929
Other					
- Wayleaves receivable			**5**		5
Total income			**379,986**		420,348
Expenditure on:					
Raising funds					
Investment management costs – Vincent Close			**1,310**		4,252
– Equity holdings			**58,927**		56,832
			60,237		61,084
Charitable activities	2				
Activities undertaken directly:					
- George Gibson Close – Almshouses		**379,220**		401,164	
- Persimmon Walk		**2,889**		2,282	
- Newmarket Day Centre		**6,905**		8,818	
- Exning Court		**1,786**		1,747	
			390,800		414,011
Total expenditure			**451,037**		475,095
Net gains/(losses) on investments	8		**1,890,357**		(495,652)
Net movement in funds			**1,819,306**		(550,399)
Reconciliation of funds:					
Total funds brought forward			**10,406,165**		10,956,564
Total funds carried forward	13		**12,225,471**		10,406,165

The Foundation has no recognised gains or losses other than those shown above in either 2020 or 2021.
All amounts relate to continuing activities.
The notes on pages 14 to 22 form part of these financial statements.

GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Balance sheet at 31 March 2021

	Note	2021		2020	
		£	£	£	£
Fixed assets:					
Tangible assets	7		**1,393,779**		1,346,099
Investments	8		**10,744,167**		8,911,822
Total fixed assets			**12,137,946**		10,257,921
Current assets:					
Debtors	9	**82,903**		58,852	
Cash at bank		**101,262**		145,076	
Total current assets		**184,165**		203,928	
Liabilities:					
Creditors: amounts falling due within one year	10	**81,535**		31,039	
Net current assets			**102,630**		172,889
Total assets less current liabilities			**12,240,576**		10,430,810
Provisions for liabilities	11		**(15,105)**		(24,645)
Total net assets	12		**12,225,471**		10,406,165
The funds of the charity:					
Unrestricted funds	13				
- Designated charitable fixed assets fund			**1,393,779**		1,346,099
- Designated capital fund			**10,744,167**		8,911,822
- General fund			**87,525**		148,244
Total charity funds			**12,225,471**		10,406,165

The financial statements were approved by the trustees and authorised for issue on 25 January 2022 and are signed on their behalf by:

RE May
Chairman

MJ Drake
Trustee

The notes on pages 14 to 22 form part of these financial statements.

1 Accounting policies

(a) Basis of accounting and assessment of going concern

The financial statements (accounts) have been prepared under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011.

The George Gibson Almshouses Foundation Trust is a charitable incorporated organisation domiciled and registered in England, which constitutes a Public Benefit entity as defined by FRS102. Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling which is the functional currency of the charity. Monetary amounts in the financial statements are rounded to the nearest £.

As noted on page 1 the charity has taken on the trade and assets of the George Gibson Almshouses Foundation (charity registration 234807) an unincorporated charity with effect from 1 April 2020 as a new charitable incorporated organisation, in accordance with an order obtained from the Charity Commission. Although the charity has changed its legal form, the purposes and beneficiaries remain substantially unchanged. Consequently in accordance with the Charities SORP (FRS102) the financial statements for the year ended 31 March 2021 have been prepared in accordance with the merger method of accounting and these accounts show the whole of the results, assets, liabilities and funds of the merged charities, regardless of the actual merger date.

No additional disclosure of the pre and post merger components of the Statement of Financial Activities has been made in these financial statements, given that nothing has fundamentally changed as a result of the merger, the only change being the legal form of the charity. The amounts shown in the financial statements for the current year relate entirely to the new charity including the balances transferred on 1 April 2020, and the comparative amounts for the previous year relate entirely to the old charity. No adjustments to net assets arose as a consequence of the transfer. These financial statements have consequently been prepared on a going concern basis.

In forming their conclusion in respect of going concern, the trustees have considered the financial position of the charity, including the level of free reserves, the level of the investment portfolio and the budget to 31 March 2023. The charity has net current assets of £102,630 and further cash deposits within the investment portfolio of £147,132 at 31 March 2021. In addition, the investment portfolio holds significant assets that could be realised should additional funds be required. As a consequence, the trustees believe the charity is well placed to manage its business risks and there are no material uncertainties in relation to going concern. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

(b) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the monetary value can be measured with sufficient reliability.

