

ST MONICA TRUST

England & Wales · Charity number 202151

Details

Other names	HENRY HERBERT WILLS FOR CHRONIC OR INCURABLE SUFFERERS WHICH CHARITY INCLUDES THE ST MONICA HOME
Status	Registered
Legal form	Other
Registered	1962-12-05
Register	View on the Charity Commission register

Contact

Address	St. Monica Trust Cote Lane Bristol BS9 3UN
Phone	01179494006
Email	info@stmonicastrust.org.uk
Website	www.stmonicastrust.org.uk

Activities

Objects: (1)THE OBJECTS OF THE CHARITY ARE, FOR THE PUBLIC BENEFIT, THE RELIEF OF THOSE INDIVIDUALS (AND IF APPROPRIATE THEIR SPOUSES) WHO ARE IN NEED BY REASON OF AGE, DISABILITY OR ILL-HEALTH BY THE PROVISION OF (A) ACCOMMODATION AND ASSOCIATED FACILITIES; AND/OR (B) OTHER SERVICES OR ASSISTANCE(2) IN CARRYING OUT THESE OBJECTS, THE COUNCIL MUST GIVE PREFERENCE TO INDIVIDUALS: (A) FIRSTLY, WHO (OR WHOSE PARENTS OR SPOUSE) HAVE LIVED IN THE AREA OF BRISTOL, BATH AND NORTH EAST SOMERSET, NORTH SOMERSET, SOUTH GLOUCESTERSHIRE, GLOUCESTERSHIRE, SOMERSET OR WILTSHIRE WITH A PREFERENCE FOR PERSONS WHO (OR WHOSE PARENTS OR SPOUSE) HAVE BEEN RESIDENT IN THE AREA FOR AT LEAST 10 YEARS; OR (B) SECONDLY, WHO ARE FROM ANY OTHER PART OF THE UNITED KINGDOM.(3) IN CARRYING OUT THESE OBJECTS THE COUNCIL SHALL TAKE ALL REASONABLE STEPS TO ENSURE THAT ALL PERSONS LIVING IN THE CHARITY'S ACCOMMODATION RECOGNISE AND RESPECT THE CHARITY'S CHRISTIAN, AND PARTICULARLY ANGLICAN, FOUNDATION.

Activities: Residential Care & SupportCommunity Support

Classification

- **How:** Makes Grants To Individuals, Provides Other Finance, Provides Services
- **What:** Accommodation/housing
- **Who:** Elderly/old People

Geography

- Bath And North East Somerset
- Bristol City
- Gloucestershire
- North Somerset
- Somerset
- South Gloucestershire
- Wiltshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£53,656,000	£61,410,000	£340,900,000	1392
2023-12-31	£53,868,000	£58,172,000	£351,266,000	1351
2022-12-31	£44,933,000	£51,616,000	£331,383,000	749
2021-12-31	£44,759,000	£47,252,000	£332,095,000	808
2020-12-31	£44,107,000	£47,540,000	£305,583,000	873

Trustees

Name	Role	Appointed
ST MONICA TRUSTEE COMPANY LIMITED		2015-01-01

ST MONICA TRUST

England & Wales - Charity number 202151

Accounts



St Monica Trust

ST MONICA TRUST

Report of the Trustee and consolidated financial statements

Registered charity number 202151

Year ended 31 December 2024



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Report of the Trustee for the year ended 31 December 2024

The Council presents its annual report and the audited consolidated financial statements for the year ended 31 December 2024. This report consolidates the results of St Monica Trust and its subsidiaries St Monica Trading Limited and Somerdale Pavilion Trust.

The financial statements comply with the memorandum and articles of association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Reference and administrative details of the Charity, its Trustee and Advisers

The Trust was founded by Henry and Monica Wills in 1925. The Trust is constituted by a Charity Commission Scheme sealed on 30 June 2005. The subsidiary St Monica Trading Limited was incorporated on 17 November 2017 and the subsidiary Somerdale Pavilion Trust was incorporated on 17 December 2018.

Registered Address of the Trust St Monica Trust
Cote Lane
Bristol
BS9 3UN

Charity Registration Number 202151

Trustee

St Monica Trustee Company Limited (a company limited by guarantee registered number 9357207) is the sole Trustee of St Monica Trust by virtue of the Charity Commission Scheme dated 1 January 2015. The directors of St Monica Trustee Company Limited, the Corporate Trustee, have ultimate responsibility for the administration of the charity and are regarded for internal governance purposes as being a trustee. The Directors are referred collectively in this report as the Council of St Monica Trust, the members of which served throughout the year and since the year-end and are set out below:

The Council

Mr T S Ross - President and Chair of the Trust
Mr J R Ancell
Mr R H G Bourns DL
Mr R Crews (appointed 27 March 2024)
Ms A Duff
Mrs D J England
Dr F C Forrest

Venerable C A Froude
Mrs S Darwall Smith DL
Dr A D Garrad CBE
Mrs E O'Driscoll
Dr M D McCaldin
Professor J McGeeham CBE
Mr James Rimmer (appointed 27 March 2024)
Dr Jonathan Shapiro (appointed 27 March 2024)

Report of the Trustee for the year ended 31 December 2024

Members of the Council serve for three years, being eligible for re-election for up to three periods. The Scheme provides for the appointment by the Council of six members of Council, six nominations by the Society of Merchant Venturers of Bristol (SMV) and three members nominated respectively by the Bishops of Bristol, Gloucester and Bath & Wells. Sir David Wills Bt was elected Patron of the Trust upon retiring as a Trustee on 30 June 2006, and Lady Wills was elected Patron of the Trust on her retirement as a Trustee on 21 June 2023.

Chief Executive

The Trust appointed Mr D Williams as Chief Executive in April 2015. Mr Williams joined the Trust from the Accord Group, where he was Executive Director for Health Care and Support. Previously, Mr Williams worked as Head of Strategy and Service Development for Housing 21 and has also held senior positions with a number of other leading charities.

Management of the Endowment

The Endowment of St Monica Trust includes the investment fund of the Trust from which income and gains are derived and utilised for charitable purposes. This investment fund is managed on the Trust's behalf by the Society of Merchant Venturers of Bristol ("SMV") in its capacity as Endowment Trustee of the Trust. The Society was incorporated by Royal Charter in 1552 by King Edward VI with amendments by subsequent monarchs in 1566, 1639, 1643, 1665, and 1988.

The Society of Merchant Venturers, as Endowment Trustee of St Monica Trust, implement the investment strategy and asset allocation as recommended by the Endowment Trustees' Investment Strategy Group having regard to the financial requirements of the Trust. In turn, the Finance and Investment sub-Committee and the Estates and Property sub Committee have particular management and advisory responsibilities for the endowment and report directly to the Investment Strategy Group. The overall investment strategy and objectives are subject to the approval of the Council.

Auditor	Bishop Fleming LLP 10 Temple Back Bristol BS1 6FL
Banker	NatWest Bank plc 32 Corn Street Bristol BS99 7UG
Solicitor	Womble Bond Dickinson (UK) LLP 3 Temple Quay Temple Back East Bristol BS1 6DZ

Report of the Board and consolidated financial statements
Year ended 31 December 2024

Report of the Trustee for the year ended 31 December 2024

Investment Advisers

Cambridge Associates
80 Victoria Street
Cardinal Place
London
SW1E 5JL

Evelyn Partners
Portwall Place
Portwall Lane
Bristol
BS1 6NA

Rathbones Investment Management
30 Gresham Street
London
EC2V 7QN

LGT Wealth Management
15 Queen Square
Bristol
BS1 4NP

Agricultural Estates and Land
Steward

Savills
14 Cirencester Office Park
Tetbury Road
Cirencester
GL7 6JJ

Commercial Property Managing
Agent

Alder King LLP
Pembroke House
15 Pembroke Road
Bristol
BS8 3BA

Savills
14 Cirencester Office Park
Tetbury Road
Cirencester
GL7 6JJ

Report of the Trustee for the year ended 31 December 2024

2 Structure, Governance and Management of the Group

History

The Trust was founded by Henry and Monica Wills in 1925.

The group is structured as three entities – the parent charity St Monica Trust and its wholly owned subsidiaries St Monica Trading Limited (incorporated on 17 November 2017) and Somerdale Pavilion Trust (incorporated on 17 December 2018). The parent conducts the charitable operations of St Monica Trust. St Monica Trading Limited was established to conduct the commercial operations undertaken at St Monica Trust's retirement village at Keynsham. The current activities being undertaken by the company include the sale of food in the B Block Café and Somer Dining Restaurant and secondly, the provision of leisure services. These services are available to residents and members of the general public. Somerdale Pavilion Trust was established to conduct the charitable activities of that Trust in providing and maintaining a pavilion, playing fields and other facilities for the use of the inhabitants of Keynsham and the surrounding areas.

Governing instrument and objects

The Trust is constituted by a Charity Commission Scheme sealed on 30 June 2005 (as amended by scheme dated 26 February 2010, by resolution dated 17 December 2014, by scheme dated 19 December 2014, by resolution dated 26 June 2019, by resolution dated 16 November 2020 and by resolution dated 21 June 2023).

The objects of the Trust, defined in clause 4 of the Scheme, which should be referred to for exact details are as follows:

“The objects of the charity are, for the public benefit, the relief of those individuals (and if appropriate their spouses) who are in need by reason of age, disability or ill-health by the provision of:

- (a) accommodation and associated facilities; and/or
- (b) other services or assistance”.

Organisational structure

The current trustee committee structures are set out below. The committee structure was reviewed during the course of 2023 following the implementation of our 10 year strategy, and a revised structure was adopted from 1 January 2024. Membership of the existing committees at the year-end was as follows:

The Finance and Development Committee

The purpose of the Committee is to exercise oversight of the business health of the Trust including the establishing of annual budgets and liaising with the Endowment Trustee in relation to financial planning. It is also responsible for overseeing the financial aspects of the Trust's development programme.

Mr J R Ancell - Chair
Professor J McGeehan CBE
Mr T S Ross - President, Ex officio

Mrs D J England - Deputy Chair
Dr A D Garrad CBE
Mr R Crews

Report of the Trustee for the year ended 31 December 2024

The Nursing and Care Committee

The main function of this Committee is to exercise oversight and advise the Council on all matters relating to the quality of care of the Trust's residents and all operations of the Trust subject to CQC regulation, as well as to oversee the operational and financial performance and efficiency of the nursing homes, including but not limited to occupancy and staffing.

Dr M D McCaldin - Chair
Mr T S Ross - President, Ex Officio
Dr F Forrest
Mrs S Darwall Smith DL
Venerable C A Froude
Mr J Rimmer
Mr J Shapiro

Charitable Foundation Committee

The purpose of this Committee is to assume delegated responsibility on behalf of the Council of the St Monica Trust in overseeing the operation, management and development of the Trust's Charitable Foundation which includes but is not limited to charitable grant programmes and innovation, to achieve maximum impact and outcomes for older people in the Trust's area of operation.

Mr T S Ross - President, Ex Officio
Mr R Bourns - Chair
Mrs S Darwall Smith DL
Lady Wills - Patron
Venerable C A Froude - Deputy Chair
Ms A Duff
Mr J Shapiro
Mrs C Duckworth DL - co-opted

The Property Committee

The purpose of this Committee is to oversee the operational and financial performance of the Trust's residential property and care villages, as well as some of its investment property, and oversee the implementation of any developments undertaken by the Trust. It is also responsible for overseeing compliance with statutory health and safety requirements.

Mr T S Ross - President, Ex officio
Ms A Duff - Chair
Mr J R Ancell
Mr J Rimmer

The People Committee

The purpose of the Committee is to provide trustee oversight of delivery of the Trust's People Strategy and workforce plans.

Mr T S Ross – President, Ex officio
Mrs A Duff – Chair

Report of the Trustee for the year ended 31 December 2024

Dr M McCaldin
Mrs S Darwall-Smith DL
The Venerable C A Froude
Mrs D England

The Audit Committee

The purpose of this Committee is to assume delegated responsibility on behalf of the Council of the St Monica Trust for ensuring that there is a framework for accountability; for examining and reviewing relevant systems and methods of control, both financial and otherwise including risk analysis and risk management; and for ensuring the Trust is complying with all relevant aspects of the law, regulations and good practice.

Mr T S Ross - President, Ex Officio
Dr A D Garrad - Chair
Mr J R Ancell
Venerable C A Froude
Mr R Crews

The Trustee Nominations Committee

The Committee is responsible for nomination to Council of new Trustees.

T S Ross - President
Dr A D Garrad – Chair
Mrs S Darwall Smith DL
Mrs D J England
Venerable C A Froude

The Remuneration Committee

The Committee is responsible for oversight of reward strategy, executive pay and supporting the appraisal of the Chief Executive's performance.

Mr T S Ross - President, Ex Officio
Mrs D J England - Chair
Mr R Ancell
Dr A D Garrad CBE
Dr F Forrest

Report of the Trustee for the year ended 31 December 2024

Trustee induction and training

The Corporate Trustee is appointed in accordance with the provisions of the Scheme of St Monica Trust. The Directors of the Company are regarded for the internal governance purposes as being a Trustee of the Charity. On appointment each Trustee signs a Code of Conduct and attends induction meetings with other Trustees and Executives. Trustees are given a Scheme of Governance, which includes the Trustee Code of Conduct, the Charity Commission Scheme, a copy of the Risk Register, a copy of the Charity Commission leaflet CC3 and procedures on issues such as delegation of authority, recruitment, equal opportunities, investment, reserves and conflict of interest and other guidance. This information contains role descriptions of Trustees and senior executives. New Trustees meet with the President and Chief Executive and are invited to an induction tour of each of the Trust's locations. According to their skills and aptitude, they take responsibility for at least one area of activity by appointment to a sub-committee of the Council. Training needs are assessed and met.

Senior Staff Pay policy

The Trust recognises the importance of transparency and accountability in all aspects of our work and we are committed to open information. This includes transparency about our Executive Team's salaries and how they are set.

The Trustee considers the Council and sub-committees and the Chief Executive as comprising the key management personnel of the Charity in charge of directing and controlling the Charity and running and operating the Charity on a day-to-day basis. All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 28 to the accounts.

Trustees are required to disclose all relevant interests and register them with the Chief Executive and, in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises.

The pay of the Charity's Chief Executive is reviewed annually and normally increased in accordance with average earnings. The remuneration is bench-marked with charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Risk assessment

In the light of the Corporate Governance guidance contained within the Statement of Recommended Practice "Accounting and Reporting by Charities", the Council have examined the major risks faced by the Trust and (with the assistance of the Society of Merchant Venturers of Bristol) the endowment. They have developed systems to monitor and control these risks to mitigate the impact that they may have on the Trust in the future. Each Committee of the Council reviews aspects of the risks pertinent to that Committee. The Audit Committee is responsible for the overall review and update of the Risk Register at least once a year.

Report of the Trustee for the year ended 31 December 2024

Financial risk management

The following statements summarise the Trust's policy in managing identified forms of financial risk:

- Price risk – the Trust negotiates contracts and fee rates to finance aspects of the Trust's activities and incorporates this information into its business plan. Salary costs are communicated to staff during the formal annual review of salaries. Prices of services and materials purchased are subject to contracts with suppliers, based on current market prices. The Trust is also able to respond to purchase price inflation by adjusting in most cases our fee income accordingly.
- Credit risk – credit risk on accounts owed to the Trust by its customers is low, as the majority of debtors are Local Authorities
- Liquidity risk – the Trust currently has borrowing facilities of £20.4m expiring in June 2027 (2023: £20.5m), £19.4m was drawn down as at 31 December 2024 (2023: £13.5m), of which £19.3m is long-term (2023: £13.4m).
- Interest rate cash flow risk – the Trust is able to place surplus funds in a short-term deposit account with its bankers. The Trust carries the risk of interest rate fluctuations on its £20m RCF. The magnitude of the size of the loan is considered insignificant.
- Investment market risk – the Trust invests in a diversified portfolio of investments and properties in order to spread the risk.
- A Risk Management Framework policy is in place that includes financial loss from error, fraud or crime. This is supplemented with a risk register with regular reviews and reporting, supported with a program of internal audit.

Going concern

The Trust's activities, together with the factors likely to affect its future development, performance and position are set out in this Report of the Trustee. The balance sheet on page 29 sets out the financial position of the Trust and its cash flows can be seen in the cash flow statement on page 30.

The Trust meets its day-to-day working capital requirements through a combination of cash generated by the sale of leasehold properties, investment income from the endowment and Revolving Credit Facilities. The latter also funds any capital development expenditure.

The Trustees have reviewed financial forecasts for a period of 12 months and beyond from the date of signature of these financial statements. Key uncertainties are:

- The performance of the leasehold sales cycle.
- Occupancy within the Trust's care homes and retirement living properties.
- Cost inflation.
- Performance of its investments.

Having considered these uncertainties and other factors including the value of its endowment assets, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future notwithstanding its net current liability position. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Report of the Trustee for the year ended 31 December 2024

Related parties and connected charities

Details of related parties and connected charities and transactions with them are disclosed in note 28 to the financial statements.

Reserves

The accounting policies on pages 31 to 37 describe the various funds of the Trust. Note 22 to the Financial Statements shows the assets and liabilities attributable to the various funds by type and summarises the year's movement on each fund.

At 31 December 2024, the value of unrestricted reserves was £27.6m (2023: £42.7m) and within the value of the endowment fund reserves of £312m (2023: £308.1m) is the unapplied total return fund of £227.6m (2023: £224.8m), having adopted a Total Return policy from 1 Jan 2023.

Grant-making policy – Residents' subsidies and support in the community

Applications for subsidies against full fees for residents and grants to support the community are monitored by Council Committees.

3. Objectives, Activities, Achievements and Performance

(a) Overview

2024 was the second year of our 10-year Strategy and we continued with our objective of 'getting the basics right' and embedding improvements across our sites and services. This phase of the Strategy runs from 2022 to 2025, before our focus then shifts to identifying opportunities for expansion, growth and new ways of providing care and support.

(b) The focus of our work

In our villages we moved to a more modern café style service with longer opening hours and a wider range of food, which has been well received by residents and colleagues. The Pullman Café at Sandford Station is attracting a significant clientele from outside of the village and is developing in a similar way to the B Block Café at The Chocolate Quarter.

In 2024 we made significant changes to our care home food offering by extending the range and amount of food provided by an external partner. This has enabled us to offer a more personalised food service, including greater flexibility for residents, higher nutritional values and better support for modified diets. To deliver these improvements we made significant changes to roles, shift patterns and management structures. Residents and relatives were fully involved in taste testing and menu design.

We made further progress with our plans to develop the former DEFRA land at Westbury Fields in 2024. We conducted focus groups with representatives of the local community to help us design services in the development that will be open to the public. We also consulted experts in the field of sustainability to make sure the new building will be our most sustainable development yet.

We published our Standards Charter in 2024 - setting out the outcomes and commitments that the Trust hopes to achieve over the next two years. The Charter was discussed at Resident Voice meetings on each site and copies made available to residents.

Report of the Trustee for the year ended 31 December 2024

Our Charitable Foundation was launched in 2024 and we started working with local and national organisations to co-create a substantial funding programme to improve isolation and loneliness among older people in our region. We have called this the Impact Alliance and it was officially launched at the Bristol Beacon in December.

We appointed a Director of Innovation to join our Executive Team and lead our innovation efforts, including the introduction of our new innovation framework. The Director of Innovation will be a pivotal leadership role responsible for championing innovation, fostering creativity, and driving delivery of our strategic ambitions across the Trust, our communities, and the wider sector.

Significant improvements were made in the area of communications in 2024. A new Brand and Style Guide was launched and over 100 managers were trained in the principles of good communications and how to use the new guide. The Resident Voice Strategy was introduced and has continued to be effective – with communications on our sites now directed through our village and care home managers.

In 2024 we implemented the second phase of our Workday HR system which brought in new systems for payroll, time and attendance and rostering.

(c) The strategies we use to deliver our objectives

The objectives of St Monica Trust focus the work of the Charity on older people and adults with a physical disability or long-term illness. The purpose of the Charity is to create **‘communities where older people flourish’** and the strategies we use to meet such objectives include:

- Providing **retirement housing/sheltered housing accommodation** all of which is disability-friendly and capable of supporting individuals in wheelchairs.
- **Extra Care’ Housing** in partnership with Bristol City Council and North Somerset Council. Service users enjoy the comfort of living within their own home as an alternative to entry into a care home and are thus afforded greater choice and independence and the stimulation of a lively environment in which to live.
- **Domiciliary Care** – many people prefer to ‘stay put’ as their care needs increase. A 24-hour Domiciliary Care service is available within the Trust’s own retirement housing settings that enables individuals to maintain their independence within their own home.
- High quality **nursing and residential care** are key elements of the support provided by the Trust. In addition to long-term care, short-term places are available to give a carer a much-needed break, or for those recovering following an operation or period of hospitalisation, and as a ‘safe haven’ for those older people facing an emergency or breakdown in their normal care arrangements. Many elements of our short-term care are operated in partnership with the NHS and local authorities.

In recent years, caring for people living with **Alzheimer’s disease and other forms of dementia** has become a central feature of the services offered by the Trust. This highly specialist care is provided in safe and positive environments where activities and therapies are a regular part of daily life.

Report of the Trustee for the year ended 31 December 2024

- Our **Charitable Foundation** works with older people to provide support and to improve the quality of life for people who live in our care homes and retirement villages and also to older people in their own communities. Through our **Charitable Giving team, Care Academy and the Centre of Innovation**, we support individuals and communities to flourish through connection, contribution and choice. We deliver these intentions by awarding grants to individuals with gifts of financial support, as well as grants to local organisations.

Recruitment and retention of staff

The St Monica Trust aims to recruit and retain a high calibre workforce in order to deliver the high quality of care that we have built our reputation upon.

Recruiting the ‘right’ people that share the Trust’s values is equally as important as recruiting people with the right skills. We offer a competitive pay and benefits package and are continually reviewing ways of improving this. Our aspiration is to become a Real Living Wage employer and to increase the basic pay of all our staff. This will aid the continual challenge of recruitment felt by all in the social care sector.

In 2024 we embarked on a strategy to recruit high quality employees from overseas for our care homes. We applied for the required sponsorship approval from the government and key staff visited Malaysia to interview potential staff, with our first cohorts arriving in 2024.

We ensure employees are supported in the workplace using an annual and quarterly performance management process that cascades organisational objectives and focuses on personal development at regular intervals during a 12-month period. This has been facilitated by our new Workday HR system.

The Trust prides itself on its training and development provision for employees, employing an in-house team of skilled trainers that deliver tailored training both internally to St Monica Trust staff and externally to other care providers; and we are also an accredited assessment centre for health and social care qualifications. All colleagues must complete a comprehensive mandatory training programme upon appointment and undertake regular updates to stay up to date. Tailored training is provided upon request to teams to target specific areas of need.

In 2024 we welcomed another significant cohort of health and social care apprentices to the Trust. In addition, apprenticeships have been made available to current staff and we have had a wide range of qualifications gained across the Trust.

(d) Public benefit and maximising access to our services

The Trustee of St Monica Trust has referred to the Charity Commission’s general guidance on public benefit when reviewing and planning the work of the Charity. The concern of the Trustees has been to ensure that the Trust, in servicing the needs of older people, has due regard to the particular needs of those individuals within the beneficiary group who require assistance.

Report of the Trustee for the year ended 31 December 2024

Whilst all persons who receive support from our Charitable Giving team are individuals who can be regarded as in financial need, people who access our other services emanate from a range of socio-economic backgrounds. The legal and regulatory framework in relation to payment by the state for care remains firmly rooted in a system of means testing. For example, any individuals who have money or assets in excess of £23,250 will find themselves responsible for meeting the cost of living in a care home.

When approximately 75% of the population over 65 years own their own property, quite clearly the welfare state assumes financial responsibility for only a percentage of people who need care.

Thus, along with other voluntary organisations, the Trust engages with people in need of a service, some of whom can afford the fee and others who are unable to meet such costs. The traditions and the philosophy of the Trust, and indeed the guidance of the Charities Act 2011, ensure that the Trust makes provision for individuals who are unable to pay the fees for relevant services and thus are able to benefit and not be excluded from the Trust's services.

In 2024, our Charitable Giving was £684,684 (2023: £861,560) with a further £500,000 committed for the new Impact Alliance charitable programme which due to timing will be spent in 2025.

Our 2024 spend helped 5,078 (2023: 15,981) people, of whom 3,879 or 76.4% (2023: 14,784 or 92.5%) were afforded financial support by the Trust. Whilst our grants to individuals increased in 2024, the change in our charitable giving approach has resulted in fewer people benefiting from our local community-based organisation giving in 2024 as explained further below.

Of the total above, the Trust helped 1,628 individuals in 2024 (2023: 1,579) in its residential care services (care homes and retirement villages), of which 429 or 26.4% (2023: 382 or 24.2%), were afforded financial support by the Trust.

To uphold our founders' commitments, today we deliver the aims of supporting older people in the wider community through awarding grants to individuals with gifts of financial support, as well as grants to local organisations.

Through its grants to individuals, the Trust also helped 529 older people (2023: 474) in financial need through the Charitable Giving Team's Individual Giving scheme via 660 gifts (2023: 622) and short-term grant awards. Additionally, 2,921 (2023: 13,928) people benefitted from the Trust's financial support for local, community-based organisations. The reduction in people benefitting from this area of support is primarily due to ringfenced funding awarded through SMT's charitable programme stream that will benefit people in 2025. The 2023 beneficiaries helped number also included a grant scheme to support older people to participate in Coronation celebrations that reached around 5,000 people, and other grants that enabled older people to engage in particular short-term services. In 2024, the majority of funding supported older people to create and sustain more meaningful and longer-lasting connections, resulting in greater impact and not counting more transient connections.

The Charitable Impact team operated in the following manner as detailed in the tables below:

Report of the Trustee for the year ended 31 December 2024

Individual Giving

Requests received	709 gift and grant requests received (2023: 831) via the Individual Giving Fund. Of these, 575 were granted financial assistance (2023: 561). The quality of applications continues to improve, as evidenced by a higher success rate compared to previous years. This progress indicates a better understanding of the fund's criteria among applicants and reflects the team's communication with applicants before submission.
Gifts awarded	From the January to March 2024, 113 gifts were awarded, amounting to £48,413 (2023 12 months: 403 worth £143,333). For the remainder of the year, gift awarding was paused and the focus moved to short-term grants. The above figure also includes a payment of £5,000 made in May to We Care Home Improvements following changes to our funding model in April. This aimed to mitigate delays in providing urgent support by enabling the charity to award grants directly to individuals and in some cases leverage match funding from other funding sources such as The Anchor Society. This method allowed We Care to draw on this fund for clients meeting SMT's criteria, to enable urgent/major repair work to be carried out and support people to remain living independently in their own homes.
Short-term grants	547 new short-term grants were awarded during the year worth £220,525 (2023: 219 worth £122,650). The highest proportion of these grants supported people with their bills and debt management (28%), followed closely by assistance for those awaiting benefit decisions or facing issues with benefit claims (27%).

Organisational Giving

Organisational Giving	In 2024, 18 grants totalling £415,746 (2023: £595,577) were awarded to 14 organisations, benefiting 2,921 older people (2013: 93 organisations, benefiting 13,928 older people). The Trust delivers different types of grant programmes, but our core funding principle is the focus on improving the quality of life of older people in the region. The social value these grants bring is manifold. The key benefits they bring include a reduction in social isolation and loneliness, improved community connections, support for marginalised older people, support for carers, dementia support, digital inclusion and improved health and well-being.

Report of the Trustee for the year ended 31 December 2024

Organisational Giving (continued)	Through our grants to organisations, the Trust and its residents benefit from the valuable insights these projects provide, which can then be integrated into our own practices. One example is our funding for digital inclusion projects, which has enhanced our IT team’s knowledge of visual impairment aids that could benefit our residents. Key grants awarded in 2024 Volunteering and Employment for Older People Fund Launched in October 2024, four projects were awarded funding totalling £108,000: Age UK B&NES, Age UK Bristol, Hub Weston CIC, and National Centre for Integrative Medicine (NCIM). Project delivery for all projects will start in January 2025. Unsuccessful applications were shared with members of the Bristol Older Peoples Funders Alliance, in accordance with the collaborative agreement with both grant seekers and fellow funders. Digital Inclusion Fund The four organisations supported through this three-year programme (North Somerset Training, North Bristol Advice Centre, Vision North Somerset, and Sight Support West of England) received their second year of funding at the start of 2024. These projects are supporting older people to build digital skills and confidence. Age UK South Gloucestershire Age UK South Gloucestershire received their second-year grant for the Improving Homes & Well-being Service, which helps homeowners over the age of 50 remain safe, well and comfortable in their own homes. Funding from SMT enables the service to support older people by carrying out property repairs, clearing rubbish from homes and gardens, servicing and repairing gas and electric appliances such as boilers, and deep cleaning. This support allows homeowners to exercise their choice to live independently in their own homes. Outcomes monitoring demonstrates a 62% increase in how secure clients felt in their homes following engagement with the service. Asset-Based Community Development Southmead Development Trust and Knowle West Health Park received grants (£39,476 and £31,998 respectively) to continue their asset-based community development approach, re-engaging older people in their communities. Both of these organisations have demonstrated notable examples of community-led collaborative approaches to address local health and well-being needs. Added value Beyond financial support, our connections with local organisations add significant value to community groups. We work closely with the

Report of the Trustee for the year ended 31 December 2024

Organisational Giving (continued)	training team to support community organisations with their training needs through either free workshops or reduced fees. We also aim to foster collaboration among grant recipients of our funding programmes and in 2024 held networking events for grant recipients, where knowledge was exchanged, and meaningful discussions took place. St Monica Trust maintains strong relationships with local funders and aims to develop partnerships with organisations, particularly around our villages, to maximise our impact through collaboration. The Trust continues to be a coordinating member of Bristol Older Peoples' Funder Alliance, encouraging collaboration and coordination of funding for older peoples' organisations in the city. Through this Alliance, alongside other members, we have provided grants to Alive Activities BME Elders (£25,000), Southmead Development Trust (£3,893) and Age UK Bristol Friends Ageing Better (£10,000). In partnership with the Dolphin Society, the Trust continued to support the Information and Advice services of Age UK Bristol and Age UK South Gloucestershire with a contribution of £7,500 pa as part of a multi-year grant, with 2024 marking the final year of funding. SMT is often trusted to manage the funds on behalf of other funders, as is the case here. Our collaborative approach with other local funders has proven effective, fostering positive relationships with statutory bodies and other providers of funds.

