



SIR JOSIAH MASON TRUST

**TRUSTEES' REPORT &
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDING 31 MARCH 2023**

Charity Registration No. 1179890

Regulator of Social Housing Registration No. A0629

Company Registration No. 11416213

Contents	Page
.....	
Trustees, Officers and Advisors	1
Trustees' Report	2 - 12
Independent Auditor's Report	13 - 16
Statement of Comprehensive Income	17
Statement of Financial Position	18
Statement of Changes in Reserves	19
Statement of Cash Flows	20
Notes to the Financial Statements	21 - 37

SIR JOSIAH MASON TRUST

Trustees, Officers and Advisors

Trustees	<p> Mrs J Houlder– Chair Ms A M Coad (retired December 2022) Councillor Mr K Meeson** Councillor Mr G Moore*** Mr P Soule Mr J Pyke Mr E Rutledge Ms R Moseley (resigned April 2022) Mr B Burke Mr I Bush (resigned in October 2022) Mrs A Balbuena Noel Grace (appointed December 2022) Kallum Chumber (appointed December 2022) </p>	
Chief Executive/Company Secretary	David Healey	
Registered Office	<p> Mason Court Hillborough Road Birmingham B27 6PF </p>	
Bankers	<p> HSBC Bank Plc 34 Poplar Road Solihull West Midlands B91 3AF </p>	
Investment Managers	<p> Evelyn Partners Investment Management Floor 14, 103 Colmore Row Birmingham B3 3AG </p>	<p> RBS Brewin Dolphin 9 Colmore Row, Birmingham, B3 2BJ </p>
Solicitors	<p> Brabners Horton House Exchange Flags, Liverpool, L2 3YL </p>	
Auditor	<p> Mazars LLP 2 Chamberlain Square Birmingham B3 3AX </p>	
Registered Charity No.	1179890	
Regulator of Social Housing Reg. No.	A0629	
Registered Company No.	11416213	

TRUSTEES' REPORT

The Trustees present their report and the audited financial statements of the Charity for the year ended 31 March 2023.

The financial statements have been prepared in accordance with applicable law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard FRS102 "The Financial Reporting Standard" applicable in the UK and Republic of Ireland), and comply with the Statement of Recommended Practice for registered social housing providers 2018 and the Accounting Direction for Private Registered Providers of Social Housing 2022. The accounts also comply, in all material respects, with charities legislation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

In 2018, we undertook a significant review of our legal structure and formed Sir Josiah Mason Trust (SJMT), a new Limited Company in June 2018. In September 2018, this Company was registered as a new Charity and became the corporate Trustee of our three unincorporated charities known as Sir Josiah Mason's Almshouse Charity (1179890-1), Sir Josiah Mason's Relief in Need and Educational Charity (1179890-2) and Sir Josiah Mason's Care Charity (1179890-3). In January 2019, a linking order was granted which meant that the three charities are treated as forming part of the charity called Sir Josiah Mason Trust ('the reporting charity') for the purposes of Part 4 (registration) and Part 8 (accounting) of the Charities Act 2011. This direction took effect for the whole of the financial year 2018-2019.

In July 2019, Sir Josiah Mason Trust became corporate Trustee of two additional charities and a linking order was confirmed in October 2019. These charities are Holte & Bracebridge Charity (1179890-4) and Holy Trinity Heath Town Almshouse Charity (1179890-5).

On 8th June 2021 Sir Josiah Mason Trust became the corporate Trustee of Thomas Banks Almshouses and the linking charity reference is 1179890-6. On 1st September 2022, Oak Tree House Trust became a linked charity of Sir Josiah Mason Trust and the linking charity reference is 1179890-7.

The original Trust Deed was dated 29 July 1868.

TRUSTEES

Trustees shall be nominated or elected. Nominated Trustees consist of one from the City Council of Birmingham*** and one from the Borough Council of Solihull**. Elected Trustees are elected by the Members at AGM's or if there is no AGM at a meeting convened for the purpose of electing trustees, and shall hold office for three years. No elected Trustee shall be elected for more than three consecutive terms of office so that they shall serve a maximum term of office of 9 years, unless there are special circumstances which shall be determined as such by the majority of the Board of Trustees, in which case in that exceptional case a fourth term of office may be served. The Trustees may also from time to time co-opt Trustees. The Trustees who served as a 'Board of Trustees' during the year and

to the date of this report are listed on page 1.

Trustee Recruitment and Training

Sir Josiah Mason Trust recognises that an effective Board of Trustees is essential if the Trust is to be effective in achieving its objects. The Board must seek to be representative of the people with whom the charity works and must have available to it all of the knowledge and skills required to run the charity. Trustees recognise that the Board does not currently reflect the diversity of the community which we serve and the importance of ensuring that social diversity is equally important to professional diversity in ensuring good governance. Therefore, we actively welcome and proactively seek applicants that reflect the social diversity of our community (gender (including gender-reassignment), ethnicity, sexuality, age and disability).

Whenever a trustee departs, a skills audit of the board will be undertaken. Efforts at recruiting a replacement will take account of the skills audit and of the skills being lost by the departure. Consideration must also be given to any specific roles or duties that the individual leaving the board was undertaking. When a need has been identified to recruit trustees, a panel will be formed to manage the process. This will include the Chair, Chair of the Finance & Performance Committee and the Chief Executive Officer. The panel will have responsibility for ensuring that the remainder of the recruitment and induction process is carried out. Responsibility for appointing trustees will not be delegated to employees although employees may be given specific administrative tasks by the panel.

A recruitment plan will identify the most appropriate resources from which applicants might be found. Preference should be given to advertisement in the media, volunteer bureau, and direct approaches to professional bodies and to other voluntary organisations over approaches to personal contacts, as the intention is to promote diversity and to avoid conflicts of interest.

All new Trustees will receive a formal Induction and all Trustees are expected to take part in regular training and development.

Organisational Structure

The Trust co-ordinates its affairs through good effective governance arrangements to ensure that it is professionally lead and managed in an efficient and effective way. The Board of Trustees have established a robust governance structure with a range of sub-committees to have specific responsibilities for:-

FINANCE & PERFORMANCE: responsibility for oversight of financial management of the Trust, including management of reserves and investments, financial reporting/control, external audit, budgeting and financial performance, insurance, procurement and grants. Responsibility for oversight of operational performance, including: governance, Human Resources, quality, KPI's, complaints and compliance.

The Board of Trustees appoint trustees to this committee at each AGM and the quorum for meetings shall be no less than three trustees. The committee will meet at least quarterly, so to effectively conduct business, in advance of each Board Meeting.

