

**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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### **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**

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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.

## **GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST**

### **Report of the trustees for the year ended 31 March 2022 (*Continued*)**

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#### **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.

## GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

### Report of the trustees for the year ended 31 March 2022 (*Continued*)

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#### 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).

## GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

### Report of the trustees for the year ended 31 March 2022 *(Continued)*

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#### 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.

## GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

### Report of the trustees for the year ended 31 March 2022 (*Continued*)

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#### 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.

## GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

### Report of the trustees for the year ended 31 March 2022 (*Continued*)

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#### 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.



## **GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST**

### **Report of the trustees for the year ended 31 March 2022 (*Continued*)**

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#### **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.

## GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

### Report of the trustees for the year ended 31 March 2022 (*Continued*)

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#### 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

## **GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST**

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

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#### **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 Statements. 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.

## **GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST**

### **Independent auditor's report to the trustees of George Gibson Almshouses Foundation Trust (Continued)**

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#### **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.

## GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

### Independent auditor's report to the trustees of George Gibson Almshouses Foundation Trust (*Continued*)

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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	
		£	£	£	£
<b>Income from:</b>					
<i>Investments</i>					
- Equity holdings			517,616		278,626
- Bank deposit interest			22		54
- Rents receivable			9,540		9,540
<i>Charitable activities</i>					
- Service charges			92,279		91,761
<i>Other</i>					
- Wayleaves receivable			5		5
- Gain on disposal of fixed assets			79,333		-
<b>Total income</b>			<b>698,795</b>		<b>379,986</b>
<b>Expenditure on:</b>					
<i>Raising funds</i>					
Investment management costs – Vincent Close			498		1,310
– Equity holdings			67,442		58,927
			<b>67,940</b>		<b>60,237</b>
<i>Charitable activities</i>	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	
			<b>396,598</b>		<b>390,800</b>
<b>Total expenditure</b>			<b>464,538</b>		<b>451,037</b>
Net gains on investments	8		<b>1,011,273</b>		<b>1,890,357</b>
<b>Net movement in funds</b>			<b>1,245,530</b>		<b>1,819,306</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward			<b>12,225,471</b>		<b>10,406,165</b>
<b>Total funds carried forward</b>	13		<b>13,471,001</b>		<b>12,225,471</b>

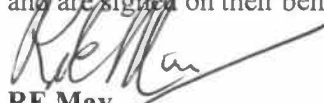
The Foundation has no recognised gains or losses other than those shown above in either 2021 or 2022.  
All amounts relate to continuing activities.  
The notes on pages 15 to 24 form part of these financial statements.

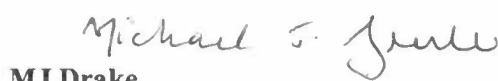
# GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

## Balance sheet at 31 March 2022

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

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 £
<b>Cash flows from operating activities:</b>			
Net cash (used in)/provided by operating activities	15	<u>(345,422)</u>	<u>(337,467)</u>
<b>Cash flows from investing activities:</b>			
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		<u>(1,237,849)</u>	<u>(1,519,235)</u>
<b>Cash provided by/(used in) investing activities:</b>		<u>508,468</u>	<u>293,653</u>
<b>Increase/(decrease) in cash and cash equivalents in the year</b>		<b>163,046</b>	<b>(43,814)</b>
<b>Total cash and cash equivalents at the beginning of year</b>		<b>101,262</b>	<b>145,076</b>
<b>Total cash and cash equivalents at the end of year</b>		<b><u>264,308</u></b>	<b><u>101,262</u></b>
<b>Analysis of cash and cash equivalents</b>			
Cash in hand	16	<u>264,308</u>	<u>101,262</u>

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



# GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

## Notes forming part of the financial statements for the year ended 31 March 2022

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### 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.

# GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

## Notes forming part of the financial statements for the year ended 31 March 2022 *(Continued)*

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### 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.

## GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

### Notes forming part of the financial statements for the year ended 31 March 2022 (*Continued*)

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#### 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).

# GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Notes forming part of the financial statements for the year ended 31 March 2022 (*Continued*)

## 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	Persimmon Walk	Newmarket 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
<b>Total</b>	<b>365,744</b>	<b>3,706</b>	<b>25,291</b>	<b>1,857</b>	<b>396,598</b>	<b>390,800</b>

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.

# GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Notes forming part of the financial statements for the year ended 31 March 2022 (Continued)

## 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
	<u>47,518</u>	<u>45,324</u>	<u>92,842</u>	<u>89,309</u>

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
<b>Total allocated</b>	<u>92,842</u>	<u>89,309</u>

## 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
	<u>53,887</u>	<u>57,819</u>

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.

# GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Notes forming part of the financial statements for the year ended 31 March 2022 (Continued)

## 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
	£	£	£	£	£
<i>Cost</i>					
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)
<b>At 31 March 2022</b>	<b>1,109,460</b>	<b>346,650</b>	<b>25,465</b>	<b>22,445</b>	<b>1,504,020</b>
<i>Depreciation</i>					
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)
<b>At 31 March 2022</b>	<b>97,034</b>	<b>82,938</b>	<b>20,692</b>	<b>15,953</b>	<b>216,617</b>
<i>Net book value</i>					
<b>At 31 March 2022</b>	<b>1,012,426</b>	<b>263,712</b>	<b>4,773</b>	<b>6,492</b>	<b>1,287,403</b>
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
	£	£	£	£
<b>Market value</b>				
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
<b>At 31 March 2022</b>	<b>249,700</b>	<b>11,628,874</b>	<b>11,878,574</b>	<b>10,744,167</b>
<b>Cost at 31 March 2022</b>	<b>158,178</b>	<b>9,745,201</b>	<b>9,903,379</b>	<b>9,502,430</b>

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.

## GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Notes forming part of the financial statements for the year ended 31 March 2022 (*Continued*)

### 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
	<u>88,370</u>	<u>82,903</u>

### 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
	<u>46,859</u>	<u>81,535</u>

### 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)
<b>Balance at 31 March 2022</b>	<u>795</u>	<u>15,105</u>

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.

# GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Notes forming part of the financial statements for the year ended 31 March 2022 (*Continued*)

## 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)
	<u>1,287,403</u>	<u>11,878,574</u>	<u>305,024</u>	<u>13,471,001</u>

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)
	<u>1,393,779</u>	<u>10,744,167</u>	<u>87,525</u>	<u>12,225,471</u>

## 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)	-
<b>Balance at 31 March 2022</b>	<u>1,287,403</u>	<u>11,878,574</u>	<u>305,024</u>	<u>13,471,001</u>



# GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST

Notes forming part of the financial statements for the year ended 31 March 2022 (*Continued*)

## 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	<u>1,393,779</u>	<u>10,744,167</u>	<u>87,525</u>	<u>12,225,471</u>

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	<u>11,395,367</u>	<u>10,370,235</u>

## 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	<u>(345,422)</u>	<u>(337,467)</u>

**GEORGE GIBSON ALMSHOUSES FOUNDATION TRUST**

**Notes forming part of the financial statements for the year ended 31 March 2022 *(Continued)***

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**16 Analysis of changes in net funds**

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