Charitable Programme

Charitable Programme	In January 2024, St Monica Trust brought together a diverse group of organisations to explore new collaborative and focused funding approaches for achieving long-term change. There was strong consensus and a shared determination to work collectively, and the West of England Impact Alliance was formed. In 2024, this pioneering initiative, convened by St Monica Trust, has brought together over 50 like-minded organisations across the VCSFE sector, funders, education, business, arts, sport, statutory and others to tackle the pressing issue of loneliness and social isolation in the West of England. By fostering collaboration, sharing expertise, and pooling resources, the Alliance aims to deliver significant and sustainable change. The learnings gathered will be used to influence key strategic thinkers and generate examples of how to successfully create communities that thrive and flourish.

Report of the Trustee for the year ended 31 December 2024

Charitable Programme (Continued.)	St Monica Trust ringfenced its charitable programme funding to support the work of the Impact Alliance, to meet our strategic aim: “We will convene sector partners to collectively address issues affecting older people across our region.” This new model encourages funders to work together, leveraging their collective resources and expertise to maximise impact and drive systemic change over a longer period than short-term project grants of the past. The vision of the Impact Alliance is to create a West of England where loneliness is a stranger, and where all individuals feel connected, valued, and supported. By embracing these principles and working together, the Impact Alliance is poised to make a lasting difference in the lives of people across the region. In 2024, the Impact Alliance has developed a clear vision, manifesto, leveraged funds from new funding partners and developed new relationships to deliver change. In line with St Monica Trust’s strategic aim to focus on a specific locality within our area to deliver sustained impact for our target beneficiaries”, the Impact Alliance will work in a place-based way and four geographical and two thematic communities have been identified across the West of England, to invest in significantly over time. As part of SMT’s 10-year strategy, an aim is to commission an external academic partner to help evaluate the impact of our investment longitudinally. Three academic partners will be taking forward this work in 2025 with funding ringfenced to support this, with the University of Bristol taking the lead academic role. In December 2024, the Impact Alliance was officially launched at the Bristol Beacon (hosted by Jonathan Dimbleby), setting out the work to date regarding the development of its inaugural programme Due to the work required developing the Impact Alliance in 2024, the £500,000 contribution that SMT ringfenced in 2024 to support this initiative will now occur in 2025.

Charitable Giving Summary

People helped	At least 3,450 individuals were directly helped by SMT grants and funding with many more benefiting through the work of funded organisations.
Total net giving	£684,684 (2023: £861,560)
Directorate Team	£230,330 (2023: £292,794)
Total Cost	£915,014 (2023: £1,125,354)

The objectives and achievements of the Endowment Trustee

The Trustees resolved with effect from 1st January 2023 to adopt a Total Return approach to the permanent endowment, bringing flexibility and agility to the investment and utilisation of endowment funds.

The former permanently endowed funds were effectively split into two – the Investment Fund and the Unapplied Total Return Fund (“UTR”).

The Investment Fund represents the permanent endowment which was originally given to establish the charity valued at a specific date determined by the Trustees and this is inflated over time in line with CPI.

The Unapplied Total Return Fund (“UTR”) represents the balance of the fund, and all future capital gain and income growth is attributed to this fund. It should be noted that the assets and management of the endowment continue to be managed as one pool by the Endowment Trustee. The Trustees also approved an Investment Policy and Distribution Policy at the time of adoption.

The objectives for the year:

- Agricultural property investments: To attain an average annual real (inflation adjusted) total return of at least 4% over the long term (measured over rolling 10-year periods).
- Financial investments: To attain an average annual real (inflation adjusted) total return of at least 4% over the long term (measured over rolling 10-year periods) and to outperform a composite benchmark measured over 3 year rolling periods.

The composite benchmark for allocation of financial investments is as follows:

%	Benchmark
17%	FTSE 350 High Yield Index
15%	Barclays Global Aggregate Bond Index (Hedged)
40%	MSCI World Index
15%	HFRI Fund of Funds Diversified Index
8%	MSCI Emerging Markets Index
5%	FTSE Hi-Yield Cash-Pay Capped Index

- Distribution: To provide the Trust with £9.8 million for 2024.

Achievements for the year have been as follows:

Summary: The market value of St Monica Trust’s investments managed by the Endowment Trustee was £310.5 million at 31 December 2024 which was a decrease 0.3% compared to the market value of £311.4 million December 2023. The decrease was driven by the cash transfer of £5 million during 2024 of the S282 expendable endowment fund, partially offset by other market value increases (2023: £7 million).

Although markets concluded 2024 on a subdued note, equities demonstrated robust performance over the calendar year, with the US as the standout performer largely driven by the “magnificent 7” mega cap tech stocks. Amid political instability in Germany and France, European equities, along with

Report of the Trustee for the year ended 31 December 2024

emerging market stocks struggled owing to concerns that proposed US tariffs might trigger a trade war and hinder growth in other regions. Meanwhile, bond markets reacted negatively to the pro-growth, higher-inflation narrative. US elections, which ushered in Donald Trump's second administration significantly influenced markets.

Asset Allocation: The broad asset allocation at 31 December 2024 was:

Agricultural property	58%
Commercial property	4%
Financial investments	38%
Cash on deposit	0%

This accords with the target asset allocation contained in the Investment Policy as set out below;

	Target allocation
Property	55% - 65%
Financial investments	35% - 45%
Minimum cash holding at any one time	0 – 5%

Agricultural Property Investments:

For the 10 years to 31 December 2024 the portfolio achieved its objective of attaining an average annual real (inflation adjusted) total return of at least 4%. Actual average annual performance was 9.7% per annum for the 10 years. In 2024 CPI + 4% was 6.5%.

Financial Investments:

A detailed financial investment strategy has been produced to transition the financial investment portfolio on a phased basis with less reliance on UK centric and income orientated funds. By using the advisory management of Cambridge Associates, the Endowment Trustee has been able to interview and select the best managers from a wide section of the investment market and so diversify the risk.

During 2024 the following transactions took place:

- A full redemption from Troy Trojan Income
- A full redemption from Liontrust Income
- A new investment in Lindsell Train

For the 10 years to 31 December 2024 the portfolio achieved average annual performance of 7.6% per annum. In 2024 CPI+4% was 6.5%.

For the 3 years to 31 December 2024 the portfolio returned 4.1% against the benchmark of 5.7%.

During 2024 two further investment advisers were appointed following a beauty parade held in 2023: LGT Wealth Management and Rathbones Investment Management

Report of the Trustee for the year ended 31 December 2024

Distribution:

The Endowment Investments provided the Trust with £9.44m (2023: £8.20m) of cash in 2024 against a target of £9.8m, a shortfall of £(0.36)m. In addition, cash of £5.0m was transferred in 2024 in relation to the S282 Expendable Endowment. Distributions are measured on a three-year rolling basis and for the three years to 31 December 2024 the Endowment Investments provided the Trust with £24.37m against the target of £23.59m, a surplus of £0.78m. The Endowment Trustee considers the portfolio is well diversified to respond to the needs of the Trust.

4. Financial review

The Trust's financial position at the end of 2024 was strong, with net assets and total funds of £340.9m (2023: £351.3m). The reduction was primarily due to a write down (an unrealised loss) on a commercial property of £9.9m.

At 31 December 2024, our total unrestricted funds total £255.2m (2023: £267.5m) made up of the unrestricted reserves £27.6m (2023: £42.7m) and the unapplied total return fund (held within the Endowment Fund) of £227.6m (2023: £224.8m). The unrestricted funds include £5.7m (2023: £10.3m) in an expendable endowment fund and £0.5m (2023: £4.0m) in designated funds .

The Trust received a distribution from the Endowment in 2024 of £9.44 million compared with the target for the year of £9.8 million which was paid from income and capital realisations following the adoption of a Total Return approach to the Endowment Fund which came into effect from January 2023 (2023: £8.20 million compared to a target of £7.25 million).

Subsidiary company results

These statements include the trading activity for St Monica Trading Limited. The principal activity of the company is to undertake the commercial operations at the Trust's retirement village at Keynsham. The current activities include catering and leisure facilities offered to residents and members of the general public. The trading result for the year was a profit of £12k which will be used to support the Trust's charitable objectives.

These statements include the trading activity for Somerdale Pavilion Trust. The principal activity of the charitable company is to provide and maintain a pavilion, playing fields and other facilities for the use of the inhabitants of Keynsham and the surrounding areas. The trading result for the year was a profit of £150k.

5. Plans for future periods

The Trust will deliver the following objectives in 2025:

2025 is our centenary year and we will celebrate with:

- A service of thanksgiving at Bristol Cathedral on 18 June
- Five simultaneous garden parties across our sites on 19 June
- The burying of time capsules on all our sites
- The production of a coffee table book charting the history of the Trust
- A Winter Wonderland at Cote Lane in December to finish the year

Report of the Trustee for the year ended 31 December 2024

In addition, our sites will host their own centenary events locally that reflect the character of their sites and the preferences of their residents.

The final building at The Chocolate Quarter will be opened towards the end of 2025. Millstream will comprise 44 retirement apartments, 18 of which will be affordable (and let through the local authority). This will complete The Chocolate Quarter development.

Having reviewed the catering services at all our other villages in 2024, we will extend this to The Chocolate Quarter in 2025. We will also review the Somer Dining restaurant, implementing a business plan to make it a destination restaurant or bistro for the local area.

We will make changes to our Executive Team in 2025. This will include the appointment of a Director of Estates and Capital Development. In addition, IT become a full directorate in its own right – reflecting its strategic importance to the Trust.

We gained planning permission for the new hub building at Cote Lane in 2024 and we hope to see building work begin in 2025. It will serve as the focus for resident services on site, provide a modern café and be the main reception for the village.

We hope to submit an application for planning permission for the DEFRA land at Westbury Fields in 2025.

Artificial intelligence is becoming very important and we will create an A.I. Taskforce to look at how we can leverage this technology to improve efficiency across the Trust and reduce costs. As part of this we will also review all our administrative services to make sure we have the right structures and ways of working in place.

We will create a Workday team to ensure we get the most out of this application, with the aim of automating Trust processes to release staff capacity.

2025 will see the completion of our project to update the warden call services across our villages. In all villages (except The Chocolate Quarter), residents will receive a touch-screen tablet in their apartment that they can use to check in each day, summon help if needed, and receive communications from the Trust. As part of this project, improved Wi-Fi across the Trust (including outside spaces) will enable residents to quickly summon help via a pendant if they need it.

In addition, the improved Wi-Fi will enable acoustic monitoring to be rolled out across our care homes, thus improving the sleep and well-being of our residents.

We expect the awareness of our Charitable Foundation to grow in 2025. The Impact Alliance will move from planning to an implementation phase, with funding distributed to a range of change makers within identified communities in our region, with the aim of making loneliness a stranger.

Report of the Trustee for the year ended 31 December 2024

Disclosure of information to auditors

The Trustees who held office at the date of approval of this Report of the Trustee confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditors are unaware; and each Trustee has taken all the steps that he/ she ought to have taken as a Trustee to make himself/ herself aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

By order of the Board



Mr Timothy Ross
President of the Council

Statement of Trustee's responsibilities in respect of the Trustee's annual report and the financial statements

Under charity law, the trustee is responsible for preparing the Report of the Trustee and the financial statements in accordance with applicable law and regulations. The trustee is required to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustee:

- selects suitable accounting policies and then apply them consistently;
- makes judgements and estimates that are reasonable and prudent;
- states whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- states whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- assesses the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- uses the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The trustee is required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping accounting records which are sufficient to show and explain the charity's transactions and disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustee to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision.

They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Independent auditor's report to the Trustee of St Monica Trust

Opinion

We have audited the financial statements of St Monica Trust (the 'Charity') and its subsidiaries (together, the 'Group') for the year ended 31 December 2024 which comprise the Consolidated Statement of Financial Activities, Charity Statement of Financial Activities, Consolidated Cash Flow Statement, Consolidated and Charity Balance Sheet, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group and Charity's affairs as at 31 December 2024, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*;
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Group and 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 Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group or 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 Trustee 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 Trustee's annual report, other than the financial statements and our auditor's report thereon. The Trustee is responsible for the other information contained within the 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.

Independent auditor's report to the Trustee of St Monica Trust (continued)

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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustee's report; or
- the Group or Charity has not kept adequate accounting records; or
- the Group or Charity 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 the Trustee

As explained more fully in the Trustee's responsibilities statement, the Trustee is responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustee determines 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 Trustee is responsible for assessing the group and 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 Trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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.

Independent auditor's report to the Trustee of St Monica Trust (continued)

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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the sector, control environment and the Group and Charity's performance;
- results of our enquiries of management and the Trustee Board, including the committees charged with governance over the charity's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Group and Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011 and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group and Charity's ability to operate or to avoid a material penalty.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of income;
- enquiring of the Trustee and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and

Independent auditor's report to the Trustee of St Monica Trust (continued)

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

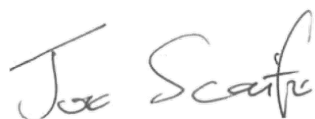
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's Trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustee 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 Group and Charity and the Group or Charity's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.



Joseph Scaife FCA (Senior Statutory Auditor)

For and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

Date: 25 June 2025

Bishop Fleming LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Consolidated statement of financial activities (including an income & expenditure account) for the year ended 31 December 2024

	Note	Unrestricted Funds	Designated funds	Other restricted funds	Expendable endowment funds	Endowment Funds	Total Funds 2024	Total Funds 2023
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income								
Income from charitable activities								
Residential care and support		42,996	-	-	-	-	42,996	39,875
Accommodation income		-	460	-	-	-	460	2,966
Generated funds								
Investment income	4	1,422	-	11	-	8,767	10,200	11,027
Total income		44,418	460	11	-	8,767	53,656	53,868
Expenditure								
Costs of raising funds								
Investment management charges	6a	(50)	-	-	-	(928)	(978)	(828)
Property operational costs	6b	(719)	-	-	-	(779)	(1,498)	(1,380)
Major repairs	6c	(38)	-	-	-	(456)	(494)	(266)
Total costs of generating funds	6	(807)	-	-	-	(2,163)	(2,970)	(2,474)
Charitable activities								
Costs in furtherance of the Trust's objects								
Residential care and support	7	(57,221)	-	(11)	-	(180)	(57,412)	(53,215)
Accommodation costs		-	-	-	-	-	-	(1,246)
Community support		(915)	-	-	-	-	(915)	(1,154)
Governance	8	(113)	-	-	-	-	(113)	(83)
Total charitable expenditure		(58,249)	-	(11)	-	(180)	(58,440)	(55,698)
Total expenditure		(59,056)	-	(11)	-	(2,343)	(61,410)	(58,172)
Net income/(expenditure) before investment gains/(losses)		(14,638)	460	-	-	6,424	(7,754)	(4,304)
Realised and unrealised gains on investments	14	(9,925)	-	27	-	6,919	(2,979)	23,373
Net income/(expenditure) for the year before transfers		(24,563)	460	27	-	13,343	(10,733)	19,069
Transfers between funds	9	17,162	(3,946)	(44)	(4,558)	(8,614)	-	-
Actuarial gain/(loss) on defined benefit pension	29	367	-	-	-	-	367	814
Net movement in funds		(7,034)	(3,486)	(17)	(4,558)	4,729	(10,366)	19,883
Total funds brought forward		28,444	3,953	497	10,286	308,086	351,266	331,383
Total funds carried forward	22	21,410	467	480	5,728	312,815	340,900	351,266

Incoming resources and resulting net movement in funds in each year arise from continuing operations. The group has no recognised gains or losses for the current or previous year other than those shown above.

Charity statement of financial activities for the year ended 31 December 2024

	Note	Unrestricted Funds	Designated funds	Other restricted funds	Expendable endowment funds	Endowment Funds	Total Funds 2024	Total Funds 2023
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income								
Income from charitable activities								
Residential care and support		41,122	-	-	-	-	41,122	37,993
Accommodation income		-	460	-	-	-	460	2,966
Generated funds								
Investment income	4	1,422	-	11	-	8,767	10,200	11,027
Total income		42,544	460	11	-	8,767	51,782	51,986
Expenditure								
Costs of raising funds								
Investment management charges	6a	(50)	-	-	-	(928)	(978)	(828)
Property operational costs	6b	(719)	-	-	-	(779)	(1,498)	(1,380)
Major repairs	6c	(38)	-	-	-	(456)	(494)	(266)
Total costs of generating funds	6	(807)	-	-	-	(2,163)	(2,970)	(2,474)
Charitable activities								
Costs in furtherance of the Trust's objects								
Residential care and support	7	(55,502)	-	(11)	-	(180)	(55,693)	(51,552)
Accommodation costs		-	-	-	-	-	-	(1,246)
Community support		(915)	-	-	-	-	(915)	(1,154)
Governance	8	(101)	-	-	-	-	(101)	(71)
Total charitable expenditure		(56,518)	-	(11)	-	(180)	(56,709)	(54,023)
Total expenditure		(57,325)	-	(11)	-	(2,343)	(59,679)	(56,497)
Net income/(expenditure) before investment gains/ (losses)		(14,781)	460	-	-	6,424	(7,897)	(4,511)
Realised and unrealised gains on investments	14	(9,925)	-	27	-	6,919	(2,979)	23,373
Net income/(expenditure) for the year before transfers		(24,706)	460	27	-	13,343	(10,876)	18,862
Transfers between funds	9	17,162	(3,946)	(44)	(4,558)	(8,614)	-	-
Actuarial gain/(loss) on defined benefit pension	29	367	-	-	-	-	367	814
Net movement in funds		(7,177)	(3,486)	(17)	(4,558)	4,729	(10,509)	19,676
Total funds brought forward		27,938	3,953	497	10,286	308,086	350,760	331,084
Total funds carried forward	22	20,761	467	480	5,728	312,815	340,251	350,760

Incoming resources and resulting net movement in funds in each year arise from continuing operations. The group has no recognised gains or losses for the current or previous year other than those shown above.

Consolidated and charity balance sheets at 31 December 2024

	Note	Group		Charity	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
Fixed assets					
Tangible assets	13	163,681	152,409	163,656	152,404
Investments	14	323,838	334,694	323,838	334,694
		<u>487,519</u>	<u>487,103</u>	<u>487,494</u>	<u>487,098</u>
Current assets					
Stocks	15	55	57	48	51
Debtors	16	10,446	10,691	9,852	10,713
Cash at bank and in hand		5,893	3,653	5,684	2,874
		<u>16,394</u>	<u>14,401</u>	<u>15,584</u>	<u>13,638</u>
Creditors: due within one year	17	(26,472)	(24,719)	(26,286)	(24,457)
Net current liabilities		<u>(10,078)</u>	<u>(10,318)</u>	<u>(10,702)</u>	<u>(10,819)</u>
Total assets less current liabilities		<u>477,441</u>	<u>476,785</u>	<u>476,792</u>	<u>476,279</u>
Creditors: due after more than one year	18	(131,463)	(120,073)	(131,463)	(120,073)
Net assets excluding pension liability		<u>345,978</u>	<u>356,712</u>	<u>345,329</u>	<u>356,206</u>
Pension liability	29	(5,078)	(5,446)	(5,078)	(5,446)
Net assets		<u>340,900</u>	<u>351,266</u>	<u>340,251</u>	<u>350,760</u>
Endowment fund net of pension liability		<u>312,815</u>	<u>308,086</u>	<u>312,815</u>	<u>308,086</u>
Other restricted funds	19	480	497	480	497
Total restricted funds		<u>313,295</u>	<u>308,583</u>	<u>313,295</u>	<u>308,583</u>
Designated fund	20	467	3,953	467	3,953
Expendable endowment fund	21	5,728	10,286	5,728	10,286
Unrestricted fund		<u>21,410</u>	<u>28,444</u>	<u>20,761</u>	<u>27,938</u>
Total unrestricted funds		<u>27,605</u>	<u>42,683</u>	<u>26,956</u>	<u>42,177</u>
Total funds		<u>340,900</u>	<u>351,266</u>	<u>340,251</u>	<u>350,760</u>

These financial statements were approved by the Board on 17 June 2025 and were signed on its behalf by:



Mr Timothy Ross
President of the Council

Consolidated cash flow statement for the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
Cash flows from operating activities			
Net (expenditure)/income		(10,366)	19,883
Dividends and Interest receivable		(3,132)	(3,482)
Depreciation of tangible assets		3,617	2,865
Profit on disposal of assets		16	(1,282)
Losses/(gains) on investment assets		2,979	(23,372)
Actuarial gains on pension scheme less contributions paid		(368)	(775)
Change in trade and other debtors		245	(575)
Change in stocks		2	(6)
Change in trade and other creditors		7,257	(3,247)
Net cash (used in)/from operating activities		250	(9,991)
Cash flows from investing activities			
Interest received		92	45
Dividend income received		3,040	3,437
Purchase of tangible fixed assets		(14,905)	(6,922)
Proceeds from sale of tangible fixed assets		-	2,528
Purchase of investments		(40,028)	(15,685)
Increase in fixed asset investment cash deposits		1,697	5,806
Proceeds from sale of investments		46,207	18,023
Net cash from investing activities		(3,897)	7,232
Cash flows from financing activities			
Repayment of bank loans		-	-
Loan drawdowns		5,887	2,891
Net cash used in financing activities	26	5,887	2,891
Movements in cash and cash equivalents in the reporting year		2,240	132
Cash at bank and in hand at beginning of year		3,653	3,521
Cash at bank and in hand at end of year	26	5,893	3,653

These financial statements were approved by the Board on 17 June 2025 and were signed on its behalf by:



Mr Timothy Ross
President of the Council

Notes (forming part of the financial statements)

Accounting policies

Basis of preparation

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

St Monica Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Notwithstanding the Trust's net current liabilities of £10.3m at the end of 2024, the Trustees have prepared the financial statements on a going concern basis which they consider is appropriate for the following reasons.

The Trustees have reviewed cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible on the operations and its financial resources, the group and charity will have sufficient funds to meet its liabilities as they fall due for that period.

As noted in the Report of the Trustee, this has included looking at plausible downside scenarios. In the event that a combination of any of these scenarios occurred affecting the operations of the Trust, £115.9 million of endowment assets as at the balance sheet date can be liquidated in less than one month. This amount would support the charity's normal operations for more than two years.

Consequently, the Trustees are confident that the group and charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on the going concern basis.

Basis of consolidation

These consolidated financial statements include the financial statements of St Monica Trust ("the charity") and St Monica Trading Limited and Somerdale Pavilion Trust ("the subsidiaries"). These financial statements consolidate the results of the charity and its wholly owned subsidiaries on a line-by-line basis.

The trading results of the subsidiaries are disclosed in notes 2 and 3 to these financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In applying the charity's accounting policies, the Trustee is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Notes (forming part of the financial statements)

The Trustees consider that besides the points listed below, there are no other critical judgements or sources of estimation uncertainty requiring disclosure.

Investment properties

The valuation of investment properties is a critical accounting judgement in respect of the application of the Trust's accounting policies. The method by which the Trustees have assessed the fair value of the investment properties at year end is described in detail in note 14. The valuations are based on company data, including current rental rates, occupancy, terms and conditions of leases and upon market related assumptions such as yield and discount rates. An element of 'hope value' is also included in the valuation of properties in line with accounting standards.

Leasehold Apartment Sales

The established method of accounting for leasehold apartment sales at the Trusts' established sites at Cote Lane, Westbury Fields, Monica Wills House and Sandford Station is that receipts are held as a liability until conclusion of the lease as detailed in the Lifetime Lease Accounting Policy Note. At The Chocolate Quarter, a lease was offered which provides the leaseholder with a choice between equity participation and fixed return. The accounting treatment of an equity participation lease is that the initial sale results in recognition of income and costs in the Statement of Financial Activities. The Trust has followed the general principle for income recognition in the Charities SORP and FRS 102.

Defined benefit pension scheme

The Trust has an obligation to pay pension benefits to certain employees and past employees. The cost of these benefits and the present value of the obligation depends on a number of factors, including life expectancy, salary increases, and the discount rate on corporate bonds. The principal assumptions made by the Trust can be found in note 29. Management estimates these factors in determining the net pension obligations in the balance sheet. The assumptions reflect historical experience and current trends.

Donations and legacies

Dividends and interest on capital and income fund investments are included as income in the financial statements on an accruals basis.

Voluntary income

This is credited to the appropriate fund in the year in which it is receivable.

Government grants

These are credited to the appropriate fund in the year in which they are receivable.

Residential care and support

Fees from residents and other service-user income is credited to the unrestricted fund on an accruals basis.

Notes (forming part of the financial statements)

Accommodation Income

The Trust offers leases to tenants on a fixed repayment basis (i.e. the tenant will receive the price they paid on exit) on all its sites. In addition, at The Chocolate Quarter, it also offers an equity participation basis (i.e. the exit amount is driven by the market). Where the lessee opts for a fixed repayment, the proceeds are recognised as a liability in accordance with the lifetime leases accounting policy described on page 34. However, where the lessee opts for the equity participation arrangement, the Trust is under no obligation to repurchase the apartment until the property has been sold on to a new tenant.

Therefore, the proceeds from the initial sale of a property under an equity participation lease are recognised as income in the statement of comprehensive income, with a corresponding cost of sale recognised in accommodation costs.

Under both the fixed repayment and equity participation arrangements at The Chocolate Quarter, the Trust becomes entitled to a surrender fee, payable at the end of the lease, which is accrued annually over the life of the lease. This is recognised within accommodation income in the statement of financial activities (SoFA) as it is earned.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs are allocated or apportioned to one of the functional categories of resources expended in the statement of financial activities.

- (a) Costs of generating funds relate to those costs incurred in the management of the fixed asset investments.
- (b) Costs in furtherance of the Trust's objects relate to those costs incurred in running and supporting the objects of the Trust.

Support costs

Support costs are apportioned to categories of expenditure, and only governance costs are separately disclosed.

Grants payable

Grants are awarded from the Community Fund and a detailed analysis and explanation of grants awarded has been provided in the Report of the Trustee.

Irrecoverable VAT

Any irrecoverable VAT is charged to the statement of financial activities or capitalised as part of the cost of the related asset, where appropriate.

Notes (forming part of the financial statements)

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Tangible fixed assets

All expenditure on the acquisition, enhancement, production or installation of fixed assets for use by the Trust and all receipts of such assets by way of gift are capitalised and included in the balance sheet at cost. The freehold land and property is included in fixed assets at cost. Assets with a value below £1,000 are not capitalised.

Tangible fixed assets include apartments which may be disposed of within 12 months through an equity participation lease (see accommodation income accounting policy above).

Capitalisation of finance costs

All finance costs in respect of the bank loan obtained for the Keynsham, Westbury-on-Trym, Bedminster and Sandford developments up to the point when these developments commenced normal operations are capitalised within tangible fixed assets and are being amortised over the life of the asset to which they relate.

Depreciation

Depreciation is provided with the intention of writing off the costs of tangible fixed assets (to residual values) over their useful lives. The provision is calculated using the straight-line method at the following rates:

Assets in the course of construction	Nil
Freehold buildings	2%
Special building assets	14%
Furniture and equipment	12.5% to 33.3%
Motor vehicles	25%

Impairment reviews

Impairment reviews are carried out annually which includes consideration of current selling price of properties against the carrying value of each asset.

Lifetime leases

The Trust provides a lifetime leasehold purchase scheme for up to 351 properties across four of its sites in which the lease operates for the duration of the purchaser's occupation of the property and then reverts to the Trust on their departure. The cash received under this scheme is returned to the lease holder or their estate when the lease is determined. The Trust, therefore, always has a liability to repay the full value of the lease proceeds, which is reflected in the balance sheet as amounts due to lifetime leasehold tenants. When a lease is determined, the Trust will sell the lease on to another

Notes (forming part of the financial statements)

purchaser under the same lifetime lease arrangement, thus restoring the funding and the liability to repay the value of the lease when, in turn, it is determined.

In addition, the Trust has a further 136 leasehold properties at its site in Keynsham. The lessee has an option at this site to have a fixed repayment lease with the liability recognised as described in the above policy. However, where the lessee opts for an Equity Participation arrangement the accounting policy is as described in the Accommodation Income note on page 33.

Investments

Both current and fixed asset investments are stated at mid-market value at the balance sheet date. This is not in accordance with FRS 102 which recommends bid value but is consistent with the entity's performance management process. Using bid values would lead to a reduction in the valuation of these listed investments of an amount which is considered by the Trustee to be immaterial.

All recognised gains and losses on investments are shown separately in the statement of financial activities. The investments in the subsidiary undertakings are stated at cost.

Investment properties

Investment properties are included in the balance sheet at their open market value on an existing use basis. The valuation is determined on the basis of professional advice and includes an element of hope value in line with accounting standards. In accordance with FRS 102, investment properties are revalued annually and the aggregate surplus or deficit is included as an unrealised gain or loss within the endowment fund. No depreciation or amortisation is provided in respect of freehold investment properties.

Stocks

Stocks consist of catering supplies and have been valued at the lower of cost and net realisable value.

Leased assets

Rentals in respect of operating leases are charged directly to the statement of financial activities on a straight-line basis over the lease term.

Pension costs

The employees of the Trust are eligible to join a group personal pension plan with Aviva or with the National Employment Savings Trust (NEST). The Trust's pension contributions for current employees are charged to the statement of financial activities in the year in which the obligation to make contributions arises.

The Trust pays certain discretionary pensions, which are not funded under a closed defined benefit scheme. The pension liability in respect of this obligation is recognised in the balance sheet based on annual actuarial valuations. Actuarial gains or losses are included in the statement of financial activities.

Notes (forming part of the financial statements)

Further details in respect of unfunded pension liabilities are contained in note 29.