REMUNERATION: recommending staff pay awards and changes to terms and conditions of appointments and considering changes to the roles and benefits of the Senior Management Team. The Board of Trustees appoint trustees to this committee at each AGM and the quorum for meetings shall be three trustees. Membership should include the Chair of the Trust.

The Remuneration Committee will meet at least once each year before new budget proposals are submitted to the Board, and such other times as may be necessary.

Risk Management

The Board is responsible for approving a risk management approach. This will include setting the Trust's risk appetite as well as the processes to identify, measure, monitor and mitigate risks. The Board of Trustees carry out a quarterly review of strategic and operational risks reported in the Risk Register and an annual review of their risk appetite. The Board is the ultimate owner of the risk strategy and any mitigating actions in respect of risk.

As part of the Trust's commitment to good risk management practice, each year, Trustees and senior staff work together to identify the risk appetite in order to influence how we approach one of our key values 'innovation', as well as strategic planning, organizational management and new developments and opportunities. It is important that we undertake a balanced assessment of risk and to recognise that in many cases, there are risks attached to both doing something and doing nothing. This exercise will enable the Trust to develop a clear strategy that is understood and sets out the authorities and limitations within which the Trusts Board, Committees, the SMT and staff teams can make decisions, indicating:

- a) the areas where we should step out and be innovative;
- b) the areas where we should be conservative and compliant in our activities; and
- c) the "lines" across which the Trust Board and senior management do not wish to cross, and where the senior management team and Board would need to be notified.

As part of the business planning process, the Board will review the risks to achieving the Trust's objectives. The Senior Management Team is responsible for ensuring that any action points highlighted are incorporated into work plans for staff within their section.

Objects and Activities for the Public Benefit

The Objects of the Charity, which are for the public benefit, are specifically restricted to the following:

- a) the provision of housing accommodation for beneficiaries;
- b) such charitable purposes for the benefit of residents as the Trustees decide;

The relief of persons who are in need, hardship or distress; and to promote the education of persons who:

- a) are under the age of 25; and
- b) are in need of financial assistance

The charitable benefits outlined above may be provided by way of:

- a) making grants of money to them; or
- b) providing or paying for goods, services or facilities for them; or;

- c) making grants of money to other persons or bodies who provide goods, services or facilities to those in need.

The provision of care for the following classes of person:

- a) persons who have been alms people of the Charity called Sir Josiah Mason's Almshouse Charity, but who because of their age, infirmity or illness can no longer be cared for in the almshouses of that Charity; and
b) other persons who are poor and aged.

Any other charitable purpose which shall be selected by the Trustees in their absolute discretion from time to time.

VALUE FOR MONEY REPORT

The Regulator of Social Housing has introduced a new standard for the reporting of Value for Money (VfM) from 1 April 2018 reflecting accounts produced from 31 March 2018, which includes these financial statements. The purpose of the revised standard is to:-

1. Firstly, report on a set of standard metrics, and where these results are outliers for the organisation to report the reasons why this might be. In the case of Sir Josiah Mason Trust, we have an untypical profile, being both a provider of supported housing for older people and also a care home provider, which will inevitably distort some of the results. We also have no loans which means metric 3 and 4 are 0%.
2. Secondly, the regulator asks providers to provide a set of metrics of their own that they can measure themselves against.

The regulator has defined seven key VFM metrics that must be reported by every registered provider for the financial year that is being audited. Accordingly, this report reflects only our own data at the time of reporting.

		2021-2022	2022-2023
1.	Reinvestment %	0.86%	0.2%
2 a.	New supply delivered % (Social Housing units)	2.54%	8.50%
2 b.	New supply delivered % (Non-Social Housing units)	0%	0%
3.	Gearing %	0%	0%
4.	Earnings before Interest, Tax, Depreciation, Amortisation, Major Repairs Included Interest Cover %	0%	0%
5.	Headline Social Housing Cost Per Unit	£8,752	£9,495
6 a.	Operating Margin (social housing lettings) %	3.00%	-11%
6 b.	Operating Margin (overall) %	16.2%	-9.2%
7.	Return on Capital Employed (ROCE) %	2.64%	-1.3%

Metric 1 Reinvestment % - This metric looks at the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held.

Metric 2 New Supply Delivered % - This metric sets out the number of new social housing and non-social housing units that have been acquired or developed in the year as a proportion of total social housing units and non-social housing units owned at the period end.

Metric 3 Gearing % - This metric assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance. It is often a key indicator of an organisation's appetite for growth. SJMT has no borrowings and all new developments have been funded through reserves.

Metric 4 Earnings before Interest, Tax, Depreciation, Amortisation, Major Repairs Included Interest Cover % - The EBITDA MRI interest cover measure is a key indicator for liquidity and investment capacity. It seeks to measure the level of surplus that a registered provider generates compared to interest payable; the measure avoids any distortions stemming from the depreciation charge.

Metric 5 Headline Social Housing Cost Per Unit – The unit cost metric assesses the headline housing cost per unit as defined by the Regulator.

Metric 6 Operating Margin % - The Operating Margin demonstrates the profitability of operating assets before exceptional expenses are taken into account. The metric is negative due to the operating deficit this year.

- a) Operating Margin (social housing lettings) %.
- b) Operating Margin (overall) %.

Metric 7 Return on Capital Employed (ROCE) % - This metric compares the operating surplus to total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources. The metric is negative due to the operating deficit this year.

Sir Josiah Mason Trust's Metrics

The regulator asks providers to provide a set of metrics of their own that they can measure themselves against. We have selected Metrics which best reflect the outcomes we are seeking to deliver in line with our business plan both for the Almshouse and Care Charities. The metrics we have chosen for this Value for Money report are a mixture of both hard financial type data and targets related to social impact, given our mission as defined by our charitable objects.

		2021-2022	2022-2023	Target 22/23
1.	Occupancy	93.3%	91.1%	95%
2.	Resident Satisfaction (Value for Money – Very/Fairly Satisfied)	88%	93%	95%
3.	Rent collected (as a percentage of rent owed)	99.8%	99.4%	100%
4.	Increased reach (new units)	6	17	19

FINANCIAL REVIEW

The overall surplus for the year was £388,046 (2022: £1,250,210). The major individual factor for 2023 is the donation on acquisition relating to the Oak Tree House transfer of £914,779. The operating deficit of £263,614 is as a result of high costs at Alex House and Alex Court and a one off in year correction of £140k extra depreciation as a result of carrying out a review of the economic useful lives for lifts and heating systems. High energy costs and

inflationary factors on food and contracts have also had a large impact on the result for the year.

Turnover increased by £160,793 (2022 decrease of: £65,358) due to the Oak Tree House acquisition and increases in fee rates and rent contributions.

Loss of income through voids for the whole organisation was £319,622 up from £299,787 in the previous year.