Equity income is recognised once the dividend has been declared and notification has been received of the dividend receivable from the investment manager.

Notes forming part of the financial statements for the year ended 31 March 2021 ***(Continued)***

1 **Accounting policies** ***(Continued)***

(b) Income recognition (continued)

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

Rents receivable are recognised when receivable by reference to occupancy of the investment property.

Service charge income is included when receivable and the amount can be measured reliably by the charity, by reference to current occupancy levels of the Almshouses.

(c) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (e) below

(d) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(e) Allocation of support costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit, and legal and professional fees together with an apportionment of overhead and support costs.

Support costs including governance costs relating to charitable activities have been apportioned based on an estimation of staff and trustee time spent on each area of charitable activity. The allocation of support and governance costs is analysed in note 3.

(f) Costs of raising funds

Costs of raising funds relate to investment management costs associated with the freehold investment property and equity holdings, which are held to generate investment income.

(g) Charitable activities

Costs of charitable activities include grants, the cost of activities undertaken directly, and support costs including governance costs as detailed in note 2.

(h) Taxation

The Foundation, as a registered charity, is not considered liable for assessment to tax on its results.

1 **Accounting policies *(Continued)***

(i) Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised. Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided on all tangible fixed assets other than freehold property (with the exception of the John East Centre) at rates calculated to write off the cost, less estimated residual values, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold property – John East Centre	- 50 years
Leasehold property – Newmarket Day Centre	- 99 years
Motor vehicle	- 4 years
Garden machinery	- 5 years
Office & Centre equipment	- 5 years

No depreciation charge is made in respect of freehold property (with the exception of the John East Centre), as in the opinion of the trustees the residual value of the properties exceeds cost. The trustees conduct an impairment review annually, and have concluded that the estimated residual value of the properties exceeds the book value. Leasehold property includes assets in the course of construction, which are not depreciated as they are not yet in use.

(j) Fixed asset investments

Investments excluding investment properties and cash deposits, are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment properties are initially recognised at cost, including any directly attributable expenses. Subsequently investment properties are carried at their fair value at each reporting date, with changes in valuation accounted for through the Statement of Financial Activity. Cash deposits held as investments are stated at cost.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(k) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(l) Debtors

Trade and other debtors are recognised and the settlement due after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

1 **Accounting policies** ***(Continued)***

(m) Cash at bank

Cash at bank includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account

(n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(o) Financial instruments

The charity holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

The charity also holds financial assets measured at fair value through the Statement of Financial Activity- see detail of these assets in point (j).

(p) Funds

Funds held by the charity are:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific future purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements together with details of transfers between funds.

2 **Analysis of charitable expenditure**

	George Gibson Close	**Persim--mon Walk**	**Newmar - ket Day Centre**	**Exning Court**	**2021 Total**	2020 Total
	£	**£**	**£**	**£**	**£**	£
Staff costs	-	-	-	-	-	55,531
Property and maintenance	**275,779**	**1,103**	**2,724**	-	**279,606**	252,185
Depreciation	**19,490**	-	**2,395**	-	**21,885**	18,920
Support and governance costs	**83,951**	**1,786**	**1,786**	**1,786**	**89,309**	87,375
Total	**379,220**	**2,889**	**6,905**	**1,786**	**390,800**	414,011

The Foundation undertook direct charitable activities through the operation of the Almshouses at George Gibson Close and a property at Persimmon Walk. In addition, it provided support to the Newmarket Day Centre for the elderly, and the Exning Court sheltered housing project in the year. No other charitable donations were made in the year.