Basic financial instruments

(a) Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example, if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

(b) Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

(c) Fixed asset investments

Investments 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.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the charity's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Endowment fund

Following a resolution to adopt a Total Return approach to the endowment fund with effect from 1 January 2023, the former permanently endowed funds were effectively split into two funds; the Investment Fund and the Unapplied Total Return Fund ("UTR").

Investment Fund

This fund represents the original gift to establish the charity, valued at a specific date determined by the Trustee and this will be inflated over time in line with CPI.

The Unapplied Total Return Fund ("UTR")

This fund represents the balance of the fund, and all future capital gain and income growth is attributed to this fund.

Notes (forming part of the financial statements)

Expendable endowment fund

On 16 November 2020, in accordance with the Charities Act 2011, Section 282, the Charity Commission approved a resolution made by the Trustees to redesignate £20 million of what was at the time the permanent endowment for use by the Trust in furtherance of its objectives and as if it were income. The result was that £20 million was transferred from the permanent endowment funds into an unrestricted expendable endowment fund.

As expenditure is incurred, balances will be transferred from the expendable endowment fund into the unrestricted fund.

Restricted funds

These are other funds for which the donor has specifically restricted the purpose for which they can be used. The amounts in the funds represent the monies remaining for future expenditure. There are two restricted funds which are held by the Trust and explained in more detail below:

(a) Residents' Amenity fund

These are funds donated by residents of the Trust and invested by the Trust, which have the restricted purposes of providing income for the resident groups at our Cote Lane and Westbury Fields sites villages.

(b) Residents' Legacy fund

These are funds still to be spent donated by beneficiaries of the Trust, which have a restricted purposes for which they can be applied.

Unrestricted fund

Operating income together with income arising from permanent endowment and unrestricted fund investments is credited to the unrestricted fund. The Charity Commission Scheme permits the fund to be applied towards contributions to the management expenses, the expenses related to running the operational activities, establishing a reserve fund and paying annuities and gifts. Any balance remaining may be accumulated for endowment purposes, but in practice is currently retained as unrestricted funds as explained in the reserves policy in The Report of the Trustee.

Designated fund

A designated fund exists to hold a proportion of the community fee and exit fees for the Equity Participation and Fixed Repayment leasehold options as detailed in the Accommodation Income accounting policy. These funds are set aside for future maintenance costs.

Subsidiaries

Details of subsidiary undertakings owned by the charity are disclosed in notes 2 and 3.

Notes (forming part of the financial statements)

Financial activities of the charity

The financial activities shown in the consolidated statement includes those of the charity's wholly owned subsidiaries, St Monica Trading Limited and Somerdale Pavilion Trust.

2 Trading subsidiary's results (St Monica Trading Limited)

	2024 Total £'000	2023 Total £'000
Turnover	580	619
Cost of sales	237	(249)
Gross profit	343	370
Administration and other costs	(331)	(350)
Trading profit	12	20
Other income	-	-
Net income	12	20
Management charge from St Monica Trust	-	-
Tax on profit	-	-
Retained profit for the year	12	20
Retained profit brought forward	20	13
Gift aid distribution	(20)	(13)
Retained profit carried forward	12	20

Gift aid distributions totalling £12,288 (2023: £19,970) will be made post year end in relation to the current year.

Report of the Board and consolidated financial statements
Year ended 31 December 2024

Notes (forming part of the financial statements)

The assets and liabilities of the subsidiary were:

	2024 Total £'000	2023 Total £'000
Fixed assets	-	-
Current assets	12	20
Creditors: amounts falling due within one year	-	-
Provisions for liabilities and charges		-
Net assets	12	20
Profit and loss reserve	12	20
Equity shareholders' funds	12	20

Statement of changes in equity

	Share Capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2023	1	12,862	12,863
Year ended 31 December 2023			
Profit and total comprehensive income for the year	-	19,970	19,970
Distributions to parent charity under gift aid	-	(12,862)	(12,862)
Balance at 31 December 2023	1	19,970	19,971
Year ended 31 December 2024			
Profit and total comprehensive income for the year	-	12,288	12,288
Distributions to parent charity under gift aid	-	(19,970)	(19,970)
Balance at 31 December 2024	1	12,288	12,289

Notes (forming part of the financial statements)

3 Trading subsidiary's results (Somerdale Pavilion Trust)

	2024	2023
	Total	Total
	£'000	£'000
Income		
Grant income	-	-
Charitable activities	490	440
Other trading activities	804	823
	1,294	1,263
Expenditure		
Charitable activities	(964)	(900)
Other	(179)	(163)
	(1,143)	(1,063)
Net income	151	200
Net movement in funds	151	200
Total funds brought forward	486	286
Total funds carried forward	637	486

Report of the Board and consolidated financial statements
Year ended 31 December 2024

Notes (forming part of the financial statements)

The assets and liabilities of the subsidiary were:

	2024	2023
	Total	Total
	£'000	£'000
Fixed assets	25	5
Current assets	731	845
Creditors: amounts falling due within one year	(119)	(364)
Net assets	637	486
Total restricted funds	-	-
Total unrestricted funds	637	486
Total funds	637	486

4 Investment income

Group and charity	2024	2023
	£'000	£'000
(a) Endowment fund		
Commercial investment properties	879	626
Agricultural investment properties	4,812	4,794
Listed and other investments	3,029	3,427
Interest on cash deposits	47	2
	8,767	8,849
(b) Unrestricted fund		
Commercial investment properties	1,422	2,167
(c) Restricted funds		
Distributions from CCLA Investment Management Limited	11	11
	10,200	11,027

Notes (forming part of the financial statements)

5 Analysis of total resources expended

Group

	Staff costs £'000	Depreciation £'000	Other costs £'000	2024 £'000	2023 £'000
Costs of generating funds (note 6)			2,970	2,970	2,474
Charitable expenditure					
Residential care and support (note 7)	37,824	3,617	15,971	57,412	53,215
Accommodation costs					1,246
Community support	193		722	915	1,154
Governance costs (note 8)			113	113	83
	38,017	3,617	16,806	58,440	55,698
	38,017	3,617	19,776	61,410	58,172

All support costs have been allocated to one charitable activity (Residential care and support).

Charity

	Staff costs £'000	Depreciation £'000	Other costs £'000	2024 £'000	2023 £'000
Costs of generating funds (note 6)	-	-	2,970	2,970	2,474
Charitable expenditure					
Residential care and support (note 7)	36,990	3,607	15,096	55,693	51,552
Accommodation costs	-	-	-	-	1,246
Community support	193	-	722	915	1,154
Governance costs (note 8)	-	-	101	101	71
	37,183	3,607	15,919	56,709	54,023
	37,183	3,607	18,889	59,679	56,497

Notes (forming part of the financial statements)

6 Costs of generating funds

Group and charity

	2024	2023
	£'000	£'000
(a) Investment management charges		
Society of Merchant Venturers of Bristol	271	254
Investment manager fees	254	171
Agricultural estate management	396	356
Commercial properties management	57	47
	978	828
(b) Property operational costs		
Agricultural estates	779	648
Commercial properties	719	732
	1,498	1,380
(c) Major repairs & other costs		
Agricultural estates	494	266
Total costs of generating funds	2,970	2,474

7 Residential care and support

Group and charity

	2024	2023
	£'000	£'000
Staff costs	37,824	34,644
Residential services	916	942
Site services	3,034	3,118
Provisions and catering	2,021	1,684
Insurance	708	614
Property and equipment (including depreciation)	8,325	5,984
Miscellaneous	1,031	1,993
Management and administration	3,553	4,236
	57,412	53,215

Notes (forming part of the financial statements)

Group and charity

Charity

	2024	2023
	£'000	£'000
Staff costs	36,990	33,886
Residential services	916	942
Site services	2,877	2,885
Provisions and catering	1,605	1,273
Insurance	708	614
Property and equipment (including depreciation)	8,130	5,817
Miscellaneous	1,004	1,957
Expendable Endowment (excluding pay)	-	-
Management and administration	3,463	4,178
	55,693	51,552

8 Governance costs

	2024	2023
	£'000	£'000
Group		
Auditor's remuneration (including irrecoverable VAT)		
- for audit	59	57
- other professional services	3	2
Professional services	51	23
Trustee expenses	-	1
	113	83
Charity		
Auditor's remuneration (including irrecoverable VAT)		
- for audit	48	46
- other professional services	2	1
Professional services	51	23
Trustee expenses	-	1
	101	71

Other than as set out in Note 28, Related Party Transactions, neither the Council, nor persons connected with them, received any remuneration or other benefits from the Trust during the current or previous year. Reimbursement of expenses amounted to £138 during the year (2023: £635).

Notes (forming part of the financial statements)

9 Transfers

Group and charity	Unrestricted fund	Designated fund	Other restricted funds	Expendable Endowment funds	Endowment funds
	£'000	£'000	£'000	£'000	£'000
Service charge transfer (A)	3,946	(3,946)			
Expendable endowment (B)	4,558			(4,558)	
Restricted legacy transfer (C)	44		(44)		
UTR endowment transfer (D)	8,614				(8,614)
Total transfers	17,162	(3,946)	(44)	(4,558)	(8,614)

(A) During the year, £3,946,000 (2023: £4,132,000) has been transferred out of the designated fund into the unrestricted fund. £253,000 represents the proportion of service charges received from residents for maintenance costs at the Westbury-on-Trym, Cote Lane, Sandford and Bedminster sites less the costs incurred. This aligns the balance within the designated fund of £467,000 to the balance of the sinking funds for these sites. The remaining transfer of £3,693,000 was in respect of reclassifying the fund balance consisting of accrued surrender fees less improvement costs in respect of our TCQ site.

(B) During the year, £4,558,000 (2023: £4,120,000) has been transferred from the S282 expendable endowment fund into the unrestricted funds. See note 21 for further details.

(C) During the year £44,000 (2023: Nil) has been transferred from a restricted fund in respect of improvement works at Westfield House at our Cote Lane retirement village in respect of a resident legacy bequest.

(D) During the year, a net allocation from the unrestricted fund to the Unapplied Total Return (UTR) was made of £8,614,000. See note 22 for further details.

10 Staff numbers and costs

The average headcount in the year for the group was 1,392 (2023: 1,351). The full time equivalent average number of persons employed by the group during the year, including directors, analysed by category, was as follows:

	2024	2023
Residential care and support	798	739
Community support	4	4
Management of the Trust	29	26
	831	769

Notes (forming part of the financial statements)

The aggregate payroll costs were as follows:

	£'000	£'000
Wages and salaries	30,597	26,851
Social security costs	2,540	2,198
Pensions	1,246	1,179
Agency staff costs	3,634	4,709
	<u>38,017</u>	<u>34,937</u>

During the current and previous year, the Trustees were not paid any remuneration or reimbursed for expenses, and no Trustees made donations to the charity.

Key management remuneration in total for the year was £989,431 (5 people) compared to 2023 £887,269 (6 people).

The number of employees whose emoluments, excluding pension contributions, were in excess of £60,000 per annum fell within the following bands:

	2024 Number	2023 Number
£60,001 to £70,000	7	5
£70,001 to £80,000	7	5
£80,001 to £90,000	4	6
£90,001 to £100,000	3	1
£100,001 to £110,000	2	-
£110,001 to £120,000	1	2
£120,001 to £130,000	1	-
£130,001 to £140,000	1	1
£140,001 to £150,000	-	1
£150,001 to £160,000	1	-
£160,001 to £170,000	-	-
£170,001 to £180,000	-	-
£180,001 to £190,000	-	-
£190,001 to £200,000	-	-
£200,001 to £210,000	-	-
£210,001 to £220,000	-	1
£220,001 to £230,000	1	-
£230,001 to £240,000	-	-
£240,001 to £250,000	1	-

These members of staff have pension benefits accruing under the group personal pension plan.

Notes (forming part of the financial statements)

I I Net movement on funds is stated after charging

	2024	2023
	£'000	£'000
Auditors' remuneration – Charity (inclusive of VAT)	48	46
Auditors' remuneration – Subsidiaries (inclusive of VAT)	11	11
Auditors' remuneration – for other professional services	3	2
Depreciation and other amounts written off tangible fixed assets	3,617	2,865
Inventories recognised as an expense	2,021	1,684

I2 Taxation

The charity is not liable to taxation on the net income from its primary activity. Stated below are the tax details of the subsidiary St Monica Trading Limited:

	2024	2023
	£'000	£'000
Current tax		
UK corporation tax on results of the year	-	-
Tax on profit on ordinary activities	-	-

Factors affecting the tax charge for the current period

The tax assessed for the period differs from the standard small rate of corporation tax in the UK (19%), (2023: 19%). The differences are explained below:

	2024	2023
	£'000	£'000
<i>Current tax reconciliation</i>		
Profit before tax (of trading subsidiary only)	12	20
Current tax at 19%	2	4
<i>Effects of:</i>		
Gift Aid payments	(2)	(4)
Total current tax charge (see above)	-	-

Notes (forming part of the financial statements)

13 Tangible fixed assets

Group	Assets in the course of construction £'000	Freehold land and buildings £'000	Furniture and equipment £'000	Motor vehicles £'000	Total £'000
<i>Cost</i>					
At beginning of year	5,876	160,161	22,698	441	189,176
Asset reclassification	(255)	154	101	-	-
Transfers	(3,757)	3,736	21	-	-
Additions	9,223	4,556	887	239	14,905
Disposals in the year	-	-	-	(20)	(20)
At end of year	<u>11,087</u>	<u>168,607</u>	<u>23,707</u>	<u>660</u>	<u>204,061</u>
<i>Depreciation</i>					
At beginning of year	-	17,441	18,933	393	36,767
Charge for year	-	1,963	1,593	61	3,617
Depreciation on disposals	-	-	-	(4)	(4)
At end of year	<u>-</u>	<u>19,404</u>	<u>20,526</u>	<u>450</u>	<u>40,380</u>
<i>Net book value</i>					
At 31 December 2024	<u>11,087</u>	<u>149,203</u>	<u>3,181</u>	<u>210</u>	<u>163,681</u>
At 31 December 2023	<u>5,621</u>	<u>142,874</u>	<u>3,866</u>	<u>48</u>	<u>152,409</u>

The above schedule includes finance costs of £3,896,000 (2023: £3,896,000) relating to loan interest and charges incurred for financing the Chocolate Quarter, Monica Wills House, the sheltered flats and the Garden House Annexe at Cote Lane, and the Sandford developments.

Land costing £27,025,000 (2023: £27,025,000) is not depreciated.

The Trustee's review of the fixed assets has concluded that their value is not impaired.

The asset reclassification relates to assets categorised as assets under construction in the prior year re-analysed.

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Notes (forming part of the financial statements)

	Assets in the course of construction £'000	Freehold land and buildings £'000	Furniture and equipment £'000	Motor vehicles £'000	Total £'000
Charity					
<i>Cost</i>					
At beginning of year	5,876	160,161	22,686	441	189,164
Asset reclassification	(255)	154	101	-	-
Transfers	(3,757)	3,736	21	-	-
Additions	9,223	4,525	887	239	14,874
Disposals in the year	-	-	-	(20)	(20)
At end of year	<u>11,087</u>	<u>168,576</u>	<u>23,695</u>	<u>660</u>	<u>204,018</u>
<i>Depreciation</i>					
At beginning of year	-	17,440	18,927	393	36,760
Charge for year	-	1,954	1,591	61	3,606
Depreciation on disposals	-	-	-	(4)	(4)
At end of year	<u>-</u>	<u>19,394</u>	<u>20,518</u>	<u>450</u>	<u>40,362</u>
<i>Net book value</i>					
At 31 December 2024	<u>11,087</u>	<u>149,182</u>	<u>3,177</u>	<u>210</u>	<u>163,656</u>
At 31 December 2023	<u>5,621</u>	<u>142,875</u>	<u>3,860</u>	<u>48</u>	<u>152,404</u>

The above schedule includes finance costs of £3,896,000 (2023: £3,896,000) relating to loan interest and charges incurred for financing the Chocolate Quarter, Monica Wills House, the sheltered flats and the Garden House Annexe at Cote Lane, and the Sandford developments.

Land costing £27,025,000 (2023: £27,025,000) is not depreciated.

The Trustee's review of the fixed assets has concluded that their value is not impaired.

The asset reclassification relates to assets categorised as assets under construction in the prior year re-analysed.

Notes (forming part of the financial statements)

14 Fixed asset investments

Group and Charity

	Investment Properties £'000	Financial securities £'000	Cash on deposit £'000	Other investments* £'000	Total £'000
Cost					
At beginning of year	55,018	108,189	2,442	224	165,873
Additions	7,647	32,381	-	-	40,028
Disposals	(11)	(48,297)	(1,697)	-	(50,005)
At end of year	62,654	92,273	745	224	155,896
Revaluation – unrealised gains					
At beginning of year	151,110	17,582	-	129	168,821
Disposals	(55)	(1,069)	-	-	(1,124)
Net gains arising on revaluation	(9,207)	9,426	-	26	245
At end of year	141,848	25,939	-	155	167,942
Net book value					
At 31 December 2024	204,502	118,212	745	379	323,838
At 31 December 2023	206,128	125,771	2,442	353	334,694

There were total realised and unrealised losses during the year of £2,979,000 (2023: Gain of £23,373,000).

The charity owns 100% of the issued share capital of St Monica Trading Limited (company registration number: 11070522), a company incorporated in England and Wales. The total share capital is £1 – too small to show in the rounded figures above. The principal activities of this company are conducting the commercial operations undertaken at St Monica Trust's retirement village at Keynsham.

* Other investments consist of income unit investments with CCLA Investment Management Limited.

Notes (forming part of the financial statements)

Investments with a market value of greater than 5% of total quoted securities at 31 December 2024 and 2023:

Investment	Portfolio 2024	Portfolio 2023
Artemis Equity Income Fund	6.5%	-
Brummer Multi-Strategy 2 XL Fund	8.1%	5.4%
Lindsell Train	7.8%	-
Newton Global Higher Income Fund	10.4%	7.4%
JO Hambro Global Select Equity Fund	10.2%	6.2%
KBI Institutional Developed Equity Fund	13.1%	9.2%
Kiltearn Global Equity Fund	10.7%	8.1%

The total cumulative surplus/(deficit) on revaluing investment properties is as follows:

	2024 £'000	2023 £'000
Commercial property (note (a) & (c))	(8,846)	1,281
Agricultural property (note (b))	150,694	149,829
	141,848	151,110

- (a) The commercial property within the endowment fund was valued as at 31 December 2024 by CBRE Limited in accordance with the latest version of the RICS Valuation – Global Standards (incorporating the International Valuation Standards) and the UK national supplement (the ‘Red Book’) current as the Valuation Date.
- (b) The agricultural property has been valued at 31 December 2024 by Savills (UK) Limited in accordance with the RICS Valuation – Global Standards (incorporating the IVSC International Valuation Standards) effective from 31 January 2020 with a special assumption to disregard development hope value and not accrue any value for a potential change of use of any part of the portfolio unless a planning permission has been obtained. Development hope value has then been assessed separately and included in the asset valuation at 31 December 2024.
- (c) Block C at The Chocolate Quarter was valued at 31 December 2024 by Alder King LLP in accordance with the RICS Valuation – Global Standards (Red Book) effective 31 January 2020 – incorporating the International Valuation Standards, UK VPGA 1 of the Red Book UK national supplement and FRS102 ‘The Financial Reporting Standard’ applicable to the United Kingdom and Republic of Ireland.

Notes (forming part of the financial statements)

15 Stocks

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'00	£'000
Sundry stocks	55	57	49	51

Stock relates to catering purchases in the SoFA of £2,020,943 (2023: £1,684,366)

16 Debtors

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade debtors	863	2,318	797	2,318
Prepayments and accrued income	8,420	7,128	8,352	7,073
Other debtors	1,163	1,245	703	1,240
Amounts owed by group undertakings	-	-	-	82
	10,446	10,691	9,852	10,713

Prepayments include £4,096,791 of professional fees associated with our Endowment development sites and with the majority of these costs relating to the Basingstoke site (2023: £3,122,248). Debtors include £2,995,111 of accrued surrender fees (2023: £2,806,641).

17 Creditors: amounts falling due within one year

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade creditors	2,898	2,256	2,816	2,207
Bank loan	121	108	121	108
Amounts due to lifetime leasehold tenants	17,258	16,352	17,258	16,352
Other creditors	3,101	3,408	2,623	3,254
Tax and Social Security	918	630	918	630
Accruals and deferred income	2,176	1,965	2,112	1,906
Amounts owed to group undertakings	-	-	438	-
	26,472	24,719	26,286	24,457

Notes (forming part of the financial statements)

Accruals and deferred income includes accruals of £1,458,930 (2023: £1,743,000) and deferred income comprising £717,149 (2023: £222,000).

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Deferred income brought forward	222	2,743	322	2,663
Recognised in the year	717	222	656	322
Released to the SoFA in the year	(222)	(2,743)	(322)	(2,663)
Deferred income carried forward	717	222	656	322

18 Creditors: amounts falling due after more than one year

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Bank loan	19,273	13,399	19,273	13,399
Amounts due to lifetime leasehold tenants	112,190	106,674	112,190	106,674
	131,463	120,073	131,463	120,073
Age analysis of bank loan				
Due within one year	121	108	121	108
Between two and five	19,273	13,399	19,273	13,399
After five years	-	-	-	-
	19,394	13,507	19,394	13,507

The Trust's bank loans have been arranged with no security having been provided by the Trust to the lender.

Bank loans consist of:

- A 5-year Revolving Credit Facility (RCF) with NatWest bank of £20,000,000 that was put into place on 21 June 2022. The interest rate is 1.25% above SONIA. The amount drawn down at the year-end was £19,000,000.
- John Wills Annex loan of £393,751 with NatWest Bank which is due for repayment by January 2027. The interest rate is 0.65% above bank base rates.

The amounts due to lifetime leasehold tenants relates to amounts paid by the residents for their leases, which is repayable when the properties are vacated.

Notes (forming part of the financial statements)

19 Other restricted funds – Group and charity

	At 1 January 2024	Incoming resources	Outgoing resources	Gains on investments	At 31 December 2024
	£'000	£'000	£'000	£'000	£'000
Residents' Amenity Funds	391	11	(11)	27	418
Restricted Legacies	106		(44)		62
	497	11	(55)	27	480

20 Designated fund – Group and charity

A designated fund exists for future maintenance costs on the Westbury-on-Trym, Cote Lane, Sandford and Bedminster sites. Transfers to the unrestricted fund represents the net of incurred costs and contributions allocated to the fund. Funds received in respect of surrender fees received and accrued for The Chocolate Quarter site, have been transferred to the unrestricted fund as these amounts are unrestricted funds and not designated funds as previously classified.

	Total £'000
At 1 January 2024	3,953
Transfer to the unrestricted fund in respect of sinking fund balances	(253)
Transfer to the unrestricted fund in respect of fixed surrender fees	(3,233)
At 31 December 2024	467

21 Expendable endowment fund – Group and charity

In 2020, the Charity Commission approved a resolution made by the Trustees to redesignate £20 million of what was then the permanent endowment for use by the Trust in furtherance of its objectives and as if it were income. The result was that £20 million was transferred from the permanent endowment funds into an unrestricted expendable endowment fund. As expenditure is incurred, balances will be transferred from the expendable endowment fund into the unrestricted fund.

	Total £'000
At 1 January 2024	10,286
Transfer to the unrestricted fund	(4,558)
At 31 December 2024	5,728

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Notes (forming part of the financial statements)

22 Analysis of funds

Consolidated

	Unrestricted fund	Designated fund	Restricted fund	Expendable endowment fund	Endowment fund	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Movement in funds						
At 1 January 2024	28,444	3,953	497	10,286	308,086	351,266
Net incoming/(outgoing) resources	(14,638)	460	-	-	6,424	(7,754)
Transfers between funds	17,162	(3,946)	(44)	(4,558)	(8,614)	-
Gains/(loss) on investment assets	(9,925)	-	27	-	6,919	(2,979)
Actuarial gain on pension liability	367	-	-	-	-	367
At 31 December 2024	21,410	467	480	5,728	312,815	340,900
Representation of fund balances	£'000	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	163,681	-	-	-	-	163,681
Investments	12,970	-	380	1,500	308,988	323,838
Cash and bank balances	5,893	-	-	-	-	5,893
Other current assets and liabilities	(24,593)	467	100	4,228	3,827	(15,971)
Long term creditors	(131,463)	-	-	-	-	(131,463)
Pension liability	(5,078)	-	-	-	-	(5,078)
At 31 December 2024	21,410	467	480	5,728	312,815	340,900
Realised and unrealised investment asset gains included above	(9,925)	-	27	-	6,919	(2,979)

Notes (forming part of the financial statements)

Analysis of funds

Charity

	Unrestricted fund	Designated fund	Restricted fund	Expendable endowment fund	Endowment fund	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Movement in funds						
At 1 January 2024	27,938	3,953	497	10,286	308,086	350,760
Net incoming/(outgoing) resources	(14,781)	460	-	-	6,424	(7,897)
Transfers between funds	17,162	(3,946)	(44)	(4,558)	(8,614)	-
Gains on investment assets	(9,925)	-	27	-	6,919	(2,979)
Actuarial gain on pension liability	367	-	-	-	-	367
At 31 December 2024	20,761	467	480	5,728	312,815	340,251
Representation of fund balances	£'000	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	163,656	-	-	-	-	163,656
Investments	12,970	-	380	1,500	308,988	323,838
Cash and bank balances	5,684	-	-	-	-	5,684
Other current assets and liabilities	(25,008)	467	100	4,228	3,827	(16,386)
Long term creditors	(131,463)	-	-	-	-	(131,463)
Pension liability	(5,078)	-	-	-	-	(5,078)
At 31 December 2024	20,761	467	480	5,728	312,815	340,251
Realised and unrealised investment asset gains included above	(9,925)	-	27	-	6,919	(2,979)

Endowment Fund

On 1st January 2023, the Group and Charity adopted a total return approach to the permanent endowment fund. The investment power of Total Return permits the Charity to invest these funds in order to maximise Total Return and gives it the power to apply an appropriate portion of the Unapplied TR to income funds each year. The UTR remains part of the endowment until this power is exercised.

The value of the original endowment was determined at 31 December 2004 (the “initial endowment date”) as this was the deemed inception date for these funds in their current form and detailed financial records were available for this date. The initial UTR values for these endowment funds were calculated at 1st January 2023 as the value of the endowment funds at that date, less the value of the original endowment. No subsequent introduction of any investments into these funds since the initial endowment date has occurred.

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Notes (forming part of the financial statements)

Trustees elected to allocate a proportion of the UTR back to the original endowment at 31 December 2023, in accordance with Total Return regulations.

The values for the Trust for Investment (TFI), Unapplied Total Return (UTR) and Total Endowment at 31 December 2024 is shown in the table below:

	Trust for Investment	Unapplied Total Return	Total Endowment
At the beginning of the reporting period:	£'000	£'000	£'000
Initial measurement	83,284	-	83,284
Unapplied Total Return	-	224,802	224,802
Total	83,284	224,802	308,086
Movements in the reporting period:	£'000	£'000	£'000
Allocation to the Trust for Investment	1,999	(1,999)	-
Investment return: dividends and investment income	-	8,767	8,767
Investment return: realised and unrealised gains/losses	-	6,919	6,919
Less: Investment management costs	-	(2,343)	(2,343)
Net current other asset/liability movements	-	(625)	(625)
Allocation to income funds: property assets & pension on adoption	-	-	-
Total	1,999	10,719	12,718
Unapplied Total Return allocated to income in reporting period	-	(7,989)	(7,989)
Net movements in reporting period	1,999	2,730	4,729
At the end of period of the reporting period:			
Initial measurement	85,283	-	85,283
Unapplied Total Return	-	227,532	227,532
Total	85,283	227,532	312,815

Notes (forming part of the financial statements)

23 Capital commitments

	2024 £'000	2023 £'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	6,060	2,157

24 Operating leases as a lessee

The future minimum lease payments under non-cancellable operating leases expected to be paid by the Charity and Group will fall due as follows:

	2024 Group and Charity plant and machinery £'000	2023 Group and Charity plant and machinery £'000
Within one year	13	10
Between one and five years	26	28
After five years	-	-
	39	38

The total charge to the statement of financial activities in the year in respect of operating lease rentals for the hire of plant and machinery was £13,484 (2023: £11,000).

25 Operating leases as a lessor

The future minimum lease payments due to be received under non-cancellable commercial operating leases by the Charity and Group are as follows:

	2024 Group and Charity leasehold property £'000	2023 Group and Charity leasehold property £'000
Within one year	1,011	1,011
Between one and five years	2,847	3,489
After five years	1,530	1,887
	5,388	6,387

Notes (forming part of the financial statements)

26 Reconciliation of movement in net cash

	At 1 January 2024 £'000	Cash flow £'000	At 31 December 2024 £'000
Investments	2,442	(1,697)	745
Cash at bank and in hand	3,653	2,240	5,893
Bank loan	(13,507)	(5,887)	(19,394)
	(7,412)	(5,344)	(12,756)

27 Analysis of changes in net debt

	At 1 January 2024 £'000	Cash flow £'000	At 31 December 2024 £'000
Cash and cash equivalents			
Cash	3,653	2,240	5,893
Overdrafts	-	-	-
Cash equivalents	-	-	-
	3,653	,2,240	5,893
Borrowings			
Debt due within one year	(108)	(13)	(121)
Debt due after one year	(13,399)	(5,874)	(19,273)
	(13,507)	(5,887)	(19,394)
Total	(9,854)	(3,634)	(13,501)

Notes (forming part of the financial statements)

28 Related party transactions

A number of the Trust's Council members are also members of the Society of Merchant Venturers. The Trust paid a fee including reallocation of salaries and overhead costs totalling £270,608 (2023: £253,615) to the Society of Merchant Venturers of Bristol to cover the services it provides in its role as Endowment Trustee (note 6(a)).

A professional indemnity insurance premium of £4,026 (2023: £3,763) was paid by the Trust on the behalf of the Trustees.