Occupancy rates for the year as a whole were 90% (2022:93%). In the Almshouse properties it was 91% (2022:95%). At Alexandra House, voids averaged 12% compared to 12.8% in the previous year. Voids were higher in the last 6 months of the year.

Note 4 to the Financial Statements shows an operating deficit of £143k for Registered Care. Alexander Court is included under this heading rather than under the Social Housing heading. Note 19 on page 34 shows how each of the linked charities has contributed to the operating deficit.

Expenditure on lettings increased by £616,718. This increase was attributable to:-

- 1) Staff costs in total increased significantly by £323,858 due to the acquisition of Oak Tree House, payment of Cost Of Living Awards to ensure retention of staff for all staff and some new posts.
- 2) Agency staff costs have remained high to cover the recruitment problems that continued throughout the year.
- 3) Repairs and maintenance costs increased by £26,227. The costs of works have been hit by higher inflation due to the demand in the sector.
- 4) The cost of food increased by £49k compared with the prior year for Care. This was due to high food inflation.
- 5) Electricity costs are higher by £21k for Care as the fixed term contracts ended in September 2022 and the new ones were at a much higher rate.

Expenditure on the fabric of the Charity's buildings amounted to £182,161 (2022: £366,088) in the year and of this expenditure, £27,109 (2022 £101,651) was capitalised and the rest was funded through Revenue Reserves.

Dividend income from equities and fixed interest increased in the year by £22,533 to £146,988 when compared with 2022 (£124,455). This was partly due to the new portfolio as part of the acquisition.

Realised gains on the sale of investments generated a surplus of £245,730 (2022: £9,504). Unrealised losses from the investment portfolio amounted to £656,455 (2022: gains of £244,837) by the end of the year. The decrease in the market value of the investment portfolio compared to the prior year was due to the volatility in the energy markets, inflationary factors and increasing interest rates together with the impact of the continuing war in Ukraine.

Grants totalling £nil (2022: £14,925) were made in the year.

RESERVES

Reserves are part of a charity's unrestricted funds that are freely available to spend on any of the

charity's purposes. Trustees take the view that reserves are essential to maintain the ongoing viability of the Trust and its charities.

Why we need reserves

It is the Policy of the Trust to accumulate and maintain reserve funds for:

1. Sinking Fund – for the replacement of soft furnishings in communal area, white goods in resident's homes, gardening equipment, laundry equipment and lifts.
2. Cyclical Maintenance Fund – to cover maintenance costs occurred at regular intervals including interior and exterior redecoration, fencing and annual electrical checks.
3. Contingency Fund – in the event that the organisation has to be wound up, it would require 6 months running costs in reserve to allow for a proper run down.
4. New Developments/projects.

The level of Reserves Trustees believe we need

In 2023-24, the Trustees have agreed to accumulate and maintain the following level of reserves:

- | | |
|---|------------|
| 1. Sinking Fund (Almhouse): | £565,000 |
| 2. Cyclical maintenance (Holy Trinity): | £62,525 |
| 3. Contingency Fund: | £1,496,315 |
| 4. New Developments/projects: | |
| a. £500,000 - Investment property (RiN) | |
| b. £165,000 - Children and young people's pilot project 2019-2024 (RiN) | |
| c. £4 million - Trustees have resolved to accumulate reserves for future capital development projects including refurbishment and new developments. | |

The Revenue and Designated reserves held as at 31st March 2023 were £11,953,883 but £10,913,893 is backed by housing properties which cannot be sold. The Trustees are looking at alternative methods for raising funds for future development projects.

INVESTMENT POLICY

Investment Objectives

- The Trust has been set up with the intention of continuing into perpetuity; therefore, the applicable investment timescale is long term.
- The Trust's investments are comprised of Endowment Investment Funds, unrestricted and restricted fund investments. The investment objectives for each type of fund is identical.
- **Relief In Need Charity:** The minimum investment objective of 2023-2024 is to achieve a minimum of CPI+4% per annum (after fees) over a 5 year rolling period. From this, we will take an income figure to be determined annually. In 2023 24 the income target will be £115,000.
- **Holte & Bracebridge Charity:** The minimum investment objective of 2023-2024 is to achieve a minimum of CPI+4% per annum (after fees) over a 5 year rolling period. From this, we will take an income figure to be determined annually to use for our activities. The Trust will take 3% income per annum from this return to use for its activities.
- **Holy Trinity Almshouse Charity:** The minimum investment objective or 2023-2024 is to achieve a minimum of CPI+4% per annum (after fees) over a 5 year rolling period. From

this, we will take an income figure to be determined annually to use for our activities. The Trust will take 3% income from this return to use for its activities.

- **Oak Tree House**

The minimum investment objective for 2023 24 is to achieve a minimum of CPI+4% per annum (after fees) over a 5-year rolling period. From this, we will take an income figure to be determined annually to use for our activities. The Trust will take 3% income from this return for its activities.

- For investment purposes the management of these funds will be delegated to a number of professional fund managers authorised by the FCA under a discretionary management agreement as determined by Trustees following an annual performance review with each Investment Manager.

Risk considerations

- The key risk to the long-term sustainability of the Trust is effective investment performance of the Investment Managers and managing the volatility in the stockmarket. The assets should be invested to mitigate this risk over the longer term. The Trustees understand that this is likely to mean that investments will be concentrated in real assets and the capital value will fluctuate from time to time.
- Trustees continue to adopt a medium risk strategy that should protect the Trust's income and grow capital value over the medium term.
- Consecutive capital losses can be tolerated during market downturns as the long-term time horizon allows time for values to recover. This will be monitored via quarterly reports and the annual review.

Investment Powers

- The Trust has wide investment powers and can invest in all asset classes available to charities under Charity Commission regulations. Derivatives should only be used for efficient portfolio management and not for speculative purposes.

Ethical Consideration and Restrictions

- The Trustees have an expectation that the Investment managers have an Environmental, Social and Governance (ESG) as an integral part of their investment process.

Currency

- The base currency of the Portfolio is Sterling.
- Currency hedging is permitted.

Liquidity Requirements

- It is expected that income from the Portfolio will be used by the Trust to fund its charitable objects.
- As part of the long-term development plans of the Trust, it may wish to realise some of the Portfolio to provide the necessary funding. This will be discussed with the fund managers as plans develop.

Investment Performance Benchmarks

- The Trust will review the Portfolio, including an analysis of return, risk and asset allocation with the fund manager and any retained advisor annually.

- The minimum performance requirement for all fund investments is inflation (CPI) +4% per annum over 5 year rolling periods and the fund manager is required to show this figure in all reports. In addition, the trustees will monitor performance against a composite benchmark reflecting the strategic asset allocation of the portfolio as agreed with the manager and an appropriate peer group benchmark e.g. ARC.