3 Allocation of support costs

Support cost	Other Support Costs £	Governance Costs £	Total Allocated 2021 £	Total Allocated 2020 £
Staff costs	**43,364**	**14,455**	**57,819**	43,664
PPS, IT, telephone & office costs	**2,216**	**738**	**2,954**	2,854
Depreciation of office equipment	**627**	**209**	**836**	1,196
Audit and accountancy - audit	**-**	**11,725**	**11,725**	5,405
- other costs	**-**	**7,650**	**7,650**	6,375
Legal and professional fees	**-**	**8,187**	**8,187**	27,200
Trustee meeting & sundry costs	**-**	**138**	**138**	681
	46,207	**43,102**	**89,309**	87,375

Other support costs are allocated on the basis of an estimate of staff time consistent with the use of resources. Total support costs are then allocated to charitable activities based on an estimate of time spent on each charitable activity as follows:

	2021 £	2020 £
The George Gibson Almshouses 94% (2020: 94%)	**83,951**	82,134
Persimmon Walk 2% (2020: 2%)	**1,786**	1,747
Newmarket Day Centre 2% (2020: 2%)	**1,786**	1,747
Exning Court 2% (2020: 2%)	**1,786**	1,747
Total allocated	**89,309**	87,375

4 Employment costs

	2021 £	2020 £
Wages and salaries	**50,542**	93,365
Social security costs	**5,761**	4,487
Other pension costs	**1,516**	1,343
	57,819	99,195

The Foundation had one (2020: two) employees, with all employee time involved in providing either support to charitable activities or the governance of the Foundation. During the course of the previous year the Foundation's warden was made redundant and all duties are now performed by the manager. Costs of £Nil (2020: £48,620) associated with the redundancy are included above. The Foundation considers that its key management personnel comprise the trustees and the manager, who deals with the day to day management of the Foundation. Total employment benefits paid to the manager in the year amounted to £57,819 (2020: £43,664).

5 Auditor's remuneration

The auditor's remuneration constituted an audit fee of £9,000 (2020:£4,500).

6 Related party transactions and trustees' expenses and remuneration

During the year professional fees of £8,187 (2020: £16,712) were paid to Edmondson Hall Solicitors, of which MJ Drake was a consultant. At the year end £1,820 (2020: £1,388) was outstanding. There were no other related party transactions with any trustees in either year. No other trustee received any remuneration or had any expenses reimbursed in either year.

7 Tangible fixed assets

	Freehold property	Leasehold property	Garden machinery	Office & Centre equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2020	1,235,967	237,168	19,607	16,545	1,509,287
Additions	-	66,256	4,332	2,859	73,447
At 31 March 2021	**1,235,967**	**303,424**	**23,939**	**19,404**	**1,582,734**
Depreciation					
At 1 April 2020	60,266	75,929	19,126	7,867	163,188
Charge for the year	18,384	2,395	1,106	3,882	25,767
At 31 March 2021	**78,650**	**78,324**	**20,232**	**11,749**	**188,955**
Net book value					
At 31 March 2021	**1,157,317**	**225,100**	**3,707**	**7,655**	**1,393,779**
At 31 March 2020	1,175,701	161,239	481	8,678	1,346,099

Leasehold property includes assets in the course of construction of £66,256 (2020: £Nil) which are not depreciated as they are not yet in use.

8 Fixed asset investments

	Freehold investment property	UK listed equity investments	2021 Total	2020 Total
	£	£	£	£
Market value				
At 1 April 2020	206,000	8,705,822	8,911,822	9,472,444
Additions	-	1,519,235	1,519,235	1,237,038
Disposal proceeds	-	(1,577,247)	(1,577,247)	(1,002,008)
Reclassified as cash at bank	-	-	-	(300,000)
Revaluation/net investment gains/(losses)	20,800	1,869,557	1,890,357	(495,652)
At 31 March 2021	**226,800**	**10,517,367**	**10,744,167**	8,911,822
Cost at 31 March 2021	**158,178**	**9,344,252**	**9,502,430**	8,935,614

The freehold investment property in Vincent Close, Newmarket has been re-valued by the trustees at the year end by reference to housing price indices, and believe that a reasonable estimate of the fair value for the freehold investment property at 31 March 2021 is now £226,800.

8 Fixed asset investments *(Continued)*

All listed investments are carried at their fair value. Investments in equities are all traded in quoted public markets, primarily the London Stock Exchange. The basis for fair value for quoted investments is equivalent to market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their market value).