The charity owns 100% of the issued share capital of St Monica Trading Limited (company registration number: 11070522), a company incorporated in England and Wales. During the year, St Monica Trust provided to St Monica Trading Limited staff time, catering supplies and other operating costs totalling £567,878 (2023: £599,358) and collected £580,082 (2023: £619,458) of income. The amount owing to St Monica Trading Limited at the year-end was £12,203 (2023: £19,951). A Gift Aid payment was made to St Monica Trust by St Monica Trading Limited of £19,970 in respect of the trading results for 2023 (2023: £12,861 in respect of the trading results for 2022).

St Monica Trustee Company is the sole member of Somerdale Pavilion Trust (company registration number: 11730938), a company limited by guarantee, incorporated in England and Wales and registered as a charity (registered charity number: 1182426). During the year, St Monica Trust provided staff time and operating expenses and rent to Somerdale Pavilion Trust totalling £45,116 (2023: £45,700) and provided services to St Monica Trust in the form of parking and academy rent totalling £205,650 (2023: £225,150). The amount owed by St Monica Trust at the year-end was £425,155 (2023: £101,638).

Notes (forming part of the financial statements)

29 Pension schemes

Unfunded pension liability

The Trust has granted unfunded defined benefit pensions to some current and former employees of the Trust. A triennial full valuation of the pensions was carried out as at 31 December 2023 by PriceWaterhouseCoopers, a qualified independent actuary who are a fellow of the Institute of Actuaries. Pension payments made for the year ended 31 December 2024 in respect of the defined benefit pensions were £240,000 (2023: £256,000).

The principal assumptions made by the Trust were:	2024	2023	2022	2021
	%	%	%	%
Rate of increase in pensionable salaries	3.2	3.1	3.1	3.4
Rate of increase in pensions in payment	3.0	3.0	3.0	3.1
Inflation rate	3.2	3.1	3.1	3.4
Discount rate	5.4	4.5	4.8	1.8
 Pensioner and non-pensioner mortality SAPS all MC	1% pa	1% pa	1% pa	1% pa
 The amounts recognised in the balance sheet are as follows:	£'000	£'000	£'000	£'000
Present value of scheme liabilities	(5,078)	(5,446)	(6,221)	(8,528)
Deficit in the scheme	(5,078)	(5,446)	(6,221)	(8,528)

Analysis of amount charged to net outgoing resources in respect of defined benefit pensions

	2024	2023
	£'000	£'000
Interest on pension liability	(239)	(296)
Total operating charge	(239)	(296)

Notes (forming part of the financial statements)

	2024	2023
	£'000	£'000
Movement in liability during the year		
Liability at the start of the year	(5,446)	(6,221)
Movement:		
Employer contributions (including pension payments)	240	255
Interest cost	(239)	(294)
Actuarial gain	367	814
Liability at the end of the year covered by a specific provision in the financial statements	(5,078)	(5,446)
Analysis of amount recognised in the statement of financial activities	£'000	£'000
Actuarial gain recognised in the statement of financial activities	367	814

Notes (forming part of the financial statements)

Amounts for the current and previous four periods are as follows

	2024	2023	2022	2021	2020
	£'000	£'000	£'000	£'000	£'000
Scheme assets	-	-	-	-	-
Scheme liabilities	(5,078)	(5,446)	(6,221)	(8,528)	(8,881)
Deficit in plan	(5,078)	(5,446)	(6,221)	(8,528)	(8,881)
Actuarial gains/(losses) on liabilities	367	814	2,178	183	(241)
Statement of total recognised gains and losses for the period ending 31 December	367	814	2,178	183	(241)

Other pension scheme

The Trust also contributes to a group personal pension plan. The contributions made by the Trust to this pension scheme are charged to the statement of financial activities when they fall due and were £999,000 (2023: £876,000).

Report of the Board and consolidated financial statements
Year ended 31 December 2024

Notes (forming part of the financial statements))

30 Comparative group statement of financial activities

	Unrestricted Funds	Designated fund	Other restricted funds	Expendable endowment funds	Permanent endowment funds	Total Funds 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Income						
<i>Income from charitable activities</i>						
Residential care and support	39,768	-	107	-	-	39,875
Accommodation income	2,528	438	-	-	-	2,966
<i>Generated funds</i>						
Investment income	2,167	-	11	-	8,849	11,027
Total income	44,463	438	118	-	8,849	53,868
Expenditure						
<i>Costs of raising funds</i>						
Investment management charges	(47)	-	-	-	(781)	(828)
Property operational costs	(731)	-	-	-	(649)	(1,380)
Commercial trading operations	(36)	-	-	-	(230)	(266)
Total costs of generating funds	(814)	-	-	-	(1,660)	(2,474)
Charitable activities						
<i>Costs in furtherance of the Trust's objects</i>						
Residential care and support	(52,961)	-	(13)	-	(241)	(53,215)
Accommodation costs	(1,246)	-	-	-	-	(1,246)
Community support	(1,154)	-	-	-	-	(1,154)
Governance	(83)	-	-	-	-	(83)
Total charitable expenditure	(55,444)	-	(13)	-	(241)	(55,698)
Total expenditure	(56,258)	-	(13)	-	(1,901)	(58,172)
Net income/(expenditure) before investment gains/ (losses)	(11,795)	438	105	-	6,948	(4,304)
Realised and unrealised gains on investments	-	-	(1)	-	23,374	23,373
Net income/(expenditure) for the year before transfers	(11,795)	438	104	-	30,322	19,069
Transfers between funds	29,109	(4,132)	-	(4,120)	(20,857)	-
Actuarial gain/(loss) on defined benefit pension	814	-	-	-	-	814
Net movement in funds	18,128	(3,694)	104	(4,120)	9,465	19,883
Total funds brought forward	10,316	7,647	393	14,406	298,621	331,383
Total funds carried forward	28,444	3,953	497	10,286	308,086	351,266

ST MONICA TRUST

England & Wales - Charity number 202151

Accounts



St Monica Trust

ST MONICA TRUST

Report of the Trustee and consolidated financial statements

Registered charity number 202151

Year ended 31 December 2023



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Report of the Trustee for the year ended 31 December 2023

The Council presents its annual report and the audited consolidated financial statements for the year ended 31 December 2023. This report consolidates the results of St Monica Trust and its subsidiaries St Monica Trading Limited and Somerdale Pavilion Trust.

The financial statements comply with the memorandum and articles of association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Reference and administrative details of the Charity, its Trustee and Advisers

The Trust was founded by Henry and Monica Wills in 1925. The Trust is constituted by a Charity Commission Scheme sealed on 30 June 2005. The subsidiary St Monica Trading Limited was incorporated on 17 November 2017 and the subsidiary Somerdale Pavilion Trust was incorporated on 17 December 2018.

Registered Address of the Trust St Monica Trust
Cote Lane
Bristol
BS9 3UN

Charity Registration Number 202151

Trustee

St Monica Trustee Company Limited (a company limited by guarantee registered number 9357207) is the sole Trustee of St Monica Trust by virtue of the Charity Commission Scheme dated 19 December 2015. The directors of St Monica Trustee Company Limited, the Corporate Trustee, have ultimate responsibility for the administration of the charity and are regarded for internal governance purposes as being a trustee. The Directors are referred collectively in this report as the Council of St Monica Trust, the members of which served throughout the year and since the year-end and are set out below:

The Council

Mr T S Ross - President and Chair of the Trust
Mr J R Ancell
Mr R H G Bourns DL
Mr M Bothamley (resigned 18 October 2023)
Mr R Crews (appointed 27 March 2024)
Ms A Duff
Mrs D J England
Dr F C Forrest

Venerable C A Froude
Mrs S Darwall Smith DL
Dr A D Garrad CBE
Lady Wills (resigned 21 June 2023)
Mrs E O'Driscoll
Dr M D McCaldin
Professor J McGeeham CBE
Mr James Rimmer (appointed 27 March 2024)
Dr Jonathan Shapiro (appointed 27 March 2024)

Report of the Trustee for the year ended 31 December 2023

Members of the Council serve for three years, being eligible for re-election for up to three periods. The Scheme provides for the appointment by the Council of six members of Council, six nominations by the Society of Merchant Venturers of Bristol (SMV) and three members nominated respectively by the Bishops of Bristol, Gloucester and Bath & Wells. Sir David Wills Bt was elected Patron of the Trust upon retiring as a Trustee on 30 June 2006, and Lady Wills was elected Patron of the Trust on her retirement as a Trustee on 21 June 2023.

Chief Executive

The Trust appointed Mr D Williams as Chief Executive in April 2015. Mr Williams joined the Trust from the Accord Group, where he was Executive Director for Health Care and Support. Previously, Mr Williams worked as Head of Strategy and Service Development for Housing 21 and has also held senior positions with a number of other leading charities.

Management of the Endowment

The Endowment of St Monica Trust includes the investment fund of the Trust from which income and gains are derived and utilised for charitable purposes. This investment fund is managed on the Trust's behalf by the Society of Merchant Venturers of Bristol ("SMV") in its capacity as Endowment Trustee of the Trust. The Society was incorporated by Royal Charter in 1552 by King Edward VI with amendments by subsequent monarchs in 1566, 1639, 1643, 1665, and 1988.

The Society of Merchant Venturers, as Endowment Trustee of St Monica Trust, implement the investment strategy and asset allocation as recommended by the Endowment Trustees' Investment Strategy Group having regard to the financial requirements of the Trust. In turn, the Finance and Investment sub-Committee and the Estates and Property sub Committee have particular management and advisory responsibilities for the endowment and report directly to the Investment Strategy Group. The overall investment strategy and objectives are subject to the approval of the Council.

Auditor	Bishop Fleming LLP 10 Temple Back Bristol BS1 6FL
Banker	NatWest Bank plc 32 Corn Street Bristol BS99 7UG
Solicitor	Womble Bond Dickinson (UK) LLP 3 Temple Quay Temple Back East Bristol BS1 6DZ

Report of the Board and consolidated financial statements
Year ended 31 December 2023

Report of the Trustee for the year ended 31 December 2023

Investment Advisers	Cambridge Associates 80 Victoria Street Cardinal Place London SW1E 5JL
	Evelyn Partners Portwall Place Portwall Lane Bristol BS1 6NA
Commercial Property Managing Agent	Alder King LLP Pembroke House 15 Pembroke Road Bristol BS8 3BA
Agricultural Estates and Land Steward	Savills 14 Cirencester Office Park Tetbury Road Cirencester GL7 6JJ

Report of the Trustee for the year ended 31 December 2023

2 Structure, Governance and Management of the Group

History

The Trust was founded by Henry and Monica Wills in 1925.

The group is structured as three entities – the parent charity St Monica Trust and its wholly owned subsidiaries St Monica Trading Limited (incorporated on 17 November 2017) and Somerdale Pavilion Trust (incorporated on 17 December 2018). The parent conducts the charitable operations of St Monica Trust. St Monica Trading Limited was established to conduct the commercial operations undertaken at St Monica Trust's retirement village at Keynsham. The current activities being undertaken by the company include the sale of food in the B Block Café and Somer Dining Restaurant and secondly, the provision of leisure services. These services are available to residents and members of the general public. Somerdale Pavilion Trust was established to conduct the charitable activities of that Trust in providing and maintaining a pavilion, playing fields and other facilities for the use of the inhabitants of Keynsham and the surrounding areas.

Governing instrument and objects

The Trust is constituted by a Charity Commission Scheme sealed on 30 June 2005 (as amended by scheme dated 26 February 2010, by resolution dated 17 December 2014, by scheme dated 19 December 2014, by resolution dated 26 June 2019 and by resolution dated 16 November 2020).

The objects of the Trust, defined in clause 4 of the Scheme, which should be referred to for exact details are as follows:

“The objects of the charity are, for the public benefit, the relief of those individuals (and if appropriate their spouses) who are in need by reason of age, disability or ill-health by the provision of:

- (a) accommodation and associated facilities; and/or
- (b) other services or assistance”.

Organisational structure

The current trustee committee structures are set out below. The committee structure was reviewed during the course of 2023 following the implementation of our 10 year strategy, and a revised structure will be adopted from 1 January 2024. Membership of the existing committees at the year-end was as follows:

The Finance and Transformation Committee

The purpose of the Committee is to exercise oversight of the business health of the Trust including the establishing of annual budgets and liaising with the Endowment Trustee in relation to financial planning. It is also responsible for overseeing the Trust's transformation programme.

Mr J R Ancell - Chair	Mrs D J England - Deputy Chair
Professor J McGeehan CBE	Dr A D Garrad CBE
Mrs E O'Driscoll (stepped down 16 March 2023)	Venerable C A Froude
Mr T S Ross - President, Ex officio	

Report of the Trustee for the year ended 31 December 2023

The Care Committee

The main function of this Committee is to exercise oversight and advise the Council on all matters relating to the quality of care of the Trust's residents and all operations of the Trust subject to CQC regulation.

Mr T S Ross - President, Ex Officio
Dr F Forrest - Chair
Dr M D McCaldin - Deputy Chair
Mrs S Darwall Smith DL
Venerable C A Froude

Charitable Impact Committee

The purpose of this Committee is to assume delegated responsibility on behalf of the Council of the St Monica Trust in overseeing the operation, management and development of the Trust's Charitable Impact Directorate which includes but is not limited to Community Giving (Individual Giving and Organisational Giving), allocation of the Endowment Income, pastoral care, volunteering, community engagement and strategic partnerships.

Mr T S Ross - President, Ex Officio
Mrs S Darwall Smith DL - Chair
Lady Wills - Patron
Venerable C A Froude - Deputy Chair
Ms A Duff
Mrs C Duckworth DL - co-opted

The Property, Housing and Development Committee

The purpose of this Committee is to oversee the operational and financial performance of the Trust's residential property and care villages, as well as consider and oversee any developments undertaken by the Trust.

Mr T S Ross - President, Ex officio
Ms A Duff - Chair
Mr J R Ancell
Mr M Bothamley (resigned 18 October 2023)
Mr H Evans - co-opted
Mrs E O'Driscoll (stepped down 16 March 2023)

The Nursing Homes Committee

The purpose of the Committee is to oversee the operational and financial performance and efficiency of the nursing homes, including but not limited to occupancy and staffing.

Mr T S Ross - President, Ex officio
Dr M McCaldin – Chair
Mr R H Bourns DL

Report of the Trustee for the year ended 31 December 2023

The Audit Committee

The purpose of this Committee is to assume delegated responsibility on behalf of the Council of the St Monica Trust for ensuring that there is a framework for accountability; for examining and reviewing relevant systems and methods of control, both financial and otherwise including risk analysis and risk management; and for ensuring the Trust is complying with all relevant aspects of the law, regulations and good practice.

Mr T S Ross - President, Ex Officio
Dr A D Garrad - Chair
Mr J R Ancell
Venerable C A Froude

The Trustee Nominations Committee

The Committee is responsible for nomination to Council of new Trustees.

Dr A D Garrad - Chair
Mrs S Darwall Smith DL
Mrs D J England
Dr A D Garrad CBE
Venerable C A Froude

The Remuneration Committee

The Committee is responsible for oversight of reward strategy, executive pay and supporting the appraisal of the Chief Executive's performance.

Mr T S Ross - President, Ex Officio
Mrs D J England - Chair
Mr R Ancell
Dr A D Garrad CBE

Report of the Trustee for the year ended 31 December 2023

Trustee induction and training

The Corporate Trustee is appointed in accordance with the provisions of the Scheme of St Monica Trust. The Directors of the Company are regarded for the internal governance purposes as being a Trustee of the Charity. On appointment each Trustee signs a Code of Conduct and attends induction meetings with other Trustees and Executives. Trustees are given a Scheme of Governance, which includes the Trustee Code of Conduct, the Charity Commission Scheme, a copy of the Risk Register, a copy of the Charity Commission leaflet CC3 and procedures on issues such as delegation of authority, recruitment, equal opportunities, investment, reserves and conflict of interest and other guidance. This information contains role descriptions of Trustees and senior executives. New Trustees meet with the President and Chief Executive and are invited to an induction tour of each of the Trust's locations. According to their skills and aptitude, they take responsibility for at least one area of activity by appointment to a sub-committee of the Council. Training needs are assessed and met.

Senior Staff Pay policy

The Trust recognises the importance of transparency and accountability in all aspects of our work and we are committed to open information. This includes transparency about our Executive Team's salaries and how they are set.

The Trustee considers the Council and sub-committees and the Chief Executive as comprising the key management personnel of the Charity in charge of directing and controlling the Charity and running and operating the Charity on a day-to-day basis. All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 28 to the accounts.

Trustees are required to disclose all relevant interests and register them with the Chief Executive and, in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises.

The pay of the Charity's Chief Executive is reviewed annually and normally increased in accordance with average earnings. The remuneration is bench-marked with charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Risk assessment

In the light of the Corporate Governance guidance contained within the Statement of Recommended Practice "Accounting and Reporting by Charities", the Council have examined the major risks faced by the Trust and (with the assistance of the Society of Merchant Venturers of Bristol) the endowment. They have developed systems to monitor and control these risks to mitigate the impact that they may have on the Trust in the future. Each Committee of the Council reviews aspects of the risks pertinent to that Committee. The Audit Committee is responsible for the overall review and update of the Risk Register at least once a year.

Report of the Trustee for the year ended 31 December 2023

Financial risk management

The following statements summarise the Trust's policy in managing identified forms of financial risk:

- Price risk – the Trust negotiates contracts and fee rates to finance aspects of the Trust's activities and incorporates this information into its business plan. Salary costs are communicated to staff during the formal annual review of salaries. Prices of services and materials purchased are subject to contracts with suppliers, based on current market prices. The Trust is also able to respond to purchase price inflation by adjusting in most cases our fee income accordingly.
- Credit risk – credit risk on accounts owed to the Trust by its customers is low, as the majority of debtors are Local Authorities
- Liquidity risk – the Trust currently has borrowing facilities of £20.5m expiring in June 2027 (2022: £20.6m), £13.5m was drawn down as at 31 December 2023 (2022: £10.6m), of which £13.4m is long-term (2022: £10.5m).
- Interest rate cash flow risk – the Trust is able to place surplus funds in a short-term deposit account with its bankers. The Trust carries the risk of interest rate fluctuations on its £20m RCF. The magnitude of the size of the loan is considered insignificant.
- Investment market risk – the Trust invests in a diversified portfolio of investments and properties in order to spread the risk.
- A Risk Management Framework policy is in place that includes financial loss from error, fraud or crime. This is supplemented with a risk register with regular reviews and reporting, supported with a program of internal audit.

Going concern

The Trust's activities, together with the factors likely to affect its future development, performance and position are set out in this Report of the Trustee. The balance sheet on page 28 sets out the financial position of the Trust and its cash flows can be seen in the cash flow statement on page 27.

The Trust meets its day-to-day working capital requirements through a combination of cash generated by the sale of leasehold properties, investment income from the endowment and Revolving Credit Facilities. The latter also funds any capital development expenditure.

The Trustees have reviewed financial forecasts for a period of 12 months and beyond from the date of signature of these financial statements. Key uncertainties are:

- The performance of the leasehold sales cycle.
- Occupancy within the Trust's care homes and retirement living properties.
- Cost inflation.
- Performance of its investments.

Having considered these uncertainties and other factors including the value of its endowment assets, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future notwithstanding its net current liability position. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Related parties and connected charities

Details of related parties and connected charities and transactions with them are disclosed in note 28 to the financial statements.

Report of the Trustee for the year ended 31 December 2023

Reserves

The accounting policies on pages 29 to 35 describe the various funds of the Trust. Note 22 to the Financial Statements shows the assets and liabilities attributable to the various funds by type and summarises the year's movement on each fund.

At 31 December 2023, the value of unrestricted reserves was £42.7m (2022: £32.4m) and the value of the unapplied total return fund was £224.8m, having adopted a Total Return policy from 1 Jan 2023.

Grant-making policy – Residents' subsidies and support in the community

Applications for subsidies against full fees for residents and grants to support the community are monitored by Council Committees.

3. Objectives, Activities, Achievements and Performance

(a) Overview

Following the restructure of the Trust's care homes in 2022, there was a focus in 2023 of embedding the changes across our services. Change Champions continued to work in our care homes in 2023 to ensure a successful transition to a more consistent approach, including changes to roles, structures and reporting lines. Our 'Developing One Team' approach has successfully enhanced the experience of our residents and brought the benefits we hoped to see from the project.

The Trust successfully launched its 10-year Strategy in January 2023. The detailed plan for the first 3 years of the Strategy will help us get the basics right and this has been a significant focus for 2023.

As part of our 10-year Strategy, the adoption of a Total Return policy was formally adopted at the June 2023 Council meeting, bringing flexibility and agility to the investments and utilisation of Endowment funds. This came into effect from 1 January 2023. The former permanent endowment funds were effectively split into two – the Investment Fund and the Unapplied Total Return Fund ("UTR").

A major project in 2023 was the introduction of a new HR system called Workday to replace iTrent. This has given colleagues access to modern and effective systems for recruitment, absence recording, booking holiday, performance management and updating personal information.

(b) The focus of our work

2023 marked the start of our 10-year Strategy. The detailed plan for the first three years of the Strategy includes:

- Upgrading and modernising our existing sites
- Communicating better with our residents, colleagues, and other partners
- Supporting and training our staff, managers, and volunteers
- Focusing on environmental sustainability for future generations

Report of the Trustee for the year ended 31 December 2023

(b) The focus of our work

As part of our 10-year strategic commitment to upgrading and modernising our existing sites, we published site specific plans for investment and infrastructure upgrades across our sites.

We also made changes to the structure and governance of the Trust in 2023 to ensure that we can deliver our 10-year Strategy which has an equal focus on our operational and charitable activities.

In line with our founder's vision and as part of our Strategy, we want to help the many older people who have worked hard all their lives yet may have few resources to maintain a comfortable retirement – the 'mid-market'. In 2023 we commissioned research to enable us to design services for this segment of the market.

In 2023 we commenced a project to create a customer-focused hub in each of our villages. This will be a location where all residents and visitors can meet, take refreshments, and obtain information and support. We worked with the relevant teams to understand what is needed to create a village hub at each location and design a suitable service. We applied for planning permission for a new building to be the village hub at Cote Lane.

In 2023 we conducted a review of our catering services, with changes to be implemented in 2024. In our villages we want to move to a more modern café style service with longer opening hours and a wider range of food and in our care homes we plan to extend the amount and range of food provided by an external partner. This will improve the consistency of our food offering and offer a more personalised food service, including greater flexibility for residents, higher nutritional values and better support for modified diets.

To aid the creation of village hubs and to create a 'one team' approach focused on hospitality and customer service, we restructured our portering and housekeeping teams in our villages in 2023.

In 2023 we introduced a new People system called Workday to replace iTrent. This is part of our commitment in the 10-year Strategy to getting the basics right and has given colleagues access to modern and effective systems for recruitment, absence recording, booking holiday, performance management and updating personal information. A second phase in 2024 will bring in new systems for payroll, time and attendance and rostering.

The building of Block D at The Chocolate Quarter commenced in late 2023. Comprising 44 apartments (including 18 that will be affordable), this will complete The Chocolate Quarter development when it opens in 2025.

(c) The strategies we use to deliver our objectives

The objectives of St Monica Trust focus the work of the Charity on older people and adults with a physical disability or long-term illness. The purpose of the Charity is to create '**communities where older people flourish**' and the strategies we use to meet such objectives include:

- Providing **retirement housing/sheltered housing accommodation** all of which is disability-friendly and capable of supporting individuals in wheelchairs.

Report of the Trustee for the year ended 31 December 2023

(c) The strategies we use to deliver our objectives

- **‘Extra Care’ Housing** in partnership with Bristol City Council and North Somerset Council. Service users enjoy the comfort of living within their own home as an alternative to entry into a care home and are thus afforded greater choice and independence and the stimulation of a lively environment in which to live.
- **Domiciliary Care** – many people prefer to ‘stay put’ as their care needs increase. A 24-hour Domiciliary Care service is available within the Trust’s own retirement housing settings that enables individuals to maintain their independence within their own home.
- High quality **nursing and residential care** are key elements of the support provided by the Trust. In addition to long-term care, short-term places are available to give a carer a much-needed break, or for those recovering following an operation or period of hospitalisation, and as a ‘safe haven’ for those older people facing an emergency or breakdown in their normal care arrangements. Many elements of our short-term care are operated in partnership with the NHS and local authorities.
- **Charitable Giving activities** supports our local communities. We deliver these intentions through awarding grants to individuals with gifts of financial support, plus grants to local community projects.

In recent years, caring for people living with **Alzheimer’s disease and other forms of dementia** has become a central feature of the services offered by the Trust. This highly specialist care is provided in safe and positive environments where activities and therapies are a regular part of daily life.

Recruitment and retention of staff

The St Monica Trust aims to recruit and retain a high calibre workforce to deliver the high quality of care that we have built our reputation upon.

Recruiting the ‘right’ people that share the Trust’s values is equally as important as recruiting people with the right skills. We offer a competitive pay and benefits package and are continually reviewing ways of improving this. Our aspiration is to become a Real Living Wage employer and to increase the basic pay of all our staff. This will aid the continual challenge of recruitment felt by all in the social care sector.

In 2023 we embarked on a strategy to recruit high quality employees from overseas for our care homes. We applied for the required sponsorship approval from the government and key staff visited Malaysia to interview potential staff. We hope our first cohort will arrive in 2024.

We ensure employees are supported in the workplace using an annual and quarterly performance management process that cascades organisational objectives and focuses on personal development at regular intervals during a 12-month period. This will be facilitated by our new Workday HR system.

Report of the Trustee for the year ended 31 December 2023

The Trust prides itself on its training and development provision for employees, employing an in-house team of skilled trainers that deliver tailored training both internally to St Monica Trust

staff and externally to other care providers; and we are also an accredited assessment centre for health and social care qualifications. All colleagues must complete a comprehensive mandatory training programme upon appointment and undertake regular updates to stay up to date. Tailored training is provided upon request to teams to target specific areas of need.

In 2023 we welcomed a significant cohort of health and social care apprentices to the Trust.

(d) Public benefit and maximising access to our services

The Trustee of St Monica Trust has referred to the Charity Commission's general guidance on public benefit when reviewing and planning the work of the Charity. The concern of the Trustees has been to ensure that the Trust, in servicing the needs of older people, has due regard to the particular needs of those individuals within the beneficiary group who require assistance.

Whilst all persons who receive support from our Charitable Giving team are individuals who can be regarded as in financial need, people who access our other services emanate from a range of socio-economic backgrounds. The legal and regulatory framework in relation to payment by the state for care remains firmly rooted in a system of means testing. For example, any individuals who have money or assets in excess of £23,250 will find themselves responsible for meeting the cost of living in a care home.

When approximately 75% of the population over 65 years own their own property, quite clearly the welfare state assumes financial responsibility for only a percentage of people who need care.

Thus, along with other voluntary organisations, the Trust engages with people in need of a service, some of whom can afford the fee and others who are unable to meet such costs. The traditions and the philosophy of the Trust, and indeed the guidance of the Charities Act 2011, ensure that the Trust makes provision for individuals who are unable to pay the fees for relevant services and thus are able to benefit and not be excluded from the Trust's services.

In 2023, the Trust helped 15,981 (2022: 11,092) people, of which 14,784 or 92.5% (2022: 9,940 or 89.6%) were afforded financial support by the Trust.

Of the total above, the Trust helped 1,579 individuals in 2023 (2022: 1,509) in its residential care services (care homes and retirement villages), of which 382 or 24% (2022: 357 or 24%), were afforded financial support by the Trust.

The Trust also helped 474 individuals (2022: 418) in financial need through the Charitable Giving Team's Individual Giving scheme via 622 gifts (2022: 564) and short-term grant awards. In addition, a further 13,928 (2022: 9,165) people benefitted from the Trust's financial support for local, community-based organisations.

The founders of the St Monica Trust made it clear from the start that the charity was to support older people not just living in Trust property but also the wider community. Today, we deliver these

Report of the Trustee for the year ended 31 December 2023

intentions through awarding grants to individuals with gifts of financial support, plus grants to local community projects.

Our Charitable Giving reached £861,560 in 2023 (2022: £775,447), delivered whilst developing our 10-year strategy. This strategy places greater focus on the charitable giving roles and responsibilities the Trust has, and 2023 has seen an ambition to create a Charitable Foundation that will launch in the summer of 2024. The year also saw greater connections with our local community and stakeholders, with the introduction of regular communication via a newsletter and membership of several local and national funder networks.

In 2023, the Charitable Impact team operated in the following manner:

Individual Giving

Requests received	831 gift and grant requests received (2022: 757) via the Individual Giving Fund. 2023 saw a significantly high demand on the Individual Giving Fund due to the continuing energy and cost of living crises. A further £16,000 was allocated to this fund to help meet the increased demand. These funds proved to be a much-needed source of support for those in dire need facing fuel poverty and deeply affected by the cost-of-living crisis. Without this immediate financial support, these individuals would have had nowhere else to turn, placing greater pressure on public services. In 2023, a review of the Individual Giving Fund was undertaken, and trustees approved a number of changes to best meet the needs of those requiring support which will take effect from 01 April 2024.
Gifts awarded	403 gifts awarded worth £143,333 (2022: £142,798)
Short-term grants	219 short-term grants were awarded during the year worth £122,650 (2022: £78,760).

Organisational Giving

Organisational Giving	In 2023, £595,577 in grants (2022: £553,889) was awarded directly to 93 organisations (52 of these were through the Trust's Coronation Fund), reaching 13,928 older people (2022: 101 organisations; 9,165 older people). We deliver different types of grant programmes but our core funding principle is the focus on improving the quality of life of older people in the region. The social value these grants bring are manifold. The key benefits they bring include a reduction in social isolation and loneliness, improved community connections, support for marginalised older people, support for carers, dementia support, digital inclusion and improved health and well-being.