Periodic Reviews of Investment Policy

- This Statement of Investment Policy will be subject to annual review.
- It is anticipated that the investment management services provided to the Charity by the investment managers will be formally reviewed every 3-5 years to ensure that the Charity is receiving value for money and demonstrable risk-adjusted returns in line with its objectives.

The War in Ukraine

The Trustees have given full consideration to the potential impact of the War in Ukraine and whilst the investment portfolio volatility and the energy contract renewal process are being closely monitored the Trustees consider that measures are in place to manage the potential risks. The Trust does not operate in either Ukraine or Russia and has no Russian suppliers.

FUTURE PLANS

During 2022/23, we developed our new 5 year Strategic Business Plan 'Providing Homes | Building Communities'. Our 5 key goals during this strategy period are:

1. To be a great place to work.
2. To be the best we can be.
3. To provide homes for the future.
4. To create opportunities that help people to achieve their potential and thrive.
5. To increase the services and support we provide to children and young people.

In 2023-2024, the way in which the Trust will achieve these goals includes:

- Appoint a Head of People
- Create a People Strategy
- Work towards adopting the Real Living Wage
- Launch an active volunteering and work experience programme.
- Commence plans to develop a 'Go Green Strategy' which sets out our commitment to environmental sustainability & improved affordability for our residents & the Trust.
- Extend our influence within our sector at a local and national level.
- Appoint a Head of Estates
- Submit a planning application to redevelop the Holte & Bracebridge Almshouses
- To increase our partnership working including supporting Yardley Great Trust Group.
- Review telecare provision across the Trust, ensuring we are digital ready.
- Launch our new community service for young people.
- Submit a planning application to develop Almshouses for young people.

GOING CONCERN

Under governance requirements the Trustees confirm that after making enquiries they have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Trustees have also considered the impact of the war in Ukraine on the ability to continue and have no issues of concern. Accordingly they continue to adopt the going concern basis in preparing the accounts.

INTERNAL CONTROLS ASSURANCE

The Board of Trustees has overall responsibility for establishing and maintaining a robust system of internal control and for reviewing its effectiveness. Trustees recognise that no system of internal control can provide absolute assurance or eliminate all risk. The system of internal control currently in operation is designed to identify and manage risk and to provide reasonable assurance that all key business objectives and expected outcomes will be achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational performance information and the safeguarding of the charity's assets and interests.

In meeting its responsibilities Trustees have adopted a risk-based approach to internal controls which are embedded within the normal management and governance process. This approach includes the regular evaluation of the nature and extent of risks to which the charity is exposed and is consistent with Turnbull principles (guidance on best practice in internal controls management).

TRUSTEES' RESPONSIBILITIES

As a Registered Provider the Board of Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the entity at the end of the financial year and of its income and expenditure for the year ended on that date. In preparing those financial statements, suitable accounting policies have been used, and formulated, to the best of the Trustees knowledge and belief, by reference to reasonable and prudent judgements and estimates and applied consistently. Applicable accounting standards have been followed. The Board is also required to indicate where the financial statements are prepared other than on the basis that the entity is a going concern.

The Board of Trustees is responsible for ensuring that arrangements are made for keeping proper books of account with respect to the Charity's transactions and its assets and liabilities, and for maintaining a satisfactory system of control over the Charity's books of account and transactions. The Board is also responsible for ensuring that arrangements are made to safeguard the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

COMPLIANCE WITH THE RSH GOVERNANCE AND FINANCIAL VIABILITY STANDARD

The Trustees confirm that the Charity complies with the requirements of the Governance and Financial Viability Standard applicable for the year.

TRUSTEES' LIABILITY INDEMNITY

All Trustees of the charity benefit from a 'Trustees Liability Insurance' policy operated through our insurers which provides £2,000,000 of cover.

FINANCIAL INSTRUMENTS

The Charity does not have any abnormal exposure to price, credit, liquidity or cash flow risks arising from its trading activities. The Charity does not enter into any hedging transactions and no trading in financial instruments is undertaken.

DISCLOSURE OF INFORMATION TO THE AUDITOR

In the case of each of the persons who are Trustees of the Charity at the date when this report was approved:

- so far as each of the Trustees are aware, there is no relevant audit information of which the Charity's auditor is unaware; and
- each of the Trustees has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information (as defined) and to establish that the Charity's auditor is aware of that information.

The report was approved by the Board of Trustees on 20th September 2023 and signed on their behalf by:

Mr Ken Meeson – Chair



Mr Gareth Moore – Chair of Finance & Performance



Independent auditor's report to the members of Sir Josiah Mason Trust**OPINION**

We have audited the financial statements of Sir Josiah Mason Trust (the 'trust') for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statements of Changes in Reserves, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 trust's affairs as at 31 March 2023 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the trust 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 Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the trust'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 Board 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 annual report, other than the financial statements and our auditor's report thereon. The Board are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Board's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Board's Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Board Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Board's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF BOARD

As explained more fully in the Board's Responsibilities Statement set out on page 11, the Board 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 Board 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 Board are responsible for assessing the trust'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 Board either intend to liquidate the trust 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 the financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Trust and its sector, we identified that the principal risks of non-compliance with laws and regulations related to the pensions legislation, employment and health and safety regulations, Homes England, Regulator of Social Housing and implementation of government support schemes relating to COVID-19, anti-bribery, corruption and fraud, money laundering and we considered the extent to which non-compliance might have a material effect on the financial statements.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

In addition, we evaluated the Board's and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Board and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

USE OF THE AUDIT REPORT

This report is made solely to the trust's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and Chapter 4 of Part 2 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the trust's members 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 trust and the trust's members as a body for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in dark ink, appearing to read 'D Hoose', is positioned above the printed name and address of the auditor.