The significance of financial instruments on the ongoing financial sustainability of the Foundation is considered in the financial review and investment policy and performance sections of the trustees' annual report.

The main risk to the Foundation from financial instruments lies in a combination of uncertain markets and volatility of equity income. The Foundation manages these risks by retaining expert advisors and operating a policy that provides a high degree of diversification of holdings within investment classes that are quoted on recognised stock exchanges. Consequently, there is a very low risk to liquidity. The Foundation also principally holds its investment portfolio with a view to maintaining a balanced return and as such would expect short term volatility will be corrected in the longer term.

9 Debtors

	2021	2020
	£	£
Other debtors	**12,659**	31,760
Prepayments and accrued income	**70,244**	27,092
	82,903	58,852

10 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	**6,421**	4,822
Other taxes and social security	**2,299**	1,566
Accruals and deferred income	**72,815**	24,651
	81,535	31,039

11 Provisions for liabilities

	2021	2020
	£	£
Balance at 1 April 2020	**24,645**	-
Provision in the year	**-**	28,620
Charged in the year	**(9,540)**	(3,975)
Balance at 31 March 2021	**15,105**	24,645

A licence to occupy the Foundation's investment property for a maximum period of three years rent free was granted in 2020 and a provision based on the estimated rental value of the property was made which will be released across that period of three years or until such time as the arrangement ceases.

12 Analysis of net assets between funds

Current year	**Designated charitable fixed assets fund** £	**Designated capital fund** £	**General fund** £	**Total Funds 2021** £
Tangible assets	**1,393,779**	-	-	**1,393,779**
Investments	-	**10,744,167**	-	**10,744,167**
Net current assets	-	-	**102,630**	**102,630**
Provisions for liabilities	-	-	**(15,105)**	**(15,105)**
	1,393,779	**10,744,167**	**87,525**	**12,225,471**

Prior year	Designated charitable fixed assets fund £	Designated capital fund £	General fund £	Total Funds 2020 £
Tangible assets	1,346,099	-	-	1,346,099
Investments	-	8,911,822	-	8,911,822
Net current assets	-	-	172,889	172,889
Provisions for liabilities	-	-	(24,645)	(24,645)
	1,346,099	8,911,822	148,244	10,406,165

13 Unrestricted funds

Current year	**Designated charitable fixed asset fund** £	**Designated capital fund** £	**General fund** £	**Total 2021** £
Balance at 1 April 2020	**1,346,099**	**8,911,822**	**148,244**	**10,406,165**
Net movement in funds	-	-	**1,819,306**	**1,819,306**
Transfers between funds	**47,680**	**1,832,345**	**(1,880,025)**	-
Balance at 31 March 2021	**1,393,779**	**10,744,167**	**87,525**	**12,225,471**

13 Unrestricted funds (*Continued*)

Prior year	Designated charitable fixed asset fund £	Designated capital fund £	General fund £	Total 2020 £
Balance at 1 April 2019	1,366,143	9,472,444	117,977	10,956,564
Net movement in funds	-	-	(550,399)	(550,399)
Transfers between funds	(20,044)	(560,622)	580,666	-
Balance at 31 March 2020	1,346,099	8,911,822	148,244	10,406,165

The Foundation has two designated funds as follows:

- Designated charitable fixed assets fund to represent the net book value of tangible fixed assets. In each year an amount is transferred to or from the fund representing the movement in net book value of tangible fixed assets in the year.

- Designated capital fund to represent the value of investments held by the Foundation to provide investment income to fund its charitable objectives. In each year an amount is transferred to or from the fund representing the movement in value of investments in the year.

14 Financial Instruments

The carrying amounts of the Charity's financial instruments at 31 March were:

	2021 £	2020 £
Financial assets:		
Instruments measured at fair value through the SOFA	**10,370,235**	8,492,340

15 Capital commitments

Capital expenditure authorised and contracted for but not provided in these financial statements, in relation to the replacement of the conservatory at the Newmarket Day Centre and associated works, amounts to £40,965 (2020: £Nil).