Report of the Trustee for the year ended 31 December 2023

Organisational Giving (Continued.)	Through the provision of our grants to organisations, the Trust and its residents benefit from the learning these projects bring which can then be embedded internally. One such example is our funding for digital inclusion projects which has increased the knowledge of our IT team on visual impairment aids that can be of benefit to our residents. Key grants awarded in 2023 Coronation Fund In February 2023, to mark the Coronation of His Majesty The King and Her Majesty The Queen Consort, we launched the Coronation Fund – a small grants programme to enable constituted groups and venues to deliver local celebrations that would be inclusive of older people. The fund met one of our core principles – Connection – as these events created opportunities for older people to be connected to their local communities and join in the national celebrations. We also encouraged applications that supported another of our principles – Contribution – where older people were at the heart of the design and planning of the event. 52 grants totalling £21,766 were provided to constituted groups, which enabled 4,830 older people to attend an event in their own community. Street parties, tea dances, afternoon teas and community lunches took place across our region, all to help older people connect and enjoy the celebrations. Improving Connections Fund Supporting social interaction and tackling isolation have long been acknowledged as key components to ageing well, and for many years the St Monica Trust has funded projects that support greater connections. In 2023, the St Monica Trust embarked on its new ten-year strategy and the core tenets of ‘Connection’, ‘Contribution’ and ‘Choice’. Launched in August and guided by the Association of Charitable Foundations principles, the Improving Connections Fund was met with huge interest. Following a meeting of the assessment panel in November, 10 organisations were awarded funding (Alive Activities, Bristol Dementia Action Alliance, Carers Support Centre Bristol and South Gloucestershire, Coniston Community Association, The Research Institute for the Care of Older People (RICE), Square Food Foundation, St George’s Bristol, Talk Club, Vision North Somerset, and Wellspring Settlement), totalling £207,340.75.

Report of the Trustee for the year ended 31 December 2023

Charitable Impact Summary

People helped	At least 14,402 individuals were helped directly and many more were helped through the work of organisations funded. This included 474 individuals supported directly by SMT funding.
Total net giving	£861,560 (2022: £775,477)
Charitable Impact Directorate Team	£292,794 (2022: £241,086)
Total Cost	£1,125,354 (2022: £1,016,563)

Partnerships & Joint Working

St Monica Trust has strong relationships with other funders in the locality. We aim to develop relationships with organisations at a local level, particularly around our villages, to find opportunities to collaborate and maximise our impact.

In partnership with Quartet Community Foundation, in 2023 we operated the North Somerset Older People's Community Grant scheme. These funds are aimed at organisations working with older people, where a small amount of money can make a significant difference. During 2023, this joint scheme gave funding to Lighthouse Carers Group (£1,250), Portishead Youth Centre (£2,500), Age UK Somerset (£2,500), Alive Activities (£4,990) and Weston-Super-Mare Pilot Gig Club (£2,500).

The Trust continues to be a coordinating member of Bristol Older Peoples' Funding Alliance, encouraging collaboration and coordination of funding for older peoples' organisations in the city. Through this Alliance, alongside other members, we have provided grants to Alive Activities BME Elders (£10,061), Southmead Development Trust (£4,117) and Bristol Somali Resource Centre (£8,000).

In partnership with the Dolphin Society, the Trust continued to support the Information and Advice services of Age UK Bristol and Age UK South Gloucestershire with a contribution of £7,500 pa as part of a multi-year grant. SMT is often trusted to manage the funds on behalf of other funders, as is the case here.

This collaborative way of working with other funders in the city has worked well and has developed positive relationships with the council and other providers of funds.

The objectives and achievements of the Endowment Trustee

The Trustees resolved during the year that with effect from 1st January 2023, a Total Return approach would be adopted to the permanent endowment, bringing flexibility and agility to the investment and utilisation of endowment funds and appropriate actions are now being taken by the endowment Trustees to manage the endowment assets under this basis.

The former permanently endowed funds were effectively split into two – the Investment Fund and the Unapplied Total Return Fund ("UTR").

The objectives and achievements of the Endowment Trustee

The Investment Fund represents the permanent endowment which was originally given to establish the charity valued at a specific date determined by the Trustees and this is inflated over time in line with CPI and the Unapplied Total Return Fund (“UTR”) represents the balance of the fund, and all future capital gain and income growth is attributed to this fund.

It should be noted that the assets and management of the endowment continue to be managed as one pool by the Endowment Trustee. The Trustees also approved an Investment Policy and Distribution Policy at the time of adoption.

The objectives for the year:

- Agricultural property investments: To attain an average annual real (inflation adjusted) total return of at least 3% over the long term (measured over rolling 10-year periods).
- Financial investments: To attain an average annual real (inflation adjusted) total return of at least 3% over the long term (measured over rolling 10-year periods) and to outperform a composite benchmark measured over 3 year rolling periods.

The composite benchmark for allocation of financial investments is as follows:

%	Benchmark
17%	FTSE 350 High Yield Index
15%	Barclays Global Aggregate Bond Index (Hedged)
40%	MSCI World Index
15%	HFRI Fund of Funds Diversified Index
8%	MSCI Emerging Markets Index
5%	FTSE Hi-Yield Cash-Pay Capped Index

- Income: To provide the Trust with £7.25 million net unrestricted income for 2023.

Achievements for the year have been as follows:

Summary: The market value of St Monica Trust’s investments managed by the Endowment Trustee was £334.7 million at 31 December 2023 which was an increase of 4.8% compared to the market value of £319.5 million at 31 December 2022 (this includes the Commercial Property at Block C which has been treated as an investment property in both years). During 2023, £7 million of S282 funds (the Charity Commission approved a resolution made by the Trustees to redesignate £20 million of what was then the permanent endowment for use by the Trust in furtherance of its objectives and as if it were income) were distributed as cash (2022: £4 million).

During 2023 a tug of war between inflation and interest rates played out across continents. Many central banks had the delicate task of curbing inflation without it stifling the economy. The UK grappled with sticky inflation, and this posed challenges to both consumers and policymakers. At the start of the year Consumer Price Inflation (CPI) hit a record 10.7%. By October it had declined to 4.6% but it remained higher than the US (3.2%) and the eurozone (2.9%). 2023 saw the lowest percentage of stocks outperforming the index over the past 25 years, with the “Magnificent Seven” driving equity returns in 2023 with returns dwarfing the US and International market returns. Developed equity valuations (led by the US market) are close again to previous peaks. The Magnificent 7 are 7 investment stocks which include Apple, Microsoft, Amazon, Alphabet (Google), Facebook,

The objectives and achievements of the Endowment Trustee

Netflix, and Tesla. They are called this because of their strong performance, market dominance, and influence on the overall stock market.

Asset Allocation: The broad asset allocation at 31 December 2023 was:

Agricultural property	56%
Commercial property	2%
Financial investments	41%
Cash on deposit	1%

This accords with the broad target asset allocation of 60% property and 40% financial investments.

Agricultural Property Investments:

For the 10 years to 31 December 2023 the portfolio achieved its objective of attaining an average annual real (inflation adjusted) total return of at least 3%. Actual average annual performance was 9.8% per annum for the 10 years against the inflation + 3% benchmark of 5.9%.

Financial Investments:

A detailed financial investment strategy has been produced to transition the financial investment portfolio on a phased basis with less reliance on UK centric and income orientated funds. By using the advisory management of Cambridge Associates, the Endowment Trustee has been able to interview and select the best managers from a wide section of the investment market and so diversify the risk. During 2023 a beauty parade of advisers was conducted and with effect from 1st January 2024 two further advisers will be appointed.

The composition of the portfolio was fairly stable in 2023 with the following transactions taking place:

- A partial redemption from Investec UK Special Situations
- An addition in Heronbridge UK Equity
- Full redemption from Franklin Templeton
- New investment in Blackrock ICS Sterling Government Liquidity

For the 10 years to 31 December 2023 the portfolio achieved average annual performance of 5.7% per annum for the 10 years against the inflation +3% benchmark of 5.9%.

For the 3 years to 31 December 2023 the portfolio returned 5.2% against the benchmark of 5.4%.

Income:

The Endowment Investments provided the Trust with £8.20m (2022: £7.53m) of net unrestricted funds in 2023 against a target of £7.25m, a surplus of £0.95m. Income is measured on a three-year rolling basis and for the three years to 31 December 2023 the Endowment Investments provided the Trust with £22.38m against the target of £20.29m, a surplus of £2.09m. The Endowment Trustee considers the portfolio is well diversified to respond to the needs of the Trust.

Report of the Trustee for the year ended 31 December 2023

4. Financial review

The Trust's financial position at the end of 2023 was strong, with unrestricted reserves of £42.7 million (2022: £32.4 million) and net assets of £351.3 million (2022: £331.4 million). Unrestricted funds include £10.3m (2022: £14.4m) in an expendable endowment fund. This fund was created in 2020 from what was at the time the permanent endowment following the approval by the Charity Commission of a resolution made by the Trustees under section 282 of the Charities Act. This resolution was made in direct response to the risks posed by the COVID-19 pandemic and the resulting transfer provides additional resource to the charity to effectively mitigate those risks and enable the Trust to further its planned objectives.

The Trust received income from the Endowment, which in 2023 was £8.20 million compared with the target for the year of £7.25 million (2022: £7.53 million compared to a target of £6.54 million).

Subsidiary company results

These statements include the trading activity for St Monica Trading Limited. The principal activity of the company is to undertake the commercial operations at the Trust's retirement village at Keynsham. The current activities include catering and leisure facilities offered to residents and members of the general public. The trading result for the year was a profit of £20k which will be used to support the Trust's charitable objectives.

These statements include the trading activity for Somerdale Pavilion Trust. The principal activity of the charitable company is to provide and maintain a pavilion, playing fields and other facilities for the use of the inhabitants of Keynsham and the surrounding areas. The trading result for the year was a profit of £200k.

5. Plans for future periods

The Trust will deliver the following objectives in 2024:

As part of our 10-Year Strategy we will implement the findings of our catering review. In our villages we will move to a more modern café style service with longer opening hours and a wider range of food, whilst in our care homes we will extend the amount and range of food provided by an external partner. This will improve the consistency of our food offering and offer a more personalised food service, including greater flexibility for residents, higher nutritional values and better support for modified diets. To deliver these improvements, we will make changes to roles, shift patterns and management structures. Residents will be fully involved in taste testing and menu design.

In 2024 we will implement the second phase of our Workday HR system which will bring in new systems for payroll, time and attendance and rostering.

We plan to get planning permission for our development of the former DEFRA land at Westbury Fields in 2024. We will conduct focus groups with representatives of the local community to help us design services in the development that will be open to the public.

Report of the Trustee for the year ended 31 December 2023

We will publish our Standards Charter in 2024. We will work with our teams and residents to set out the outcomes and commitments that the Trust hopes to achieve over the next two years.

We will launch our charitable foundation in 2024 and work and with local and national organisations to co-create a substantial funding programme to improve isolation and loneliness among older people in our region.

As part of our 10-year Strategy commitments we will survey our sites and publish a Net Zero Strategy for the Trust. Sustainability is now an important issue for present and future residents and colleagues.

As we continue to pioneer new solutions in our sector, we will appoint a visionary Director of Innovation to join our Executive Team and lead our innovation efforts, including the introduction of our new innovation framework. The Director of Innovation will be a pivotal leadership role responsible for championing innovation, fostering creativity, and driving delivery of our strategic ambitions across the Trust, our communities, and the wider sector.

Disclosure of information to auditors

The Trustees who held office at the date of approval of this Report of the Trustee confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditors are unaware; and each Trustee has taken all the steps that he/ she ought to have taken as a Trustee to make himself/ herself aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

By order of the Board



Mr Timothy Ross
President of the Council

Statement of Trustee's responsibilities in respect of the Trustee's annual report and the financial statements

Under charity law, the trustee is responsible for preparing the Report of the Trustee and the financial statements in accordance with applicable law and regulations. The trustee is required to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustee:

- selects suitable accounting policies and then apply them consistently;
- makes judgements and estimates that are reasonable and prudent;
- states whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- states whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- assesses the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- uses the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The trustee is required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping accounting records which are sufficient to show and explain the charity's transactions and disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustee to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision.

They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Opinion

We have audited the financial statements of St Monica Trust (the 'Charity') and its subsidiaries (together, the 'Group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, Charity Statement of Financial Activities, Consolidated Cash Flow Statement, Consolidated and Charity Balance Sheet, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group and Charity's affairs as at 31 December 2023, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*;
- have been prepared in accordance with the requirements of the Charities Act 2011

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 Group and 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 Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group or 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 Trustee 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 Trustee's annual report, other than the financial statements and our auditor's report thereon. The Trustee is responsible for the other information contained within the 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 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.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Annual Report.

We have nothing to report in respect of the following matters in relation to which we to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustee's report; or
- the Group or Charity has not kept adequate accounting records; or
- the Group or Charity 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 the Trustee

As explained more fully in the Trustee's responsibilities statement, the Trustee is responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustee determines 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 Trustee is responsible for assessing the group and 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 Trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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.

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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the sector, control environment and the Group and Charity's performance;
- results of our enquiries of management and the Trustee Board, including the committees charged with governance over the charity's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Group and Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011 and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group and Charity's ability to operate or to avoid a material penalty.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of income;
- enquiring of the Trustee and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and

Independent auditor's report to the Trustee of St Monica Trust

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

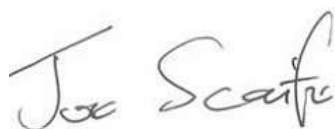
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's Trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustee 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 Group and Charity and the Group or Charity's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.



Joseph Scaife FCA (Senior Statutory Auditor)

For and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

Date: 17 July 2024

Bishop Fleming LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Consolidated statement of financial activities (including an income & expenditure account) for the year ended 31 December 2023

	Note	Unrestricted Funds	Designated funds	Other restricted funds	Expendable endowment funds	Endowment Funds	Total Funds 2023	Total Funds 2022
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income								
Income from charitable activities								
Residential care and support		39,768	-	107	-	-	39,875	33,710
Accommodation income		2,528	438	-	-	-	2,966	1,299
Generated funds								
Investment income	4	2,167	-	11	-	8,849	11,027	9,924
Total income		44,463	438	118	-	8,849	53,868	44,933
Expenditure								
Costs of raising funds								
Investment management charges	6a	(47)	-	-	-	(781)	(828)	(824)
Property operational costs	6b	(731)	-	-	-	(649)	(1,380)	(1,113)
Major repairs	6c	(36)	-	-	-	(230)	(266)	(198)
Total costs of generating funds	6	(814)	-	-	-	(1,660)	(2,474)	(2,135)
Charitable activities								
Costs in furtherance of the Trust's objects								
Residential care and support	7	(52,961)	-	(13)	-	(241)	(53,215)	(47,977)
Accommodation costs		(1,246)	-	-	-	-	(1,246)	(415)
Community support		(1,154)	-	-	-	-	(1,154)	(1,017)
Governance	8	(83)	-	-	-	-	(83)	(72)
Total charitable expenditure		(55,444)	-	(13)	-	(241)	(55,698)	(49,481)
Total expenditure		(56,258)	-	(13)	-	(1,901)	(58,172)	(51,616)
Net income/(expenditure) before investment gains/(losses)		(11,795)	438	105	-	6,948	(4,304)	(6,683)
Realised and unrealised gains on investments	14	-	-	(1)	-	23,374	23,373	3,793
Net income/(expenditure) for the year before transfers		(11,795)	438	104	-	30,322	19,069	(2,890)
Transfers between funds	9	29,109	(4,132)	-	(4,120)	(20,857)	-	-
Actuarial gain/(loss) on defined benefit pension	29	814	-	-	-	-	814	2,178
Net movement in funds		18,128	(3,694)	104	(4,120)	9,465	19,883	(712)
Total funds brought forward		10,316	7,647	393	14,406	298,621	331,383	332,095
Total funds carried forward	22	28,444	3,953	497	10,286	308,086	351,266	331,383

Incoming resources and resulting net movement in funds in each year arise from continuing operations. The group has no recognised gains or losses for the current or previous year other than those shown above.

Charity statement of financial activities for the year ended 31 December 2023

	Note	Unrestricted Funds	Designated funds	Other restricted funds	Expendable endowment funds	Endowment Funds	Total Funds 2023	Total Funds 2022
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income								
Income from charitable activities								
Residential care and support		37,886	-	107	-	-	37,993	32,253
Accommodation income		2,528	438	-	-	-	2,966	1,299
Generated funds								
Investment income	4	2,167	-	11	-	8,849	11,027	9,924
Total income		42,581	438	118	-	8,849	51,986	43,476
Expenditure								
Costs of raising funds								
Investment management charges	6a	(47)	-	-	-	(781)	(828)	(824)
Property operational costs	6b	(731)	-	-	-	(649)	(1,380)	(1,113)
Major repairs	6c	(36)	-	-	-	(230)	(266)	(198)
Total costs of generating funds	6	(814)	-	-	-	(1,660)	(2,474)	(2,135)
Charitable activities								
Costs in furtherance of the Trust's objects								
Residential care and support	7	(51,298)	-	(13)	-	(241)	(51,552)	(46,647)
Accommodation costs		(1,246)	-	-	-	-	(1,246)	(415)
Community support		(1,154)	-	-	-	-	(1,154)	(1,017)
Governance	8	(71)	-	-	-	-	(71)	(62)
Total charitable expenditure		(53,769)	-	(13)	-	(241)	(54,023)	(48,141)
Total expenditure		(54,583)	-	(13)	-	(1,901)	(56,497)	(50,276)
Net income/(expenditure) before investment gains/ (losses)		(12,002)	438	105	-	6,948	(4,511)	(6,800)
Realised and unrealised gains on investments	14	-	-	(1)	-	23,374	23,373	3,793
Net income/(expenditure) for the year before transfers		(12,002)	438	104	-	30,322	18,862	(3,007)
Transfers between funds	9	29,109	(4,132)	-	(4,120)	(20,857)	-	-
Actuarial gain/(loss) on defined benefit pension	29	814	-	-	-	-	814	2,178
Net movement in funds		17,921	(3,694)	104	(4,120)	9,465	19,676	(829)
Total funds brought forward		10,017	7,647	393	14,406	298,621	331,084	331,913
Total funds carried forward	22	27,938	3,953	497	10,286	308,086	350,760	331,084

Incoming resources and resulting net movement in funds in each year arise from continuing operations. The group has no recognised gains or losses for the current or previous year other than those shown above.

Consolidated cash flow statement for the year ended 31 December 2023

	Note	2023 £'000	2022 £'000
Cash flows from operating activities			
Net (expenditure)/income		19,883	(712)
Dividends and Interest receivable		(3,482)	(3,120)
Depreciation of tangible assets		2,865	2,969
Profit on disposal of accommodation		(1,282)	(380)
Losses/(gains) on investment assets		(23,372)	(3,793)
Actuarial gains on pension scheme less contributions paid		(775)	(2,307)
Change in trade and other debtors		(575)	3,228
Change in stocks		(6)	(7)
Change in trade and other creditors		(3,247)	1,548
Net cash (used in)/from operating activities		(9,991)	(2,574)
Cash flows from investing activities			
Interest received		45	2
Dividend income received		3,437	3,118
Purchase of tangible fixed assets		(6,922)	(4,594)
Proceeds from sale of tangible fixed assets		2,528	795
Purchase of investments		(15,685)	(18,260)
Increase in fixed asset investment cash deposits		5,806	14,221
Proceeds from sale of investments		18,023	8,224
Net cash from investing activities		7,232	3,506
Cash flows from financing activities			
Repayment of bank loans		-	(10,118)
Loan drawdowns		2,891	-
Net cash used in financing activities	26	2,891	(10,118)
Movements in cash and cash equivalents in the reporting year		132	(9,186)
Cash at bank and in hand at beginning of year		3,521	12,707
Cash at bank and in hand at end of year	26	3,653	3,521

Consolidated and charity balance sheets at 31 December 2023

	Note	Group		Charity	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000
Fixed assets					
Tangible assets	13	152,409	149,598	152,404	149,592
Investments	14	334,694	319,466	334,694	319,466
		<u>487,103</u>	<u>469,064</u>	<u>487,098</u>	<u>469,058</u>
Current assets					
Stocks	15	57	51	51	46
Debtors	16	10,691	10,116	10,713	10,010
Cash at bank and in hand		3,653	3,521	2,874	3,136
		<u>14,401</u>	<u>13,688</u>	<u>13,638</u>	<u>13,192</u>
Creditors: due within one year	17	(24,719)	(26,292)	(24,457)	(26,089)
Net current liabilities		<u>(10,318)</u>	<u>(12,604)</u>	<u>(10,819)</u>	<u>(12,897)</u>
Total assets less current liabilities		<u>476,785</u>	<u>456,460</u>	<u>476,279</u>	<u>456,161</u>
Creditors: due after more than one year	18	(120,073)	(118,856)	(120,073)	(118,856)
Net assets excluding pension liability		<u>356,712</u>	<u>337,604</u>	<u>356,206</u>	<u>337,305</u>
Pension liability	29	(5,446)	(6,221)	(5,446)	(6,221)
Net assets		<u>351,266</u>	<u>331,383</u>	<u>350,760</u>	<u>331,084</u>
Endowment fund net of pension liability		308,086	298,621	308,086	298,621
Other restricted funds	19	497	393	497	393
Total restricted funds		<u>308,583</u>	<u>299,014</u>	<u>308,583</u>	<u>299,014</u>
Designated fund	20	3,953	7,647	3,953	7,647
Expendable endowment fund	21	10,286	14,406	10,286	14,406
Unrestricted fund		28,444	10,316	27,938	10,017
Total unrestricted funds		<u>42,683</u>	<u>32,369</u>	<u>42,177</u>	<u>32,070</u>
Total funds		<u>351,266</u>	<u>331,383</u>	<u>350,760</u>	<u>331,084</u>

These financial statements were approved by the Board on 20 June 2024 and were signed on its behalf by:



Mr Timothy Ross
President of the Council

Notes

(forming part of the financial statements)

Accounting policies

Basis of preparation

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

St Monica Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Notwithstanding the Trust's net current liabilities of £10.9m at the end of 2023, the Trustees have prepared the financial statements on a going concern basis which they consider is appropriate for the following reasons.

The Trustees have reviewed cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible on the operations and its financial resources, the group and charity will have sufficient funds to meet its liabilities as they fall due for that period.

As noted in the Report of the Trustee, this has included looking at plausible downside scenarios. In the event that a combination of any of these scenarios occurred affecting the operations of the Trust, £101.4 million of endowment assets as at the balance sheet date can be liquidated in less than one month. This amount would support the charity's normal operations for more than two years.

Consequently, the Trustees are confident that the group and charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on the going concern basis.

Basis of consolidation

These consolidated financial statements include the financial statements of St Monica Trust ("the charity") and St Monica Trading Limited and Somerdale Pavilion Trust ("the subsidiaries"). These financial statements consolidate the results of the charity and its wholly owned subsidiaries on a line-by-line basis.

The trading results of the subsidiaries are disclosed in notes 2 and 3 to these financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In applying the charity's accounting policies, the Trustee is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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Year ended 31 December 2023

Notes

(forming part of the financial statements)

The Trustees consider that besides the points listed below, there are no other critical judgements or sources of estimation uncertainty requiring disclosure.

Investment properties

The valuation of investment properties is a critical accounting judgement in respect of the application of the Trust's accounting policies. The method by which the Trustees have assessed the fair value of the investment properties at year end is described in detail in note 14. The valuations are based on company data, including current rental rates, occupancy, terms and conditions of leases and upon market related assumptions such as yield and discount rates. An element of 'hope value' is also included in the valuation of properties in line with accounting standards.

Leasehold Apartment Sales

The established method of accounting for leasehold apartment sales at the Trusts' established sites at Cote Lane, Westbury Fields, Monica Wills House and Sandford Station is that receipts are held as a liability until conclusion of the lease as detailed in the Lifetime Lease Accounting Policy Note. At The Chocolate Quarter, a lease is offered which provides the leaseholder with a choice between equity participation and fixed return. The accounting treatment of an equity participation lease is that the initial sale results in recognition of income and costs in the Statement of Financial Activities. The Trust has followed the general principle for income recognition in the Charities SORP and FRS 102.

Defined benefit pension scheme

The Trust has an obligation to pay pension benefits to certain employees and past employees. The cost of these benefits and the present value of the obligation depends on a number of factors, including life expectancy, salary increases, and the discount rate on corporate bonds. The principal assumptions made by the Trust can be found in note 29. Management estimates these factors in determining the net pension obligations in the balance sheet. The assumptions reflect historical experience and current trends.

Donations and legacies

Dividends and interest on capital and income fund investments are included as income in the financial statements on an accruals basis.

Voluntary income

This is credited to the appropriate fund in the year in which it is receivable.

Government grants

These are credited to the appropriate fund in the year in which they are receivable.

Residential care and support

Fees from residents and other service-user income is credited to the unrestricted fund on an accruals basis.

Notes

(forming part of the financial statements)

Accommodation Income

The Trust offers leases to tenants on a fixed repayment basis (i.e. the tenant will receive the price they paid on exit) on all its sites. In addition, at The Chocolate Quarter, it also offers an equity participation basis (i.e. the exit amount is driven by the market). Where the lessee opts for a fixed repayment, the proceeds are recognised as a liability in accordance with the lifetime leases accounting policy described on page 32. However, where the lessee opts for the equity participation arrangement, the Trust is under no obligation to repurchase the apartment until the property has been sold on to a new tenant.

Therefore, the proceeds from the initial sale of a property under an equity participation lease are recognised as income in the statement of comprehensive income, with a corresponding cost of sale recognised in accommodation costs.

Under both the fixed repayment and equity participation arrangements at The Chocolate Quarter, the Trust becomes entitled to a surrender fee, payable at the end of the lease, which is accrued annually over the life of the lease. This is recognised within accommodation income in the statement of financial activities (SoFA) as it is earned.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs are allocated or apportioned to one of the functional categories of resources expended in the statement of financial activities.

- (a) Costs of generating funds relate to those costs incurred in the management of the fixed asset investments.
- (b) Costs in furtherance of the Trust's objects relate to those costs incurred in running and supporting the objects of the Trust.

Support costs

Support costs are apportioned to categories of expenditure, and only governance costs are separately disclosed.

Grants payable

Grants are awarded from the Community Fund and a detailed analysis and explanation of grants awarded has been provided in the Report of the Trustee.

Irrecoverable VAT

Any irrecoverable VAT is charged to the statement of financial activities or capitalised as part of the cost of the related asset, where appropriate.

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(forming part of the financial statements)

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Tangible fixed assets

All expenditure on the acquisition, enhancement, production or installation of fixed assets for use by the Trust and all receipts of such assets by way of gift are capitalised and included in the balance sheet at cost. The freehold land and property is included in fixed assets at cost. Assets with a value below £1,000 are not capitalised.

Tangible fixed assets include apartments which may be disposed of within 12 months through an equity participation lease (see accommodation income accounting policy above).

Capitalisation of finance costs

All finance costs in respect of the bank loan obtained for the Keynsham, Westbury-on-Trym, Bedminster and Sandford developments up to the point when these developments commenced normal operations are capitalised within tangible fixed assets and are being amortised over the life of the asset to which they relate.

Depreciation

Depreciation is provided with the intention of writing off the costs of tangible fixed assets (to residual values) over their useful lives. The provision is calculated using the straight-line method at the following rates:

Assets in the course of construction	Nil
Freehold buildings	2%
Special building assets	14%
Furniture and equipment	12.5% to 33.3%
Motor vehicles	25%

Impairment reviews

Impairment reviews are carried out annually which includes consideration of current selling price of properties against the carrying value of each asset.

Lifetime leases

The Trust provides a lifetime leasehold purchase scheme for up to 351 properties across four of its sites in which the lease operates for the duration of the purchaser's occupation of the property and then reverts to the Trust on their departure. The cash received under this scheme is returned to the lease holder or their estate when the lease is determined. The Trust, therefore, always has a liability to repay the full value of the lease proceeds, which is reflected in the balance sheet as amounts due to lifetime leasehold tenants. When a lease is determined, the Trust will sell the lease on to another

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(forming part of the financial statements)

purchaser under the same lifetime lease arrangement, thus restoring the funding and the liability to repay the value of the lease when, in turn, it is determined.

In addition, the Trust has a further 136 leasehold properties at its site in Keynsham. The lessee has an option at this site to have a fixed repayment lease with the liability recognised as described in the above policy. However, where the lessee opts for an Equity Participation arrangement the accounting policy is as described in the Accommodation Income note on page 31.

Investments

Both current and fixed asset investments are stated at mid-market value at the balance sheet date. This is not in accordance with FRS 102 which recommends bid value but is consistent with the entity's performance management process. Using bid values would lead to a reduction in the valuation of these listed investments of an amount which is considered by the Trustee to be immaterial.

All recognised gains and losses on investments are shown separately in the statement of financial activities. The investments in the subsidiary undertakings are stated at cost.

Investment properties

Investment properties are included in the balance sheet at their open market value on an existing use basis. The valuation is determined on the basis of professional advice and includes an element of hope value in line with accounting standards. In accordance with FRS 102, investment properties are revalued annually and the aggregate surplus or deficit is included as an unrealised gain or loss within the endowment fund. No depreciation or amortisation is provided in respect of freehold investment properties.

Stocks

Stocks consist of catering supplies and have been valued at the lower of cost and net realisable value.

Leased assets

Rentals in respect of operating leases are charged directly to the statement of financial activities on a straight-line basis over the lease term.

Pension costs

The employees of the Trust are eligible to join a group personal pension plan with Aviva or with the National Employment Savings Trust (NEST). The Trust's pension contributions for current employees are charged to the statement of financial activities in the year in which the obligation to make contributions arises.

The Trust pays certain discretionary pensions, which are not funded under a closed defined benefit scheme. The pension liability in respect of this obligation is recognised in the balance sheet based on annual actuarial valuations. Actuarial gains or losses are included in the statement of financial activities.

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Notes

(forming part of the financial statements)

Further details in respect of unfunded pension liabilities are contained in note 29.

Basic financial instruments

(a) Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example, if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

(b) Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

(c) Fixed asset investments

Investments 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.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the charity's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Endowment fund

Following a resolution to adopt a Total Return approach to the endowment fund with effect from 01 January 2023, the former permanently endowed funds were effectively split into two funds; the Investment Fund and the Unapplied Total Return Fund ("UTR").