David Hoose (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
First Floor, Two Chamberlain Square Birmingham
B3 3AX

20th September 2023

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
TURNOVER	3	3,330,810	3,170,017
Operating costs	3	<u>(3,594,424)</u>	<u>(2,992,631)</u>
OPERATING DEFICIT/SURPLUS	3	(263,614)	177,386
Donations arising from Acquisitions	5	914,779	696,549
Interest receivable and other income	6a	150,877	125,385
Interest and financing costs	6b	(3,271)	(3,451)
Realised gains on investment		<u>245,730</u>	<u>9,504</u>
SURPLUS FOR THE YEAR		1,044,501	1,005,373
Unrealised losses/ gains on investments:			
-Freehold ground rents and properties		-	-
-Listed investments		<u>(656,455)</u>	<u>244,837</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>388,046</u>	<u>1,250,210</u>

The financial statements on pages 17 to 37 were approved and authorised for issue by the Trustees on 20th September 2023 and were signed on their behalf by:-

Mr Ken Meeson – Chair



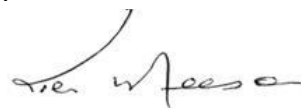
Mr Gareth Moore – Chair of Finance & Performance




**STATEMENT OF FINANCIAL POSITION
FOR THE YEAR AS AT 31 MARCH 2023**

	Notes	2023 £	2022 £
TANGIBLE FIXED ASSETS			
Housing properties	9	10,913,893	10,731,409
Investment properties	10	706,000	706,000
Other property, plant & equipment	11	102,430	71,949
Listed investments	12	<u>5,497,518</u>	<u>5,313,945</u>
		<u>17,219,841</u>	<u>16,823,303</u>
CURRENT ASSETS			
Stock		3,331	4,006
Trade and other receivables	13	290,456	140,439
Cash and cash equivalents		<u>2,809,571</u>	<u>3,025,382</u>
		3,103,358	3,169,827
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	14	<u>(442,847)</u>	<u>(480,762)</u>
NET CURRENT ASSETS		<u>2,660,511</u>	<u>2,689,065</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		19,880,352	19,512,368
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	15	<u>(1,487,650)</u>	<u>(1,507,713)</u>
NET ASSETS		<u>18,392,702</u>	<u>18,004,655</u>
RESERVES			
Endowment Reserve		6,438,819	7,077,423
Revenue Reserve		5,896,629	5,240,326
Designated reserves		<u>6,057,254</u>	<u>5,686,906</u>
		<u>18,392,702</u>	<u>18,004,655</u>

The financial statements on pages 17 to 37 were approved and authorised for issue by the Trustees on 20th September 2023 and were signed on their behalf by:-



Mr Ken Meeson – Chair



Mr Gareth Moore – Chair of Finance & Performance

**STATEMENT ON CHANGES IN RESERVES
FOR THE YEAR AS AT 31 MARCH 2023**

	2023 £	2022 £
<i>Revenue reserves</i>		
BALANCE AT 1 APRIL 2022	5,240,326	4,244,459
Increase from acquisitions	544,431	696,549
Surplus for the year	111,872	299,318
Transfers	-	-
BALANCE AT 31 MARCH 2023	<u>5,896,629</u>	<u>5,240,326</u>
<i>Endowment Capital Account</i>		
BALANCE AT 1 APRIL 2022	7,077,423	6,823,082
Increase from acquisitions	-	-
Deficit/surplus on sale of		
- Ground rents	-	-
- Investments	-	9,504
Movement on unrealised surplus on properties		-
Movement on unrealised gain on investments	<u>(638,604)</u>	<u>244,837</u>
BALANCE AT 31 MARCH 2023	<u>6,438,819</u>	<u>7,077,423</u>
<i>Designated reserves</i>		
BALANCE AT APRIL 2022	5,686,906	5,686,906
Increase from acquisitions	370,348	-
Transfers	-	-
BALANCE AT 31 MARCH 2023	<u>6,057,254</u>	<u>5,686,906</u>

**STATEMENT OF CASH FLOWS
FOR THE YEAR AS AT 31 MARCH 2023**

		2023	2022
	Notes	£	£
NET CASH GENERATED FROM OPERATING ACTIVITIES	A	(43,633)	489,840
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest received		152,680	124,848
Dilapidation cash		62,000	-
Interest paid		(3,208)	-
			124,848
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of housing properties		(27,109)	(102,791)
Investments: Purchases		(300,000)	-
Purchase of other fixed assets		(56,540)	(44,862)
		(383,649)	(147,653)
NET CHANGE IN CASH AND CASH EQUIVALENTS		(215,810)	467,035
Cash and cash equivalents at the beginning of the year		3,025,381	2,558,346
Cash and cash equivalents at the end of the Year		2,809,571	3,025,381

**A) RECONCILIATION OF SURPLUS FOR THE YEAR TO NET
CASH GENERATED FROM OPERATING ACTIVITIES**

	2023	2022
	£	£
Surplus for the year	388,046	1,250,210
Acquisition donation- non cash	(855,047)	(693,000)
Stock	675	(884)
Movement in debtors	(151,267)	(4,013)
Movement in creditors	(119,335)	16,769
Deficit/(surplus) on disposal of fixed assets	1,800	8,315
Depreciation	422,851	268,456
Movement in investment properties		-
Movement in listed investments	410,725	(254,341)
Movement in capital grants	(20,063)	-
Interest receivable	(150,877)	(125,386)
Interest and financing costs	3,271	-
Investment managers fees deducted at source	25,588	23,714
Net cash inflow from operating activities	(43,633)	489,840

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 ACCOUNTING POLICIES

(a) *General information and basis of accounting*

The financial statements are prepared under the historical cost convention, in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022 and the Statement of Recommended Practice for Registered Social Housing Providers 2018 (SORP). The accounts also comply, in all material respects, with charities legislation. The Charity is a public benefit entity, as defined in FRS 102 and applies the relevant paragraphs prefixed "PBE" in FRS 102.

Going Concern

Under governance requirements the Trustees confirm that after making enquiries they have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Trustees have also considered the impact of COVID-19 on the ability of the organisation to continue and they have reasonable expectations due to the level of reserves and the funding being made available by the government that the organisation is a going concern. Accordingly they continue to adopt the going concern basis in preparing the accounts.

Merger

On 14 June 2018, a new entity, Sir Josiah Mason Trust (SJMT) was incorporated under the Companies Act 2006, as a private company, limited by guarantee. On 14th June 2018 the activities and assets and liabilities of the following entities were transferred to Sir Josiah Mason Trust:-

Sir Josiah Mason's Almshouse Charity;
Sir Josiah Mason's Care Charity; and
Sir Josiah Mason's Relief in Need and Educational Charity.

In accordance with FRS 102, this transaction has been accounted for as a merger, and so these financial statements are presents as if Sir Josiah Mason Trust had existed in its current form since the start of the previous reporting period.

Acquisitions

On 1st July 2019 the Holte and Bracebridge Charity was transferred to SJMT and the charity has been linked under ref 1179890-4. On 1st July 2019 Holy Trinity Heath Town Almshouses Charity was transferred to SJMT and has been linked under ref 1179890-5. Both have been accounted for using the acquisition method and the assets transferred treated as donations in the year.

On 8th June 2021 Thomas Banks Almshouses Charity was transferred to SJMT and has been linked under ref 1179890-6. This has been accounted for using the acquisition method.

On 1st September 2022 Oak Tree House was transferred to SJMT and has been linked under ref 1179890-7. This has been accounted for using the acquisition method.