Investment Fund

This fund represents the original gift to establish the charity, valued at a specific date determined by the Trustee and this will be inflated over time in line with CPI.

The Unapplied Total Return Fund ("UTR")

This fund represents the balance of the fund, and all future capital gain and income growth is attributed to this fund.

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(forming part of the financial statements)

Expendable endowment fund

On 16 November 2020, the Charity Commission approved a resolution made by the Trustees to redesignate £20 million of what was at the time the permanent endowment for use by the Trust in furtherance of its objectives and as if it were income. The result was that £20 million was transferred from the permanent endowment funds into an unrestricted expendable endowment fund.

As expenditure is incurred, balances will be transferred from the expendable endowment fund into the unrestricted fund.

Restricted funds

These are other funds for which the donor has specifically restricted the purpose for which they can be used. The amounts in the funds represent the monies remaining for future expenditure. There are two restricted funds which are held by the Trust and explained in more detail below:

(a) Residents' Amenity fund

These are funds donated by residents of the Trust and invested by the Trust, which have the restricted purposes of providing income for the resident groups at our Cote Lane and Westbury Fields sites villages.

(b) Residents' Legacy fund

These are funds donated by beneficiaries of the Trust, which have a restricted purposes for which they can be applied.

Unrestricted fund

Operating income together with income arising from permanent endowment and unrestricted fund investments is credited to the unrestricted fund. The Charity Commission Scheme permits the fund to be applied towards contributions to the management expenses, the expenses related to running the operational activities, establishing a reserve fund and paying annuities and gifts. Any balance remaining may be accumulated for endowment purposes, but in practice is currently retained as unrestricted funds as explained in the reserves policy in The Report of the Trustee.

Designated fund

A designated fund exists to hold a proportion of the community fee and exit fees for the Equity Participation and Fixed Repayment leasehold options as detailed in the Accommodation Income accounting policy. These funds are set aside for future maintenance costs.

Subsidiaries

Details of subsidiary undertakings owned by the charity are disclosed in notes 2 and 3.

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(forming part of the financial statements)

Financial activities of the charity

The financial activities shown in the consolidated statement includes those of the charity's wholly owned subsidiaries, St Monica Trading Limited and Somerdale Pavilion Trust.

2 Trading subsidiary's results (St Monica Trading Limited)

	2023 Total £'000	2022 Total £'000
Turnover	619	476
Cost of sales	(249)	(175)
Gross profit	370	301
Administration and other costs	350	(288)
Trading profit	20	13
Other income	-	-
Net income	20	13
Management charge from St Monica Trust	-	-
Tax on profit	-	-
Retained profit for the year	20	13
Retained profit brought forward	13	10
Gift aid distribution	(13)	(10)
Retained profit carried forward	20	13

Gift aid distributions totalling £19,970 (2022: £12,861) will be made post year end in relation to the current year.

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(forming part of the financial statements)

The assets and liabilities of the subsidiary were:

	2023 Total £'000	2022 Total £'000
Fixed assets	-	-
Current assets	20	13
Creditors: amounts falling due within one year	-	-
Provisions for liabilities and charges		
Net assets	20	13
Profit and loss reserve	20	13
Equity shareholders' funds	20	13

Statement of changes in equity

	Share Capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2022	1	10,261	10,262
Year ended 31 December 2022			
Profit and total comprehensive income for the year	-	12,862	12,862
Distributions to parent charity under gift aid	-	(10,261)	(10,261)
Balance at 31 December 2022	1	12,862	12,863
Year ended 31 December 2023			
Profit and total comprehensive income for the year	-	19,970	19,970
Distributions to parent charity under gift aid	-	(12,862)	(12,862)
Balance at 31 December 2023	1	19,970	19,971

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Notes

(forming part of the financial statements)

3 Trading subsidiary's results (Somerdale Pavilion Trust)

	2023	2022
	Total	Total
	£'000	£'000
Income		
Grant income	-	34
Charitable activities	440	330
Other trading activities	823	616
	1,263	980
Expenditure		
Charitable activities	(900)	(750)
Other	(163)	(116)
	(1,063)	(866)
Net income	200	114
Net movement in funds	200	114
Total funds brought forward	286	172
Total funds carried forward	486	286

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(forming part of the financial statements)

The assets and liabilities of the subsidiary were:

	2023	2022
	Total	Total
	£'000	£'000
Fixed assets	5	6
Current assets	845	513
Creditors: amounts falling due within one year	(364)	(233)
Net assets	486	286
Total restricted funds	-	-
Total unrestricted funds	486	286
Total funds	486	286

4 Investment income

Group and charity	2023	2022
	£'000	£'000
(a) Unrestricted fund		
Commercial investment properties	2,793	2,340
Agricultural investment properties	4,794	4,465
Listed and other investments	3,427	3,106
Interest on cash deposits	2	1
Other investments	-	-
	11,016	9,912
(b) Restricted funds		
Distributions from CCLA Investment Management Limited	11	12
	11,027	9,924

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(forming part of the financial statements)

5 Analysis of total resources expended

Group

	Staff costs	Depreciation	Other costs	2023	2022
	£'000	£'000	£'000	£'000	£'000
Costs of generating funds					
(note 6)	-	-	2,474	2,474	2,135
Charitable expenditure					
Residential care and support (note 7)	34,644	2,865	15,706	53,215	47,977
Accommodation costs	-	-	1,246	1,246	415
Community support	293	-	861	1,154	1,017
Governance costs (note 8)	-	-	83	83	72
	34,937	2,865	17,896	55,698	49,481
	34,937	2,865	20,370	58,172	51,616

All support costs have been allocated to one charitable activity (Residential care and support).

Charity

	Staff costs	Depreciation	Other costs	2023	2022
	£'000	£'000	£'000	£'000	£'000
Costs of generating funds					
(note 6)	-	-	2,474	2,474	2,135
Charitable expenditure					
Residential care and support (note 7)	33,886	2,863	14,803	51,552	46,647
Accommodation costs	-	-	1,246	1,246	415
Community support	293	-	861	1,154	1,017
Governance costs (note 8)	-	-	71	71	62
	34,179	2,863	16,981	54,023	48,141
	34,179	2,863	19,455	56,497	50,276

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6 Costs of generating funds

Group and charity

	2023	2022
	£'000	£'000
(a) Investment management charges		
Society of Merchant Venturers of Bristol	254	255
Investment manager fees	171	192
Agricultural estate management	356	331
Commercial properties management	47	46
	828	824
(b) Property operational costs		
Agricultural estates	648	541
Commercial properties	732	572
	1,380	1,113
(c) Major repairs & other costs		
Agricultural estates	266	198
Total costs of generating funds	2,474	2,135

7 Residential care and support

Group and charity

	2023	2022
	£'000	£'000
Staff costs	34,644	31,751
Residential services	942	743
Site services	3,118	2,946
Provisions and catering	1,684	1,288
Insurance	614	647
Property and equipment (including depreciation)	5,984	6,323
Miscellaneous	1,993	1,644
Management and administration	4,236	2,635
	53,215	47,977

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Group and charity

Charity

	2023	2022
	£'000	£'000
Staff costs	33,886	31,153
Residential services	942	743
Site services	2,885	2,741
Provisions and catering	1,273	997
Insurance	614	647
Property and equipment (including depreciation)	5,817	6,162
Miscellaneous	1,957	1,612
Expendable Endowment (excluding pay)	-	-
Management and administration	4,178	2,592
	51,552	46,647

8 Governance costs

	2023	2022
	£'000	£'000
Group		
Auditor's remuneration (including irrecoverable VAT)		
- for audit	57	53
- other professional services	2	10
Professional services	23	9
Trustee expenses	1	-
	83	72
Charity		
Auditor's remuneration (including irrecoverable VAT)		
- for audit	46	43
- other professional services	1	10
Professional services	23	9
Trustee expenses	1	-
	71	62

Neither the Council, nor persons connected with them, received any remuneration or other benefits from the Trust during the current or previous year. Reimbursement of expenses amounted to £635 during the year (2022: £nil).

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9 Transfers

Group and charity	Unrestricted fund	Designated fund	Other restricted funds	Expendable Endowment funds	Endowment funds
	£'000	£'000	£'000	£'000	£'000
Service charge transfer (A)	4,132	(4,132)	-	-	-
Expendable endowment (B)	4,120	-	-	(4,120)	-
UTR endowment transfer (C)	20,857	-	-	-	(20,857)
Total transfers	29,109	(4,132)	-	(4,120)	(20,857)

(A) During the year, £4,132,000 (2022: £344,000) has been transferred out of the designated fund into the unrestricted fund. £3,925,000 represents the proportion of service charges received from residents for maintenance costs at the Westbury-on-Trym, Cote Lane, Sandford and Bedminster sites less the costs incurred. This aligns the balance within the designated fund of £720,000 to the balance of the sinking funds for these sites. The remaining transfer of £207,000 was in respect of improvement costs at our TCQ site.

(B) During the year, £4,120,000 (2022: £3,607,000) has been transferred from the expendable endowment fund into the unrestricted funds.

(C) During the year, a net allocation from the unrestricted fund to the Unapplied Total Return (UTR) was made of £3,121,000 and a property asset distribution of £25,868,000. There was also a repayment of £1,890,000 in respect of outstanding recoupment orders from the Unrestricted fund. The net transfer between funds was £20,857,000. See note 22 for further details.

10 Staff numbers and costs

The average headcount in the year for the group was 1,351 (2022: 1,301). The full time equivalent average number of persons employed by the group during the year, including directors, analysed by category, was as follows:

	2023	2022
Residential care and support	739	694
Community support	4	4
Management of the Trust	26	23
	<u>769</u>	<u>721</u>

The aggregate payroll costs were as follows:

	Total £'000	Total £'000
Wages and salaries	26,851	23,967
Social security costs	2,198	2,012
Pensions	1,179	941
Agency staff costs	4,709	5,072
	<u>34,937</u>	<u>31,992</u>

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Notes

(forming part of the financial statements)

During the current and previous year, the Trustees were not paid any remuneration or reimbursed for expenses, and no Trustees made donations to the charity.

Key management remuneration in total for the year was £887,269 (6 people) compared to 2022 £963,827 (8 people).

The number of employees whose emoluments, excluding pension contributions, were in excess of £60,000 per annum fell within the following bands:

	2023 Number	2022 Number
£60,001 to £70,000	5	8
£70,001 to £80,000	5	5
£80,001 to £90,000	6	2
£90,001 to £100,000	1	3
£100,001 to £110,000	-	1
£110,001 to £120,000	2	-
£120,001 to £130,000	-	-
£130,001 to £140,000	1	1
£140,001 to £150,000	1	1
£150,001 to £160,000	-	-
£160,001 to £170,000	-	-
£170,001 to £180,000	-	-
£180,001 to £190,000	-	-
£190,001 to £200,000	-	-
£200,001 to £210,000	-	1
£210,001 to £220,000	1	-

These members of staff have pension benefits accruing under the group personal pension plan.

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11 Net movement on funds is stated after charging

	2023	2022
	£'000	£'000
Auditors' remuneration – Charity (inclusive of VAT)	46	43
Auditors' remuneration – Subsidiaries (inclusive of VAT)	11	11
Auditors' remuneration – for other professional services	2	10
Depreciation and other amounts written off tangible fixed assets	2,865	2,969
Inventories recognised as an expense	1,684	1,287

12 Taxation

The charity is not liable to taxation on the net income from its primary activity. Stated below are the tax details of the subsidiary St Monica Trading Limited:

	2023	2022
	£'000	£'000
Current tax		
UK corporation tax on results of the year	-	-
Tax on profit on ordinary activities	-	-

Factors affecting the tax charge for the current period

The tax assessed for the period differs from the standard small rate of corporation tax in the UK (19%), (2022: 19%). The differences are explained below:

	2023	2022
	£'000	£'000
<i>Current tax reconciliation</i>		
Profit before tax (of trading subsidiary only)	20	13
Current tax at 19%	4	2
<i>Effects of:</i>		
Gift Aid payments	(4)	(2)
Total current tax charge (see above)	-	-

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13 Tangible fixed assets

Group	Assets in the course of construction £'000	Freehold land and buildings £'000	Furniture and equipment £'000	Motor vehicles £'000	Total £'000
<i>Cost</i>					
At beginning of year	4,135	156,867	22,156	436	183,594
Transfers	(540)	537	3	-	-
Additions	2,281	4,004	625	12	6,922
Disposals in the year	-	(1,247)	(86)	(7)	(1,340)
At end of year	<u>5,876</u>	<u>160,161</u>	<u>22,698</u>	<u>441</u>	<u>189,176</u>
<i>Depreciation</i>					
At beginning of year	-	16,241	17,391	364	33,996
Charge for year	-	1,238	1,590	37	2,865
Depreciation on disposals	-	(28)	(59)	(7)	(94)
At end of year	<u>-</u>	<u>17,451</u>	<u>18,922</u>	<u>394</u>	<u>36,767</u>
<i>Net book value</i>					
At 31 December 2023	<u>5,876</u>	<u>142,710</u>	<u>3,776</u>	<u>47</u>	<u>152,409</u>
At 31 December 2022	<u>4,135</u>	<u>138,847</u>	<u>6,403</u>	<u>74</u>	<u>149,598</u>

The above schedule includes finance costs of £3,896,000 (2022: £3,896,000) relating to loan interest and charges incurred for financing the Chocolate Quarter, Monica Wills House, the sheltered flats and the Garden House Annexe at Cote Lane, and the Sandford developments.

Land costing £27,025,000 (2022: £27,025,000) is not depreciated.

The Trustee's review of the fixed assets has concluded that their value is not impaired.

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	Assets in the course of construction £'000	Freehold land and buildings £'000	Furniture and equipment £'000	Motor vehicles £'000	Total £'000
Charity					
<i>Cost</i>					
At beginning of year	4,135	156,867	22,144	436	183,582
Transfers	(540)	537	3	-	-
Additions	2,281	4,004	625	12	6,922
Disposals in the year	-	(1,247)	(86)	(7)	(1,340)
At end of year	<u>5,876</u>	<u>160,161</u>	<u>22,686</u>	<u>441</u>	<u>189,164</u>
<i>Depreciation</i>					
At beginning of year	-	16,241	17,385	364	33,990
Charge for year	-	1,238	1,589	37	2,864
Depreciation on disposals	-	(28)	(59)	(7)	(94)
At end of year	<u>-</u>	<u>17,451</u>	<u>18,915</u>	<u>394</u>	<u>36,760</u>
<i>Net book value</i>					
At 31 December 2023	<u>5,876</u>	<u>142,710</u>	<u>3,771</u>	<u>47</u>	<u>152,404</u>
At 31 December 2022	<u>4,135</u>	<u>140,626</u>	<u>4,759</u>	<u>72</u>	<u>149,592</u>

The above schedule includes finance costs of £3,896,000 (2022: £3,896,000) relating to loan interest and charges incurred for financing the Chocolate Quarter, Monica Wills House, the sheltered flats and the Garden House Annexe at Cote Lane, and the Sandford developments.

Land costing £27,025,000 (2022: £27,025,000) is not depreciated.

The Trustee's review of the fixed assets has concluded that their value is not impaired.

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14 Fixed asset investments

Group and Charity

	Investment Properties £'000	Financial securities £'000	Cash on deposit £'000	Other investments* £'000	Total £'000
Cost					
At beginning of year	54,957	105,537	8,248	224	168,966
Additions	67	15,618	-	-	15,685
Disposals	(6)	(12,966)	(5,806)	-	(18,778)
At end of year	55,018	108,189	2,442	224	165,873
Revaluation – unrealised gains					
At beginning of year	132,550	17,820	-	130	150,500
Disposals	(31)	(3,116)	-	-	(3,1470)
Net gains arising on revaluation	18,591	2,878	-	(1)	21,468
At end of year	151,110	17,582	-	129	168,821
Net book value At 31 December 2022	206,128	125,771	2,442	353	334,694
At 31 December 2022	187,507	123,357	8,248	354	319,466

There were total realised and unrealised gains during the year of £23,373,000 (2022: £3,793,000).

The charity owns 100% of the issued share capital of St Monica Trading Limited (company registration number: 11070522), a company incorporated in England and Wales. The total share capital is £1 – too small to show in the rounded figures above. The principal activities of this company are conducting the commercial operations undertaken at St Monica Trust's retirement village at Keynsham.

* Other investments consist of income unit investments with CCLA Investment Management Limited.

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Investments with a market value of greater than 5% of total quoted securities at 31 December 2023 and 2022:

Investment	Portfolio 2023	Portfolio 2022
Artemis Equity Income Fund	-	-
Brummer Multi-Strategy 2 XL Fund	5.4%	-
NinetyOne (formerly Investec UK Special Situations Fund)	-	5.8%
Newton Global Higher Income Fund	7.4%	7.4%
JO Hambro Global Select Equity Fund	6.2%	6.0%
KBI Institutional Developed Equity Fund	9.2%	6.9%
Trojan Income Fund	-	-
Kiltearn Global Equity Fund	8.1%	7.9%

The total cumulative surplus/(deficit) on revaluing investment properties is as follows:

	2023	2022
	£'000	£'000
Commercial property (note (a) & (c))	1,281	1,281
Agricultural property (note (b))	149,829	131,269
	151,110	132,550

- (a) The commercial property within the endowment fund was valued as at 31 December 2021 by CBRE Limited in accordance with the latest version of the RICS Valuation – Global Standards (incorporating the International Valuation Standards) and the UK national supplement (the ‘Red Book’) current as the Valuation Date.
- (b) The agricultural property has been valued at 31 December 2023 by Savills (UK) Limited in accordance with the RICS Valuation – Global Standards (incorporating the IVSC International Valuation Standards) effective from 31 January 2020 with a special assumption to disregard development hope value and not accrue any value for a potential change of use of any part of the portfolio unless a planning permission has been obtained. Development hope value has then been assessed separately and included in the asset valuation at 31 December 2023.
- (c) Block C at The Chocolate Quarter was valued at 31 December 2021 by Alder King LLP in accordance with the RICS Valuation – Global Standards (Red Book) effective 31 January 2020 – incorporating the International Valuation Standards, UK VPGA 1 of the Red Book UK national supplement and FRS102 ‘The Financial Reporting Standard’ applicable to the United Kingdom and Republic of Ireland.

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I5 Stocks

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Sundry stocks	57	51	51	46

Stock relates to catering purchases in the SoFA of £1,684,366 (2022: £1,286,954)

I6 Debtors

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Trade debtors	2,318	3,376	2,318	3,376
Prepayments and accrued income	7,128	6,034	7,073	5,963
Other debtors	1,245	706	1,240	671
Amounts owed by group undertakings	-	-	82	-
	10,691	10,116	10,713	10,010

Prepayments include £3,122,248 of professional fees associated with our Endowment development sites and with the majority of these costs relating to the Basingstoke site. (2022: £2,326,075).

I7 Creditors: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Trade creditors	2,256	2,296	2,207	2,256
Bank loan	108	111	108	111
Amounts due to lifetime leasehold tenants	16,352	16,568	16,352	16,568
Other creditors	3,408	2,561	3,254	2,460
Tax and Social Security	630	521	630	521
Accruals and deferred income	1,965	4,235	1,906	4,155
Amounts owed to group undertakings	-	-	-	18
	24,719	26,292	24,457	26,089

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Accruals and deferred income includes accruals of £1,743,000 (2022: £1,492,000) and deferred income comprising £222,000 (2022: £2,713,000).

Deferred income has dropped significantly as a result of a change in the way customer invoices are processed. Resident fee income was previously invoiced in advance, this was changed so that it is now invoiced in the month that the income is earned. Therefore, there is no longer the requirement to defer SMT resident fees due the change in the way customer invoices are processed.

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Deferred income brought forward	2,743	1,935	2,663	1,861
Recognised in the year	222	2,743	322	2,663
Released to the SoFA in the year	(2,743)	(1,935)	(2,663)	(1,861)
Deferred income carried forward	222	2,743	322	2,663

18 Creditors: amounts falling due after more than one year

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Bank loan	13,399	10,505	13,399	10,505
Amounts due to lifetime leasehold tenants	106,674	108,351	106,674	108,351
	120,073	118,856	120,073	118,856
Age analysis of bank loan				
Due within one year	108	111	108	111
Between two and five	13,399	10,505	13,399	10,505
After five years	-	-	-	-
	13,507	10,616	13,507	10,616

The Trust's bank loans have been arranged with no security having been provided by the Trust to the lender.

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Bank loans consist of:

- a) A 5-year Revolving Credit Facility (RCF) with NatWest bank of £20,000,000 that was put into place on 21 June 2022. The interest rate is 1.25% above SONIA. The amount drawn down at the year-end was £13,000,000.
- b) John Wills Annex loan of £506,733 with NatWest Bank which is due for repayment by April 2028. The interest rate is 0.65% above bank base rates.

The amounts due to lifetime leasehold tenants relates to amounts paid by the residents for their leases, which is repayable when the properties are vacated.

19 Other restricted funds – Group and charity

	At 1 January 2023	Incoming resources	Outgoing resources	Gains on investments	At 31 December 2023
	£'000	£'000	£'000	£'000	£'000
Residents' Amenity Funds	393	12	(13)	(1)	391
Restricted Legacies	-	106	-	-	106
	393	118	(13)	(1)	497

20 Designated fund – Group and charity

A designated fund has been set up for future maintenance costs on the Westbury-on-Trym, Cote Lane, Sandford and Bedminster sites. Transfers from the unrestricted fund have been made in line with the expected costs, and represent net service charges received from residents and in respect of The Chocolate Quarter site, surrender fees received and accrued.

	Total £'000
At 1 January 2023	7,647
Transfer to the unrestricted fund in respect of sinking fund balances	(3,925)
Surrender Fees	438
Costs	(207)
At 31 December 2023	3,953

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21 Expendable endowment fund – Group and charity

In 2020, the Charity Commission approved a resolution made by the Trustees to redesignate £20 million of what was then the permanent endowment for use by the Trust in furtherance of its objectives and as if it were income. The result was that £20 million was transferred from the permanent endowment funds into an unrestricted expendable endowment fund. As expenditure is incurred, balances will be transferred from the expendable endowment fund into the unrestricted fund.

	Total £'000
At 1 January 2023	14,406
Transfer from the unrestricted fund	(4,120)
At 31 December 2023	10,286

22 Analysis of funds

Group

	Unrestricted fund	Designated fund	Restricted fund	Expendable endowment	Endowment fund	Total
Movement in funds	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January 2023	10,316	7,647	393	14,406	298,621	331,383
Net incoming/(outgoing) resources	(11,795)	438	105	-	6,948	(4,304)
Transfers between funds	29,109	(4,132)	-	(4,120)	(20,857)	-
Gains on investment assets	-	-	(1)	-	23,374	23,373
Actuarial loss on pension liability	814	-	-	-	-	814
At 31 December 2023	28,444	3,953	497	10,286	308,086	351,266
Representation of fund balances	£'000	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	152,409	-	-	-	-	152,409
Investments	22,859	-	353	6,500	304,982	334,694
Cash and bank balances	3,653	-	-	-	-	3,653
Other current assets and Liabilities	(24,958)	3,953	144	3,786	3,104	(13,971)
Long term creditors	(120,073)	-	-	-	-	(120,073)
Pension liability	(5,446)	-	-	-	-	(5,446)
At 31 December 2023	28,444	3,953	497	10,286	308,086	351,266

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Analysis of funds

Charity

	Unrestricted fund	Designated fund	Restricted fund	Expendable endowment fund	Endowment fund	Total
Movement in funds	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January 2023	10,017	7,647	393	14,406	298,621	331,084
Net incoming/(outgoing) resources	(12,002)	438	105	-	6,948	(4,511)
Transfers between funds	29,109	(4,132)	-	(4,120)	(20,857)	-
Gains on investment assets	-	-	(1)	-	23,374	23,373
Actuarial gain on pension liability	814	-	-	-	-	814
At 31 December 2023	27,938	3,953	497	10,286	308,086	350,760
Representation of fund balances	£'000	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	152,404	-	-	-	-	152,404
Investments	22,859	-	353	6,500	304,982	334,694
Cash and bank balances	2,874	-	-	-	-	2,874
Other current assets and liabilities	(24,680)	3,953	144	3,786	3,104	(13,693)
Long term creditors	(120,073)	-	-	-	-	(120,073)
Pension liability	(5,446)	-	-	-	-	(5,446)
At 31 December 2023	27,938	3,953	497	10,286	308,086	350,760
Realised and unrealised investment asset gains included above	-	-	(1)	-	23,374	23,373

Endowment Fund

On 1st January 2023, the Group and Charity adopted a total return approach to the permanent endowment fund. The investment power of Total Return permits the Charity to invest these funds in order to maximise Total Return and gives it the power to apply an appropriate portion of the Unapplied TR to income funds each year. The UTR remains part of the endowment until this power is exercised.

The value of the original endowment was determined at 31 December 2004 (the “initial endowment date”) as this was the deemed inception date for these funds in their current form and detailed financial records were available for this date. The initial UTR values for these endowment funds were calculated at 1st January 2023 as the value of the endowment funds at that date, less the value of the original endowment. No subsequent introduction of any investments into these funds since the initial endowment date has occurred.

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Trustees elected to allocate a proportion of the UTR back to the original endowment at 31 December 2023, in accordance with Total Return regulations.

Trustees obtained consent from the Charity Commission to settle outstanding recoupment orders at the date of adoption and as such a transfer of £1,890,000 from Unrestricted funds to the Investment Fund has occurred.

At 1st January 2023 upon adoption of Total Return the Trustee resolved to distribute funds of £25,867,963 from the UTR to the Unrestricted fund. This was a transfer between the two funds and represents property assets. The pension liability of £6,221,000 has been reallocated to the unrestricted fund and represents a net transfer to income funds of £19,647,000 as shown below.

The values for the Trust for Investment (TFI), Unapplied Total Return (UTR) and Total Endowment is shown in the table below:

	Trust for Investment	Unapplied Total Return	Total Endowment
	£'000	£'000	£'000
At the beginning of the reporting period:			
Initial measurement	78,268	220,353	298,621
Unapplied total return	-	-	-
Total	78,268	220,353	298,621
Movements in the reporting period:			
	£'000	£'000	£'000
Recoupment of trust for investment	1,890	(1,890)	-
Allocation to trust for investment	3,126	(3,126)	-
Investment return: dividends and investment income	-	8,849	8,849
Investment return: realised and unrealised gains/losses	-	23,374	23,374
Less: Investment management costs	-	(1,901)	(1,901)
Net current other asset/liability movements	-	6,990	6,990
Allocation to income funds: property assets & pension on adoption	-	(19,647)	(19,647)
Total	5,016	12,649	17,665
Unapplied total return allocated to income in reporting period	-	(8,200)	(8,200)
Net movements in reporting period	5,016	4,449	9,465
At the end of period of the reporting period:			
	£'000	£'000	£'000
Initial measurement	83,284	-	83,284
Unapplied total return	-	224,802	224,802
Total	83,284	224,802	308,086

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23 Capital commitments

	2023 £'000	2022 £'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	2,157	1,828

24 Operating leases as a lessee

The future minimum lease payments under non-cancellable operating leases expected to be paid by the Charity and Group will fall due as follows:

	2023 Group and Charity plant and machinery £'000	2022 Group and Charity plant and machinery £'000
Within one year	10	5
Between one and five years	28	12
After five years	-	-
	38	17

The total charge to the statement of financial activities in the year in respect of operating lease rentals for the hire of plant and machinery was £11,000 (2022: £8,000).

25 Operating leases as a lessor

The future minimum lease payments due to be received under non-cancellable operating leases by the Charity and Group are as follows:

	2023 Group and Charity leasehold property £'000	2022 Group and Charity leasehold property £'000
Within one year	1,011	1,334
Between one and five years	3,489	5,298
After five years	1,887	1,948
	6,387	8,580

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26 Reconciliation of movement in net cash

	At 1 January 2023 £'000	Cash flow £'000	At 31 December 2023 £'000
Investments	8,248	(5,806)	2,442
Cash at bank and in hand	3,521	132	3,653
Bank loan	(10,616)	(2,891)	(13,507)
	1,153	(8,565)	(7,412)

27 Analysis of changes in net debt

	At 1 January 2023 £'000	Cash flow £'000	At 31 December 2023 £'000
Cash and cash equivalents			
Cash	3,521	132	3,653
Overdrafts	-	-	-
Cash equivalents	-	-	-
	3,521	132	3,653
Borrowings			
Debt due within one year	(111)	3	(108)
Debt due after one year	(10,505)	(2,894)	(13,399)
	(10,616)	(2,891)	(13,507)
Total	(7,095)	(2,759)	(9,854)

Notes

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28 Related party transactions

A number of the Trust's Council members are also members of the Society of Merchant Venturers. The Trust paid a fee including reallocation of salaries and overhead costs totalling £253,615 (2022: £255,355) to the Society of Merchant Venturers of Bristol to cover the services it provides in its role as Endowment Trustee (note 6(a)).

A professional indemnity insurance premium of £3,763 (2022: £3,380) was paid by the Trust on the behalf of the Trustees.

The charity owns 100% of the issued share capital of St Monica Trading Limited (company registration number: 11070522), a company incorporated in England and Wales. During the year, St Monica Trust provided to St Monica Trading Limited staff time, catering supplies and other operating costs totalling £599,358 (2022: £463,640) and collected £619,458 (2022: £476,535) of income. The amount owing to St Monica Trading Limited at the year-end was £19,951 (2022: £8,895). A Gift Aid payment was made to St Monica Trust by St Monica Trading Limited of £12,861 in respect of the trading results for 2022 (2022: £10,261 in respect of the trading results for 2021).

St Monica Trustee Company is the sole member of Somerdale Pavilion Trust (company registration number: 11730938), a company limited by guarantee, incorporated in England and Wales and registered as a charity (registered charity number: 1182426). During the year, St Monica Trust provided staff time and funds for operating expenses to Somerdale Pavilion Trust totalling £17,000 (2022: £15,469) and provided services to St Monica Trust in the form of parking and academy rent totalling £225,150 (2022: £234,905). The amount owed by St Monica Trust at the year-end was £101,638 (2022: £8,810).

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29 Pension schemes

Unfunded pension liability

The Trust has granted unfunded defined benefit pensions to some current and former employees of the Trust. A triennial full valuation of the pensions was carried out as at 31 December 2023 by PriceWaterhouseCoopers, a qualified independent actuary who are a fellow of the Institute of Actuaries. Pension payments made for the year ended 31 December 2023 in respect of the defined benefit pensions were £256,000. (2022: £278,000).

The principal assumptions made by the Trust were:	2023	2022	2021	2020
	%	%	%	%
Rate of increase in pensionable salaries	3.1	3.1	3.4	3.0
Rate of increase in pensions in payment	3.0	3.0	3.1	2.9
Inflation rate	3.1	3.1	3.4	3.0
Discount rate	4.5	4.8	1.8	1.3
 Pensioner and non-pensioner mortality SAPS all MC	1% pa	1% pa	1% pa	1% pa
 The amounts recognised in the balance sheet are as follows:	£'000	£'000	£'000	£'000
 Present value of scheme liabilities	(5,446)	(6,221)	(8,528)	(8,881)
Deficit in the scheme	(5,446)	(6,221)	(8,528)	(8,881)

Analysis of amount charged to net outgoing resources in respect of defined benefit pensions

	2023	2022
	£'000	£'000
Interest on pension liability	(296)	(149)
Total operating charge	(296)	(149)

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	2023 £'000	2022 £'000
Movement in liability during the year		
Liability at the start of the year	(6,221)	(8,528)
Movement:		
Employer contributions (including pension payments)	255	278
Interest cost	(296)	(149)
Actuarial gain	814	2,178
Liability at the end of the year covered by a specific provision in the financial statements	(5,446)	(6,221)
Analysis of amount recognised in the statement of financial activities	£'000	£'000
Actuarial gain recognised in the statement of financial activities	814	2,178

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Amounts for the current and previous four periods are as follows

	2023 £'000	2022 £'000	2021 £'000	2020 £'000	2019 £'000
Scheme assets	-	-	-	-	-
Scheme liabilities	(5,446)	(6,221)	(8,528)	(8,881)	(8,759)
Deficit in plan	(5,446)	(6,221)	(8,528)	(8,881)	(8,759)
Actuarial gains/(losses) on liabilities	814	2,178	183	(241)	(740)
Statement of total recognised gains and losses for the period ending 31 December	814	2,178	183	(241)	(740)

Other pension scheme

The Trust also contributes to a group personal pension plan. The contributions made by the Trust to this pension scheme are charged to the statement of financial activities when they fall due and were £876,000 (2022: £786,000).

Report of the Board and consolidated financial statements
Year ended 31 December 2023

Notes

(forming part of the financial statements)

30 Comparative group statement of financial activities

	Unrestricted Funds	Designated fund	Other restricted funds	Expendable endowment funds	Permanent endowment funds	Total Funds 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Income						
Income from charitable activities						
Residential care and support	33,710	-	-	-	-	33,710
Accommodation income	795	504	-	-	-	1,299
Generated funds						
Investment income	9,912	-	12	-	-	9,924
Total income	44,417	504	12	-	-	44,933
Expenditure						
Costs of raising funds						
Investment management charges	(46)	-	-	-	(778)	(824)
Property operational costs	(1,113)	-	-	-	-	(1,113)
Commercial trading operations	(25)	-	-	-	(173)	(198)
Total costs of generating funds	(1,184)	-	-	-	(951)	(2,135)
Charitable activities						
Costs in furtherance of the Trust's objects						
Residential care and support	(47,856)	-	(7)	-	(114)	(47,977)
Accommodation costs	(415)	-	-	-	-	(415)
Community support	(1,017)	-	-	-	-	(1,017)
Governance	(72)	-	-	-	-	(72)
Total charitable expenditure	(49,360)	-	(7)	-	(114)	(49,481)
Total expenditure	(50,544)	-	(7)	-	(1,065)	(51,616)
Net income/(expenditure) before investment gains/ (losses)	(6,127)	504	5	-	(1,065)	(6,683)
Realised and unrealised gains on investments	-	-	(26)	-	3,819	3,793
Net income/(expenditure) for the year before transfers	(6,127)	504	(21)	-	2,754	(2,890)
Transfers between funds	3,263	290	-	(3,607)	54	-
Actuarial gain/(loss) on defined benefit pension	-	-	-	-	2,178	2,178
Net movement in funds	(2,864)	794	(21)	(3,607)	4,986	(712)
Total funds brought forward	13,180	6,853	414	18,013	293,635	332,095
Total funds carried forward	10,316	7,647	393	14,406	298,621	331,383

ST MONICA TRUST

England & Wales - Charity number 202151

Accounts

St Monica Trust

Report of the Trustee and consolidated financial statements

Registered charity number 202151

Year ended 31 December 2022

Report of the Board and consolidated financial statements
Year ended 31 December 2022

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Report of the Board and consolidated financial statements

Year ended 31 December 2022

Report of the Trustee for the year ended 31 December 2022

The Council presents its annual report and the audited consolidated financial statements for the year ended 31 December 2022. This report consolidates the results of St Monica Trust and its subsidiaries St Monica Trading Limited and Somerdale Pavilion Trust.

The financial statements comply with the memorandum and articles of association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Reference and administrative details of the Charity, its Trustee and Advisers

The Trust was founded by Henry and Monica Wills in 1925. The Trust is constituted by a Charity Commission Scheme sealed on 30 June 2005. The subsidiary St Monica Trading Limited was incorporated on 17 November 2017 and the subsidiary Somerdale Pavilion Trust was incorporated on 17 December 2018.

Registered Address of the Trust St Monica Trust
Cote Lane
Bristol
BS9 3UN

Charity Registration Number 202151

Trustee

St Monica Trustee Company Limited (a company limited by guarantee registered number 9357207) is the sole Trustee of St Monica Trust by virtue of the Charity Commission Scheme dated 19 December 2015. The directors of St Monica Trustee Company Limited, the Corporate Trustee, have ultimate responsibility for the administration of the charity and are regarded for internal governance purposes as being a trustee. The Directors are referred collectively in this report as the Council of St Monica Trust, the members of which served throughout the year and since the year-end and are set out below:

The Council

Mr T S Ross - President and Chair of the Trust
Professor J McGeehan CBE
Mr M Bothamley
Mrs D J England
Dr A D Garrad CBE
Mrs E O'Driscoll
Mrs S Darwall Smith DL
Dr F C Forrest

Lady Wills
Miss H Morgan (resigned 22 June 2022)
Venerable C A Froude
Mr J R Ancell
Ms A Duff
Dr M D McCaldin
Mr R H G Bourns DL (appointed 23 March 2022)

Report of the Trustee for the year ended 31 December 2022 (continued)

Members of the Council serve for three years, being eligible for re-election for up to three periods. The Scheme provides for the appointment by the Council of six members of Council, six nominations by the Society of Merchant Venturers of Bristol (SMV) and three members nominated respectively by the Bishops of Bristol, Gloucester and Bath & Wells. Sir David Wills Bt was elected Patron of the Trust upon retiring as a Trustee on 30 June 2006.

Chief Executive

The Trust appointed Mr D Williams as Chief Executive in April 2015. Mr Williams joined the Trust from the Accord Group, where he was Executive Director for Health Care and Support. Previously, Mr Williams worked as Head of Strategy and Service Development for Housing 21 and has also held senior positions with a number of other leading charities.

Management of the Permanent Endowment

The Endowment of St Monica Trust includes the investment fund of the Trust from which an income is derived and utilised for charitable purposes. This investment fund is managed on the Trust's behalf by the Society of Merchant Venturers of Bristol ("SMV") in its capacity as Endowment Trustee of the Trust. The Society was incorporated by Royal Charter in 1552 by King Edward VI with amendments by subsequent monarchs in 1566, 1639, 1643, 1665, and 1988.

The Society of Merchant Venturers, as Endowment Trustee of St Monica Trust, implement the investment strategy and asset allocation as recommended by the Endowment Trustees' Investment Strategy Group having regard to the financial requirements of the Trust. In turn, the Finance and Investment sub-Committee and the Estates and Property sub Committee have particular management and advisory responsibilities for the endowment and report directly to the Investment Strategy Group. The overall investment strategy and objectives are subject to the approval of the Council.

Auditor	KPMG LLP 66 Queen Square Bristol BS1 4BE
Banker	NatWest Bank plc 32 Corn Street Bristol BS99 7UG
Solicitor	Womble Bond Dickinson (UK) LLP 3 Temple Quay Temple Back East Bristol BS1 6DZ

Report of the Board and consolidated financial statements
Year ended 31 December 2022

Report of the Trustee for the year ended 31 December 2022 (continued)

Investment Advisers	Cambridge Associates 80 Victoria Street Cardinal Place London SW1E 5JL
	Evelyn Partners Portwall Place Portwall Lane Bristol BS1 6NA
Commercial Property Managing Agent	Alder King LLP Pembroke House 15 Pembroke Road Bristol BS8 3BA
Agricultural Estates and Land Steward	Savills 14 Cirencester Office Park Tetbury Road Cirencester GL7 6JJ

Report of the Trustee for the year ended 31 December 2022 (continued)

2 Structure, Governance and Management of the Group

History

The Trust was founded by Henry and Monica Wills in 1925.

The group is structured as three entities – the parent charity St Monica Trust and its wholly owned subsidiaries St Monica Trading Limited (incorporated on 17 November 2017) and Somerdale Pavilion Trust (incorporated on 17 December 2018). The parent conducts the charitable operations of St Monica Trust. St Monica Trading Limited was established to conduct the commercial operations undertaken at St Monica Trust's retirement village at Keynsham. The current activities being undertaken by the company include the sale of food in the B Block Café and Somer Dining Restaurant and secondly, the provision of leisure services. These services are available to residents and members of the general public. Somerdale Pavilion Trust was established to conduct the charitable activities of that Trust in providing and maintaining a pavilion, playing fields and other facilities for the use of the inhabitants of Keynsham and the surrounding areas.

Governing instrument and objects

The Trust is constituted by a Charity Commission Scheme sealed on 30 June 2005 (as amended by scheme dated 26 February 2010, by resolution dated 17 December 2014, by scheme dated 19 December 2014, by resolution dated 26 June 2019 and by resolution dated 16 November 2020).

The objects of the Trust, defined in clause 4 of the Scheme, which should be referred to for exact details are as follows:

“The objects of the charity are, for the public benefit, the relief of those individuals (and if appropriate their spouses) who are in need by reason of age, disability or ill-health by the provision of:

- (a) accommodation and associated facilities; and/or
- (b) other services or assistance”.

Organisational structure

As of 1 January 2021, following an executive restructure, the committee structure was amended to ensure that the committee structure follows the revised operational structure of the Trust. Membership of the existing committees at the year-end was as follows:

The Finance and Transformation Committee

The purpose of the Committee is to exercise oversight of the business health of the Trust including the establishing of annual budgets and liaising with the Endowment Trustee in relation to financial planning. It is also responsible for overseeing the Trust's transformation programme.

Mr J R Ancell - (Chair from 1 January 2022)
Professor J McGeehan CBE
Dr A D Garrad CBE
Mr T S Ross - President, Ex officio

Mrs D J England - Deputy Chair
Mr H L M Bothamley
Mrs E O'Driscoll
Venerable C A Froude

Report of the Trustee for the year ended 31 December 2022 (continued)

The Care Committee

The main function of this Committee is to exercise oversight and advise the Council on all matters relating to the quality of care of the Trust's residents and all operations of the Trust subject to CQC regulation.

Mr T S Ross - President, Ex Officio
Mr F Forrest - Chair
Mr M McCaldin - Deputy Chair
Mrs S Darwall Smith DL
Venerable C A Froude

Charitable Impact Committee

The purpose of this Committee is to assume delegated responsibility on behalf of the Council of the St Monica Trust in overseeing the operation, management and development of the Trust's Charitable Impact Directorate which includes but is not limited to Community Giving (Individual Giving and Organisational Giving), allocation of the Endowment Income, pastoral care, volunteering, community engagement and strategic partnerships.

Mr T S Ross - President, Ex Officio
Mrs S Darwall Smith DL - Chair
Venerable C A Froude - Deputy Chair
Lady Wills
Ms A Duff
Mrs C Duckworth DL - co-opted

The Property, Housing and Development Committee

The purpose of this Committee is to oversee the operational and financial performance of the Trust's residential property and care villages, as well as consider and oversee any developments undertaken by the Trust.

Mr T S Ross - President, Ex officio
Mr H L M Bothamley - Chair
Mr J R Ancell
Ms A Duff
Mrs E O'Driscoll
Mr H Evans - co-opted

The Nursing Homes Committee

The purpose of the Committee is to oversee the operational and financial performance and efficiency of the nursing homes, including but not limited to occupancy and staffing.

Report of the Trustee for the year ended 31 December 2022 (continued)

The Nursing Homes Committee (continued)

Mr T S Ross - President, Ex officio
Dr M Mccaldin – Chair
Mr R H Bourns DL
Lady Wills

The Audit Committee

The purpose of this Committee is to assume delegated responsibility on behalf of the Council of the St Monica Trust for ensuring that there is a framework for accountability; for examining and reviewing relevant systems and methods of control, both financial and otherwise including risk analysis and risk management; and for ensuring the Trust is complying with all relevant aspects of the law, regulations and good practice.

Mr T S Ross - President, Ex Officio
Mr M Bothamley - Chair
Mr J R Ancell
Venerable C A Froude

The Trustee Nominations Committee

The Committee is responsible for nomination to Council of new Trustees.

Mr M Bothamley (Chair)
Mrs S Darwall Smith DL
Mrs D J England
Dr A D Garrad CBE
Venerable C A Froude

The Remuneration Committee

The Committee is responsible for oversight of reward strategy, executive pay and supporting the appraisal of the Chief Executive's performance.

Mr T S Ross - President, Ex Officio
Mrs D J England - Chair
Mr R Ancell
Dr A D Garrad CBE

Report of the Trustee for the year ended 31 December 2022 (continued)

Trustee induction and training

The Corporate Trustee is appointed in accordance with the provisions of the Scheme of St Monica Trust. The Directors of the Company are regarded for the internal governance purposes as being a Trustee of the Charity. On appointment each Trustee signs a Code of Conduct and attends induction meetings with other Trustees and Executives. Trustees are given a Scheme of Governance, which includes the Trustee Code of Conduct, the Charity Commission Scheme, a copy of the Risk Register, a copy of the Charity Commission leaflet CC3 and procedures on issues such as delegation of authority, recruitment, equal opportunities, investment, reserves and conflict of interest and other guidance. This information contains role descriptions of Trustees and senior executives. New Trustees meet with the President and Chief Executive and are invited to an induction tour of each of the Trust's locations. According to their skills and aptitude, they take responsibility for at least one area of activity by appointment to a sub-committee of the Council. Training needs are assessed and met.

Senior Staff Pay policy

The Trust recognises the importance of transparency and accountability in all aspects of our work and we are committed to open information. This includes transparency about our Executive Team's salaries and how they are set.

The Trustee considers the Council and sub-committees and the Chief Executive as comprising the key management personnel of the Charity in charge of directing and controlling the Charity and running and operating the Charity on a day-to-day basis. All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 28 to the accounts.

Trustees are required to disclose all relevant interests and register them with the Chief Executive and, in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises.

The pay of the Charity's Chief Executive is reviewed annually and normally increased in accordance with average earnings. The remuneration is bench-marked with charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Risk assessment

In the light of the Corporate Governance guidance contained within the Statement of Recommended Practice "Accounting and Reporting by Charities", the Council have examined the major risks faced by the Trust and (with the assistance of the Society of Merchant Venturers of Bristol) the endowment. They have developed systems to monitor and control these risks to mitigate the impact that they may have on the Trust in the future. Each Committee of the Council reviews aspects of the risks pertinent to that Committee. The Audit Committee is responsible for the overall review and update of the Risk Register at least once a year.

Report of the Trustee for the year ended 31 December 2022 (continued)

Financial risk management

The following statements summarise the Trust's policy in managing identified forms of financial risk:

- Price risk – the Trust negotiates contracts and fee rates to finance aspects of the Trust's activities and incorporates this information into its business plan. Salary costs are communicated to staff during the formal annual review of salaries. Prices of services and materials purchased are subject to contracts with suppliers, based on current market prices. The Trust is also able to respond to purchase price inflation by adjusting in most cases our fee income accordingly.
- Credit risk – credit risk on accounts owed to the Trust by its customers is low, as the majority of debtors are Local Authorities
- Liquidity risk – the Trust currently has borrowing facilities of £20.6m expiring in June 2027 (2021: £40.7m), £10.6m was drawn down as at 31 December 2022 (2021: £20.7m), of which £10.5m is long-term (2021: £0.7m).
- Interest rate cash flow risk – the Trust is able to place surplus funds in a short-term deposit account with its bankers. The Trust carries the risk of interest rate fluctuations on its £20m RCF. The magnitude of the size of the loan is considered insignificant.
- Investment market risk – the Trust invests in a diversified portfolio of investments and properties in order to spread the risk.

Going concern

The Trust's activities, together with the factors likely to affect its future development, performance and position are set out in this Report of the Trustee. The balance sheet on page 28 sets out the financial position of the Trust and its cash flows can be seen in the cash flow statement on page 27.

The Trust meets its day-to-day working capital requirements through a combination of cash generated by the sale of leasehold properties, investment income from the permanent endowment and Revolving Credit Facilities. The latter also funds any capital development expenditure.

The Trustees have reviewed financial forecasts for a period of 12 months and beyond from the date of signature of these financial statements. Key uncertainties are:

- The performance of the leasehold sales cycle.
- Occupancy within the Trust's care homes and retirement living properties.
- Cost inflation.
- Performance of its investments.

Having considered these uncertainties and other factors including the value of its endowment assets, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future notwithstanding its net current liability position. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Report of the Trustee for the year ended 31 December 2022 (continued)

Related parties and connected charities

Details of related parties and connected charities and transactions with them are disclosed in note 28 to the financial statements.

Reserves

The accounting policies on pages 29 to 35 describe the various funds of the Trust. Note 22 to the Financial Statements shows the assets and liabilities attributable to the various funds by type and summarises the year's movement on each fund.

At 31 December 2022, the value of unrestricted reserves was £32.4m (2021: £38.0m).

Post year end, as part of our 10-year Strategic Strategy, the adoption of a Total Return policy is proposed to be formally adopted at the June 2023 Council meeting. This will come into effect from 1 January 2023.

Grant-making policy – Residents' subsidies and support in the community

Applications for subsidies against full fees for residents and grants to support the community are monitored by Council Committees.

3. Objectives, Activities, Achievements and Performance

(a) Overview

The Trust continued to respond to the coronavirus pandemic in 2022, adjusting its infection prevention and control measures as government guidelines changed. A primary objective of the Trust continued to be our ongoing response to COVID-19 and protecting the health and well-being of our residents, colleagues and volunteers from the virus.

The Trust successfully completed a restructure of its care homes in July 2022. These changes were necessary to deliver consistency in the ways of working across all of the Trust's care homes, improve recruitment and attract new workers into the social care sector and have put our care homes on a sound footing for the future.

In 2022, the Trust embarked on the creation of a 10-year Strategy. Over 1,300 residents, family members, colleagues (staff and volunteers), members of the public and other organisations helped us to decide what we should focus on for the next decade and beyond. The Strategy was published in late 2022 and came into operation on 1 January 2023.

Report of the Trustee for the year ended 31 December 2022 (continued)

(b) The focus of our work

In 2022, a major focus of the Trust remained the protection of both its residents and staff as coronavirus continued to impact our communities.

The Trust's key actions included:

- Continued application of high levels of infection prevention and control measures that often exceeded government guidelines.
- Continual review of our COVID response through regular meetings of our COVID response team.
- Agile implementation and communication of government guideline changes across our services to residents and staff.

An important focus of our work in 2022 was the restructuring of our care homes. The Trust completed its care home restructure plan in July 2022 and delivered consistency in organisational structures, roles and ways of working. In particular, the restructure has:

- Enhanced residents' experience of living in our care homes.
- Created a consistent service across all four care homes.
- Provided better career opportunities and pathways for those in health and social care.
- Will assist our ambition to be a real living wage employer.

The Trust launched its new finance system in 2022 and embedded its use across our frontline and support services. This has greatly enhanced our ability to forecast expenditure and monitor budgets.

We created a 10-year Strategy for the period 2023-2033 which includes a detailed 3-year action plan. The creation of the strategy involved a widespread consultation with over 1,300 residents, family members, colleagues (staff and volunteers), members of the public and other organisations.

The Trust completed a series of comprehensive asset surveys by Alder King in Autumn 2022. These surveys helped us to identify all the key works that need to be done over the coming years including refurbishment and redecoration of all key facilities plus the renewal of some key asset components. The first stage of the John Wills House refurbishment was completed in 2022.

We achieved planning permission for the building of Block D at The Chocolate Quarter in 2022 and building will commence in 2023. Comprising 44 apartments (including 18 that will be affordable), this will complete The Chocolate Quarter development.

In addition, in 2022, we:

- Maintained our CQC regulatory compliance at 'good' or 'outstanding' in all our services.
- Conducted a review of our Marketing and Communications team.
- Re-established our volunteering service in the post-COVID era.

Report of the Trustee for the year ended 31 December 2022 (continued)

(c) The strategies we use to deliver our objectives

The objectives of St Monica Trust focus the work of the Charity on older people and adults with a physical disability or long-term illness. The purpose of the Charity is to create **‘communities where older people flourish’** and the strategies we use to meet such objectives include:

- Providing **retirement housing/sheltered housing accommodation** all of which is disability-friendly and capable of supporting individuals in wheelchairs.
- **‘Extra Care’ Housing** in partnership with Bristol City Council and North Somerset Council. Service users enjoy the comfort of living within their own home as an alternative to entry into a care home and are thus afforded greater choice and independence and the stimulation of a lively environment in which to live.
- **Domiciliary Care** – many people prefer to ‘stay put’ as their care needs increase. A 24-hour Domiciliary Care service is available within the Trust’s own retirement housing settings that enables individuals to maintain their independence within their own home.
- High quality **nursing and residential care** are key elements of the support provided by the Trust. In addition to long-term care, short-term places are available to give a carer a much-needed break, or for those recovering following an operation or period of hospitalisation, and as a ‘safe haven’ for those older people facing an emergency or breakdown in their normal care arrangements. Many elements of our short-term care are operated in partnership with the NHS and local authorities.

In recent years, caring for people living with **Alzheimer’s disease and other forms of dementia** has become a central feature of the services offered by the Trust. This highly specialist care is provided in safe and positive environments where activities and therapies are a regular part of daily life.

- **Charitable Impact** – The Charitable Impact directorate coordinates how the Trust utilises funds both internally and externally.

Inside our Villages, we provide Pastoral care and spiritual care for residents and staff across all sites and encourage a diverse and vibrant community with the support of our Village Engagement Coordinators.

The Team also works outside our villages to improve the well-being of older people living across the West of England. Whatever we are doing in the community, we work with local organisations and individuals to effect change.

Some of our work focuses on developing ongoing relationships with organisations, individuals, stakeholders and decision makers across the region in order to contribute to collectively improving the well-being of older people in the area.

Working across Bristol, Bath and Northeast Somerset, North Somerset and South Gloucestershire, we provide funding and support to organisations working with older people, finding ways to use our resources more effectively.

Report of the Trustee for the year ended 31 December 2022 (continued)

Through our Charitable Giving work, we provide individuals over 50 years old who have a long-term disability or illness gifts of essential items and/ or short-term grants to offer support through a crisis, which is paid at a level which will not affect benefits or tax credits.

The Trust continues to be a core member of the Bristol Older People's Funding Alliance, sharing community intelligence and adopting a more strategic approach to grant giving for older people, encouraging collaboration with the aim of maximising the funding available in the city.

• **Recruitment and retention of staff**

The St Monica Trust aims to recruit and retain a high calibre workforce in order to deliver the high quality of care that we have built our reputation upon.

Recruiting the 'right' people that share the Trust's values is equally as important as recruiting people with the right skills. We offer a competitive pay and benefits package and are continually reviewing ways of improving this. Our aspiration is to become a Real Living Wage employer and to increase the basic pay of all our staff. This will aid the continual challenge of recruitment felt by all in the social care sector.

In 2022, we embarked on a dedicated recruitment campaign in partnership with SBW advertising agency across digital media and video using a dedicated website landing page.

Another effective recruitment strategy we developed in 2022 was a series of rolling recruitment fairs at each of our sites, supported by local advertising, social media posts and leaflet drops.

We ensure employees are supported in the workplace using an annual performance management process that cascades organisational objectives and focuses on personal development at regular intervals during a 12-month period. We aspire to be a high-quality employer.

The Trust prides itself on its training and development provision for employees, employing an in-house team of skilled trainers that deliver tailored training both internally to St Monica Trust staff and externally to other care providers; and we are also an accredited assessment centre for health and social care qualifications. All colleagues must complete a comprehensive mandatory training programme upon appointment and undertake regular updates to stay up to date. Tailored training is provided upon request to teams to target specific areas of need.

Promoting the health and well-being of colleagues is not only seen as a positive staff retention initiative but also contributes to the quality of care provided to residents/customers in terms of promoting continuity of care through reduced absenteeism, and improved staff morale.

(d) Public benefit and maximising access to our services

The Trustee of St Monica Trust has referred to the Charity Commission's general guidance on public benefit when reviewing and planning the work of the Charity. The concern of the Trustees has been to ensure that the Trust, in servicing the needs of older people, has due regard to the particular needs of those individuals within the beneficiary group who require assistance.

Report of the Trustee for the year ended 31 December 2022 (continued)

Whilst all persons who receive support from our Charitable Giving team are individuals who can be regarded as in financial need, people who access our other services emanate from a range of socio-economic backgrounds. The legal and regulatory framework in relation to payment by the state for care remains firmly rooted in a system of means testing. For example, any individuals who have money or assets in excess of £23,250 will find themselves responsible for meeting the cost of living in a care home.

When approximately 75% of the population over 65 years own their own property, quite clearly the welfare state assumes financial responsibility for only a percentage of people who need care.

Thus, along with other voluntary organisations, the Trust engages with people in need of a service, some of whom can afford the fee and others who are unable to meet such costs. The traditions and the philosophy of the Trust, and indeed the guidance of the Charities Act 2011, ensure that the Trust makes provision for individuals who are unable to pay the fees for relevant services and thus are able to benefit and not be excluded from the Trust's services.

In 2022, the Trust helped 11,092 (2021: 18,172) people, of which 9,940 or 89.6% (2021: 16,916 or 93.1%) were afforded financial support by the Trust.

Of the total above, the Trust helped 1,509 individuals in 2022 (2021: 1,594) in its residential care services (care homes and retirement villages), of which 357 or 24% (2021: 24% or 338), were afforded financial support by the Trust. The small year-to-year reduction of individuals helped in our residential care services this year was primarily as a result of the closure for refurbishment of our short-term care unit at our Westbury Fields Village for part of the year. The Trust's Care at Home service assisted no individuals during 2022 in their own home (2021: 180) as a result of discontinuing this service during 2021.

The Trust also helped 418 individuals (2021: 424) in financial need through the Charitable Giving Team's Individual Giving scheme via 564 gifts (2021: 533) and short-term grant awards. In addition, a further 9,165 (2021: 16,916) people benefitted indirectly from the Trust's financial support for local, community-based organisations.

The St Monica Trust Charitable Impact Directorate aims to ease the financial pressure and improve the daily lives of older people, by helping them to buy the essential things they need or supporting them through a crisis. This is achieved through individual giving and organisational / community-based support.

Our Charitable Giving reached £775,447 in 2022 and we have been working to ensure that we can evidence the impact of our funds. This year we have been able to increase awareness of our charitable giving and grow our reputation as a funder. This was achieved through both internal and external channels, via an internal intranet plus new and updated web pages for the public and potential beneficiaries.

Report of the Trustee for the year ended 31 December 2022 (continued)

In 2022, the Charitable Impact team operated in the following manner:

Individual Giving

Requests received	757 gift and grant requests received (2021: 795) The winter months at both the beginning and end of the year saw a particularly high demand due to the energy and cost of living crises. These funds proved to be a much-needed source of support for those in dire need facing fuel poverty and deeply affected by the cost-of-living crisis. For the past 20 years, the Trust has been running its Individual Giving Fund in its current format. In 2022, a review of the eligibility criteria was undertaken, and trustees approved a number of updates to best meet the needs of those requiring support.
Gifts awarded	383 gifts awarded worth £142,798 (2021: £161,218)
Short-term grants	181 short-term grants were awarded during the year worth £78,760 (2021: £47,390).

Organisational Giving

Organisational Giving	In 2022, £553,889 in grants (2021: £472,701) was awarded to 101 organisations (73 of these were through the Trust's Jubilee Fund), reaching 9,165 older people (2021: 33 organisations; 16,154 older people). Although the number of older people reached is significantly lower than in 2021, we have made efforts to better monitor the impact of our funds. In 2022, the Trust worked with organisations to develop clear evidence of who benefits from Trust funding and what impact it has on them. We are now focusing our funding on projects that have more meaningful interactions with older people and have gradually moved away from supporting broader less individually impactful events. Key grants awarded in 2022 In April 2022, the Trust launched the Platinum Jubilee Fund – a small grants programme to enable communities to deliver local celebration events that were inclusive of older people. 96 applications were received, requesting a total of £37,216.79. £26,425.79 was provided through 73 grants to charities, organisations and small groups of neighbours, which enabled 4,183 older people to attend an event in their own community. Launching this fund helped raise the profile of the Trust as a funder of support for older people across the region. Due to the reach of the fund, the Trust became known to many more organisations and people in the community.