(b) **Turnover**

Turnover represents residents' contributions receivable in respect of almshouses and the care home (net of void losses), grants and donations and other sundry income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

(c) Depreciation

Depreciation is charged so as to write down the cost of freehold housing properties and other fixed assets to their estimated residual value on a straight line basis over their expected useful economic lives as follows:

Freehold land	Not depreciated
Housing properties:	
Leasehold property	period of the lease
Structures and Pitched Roof	100 years
Lifts	40 years
Doors and Windows	35 years
Flat Roof	30 years
Central Heating including Boilers	15 years
Electrics	20 years
Bathrooms and Kitchens	15 years
Soft Furnishings	10 years
Computers	4 years
Fixtures and fittings	4 years
Motor Vehicles	4 years

(d) Impairment

Properties held for their social benefit are not held solely for the cash inflows they generate and are held for their service potential.

An assessment is made at each reporting date as to whether an indicator of impairment exists. If such an indicator exists, an impairment assessment is carried out and an estimate of the recoverable amount of the asset is made. Where the carrying amount of asset exceeds its recoverable amount, an impairment loss is recognised in surplus or deficit in the Statement of Comprehensive Income. The recoverable amount of an asset is the higher of its value in use and fair value less costs to sell. Where assets are held for their service potential, value in use is determined by the present value of the asset's remaining service potential plus the net amount expected to be received from its disposal. Depreciated replacement cost is taken as a suitable measurement model.

An impairment loss is reversed if the reasons for the impairment loss have ceased to apply and included in surplus or deficit in the Statement of Comprehensive Income.

(e) Works to existing properties

Expenditure on housing properties, other than the replacement of components, which results in an enhancement of the economic benefits of the property or relates to a major overhaul of the property is capitalised.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31ST MARCH 2023**

(f) Social Housing Grant (SHG) and other grants

Government grants are recognised using the accrual model and are classified either as a grant relating to revenue or a grant relating to assets. Grants relating to revenue are recognised in income on a systematic basis over the period in which related costs for which the grant is intended to compensate are recognised. Where a grant is receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support with no future related costs, it is recognised as revenue in the period which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Grants received for housing properties are recognised in income over the expected useful life of the housing property structure. Where a grant is received specifically for components of a housing property, the grant is recognised in income over the expected useful life of the component.

Grants received from non-government sources are recognised as revenue using the performance model.

(g) Operating leases

Rentals payable under operating leases are charged on a straight-line basis over the term of the lease.

(h) Pensions

The Charity operates a defined contribution pension scheme, the cost of which is written off to the Statement of Comprehensive Income on an accruals basis. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

(i) Donations

Cash donations are accounted for when the receipt is recorded in the accounting records. Material donations of items other than cash are included in income at market value on receipt.

(j) Voluntary help

No value has been put on the voluntary help received by the Charity during the year.

(k) Financial Instruments

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument.

Financial assets carried at amortised cost

Financial assets carried at amortised cost comprise rent arrears, trade and other receivables and cash and cash equivalents. Financial assets are initially recognised at fair value plus directly attributable transaction costs. After initial recognition, they are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31ST MARCH 2023**

If there is objective evidence that there is an impairment loss, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced accordingly.

A financial asset is derecognised when the contractual rights to the cash flows expire, or when the financial asset and all substantial risks and reward are transferred.

If an arrangement constitutes a financing transaction, the financial asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial liabilities carried at amortised cost

These financial liabilities include trade and other payables.

Any non-current debt instruments which meet the necessary conditions in FRS 102, are initially recognised at fair value adjusted for any directly attributable transaction cost and subsequently measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs in the Statement of Comprehensive Income. Discounting is omitted where the effect of discounting is immaterial.

A financial liability is derecognised only when the contractual obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.

Financing transactions

For rent arrears where the arrangement constitutes, in effect, a financing transaction because of extended credit arrangements the arrears are measured at the present value of the future payments discounted at an appropriate market rate of interest.

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

(m) Charitable Status

The Charity is registered with the Charity Commission, number 1179890 and is exempt from Income Tax and Capital Gains Tax provided its income and gains are applied for charitable purposes.

(n) Investment Properties

The value of investment properties was valued by David Coleman MRICS at 31st March 2020. An in house review by Edward Rutledge FRIC (trustee) was carried out for 31st March 2023.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31ST MARCH 2023****2 SIGNIFICANT MANAGEMENT JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. In this regard, the Trustees believe that the critical accounting policies where judgements or estimations are necessarily applied are summarised below:

Depreciation and residual values

The Trustees have reviewed the asset lives and associated residual values of all fixed asset classes and have concluded that asset lives and residual values are appropriate.

Provisions and accruals

Management bases its judgements on the circumstances relating to each specific event and upon currently available information. However, given the inherent difficulties in estimating liabilities in these areas, it cannot be guaranteed that additional costs will not be incurred beyond the amounts accrued.

Impairment of trade debtors

An estimate of the collectible amount of trade debtors is made when collection of the full amount is no longer probable. This estimation is performed on an individual basis.

Investment Property Valuation

The Trust carries its investment properties at fair value and engages independent valuers to determine fair value using valuation techniques. The calculated fair value of the investment property uses assumptions which are subject to judgements. The carrying values of the Trust's investment properties can be found in note 10 of the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

3 TURNOVER AND OPERATING COSTS

	Turnover £	2023 Operating Costs £	Operating Deficit £	Turnover £	2022 Operating Costs £	Operating Surplus £
Income and expenditure from lettings						
Alms' & Care accommodation	<u>3,263,899</u>	<u>(3,594,424)</u>	<u>(330,525)</u>	<u>3,031,324</u>	<u>(2,977,706)</u>	<u>53,618</u>
Other income and expenditure						
Catering	-	-	-	-	-	-
Donations & Grants	39,185		39,185	110,690	(14,925)	95,765
Other income and expenditure	5,065		5,065	11,489	-	11,489
Rental income from investment properties	22,661		22,661	16,514	-	16,514
Total	<u><u>3,330,810</u></u>	<u><u>(3,594,424)</u></u>	<u><u>(263,614)</u></u>	<u><u>3,170,017</u></u>	<u><u>(2,992,631)</u></u>	<u><u>177,386</u></u>

4 INCOME AND EXPENDITURE FROM LETTINGS

	Social Housing £	Registered Care £	2023 £	2022 £
Income				
Rents net of voids	1,136,713	1,168,201	2,304,914	2,100,459
Service charge net of voids	541,708	219,491	761,199	640,818
Charges for support services	3,881	173,294	177,175	157,730
Supporting people grants	470	78	548	114,446
Amortisation of SHG	<u>11,295</u>	<u>8,768</u>	<u>20,063</u>	<u>17,871</u>
	<u>1,694,067</u>	<u>1,569,832</u>	<u>3,263,899</u>	<u>3,031,324</u>
Expenditure				
Services	543,197	665,082	1,208,279	996,164
Management	911,010	934,711	1,845,721	1,467,345
Repairs and maintenance	<u>427,247</u>	<u>113,177</u>	<u>540,424</u>	<u>514,197</u>
	<u>1,881,454</u>	<u>1,712,970</u>	<u>3,594,424</u>	<u>2,977,706</u>
Operating deficit/surplus on letting activities	<u>(187,387)</u>	<u>(143,138)</u>	<u>(330,525)</u>	<u>53,618</u>
Void Losses	<u>90,542</u>	<u>229,080</u>	<u>319,622</u>	<u>299,787</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

5 Donations arising from Acquisitions

	2023 £	2022 £
Donations from charities acquired during the year		
Thomas Banks	-	696,549
Oak Tree House	914,779	-
	<u>914,779</u>	<u>696,549</u>

A breakdown of the assets acquired is set out in note 20.

	2023 £	2022 £
6a INTEREST RECEIVABLE AND SIMILAR INCOME		
Fixed interest investments	5,000	-
Equities	141,988	124,455
Bank and building societies	<u>3,889</u>	<u>930</u>
	<u>150,877</u>	<u>125,385</u>

	2023 £	2022 £
6b INTEREST AND FINANCING COSTS		
Bank interest and charges	<u>3,271</u>	<u>3,451</u>

No interest was capitalised in the year (2022 £nil).

7 SURPLUS FOR THE YEAR

Surplus for the year is stated after charging:

	2023 £	2022 £
Staff costs (note8)	1,766,402	1,442,544
Depreciation of tangible owned assets	422,851	268,456
Auditors' remuneration		
- In their capacity as auditors	8,434	16,184
- Other services	-	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8 STAFF COSTS

	2023	2022
	£	£
Salaries	1,572,079	1,299,586
Social Security costs	121,148	87,235
Other pension costs	<u>73,175</u>	<u>55,723</u>
	<u>1,766,402</u>	<u>1,442,544</u>
Agency	<u>195,256</u>	<u>171,352</u>

The management team consisted of the Chief Executive, Director of Operations, Head of Central Services (part year) and the Head of Finance and were paid the following amounts during the year:

	2023	2022
	£	£
Salaries	212,724	225,907
Social Security costs	26,528	27,073
Other pension costs	<u>12,371</u>	<u>13,309</u>
	<u>251,623</u>	<u>266,289</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£60,000-£70,000	1	1
£70,001-£80,000	-	1
£80,000-£90,000	1	-

Average number of full time equivalent persons employed during the year:

	Number	Number
Office	9	9
Carers & other site staff	52	46
	<u>61</u>	<u>55</u>
Total employees	<u>61</u>	<u>55</u>

	2023	2022
	£	£
TRUSTEES' REMUNERATION	-	-
Out of pocket expenses reimbursed in the year.	<u>-</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9 FIXED ASSETS – HOUSING PROPERTIES

	Completed Properties £	Under Construction £	Care Home £	Total £
COST				
At 1 April 2022,	11,858,626	5,287	1,090,839	12,954,752
Acquisition	621,858	-	-	621,858
Additions – completed	27,109	-	-	27,109
Additions – under construction	-	-	-	-
Less Disposals	(1,800)	-	-	(1,800)
	<u>12,505,793</u>	<u>5,287</u>	<u>1,090,839</u>	<u>13,601,919</u>
At 31 March 2023	<u>12,505,793</u>	<u>5,287</u>	<u>1,090,839</u>	<u>13,601,919</u>
DEPRECIATION				
At 1 April 2022	2,102,919	-	120,424	2,223,343
Acquisition	69,154	-	-	69,154
Charge for the year	385,300	-	10,229	395,529
Less Disposals	-	-	-	-
	<u>2,557,373</u>	<u>-</u>	<u>130,653</u>	<u>2,688,026</u>
At 31 March 2023	<u>2,557,373</u>	<u>-</u>	<u>130,653</u>	<u>2,688,026</u>
NET BOOK VALUE				
At 31 March 2022	<u>9,755,707</u>	<u>5,287</u>	<u>970,415</u>	<u>10,731,409</u>
At 31 March 2023	<u>9,948,420</u>	<u>5,287</u>	<u>960,186</u>	<u>10,913,893</u>

All housing properties are freehold and completed. Total expenditure on works to existing properties amounted to £182,161 (2022 £366,008). Of this expenditure, £27,109 (2022 £101,651) was capitalised in the year.

	2023	2022
	No's	No's
Units in Management	<u>259</u>	<u>242</u>
	<u>259</u>	<u>242</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10 FIXED ASSETS – INVESTMENT PROPERTIES

Freehold land and buildings held as income producing investments

	Freehold Ground rents £	Freehold properties £	Total £
Market value at 1 April 2022	311,000	395,000	706,000
Property acquired	-	-	-
Elimination on disposals during the year	-	-	-
Revaluation of ground rents and properties in the year			
Market value at 31 March 2023	<u>311,000</u>	<u>395,000</u>	<u>706,000</u>
Cost at 31 March 2023	<u>180,749</u>	<u>460,000</u>	<u>640,749</u>

The investment properties have been valued in house by a review by the Board of Trustees assisted by Edward Rutledge FRIC who is a Trustee and it is considered that the valuation has not changed since 31st March 2020.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11 Other property, plant & equipment

	Fixtures & fittings £	Computer equipment £	Motor vehicles £	Total £
COST				
At 31 March 2022	263,149	60,144	9,070	332,363
Acquisition	17,812	-	-	17,812
Additions	38,066	10,074	8,400	56,540
At 31 March 2023	<u>319,027</u>	<u>70,218</u>	<u>17,470</u>	<u>406,715</u>
DEPRECIATION				
At 31 March 2022	200,773	50,571	9,070	260,414
Acquisition	16,549	-	-	16,549
Charge for the year	22,027	5,295	-	27,322
At 31 March 2023	<u>239,349</u>	<u>55,866</u>	<u>9,070</u>	<u>304,285</u>
NET BOOK VALUE				
At 31 March 2022	<u>62,376</u>	<u>9,573</u>	<u>-</u>	<u>71,949</u>
At 31 March 2023	<u>79,678</u>	<u>14,352</u>	<u>8,400</u>	<u>102,430</u>
Depreciation rates	25%	25%	25%	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12 LISTED INVESTMENTS – GENERAL INVESTMENTS

	Cost 2023 £	Cost 2022 £	Market value 2023 £	Market value 2022 £
Fixed interest	-	314,132	-	295,254
Equities and unit trusts	4,262,706	3,155,048	5,357,365	4,902,348
	<u>4,262,706</u>	<u>3,469,180</u>	<u>5,357,365</u>	<u>5,197,602</u>
Short term deposits	140,153	116,343	140,153	116,343
	<u>4,402,859</u>	<u>3,585,523</u>	<u>5,497,518</u>	<u>5,313,945</u>

Significant shareholdings

There are no significant shareholdings which individually represent more than 5% of the market value of the Charity's investment portfolio at 31 March 2023.

	£
COST	
At 1 April 2022	3,469,180
Investments acquired	1,055,525
Acquisition	254,201
Transfer in	7,395
	<u>4,786,301</u>
Investment disposals	(523,595)
At 31 March 2023	<u>4,262,706</u>
MARKET VALUE ADJUSTMENT	
At 1 April 2022	1,728,422
Acquisition	60,689
Eliminated on sales	(534,164)
Adjustment for the year	(160,288)
At 31 March 2023	<u>1,094,659</u>
MARKET VALUE	
At 31 March 2023	<u>5,357,365</u>
At 31 March 2022	<u>5,197,602</u>

All investments are quoted on the London stock exchange and have been acquired within the Trustees' powers.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

	2023	2022
	£	£
13 DEBTORS		
Sundry debtors and prepayments	184,517	94,989
Almshouse contribution arrears	<u>105,939</u>	<u>45,450</u>
	<u>290,456</u>	<u>140,439</u>
14 CREDITORS (AMOUNTS FALLING DUE WITHIN ONE YEAR)		
Almshouse contribution prepayments	157,385	131,925
Trade creditors	47,656	79,617
Government Grants	20,063	20,063
Taxation and social security	30,650	26,140
Accruals and deferred income	163,176	201,929
Other creditors	<u>23,917</u>	<u>21,088</u>
	<u>442,847</u>	<u>480,762</u>
15 CREDITORS (AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR)		
Government grants:		
At 1 April 2022	1,527,776	1,547,839
Addition		-
Amortised in the year	<u>(20,063)</u>	<u>(20,063)</u>
At 31 March 2023	<u>1,507,713</u>	<u>1,527,776</u>
Amortisation charge < 1 year	<u>20,063</u>	<u>20,063</u>
Amortisation charge > 1 year	<u>1,487,650</u>	<u>1,507,713</u>

Total accumulated SHG received at the year-end amounted to £1,815,754.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

16 FINANCIAL INSTRUMENTS

The carrying values of the Charity's financial assets and liabilities are summarised by category below:

	2023	2022
	£	£
Financial Assets		
Measured at undiscounted amount received		
• Rent arrears and other debtors (see Note 13)	290,456	140,439
• Amounts due from related undertakings (see Note 13)		-
	<u>290,456</u>	<u>140,439</u>
Measured at undiscounted amount payable		
• Trade and other creditors (see Note 14)	442,847	480,762
• Amounts owed to related undertakings (see Note 14)	-	
	<u>442,847</u>	<u>480,762</u>

17 OPERATING LEASE COMMITMENTS

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2023	2022
	£	£
Payments due		
Within one year	14,975	10,344
Within 2 to 5 years	<u>42,069</u>	<u>46,548</u>
	<u>57,044</u>	<u>56,892</u>

18 CAPITAL COMMITMENTS

There were no capital commitments as at 31st March 2023 or 2022.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

19 Linked Charities

The summary results and balance sheets for each of the 6 linked charities as at 31st March 2023 are as follows:

Statement of Comprehensive Income	Alms	Holte and Bracebridge	Holy Trinity	Thomas Banks	Oak Tree House	Care	Relief in Need
	YE 31/3/23	YE 31/3/23	YE 31/3/23	YE 31/3/23	YE 31/3/23	YE 31/3/23	YE 31/3/23
	£	£	£	£	£	£	£
TURNOVER	1,650,735	42,304	38,079	28,674	74,011	1,612,539	22,661
Operating costs	(1,414,761)	(102,015)	(52,855)	(60,626)	(156,262)	(1,828,375)	(118,355)
Operating surplus/(loss)	235,974	(59,711)	(14,776)	(31,952)	(82,251)	(215,836)	(95,694)
Interest receivable and other income	298	10,066	2,230	-	7,146	-	131,137
Interest payable	(2,349)	(61)	(61)	(61)	(97)	(296)	(60)
Realised gains (loss)	-	10,778	435	-	26,043	-	208,474
SURPLUS/(DEFICIT) FOR THE YEAR	233,923	(38,928)	(12,172)	(32,013)	(49,159)	(216,132)	243,857
Unrealised losses on investments	-	(32,585)	(10,822)	-	(17,851)	-	(594,850)
NET INCOME(DEFICIT)	233,923	(71,513)	(22,994)	(32,013)	(67,010)	(216,132)	(350,993)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

19 Linked Charities continued

Balance Sheets	Alms £	H&B £	HT £	TB £	OTH £	Care £	RiN
Fixed Assets							
Housing Properties	7,637,548	661,157	443,791	660,795	550,416	960,186	-
Investment properties	-	-	-	-	-	-	706,000
Other property	80,404	2,784	-	-	1,475	17,767	-
Listed investments	-	277,511	78,434	-	323,537	-	4,818,035
	7,717,952	941,452	522,225	660,795	875,428	977,953	5,524,035
Current Assets							
Stock	-	-	-	-	-	3331	-
Trade and other debtors	657,311	6,116	604	-	12,277	164,573	6,364
Cash	1,323,636	19,670	96,914	12,192	48,606	478,296	830,257
Creditors <one year	(208,436)	(40,746)	(27,733)	(24,551)	(88,542)	(501,261)	(108,366)
Total assets less creditors <1 year	9,490,463	926,492	592,010	648,436	847,769	1,122,892	6,252,290
Creditors >1 year	(1,487,650)	-	-	-	-	-	-
NET ASSETS	8,002,813	926,492	592,010	648,436	847,769	1,122,892	6,252,290
RESERVES							
Endowment	-	947,654	80,067	-	-	-	5,411,098
Revenue	2,743,432	(21,162)	449,418	648,436	477,421	1,122,892	476,192
Designated	5,259,381	-	62,525	-	370,348	-	365,000
	8,002,813	926,492	592,010	648,436	847,769	1,122,892	6,252,290

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

20 Fair Value of Assets from charity acquired on 1st September 2022

	Oak Tree
	House
	£
Housing Properties	553,966
Investments	314,890
Other debtors	6,987
Cash	59,732
Other creditors	<u>(20,796)</u>
Total	<u>914,779</u>

21 Post Balance Sheet Event

There were no post balance sheet events requiring disclosure.