Report of the Trustee for the year ended 31 December 2022 (continued)

Organisational Giving (Continued.)	In October 2022, the Trust launched a digital inclusion fund. £187,742.87 was awarded to seven organisations through a competitive bidding process. Organisations receiving funds included ones focused on supporting people who face multiple barriers to digital inclusion such as visual and hearing impairments. To address the cost-of-living crisis, the Trust awarded its four local Age UKs and the Centre for Sustainable Energy grants which enabled them to provide immediate financial support to individuals they were working with who meet the Trust's criteria. The offer of this grant was gratefully received and was put to immediate use.

Charitable Impact Summary

People helped	At least 418 individuals were helped directly and many more were helped through the work of organisations funded. This included 9,165 individuals supported by SMT funding.
Total net giving	£775,477 (2021: £721,309)
Charitable Impact Directorate Team	£241,086 (2021: £245,000)
Total Cost	£1,016,563 (2021: £966,309)

Partnerships & Joint Working

St Monica Trust has strong relationships with other funders in the locality. In partnership with Quartet Community Foundation, we operate the North Somerset Older People's Community Grant scheme. These funds are targeted at organisations working with older people, where a small amount of money can make a significant difference. During 2022, this joint scheme gave funding to Clevedon Men's Shed (£2,500) to help rebuild their facility which was featured on the BBC and ITV local news programmes and in news articles in local printed publications. In addition, grants were made to the Friends of Grove Park (£5,000) and the Multicultural Friendship Association (£2,675).

The Trust continues to be a coordinating member of Bristol Older Peoples' Funding Alliance, encouraging collaboration and coordination of funding for older peoples' organisations in the city. Through this Alliance, we have continued to find new opportunities to support the sector.

In partnership with the Dolphin Society, the Trust supported the Information and Advice services of Age UK Bristol and Age UK South Gloucestershire with a contribution of £7,500 pa for three years. SMT is often trusted to manage the funds on behalf of other funders, as is the case here.

The Trust is a member of the Bristol Funders Network. Membership consists of SMT, Quartet, National Benevolent Society, National Lottery, John James and Bristol City Council. Through this successful partnership, opportunities to fund organisations are identified and processes established. Through this, the Trust provided funding to the Golden Oldies Charity (£3,750).

This collaborative way of working with other funders in the city has worked well and has developed positive relationships with the council and other providers of funds.

The objectives and achievements of the Endowment Trustee were as follows:

The objectives for the year:

- Agricultural property investments: To attain an average annual real (inflation adjusted) total return of at least 3% over the long term (measured over rolling 10-year periods).
- Financial investments: To attain an average annual real (inflation adjusted) total return of at least 3% over the long term (measured over rolling 10-year periods) and to outperform a composite benchmark measured over 3 year rolling periods.

The composite benchmark for allocation of financial investments is as follows:

%	Benchmark
17%	FTSE 350 High Yield Index
15%	Barclays Global Aggregate Bond Index (Hedged)
40%	MSCI World Index
15%	HFRI Fund of Funds Diversified Index
8%	MSCI Emerging Markets Index
5%	FTSE Hi-Yield Cash-Pay Capped Index

- Income: To provide the Trust with £6.54 million net unrestricted income for 2022.

Achievements for the year have been as follows:

Summary: The market value of St Monica Trust's investments managed by the Endowment Trustee was £319.5 million at 31 December 2022 which was in line with the market value of £319.9 million at 31 December 2021 (this includes the Commercial Property at Block C which has been treated as an investment property in both years). Given the volatility in financial investment markets during 2022 and the S282 funds distributed as cash, the Endowment Trustee believes the portfolio has performed well.

The year ended 31 December 2022 was a tumultuous year on almost every facet and financial markets were deeply affected. There was multi-digit record inflation and central banks responded with rapidly tightening monetary policy. Rising interest rates saw the correlation between bonds and equities turn positive, contributing to large declines across most asset classes. Funds flows diverted away from growth and momentum strategies, and yield curves flattened. During the year the Bank of England's Monetary Policy Committee increased the base rate from 0.25% to 3.50%.

Asset Allocation: The broad asset allocation at 31 December 2022 was:

Agricultural property	– 57%
Commercial property	– 2%
Financial investments	– 38%
Cash on deposit	– 3%

This accords with the broad target asset allocation of 60% property and 40% financial investments.

Report of the Trustee for the year ended 31 December 2022 (continued)

Agricultural Property Investments:

For the 10 years to 31 December 2022 the portfolio achieved its objective of attaining an average annual real (inflation adjusted) total return of at least 3%. Actual average annual performance was 9.4% per annum for the 10 years against the inflation + 3% benchmark of 5.7%.

Financial Investments:

A detailed financial investment strategy has been produced to provide the required income for the Trust's operations, both short and long term, and to ensure future capital growth. By using the advisory management of Cambridge Associates, the Endowment Trustee has been able to interview and select the best managers from a wide section of the investment market and so diversify the risk.

The composition of the portfolio was fairly stable in 2022 with the following transactions taking place:

- A partial redemption from Investec UK Special Situations.
- An addition in Heronbridge UK Equity.

For the 10 years to 31 December 2022 the portfolio achieved its objective of attaining an average annual real (inflation adjusted) total return of at least 3%. Actual average annual performance was 6.7% per annum for the 10 years against the inflation +3% benchmark of 5.7%.

For the 3 years to 31 December 2022 the portfolio returned 4.7% against the benchmark of 4.3%.

Income:

The Endowment Investments provided the Trust with £7.53m (2021: £6.63m) of net unrestricted funds in 2022 against a target of £6.54m, a surplus of £0.99m. Income is measured on a three-year rolling basis and for the three years to 31 December 2022 the Endowment Investments provided the Trust with £20.21m against the target of £19.54m, a surplus of £0.67m. The Endowment Trustee considers the portfolio is well diversified to respond to the needs of the Trust.

In addition to the endowment income provided, the Council asked the Endowment Trustee to continue to manage Block C.

Report of the Trustee for the year ended 31 December 2022 (continued)

4. Financial review

The Trust's financial position at the end of 2022 was strong, with unrestricted reserves of £32.4 million (2021: £38.0 million) and net assets of £331.4 million (2021: £332.1 million). Unrestricted funds include £14.4m (2021: £18.0 million) in an expendable endowment fund. This fund was created in 2020 from the permanent endowment following the approval by the Charity Commission of a resolution made by the Trustees under section 282 of the Charities Act. This resolution was made in direct response to the risks posed by the COVID-19 pandemic and the resulting transfer provides additional resource to the charity to effectively mitigate those risks and enable the Trust to further its planned objectives.

The Trust is reliant on the unrestricted income from the Permanent Endowment, which in 2022 was £7.53 million compared with the target for the year of £6.54 million (2021: £6.6 million compared to a target of £6.5 million).

Subsidiary company results

These statements include the trading activity for St Monica Trading Limited. The principal activity of the company is to undertake the commercial operations at the Trust's retirement village at Keynsham. The current activities include catering and leisure facilities offered to residents and members of the general public. The trading result for the year was a profit of £13k which will be used to support the Trust's charitable objectives.

These statements include the trading activity for Somerdale Pavilion Trust. The principal activity of the charitable company is to provide and maintain a pavilion, playing fields and other facilities for the use of the inhabitants of Keynsham and the surrounding areas. The trading result for the year was a profit of £115k.

5. Plans for future periods

The Trust will deliver the following objectives in 2023:

2023 will mark the start of our 10-year Strategy. The detailed plan for the first 3 years of the Strategy will help us get the basics right including:

- Upgrading and modernising our existing sites.
- Communicating better with our residents, colleagues, and other partners.
- Supporting and training our staff, managers, and volunteers.
- Focusing on environmental sustainability for future generations.

We will make sure that all our sites reflect our purpose for communities where older people flourish - where they are connected, able to contribute, and have choice to live as independently as possible.

We will organise in two distinct parts in the future, with equal emphasis on both. Our provider arm will focus on offering great retirement villages and care homes, starting with upgrading and modernising our current sites. In addition to external grant making, our charitable foundation will focus on innovation in services and workforce development, as well as continuing to support our residents where appropriate.

Report of the Trustee for the year ended 31 December 2022 (continued)

As part of our 10-year Strategy commitment to upgrading and modernising our existing sites, we will publish site specific plans for investment and infrastructure upgrades across our sites.

We will make changes to the structure and governance of the Trust in 2023 to ensure that we can deliver our 10-year Strategy.

In line with our founder's vision and as part of our Strategy, we want to help the many older people who have worked hard all their lives, yet may have few resources to maintain a comfortable retirement – the 'mid-market'. In 2023, we will commission research to enable us to design services for this segment of the market.

In 2023, we will commence a project to create a customer-focused hub in each of our villages. These will be places residents can go to access our village support services. As well as a physical location where all residents and visitors can meet, take refreshments, and obtain information and support, we want to create a 'one team' approach focused on hospitality and customer service. We will be working with the relevant teams to understand what is needed to create a village hub at each location and design a suitable service.

In 2023, we will introduce a new People system called Workday to replace iTrent. This is part of our commitment in the 10-year Strategy to getting the basics right and will give colleagues access to modern and effective systems for recruitment, absence recording, booking holiday, performance management and updating personal information. A second phase in 2024 will bring in new systems for payroll, time and attendance and rostering.

The building of Block D will commence at The Chocolate Quarter in 2023. Comprising 44 apartments (including 18 that will be affordable), this will complete The Chocolate Quarter Development.

We intend to get outline planning permission for the development of the DEFRA land at Westbury Fields by the end of 2023.

In addition, as part of our 10-year Strategic Strategy, we propose in 2023 to adopt a Total Return Policy and to set a distribution policy each year of 4% of the value of our endowment assets. The adoption of this policy will result in significant Unrealised Total Gain reserves being available for the benefit of the Trust going forward.

Disclosure of information to auditors

The Trustees who held office at the date of approval of this Report of the Trustee confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditors are unaware; and each Trustee has taken all the steps that he/ she ought to have taken as a Trustee to make himself/ herself aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

By order of the Board



Mr Timothy Ross
President of the Council

Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements

Under charity law, the trustee is responsible for preparing the Report of the Trustee and the financial statements in accordance with applicable law and regulations. The trustee is required to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustee:

- selects suitable accounting policies and then apply them consistently;
- makes judgements and estimates that are reasonable and prudent;
- states whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- states whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- assesses the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- uses the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The trustee is required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping accounting records which are sufficient to show and explain the charity's transactions and disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustee to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision.

They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Opinion

We have audited the group and charity financial statements of St Monica Trust ("the charity") for the year ended 31 December 2022 which comprise the consolidated and charity statements of financial activities, the consolidated cash flow statement, the consolidated and charity balance sheets and related notes, including the accounting policies on pages 29 to 35.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the charity's affairs as at 31 December 2022 and of the group's and charity's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 (or its predecessors) 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or to cease its operations, and as they have concluded that the group and charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the group's business model and analysed how those risks might affect the group and charity's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the group or the charity's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the group or the charity will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management as to the group's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Council, and audit committee meeting minutes.
- Using analytical procedures to identify any unusual or unexpected year on year movements.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included unusual accounts combinations.
- Substantive testing of residential and investment income and agreement to supporting evidence.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the charity is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including charities legislation) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, employment law, and certain aspects of charity legislation recognising the financial and regulated nature of the charity's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Independent auditor's report to the Trustee of St Monica Trust

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The trustees are responsible for the other information, which comprises the Report of the Trustee. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

Matters on which we are required to report by exception

Under the Charities Act 2011, we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 20, the trustees are responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and 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 they either intend to liquidate the group or the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Jonathan Brown
KPMG LLP, Statutory Auditor
for and on behalf of KPMG LLP, Statutory Auditor
66 Queen Square
Bristol
BS1 4BE

Date: 7 September 2023

Report of the Board and consolidated financial statements
Year ended 31 December 2022

Consolidated statement of financial activities (including an income & expenditure account)
for the year ended 31 December 2022

	Note	Unrestricted Funds	Designated fund	Other restricted funds	Expendable endowment funds	Permanent endowment funds	Total Funds 2022	Total Funds 2021
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income								
Income from charitable activities								
Residential care and support		33,710	-	-	-	-	33,710	33,019
Accommodation income		795	504	-	-	-	1,299	2,722
Generated funds								
Investment income	4	9,912	-	12	-	-	9,924	9,018
Total income		44,417	504	12	-	-	44,933	44,759
Expenditure								
Costs of raising funds								
Investment management charges	6a	(46)	-	-	-	(778)	(824)	(873)
Property operational costs	6b	(1,113)	-	-	-	-	(1,113)	(1,325)
Major repairs	6c	(25)	-	-	-	(173)	(198)	(1,008)
Total costs of generating funds	6	(1,184)	-	-	-	(951)	(2,135)	(3,206)
Charitable activities								
Costs in furtherance of the Trust's objects								
Residential care and support	7	(47,856)	-	(7)	-	(114)	(47,977)	(41,953)
Accommodation costs		(415)	-	-	-	-	(415)	(1,054)
Community support		(1,017)	-	-	-	-	(1,017)	(966)
Governance	8	(72)	-	-	-	-	(72)	(73)
Total charitable expenditure		(49,360)	-	(7)	-	(114)	(49,481)	(44,046)
Total expenditure		(50,544)	-	(7)	-	(1,065)	(51,616)	(47,252)
Net income/(expenditure) before investment gains/(losses)		(6,127)	504	5	-	(1,065)	(6,683)	(2,493)
Realised and unrealised gains on investments	14	-	-	(26)	-	3,819	3,793	28,822
Net income/(expenditure) for the year before transfers		(6,127)	504	(21)	-	2,754	(2,890)	26,329
Transfers between funds	9	3,263	290	-	(3,607)	54	-	-
Actuarial gain/(loss) on defined benefit pension	29	-	-	-	-	2,178	2,178	183
Net movement in funds		(2,864)	794	(21)	(3,607)	4,986	(712)	26,512
Total funds brought forward		13,180	6,853	414	18,013	293,635	332,095	305,583
Total funds carried forward	22	10,316	7,647	393	14,406	298,621	331,383	332,095

Incoming resources and resulting net movement in funds in each year arise from continuing operations. The group has no recognised gains or losses for the current or previous year other than those shown above.

Report of the Board and consolidated financial statements
Year ended 31 December 2022

Charity statement of financial activities
for the year ended 31 December 2022

	Note	Unrestricted Funds	Designated fund	Other restricted funds	Expendable endowment funds	Permanent endowment Funds	Total Funds 2022	Total Funds 2021
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income								
Income from charitable activities								
Residential care and support		32,253	-	-	-	-	32,253	32,101
Accommodation income		795	504	-	-	-	1,299	2,722
Generated funds								
Investment income	4	9,912	-	12	-	-	9,924	9,018
Total income		42,960	504	12	-	-	43,476	43,841
Expenditure								
Costs of raising funds								
Investment management charges	6a	(46)	-	-	-	(778)	(824)	(873)
Property operational costs	6b	(1,113)	-	-	-	-	(1,113)	(1,325)
Major repairs	6c	(25)	-	-	-	(173)	(198)	(1,008)
Total costs of generating funds	6	(1,184)	-	-	-	(951)	(2,135)	(3,206)
Charitable activities								
Costs in furtherance of the Trust's objects								
Residential care and support	7	(46,526)	-	(7)	-	(114)	(46,647)	(41,127)
Accommodation costs		(415)	-	-	-	-	(415)	(1,054)
Community support		(1,017)	-	-	-	-	(1,017)	(966)
Governance	8	(62)	-	-	-	-	(62)	(67)
Total charitable expenditure		(48,020)	-	(7)	-	(114)	(48,141)	(43,214)
Total expenditure		(49,204)	-	(7)	-	(1,065)	(50,276)	(46,420)
Net income/(expenditure) before investment gains/ (losses)		(6,244)	504	5	-	(1,065)	(6,800)	(2,579)
Realised and unrealised gains on investments	14	-	-	(26)	-	3,819	3,793	28,822
Net income/(expenditure) for the year before transfers		(6,244)	504	(21)	-	2,754	(3,007)	26,243
Transfers between funds	9	3,263	290	-	(3,607)	54	-	-
Actuarial gain/(loss) on defined benefit pension	29	-	-	-	-	2,178	2,178	183
Net movement in funds		(2,981)	794	(21)	(3,607)	4,986	(829)	26,426
Total funds brought forward		12,998	6,853	414	18,013	293,635	331,913	305,487
Total funds carried forward	22	10,017	7,647	393	14,406	298,621	331,084	331,913

Incoming resources and resulting net movement in funds in each year arise from continuing operations. The group has no recognised gains or losses for the current or previous year other than those shown above.

Report of the Board and consolidated financial statements
Year ended 31 December 2022

Consolidated cash flow statement for the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
Cash flows from operating activities			
Net (expenditure)/income		(712)	26,512
Dividends and Interest receivable		(3,120)	(2,505)
Depreciation of tangible assets		2,969	2,867
Profit on disposal of accommodation		(380)	(1,064)
Losses/(gains) on investment assets		(3,793)	(28,822)
Actuarial gains on pension scheme less contributions paid		(2,307)	(353)
Change in trade and other debtors		3,228	(2,283)
Change in stocks		(7)	(1)
Change in trade and other creditors		1,548	9,086
Net cash (used in)/from operating activities		(2,574)	3,437
Cash flows from investing activities			
Interest received		2	-
Dividend income received		3,118	2,505
Purchase of tangible fixed assets		(4,594)	(3,024)
Proceeds from sale of tangible fixed assets		795	2,120
Purchase of investments		(18,260)	(9,480)
Increase in fixed asset investment cash deposits		14,221	(14,675)
Proceeds from sale of investments		8,224	26,148
Net cash from investing activities		3,506	3,594
Cash flows from financing activities			
Repayment of bank loans		(10,118)	(4,122)
Loan drawdowns		-	-
Net cash used in financing activities	26	(10,118)	(4,122)
Movements in cash and cash equivalents in the reporting year		(9,186)	2,909
Cash at bank and in hand at beginning of year		12,707	9,798
Cash at bank and in hand at end of year	26	3,521	12,707

Report of the Board and consolidated financial statements
Year ended 31 December 2022

Consolidated and charity balance sheets at 31 December 2022

	Note	Group		Charity	
		2022 £'000	2021 £'000	2022	2021 £'000
Fixed assets					
Tangible assets	13	149,598	148,388	149,592	148,381
Investments	14	319,466	319,858	319,466	319,858
		<u>469,064</u>	<u>468,246</u>	<u>469,058</u>	<u>468,239</u>
Current assets					
Stocks	15	51	44	46	40
Debtors	16	10,116	13,344	10,010	13,228
Cash at bank and in hand		3,521	12,707	3,136	12,523
		<u>13,688</u>	<u>26,095</u>	<u>13,192</u>	<u>25,791</u>
Creditors: due within one year	17	(26,292)	(47,807)	(26,089)	(47,678)
Net current liabilities		<u>(12,604)</u>	<u>(21,712)</u>	<u>(12,897)</u>	<u>(21,887)</u>
Total assets less current liabilities		456,460	446,534	456,161	446,352
Creditors: due after more than one year	18	(118,856)	(105,911)	(118,856)	(105,911)
Net assets excluding pension liability		337,604	340,623	337,305	340,441
Pension liability	29	(6,221)	(8,528)	(6,221)	(8,528)
Net assets		<u>331,383</u>	<u>332,095</u>	<u>331,084</u>	<u>331,913</u>
Permanent endowment fund net of pension liability		298,621	293,635	298,621	293,635
Other restricted funds	19	393	414	393	414
Total restricted funds		<u>299,014</u>	<u>294,049</u>	<u>299,014</u>	<u>294,049</u>
Designated fund	20	7,647	6,853	7,647	6,853
Expendable endowment fund	21	14,406	18,013	14,406	18,013
Unrestricted fund		10,316	13,180	10,017	12,998
Total unrestricted funds		<u>32,369</u>	<u>38,046</u>	<u>32,070</u>	<u>37,864</u>
Total funds		<u>331,383</u>	<u>332,095</u>	<u>331,084</u>	<u>331,913</u>

These financial statements were approved by the Board on 21 June 2023 and were signed on its behalf by:



Mr Timothy Ross
President of the Council

Report of the Board and consolidated financial statements

Year ended 31 December 2022

Notes

(forming part of the financial statements)

Accounting policies

Basis of preparation

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

St Monica Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Notwithstanding the Trust's net current liabilities of £12.6m at the end of 2022, the Trustees have prepared the financial statements on a going concern basis which they consider is appropriate for the following reasons.

The Trustees have reviewed cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible on the operations and its financial resources, the group and charity will have sufficient funds to meet its liabilities as they fall due for that period.

As noted in the Report of the Trustee, this has included looking at plausible downside scenarios. In the event that a combination of any of these scenarios occurred affecting the operations of the Trust, £114.5 million of endowment assets as at the balance sheet date can be liquidated in less than one month. This amount would support the charity's normal operations for more than two years.

Consequently, the Trustees are confident that the group and charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on the going concern basis.

Basis of consolidation

These consolidated financial statements include the financial statements of St Monica Trust ("the charity") and St Monica Trading Limited and Somerdale Pavilion Trust ("the subsidiaries"). These financial statements consolidate the results of the charity and its wholly owned subsidiaries on a line-by-line basis.

The trading results of the subsidiaries are disclosed in notes 2 and 3 to these financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In applying the charity's accounting policies, the Trustee is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

The Trustees consider that besides the points listed below, there are no other critical judgements or sources of estimation uncertainty requiring disclosure.

Investment properties

The valuation of investment properties is a critical accounting judgement in respect of the application of the Trust's accounting policies. The method by which the Trustees have assessed the fair value of the investment properties at year end is described in detail in note 14. The valuations are based on company data, including current rental rates, occupancy, terms and conditions of leases and upon market related assumptions such as yield and discount rates. An element of 'hope value' is also included in the valuation of properties in line with accounting standards.

Leasehold Apartment Sales

The established method of accounting for leasehold apartment sales at the Trusts' established sites at Cote Lane, Westbury Fields, Monica Wills House and Sandford Station is that receipts are held as a liability until conclusion of the lease as detailed in the Lifetime Lease Accounting Policy Note. At The Chocolate Quarter, a lease is offered which provides the leaseholder with a choice between equity participation and fixed return. The accounting treatment of an equity participation lease is that the initial sale results in recognition of income and costs in the Statement of Financial Activities. The Trust has followed the general principle for income recognition in the Charities SORP and FRS 102.

Defined benefit pension scheme

The Trust has an obligation to pay pension benefits to certain employees and past employees. The cost of these benefits and the present value of the obligation depends on a number of factors, including life expectancy, salary increases, and the discount rate on corporate bonds. The principal assumptions made by the Trust can be found in note 29. Management estimates these factors in determining the net pension obligations in the balance sheet. The assumptions reflect historical experience and current trends.

Donations and legacies

Dividends and interest on capital and income fund investments are included as income in the financial statements on an accruals basis.

Voluntary income

This is credited to the appropriate fund in the year in which it is receivable.

Government grants

These are credited to the appropriate fund in the year in which they are receivable.

Residential care and support

Fees from residents and other service-user income is credited to the unrestricted fund on an accruals basis.

Notes (continued)

(forming part of the financial statements)

Accommodation Income

The Trust offers leases to tenants on a fixed repayment basis (ie the tenant will receive the price they paid on exit) on all its sites. In addition, at The Chocolate Quarter, it also offers an equity participation basis (ie the exit amount is driven by the market). Where the lessee opts for a fixed repayment, the proceeds are recognised as a liability in accordance with the lifetime leases accounting policy described on page 32. However, where the lessee opts for the equity participation arrangement, the Trust is under no obligation to repurchase the apartment until the property has been sold on to a new tenant.

Therefore, the proceeds from the initial sale of a property under an equity participation lease are recognised as income in the statement of comprehensive income, with a corresponding cost of sale recognised in accommodation costs.

Under both the fixed repayment and equity participation arrangements at The Chocolate Quarter, the Trust becomes entitled to a surrender fee, payable at the end of the lease, which is accrued annually over the life of the lease. This is recognised within accommodation income in the statement of financial activities (SoFA) as it is earned.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs are allocated or apportioned to one of the functional categories of resources expended in the statement of financial activities.

- (a) Costs of generating funds relate to those costs incurred in the management of the fixed asset investments.
- (b) Costs in furtherance of the Trust's objects relate to those costs incurred in running and supporting the objects of the Trust.

Support costs

Support costs are apportioned to categories of expenditure, and only governance costs are separately disclosed.

Grants payable

Grants are awarded from the Community Fund and a detailed analysis and explanation of grants awarded has been provided in the Report of the Trustee.

Irrecoverable VAT

Any irrecoverable VAT is charged to the statement of financial activities or capitalised as part of the cost of the related asset, where appropriate.

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Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Tangible fixed assets

All expenditure on the acquisition, enhancement, production or installation of fixed assets for use by the Trust and all receipts of such assets by way of gift are capitalised and included in the balance sheet at cost. The freehold land and property is included in fixed assets at cost. Assets with a value below £1,000 are not capitalised.

Tangible fixed assets include apartments which may be disposed of within 12 months through an equity participation lease (see accommodation income accounting policy above).

Capitalisation of finance costs

All finance costs in respect of the bank loan obtained for the Keynsham, Westbury-on-Trym, Bedminster and Sandford developments up to the point when these developments commenced normal operations are capitalised within tangible fixed assets and are being amortised over the life of the asset to which they relate.

Depreciation

Depreciation is provided with the intention of writing off the costs of tangible fixed assets (to residual values) over their useful lives. The provision is calculated using the straight-line method at the following rates:

Assets in the course of construction	Nil
Freehold buildings	2%
Special building assets	14%
Furniture and equipment	12.5% to 33.3%
Motor vehicles	25%

Impairment reviews

Impairment reviews are carried out annually which includes consideration of current selling price of properties against the carrying value of each asset.

Lifetime leases

The Trust provides a lifetime leasehold purchase scheme for up to 351 properties across four of its sites in which the lease operates for the duration of the purchaser's occupation of the property and then reverts to the Trust on their departure. The cash received under this scheme is returned to the lease holder or their estate when the lease is determined. The Trust, therefore, always has a liability to repay the full value of the lease proceeds, which is reflected in the balance sheet as amounts due to lifetime leasehold tenants. When a lease is determined, the Trust will sell the lease on to another

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Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

purchaser under the same lifetime lease arrangement, thus restoring the funding and the liability to repay the value of the lease when, in turn, it is determined.

In addition, the Trust has a further 136 leasehold properties at its site in Keynsham. The lessee has an option at this site to have a fixed repayment lease with the liability recognised as described in the above policy. However, where the lessee opts for an Equity Participation arrangement the accounting policy is as described in the Accommodation Income note on page 31.

Investments

Both current and fixed asset investments are stated at mid-market value at the balance sheet date. This is not in accordance with FRS 102 which recommends bid value but is consistent with the entity's performance management process. Using bid values would lead to a reduction in the valuation of these listed investments of an amount which is considered by the Trustee to be immaterial.

All recognised gains and losses on investments are shown separately in the statement of financial activities. The investments in the subsidiary undertakings are stated at cost.

Investment properties

Investment properties are included in the balance sheet at their open market value on an existing use basis. The valuation is determined on the basis of professional advice and includes an element of hope value in line with accounting standards. In accordance with FRS 102, investment properties are revalued annually and the aggregate surplus or deficit is included as an unrealised gain or loss within the permanent endowment fund. No depreciation or amortisation is provided in respect of freehold investment properties.

Stocks

Stocks consist of catering supplies and have been valued at the lower of cost and net realisable value.

Leased assets

Rentals in respect of operating leases are charged directly to the statement of financial activities on a straight-line basis over the lease term.

Pension costs

The employees of the Trust are eligible to join a group personal pension plan with Aviva or with the National Employment Savings Trust (NEST). The Trust's pension contributions for current employees are charged to the statement of financial activities in the year in which the obligation to make contributions arises.

The Trust pays certain discretionary pensions, which are not funded under a closed defined benefit scheme. The pension liability in respect of this obligation is recognised in the balance sheet based on annual actuarial valuations. Actuarial gains or losses are included in the statement of financial activities.

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Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

Further details in respect of unfunded pension liabilities are contained in note 29. The Trustees have confirmed with the Charity Commission that the pension liability may be treated as a deduction from the Permanent Endowment Fund, and, as a result, the Permanent Endowment Fund in the “Funds” section of the balance sheet is shown net of the estimated pension liability.

Basic financial instruments

(a) Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example, if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

(b) Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

(c) Fixed asset investments

Investments 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.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the charity's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Permanent endowment fund

The permanent endowment fund incorporates the original endowment together with surpluses arising from disposals of investments, that element of gravel royalties which represents the depletion of the site and, by orders of the Charity Commission, the recoupment from income by annual contributions, over 25 years or 30 years, of capital expenditure made on real estate improvements and leasehold property.

Expendable endowment fund

On 16 November 2020, the Charity Commission approved a resolution made by the Trustees to redesignate £20 million of the permanent endowment for use by the Trust in furtherance of its objectives and as if it were income. The result was that £20 million was transferred from permanent

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Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

endowment funds into an unrestricted expendable endowment fund. As expenditure is incurred, balances will be transferred from the expendable endowment fund into the unrestricted fund.

Restricted funds

These are other funds for which the donor has specifically restricted the purpose for which they can be used. The amounts in the funds represent the monies remaining for future expenditure. There are two restricted funds which are held by the Trust and explained in more detail below:

(a) Residents' legacy fund

These are funds donated by residents, which have restricted purposes for which they can be applied.

(b) Community support fund

These are funds donated by beneficiaries of the Trust's community support services, which have restricted purposes for which they can be applied.

Unrestricted fund

Operating income together with income arising from permanent endowment and unrestricted fund investments is credited to the unrestricted fund. The Charity Commission Scheme permits the fund to be applied towards contributions to the management expenses, the expenses related to running the operational activities, establishing a reserve fund and paying annuities and gifts. Any balance remaining may be accumulated for endowment purposes, but in practice is currently retained as unrestricted funds as explained in the reserves policy in The Report of the Trustee.

Designated fund

A designated fund exists to hold a proportion of the community fee and exit fees for the Equity Participation and Fixed Repayment leasehold options as detailed in the Accommodation Income accounting policy. These funds are set aside for future maintenance costs.

Subsidiaries

Details of subsidiary undertakings owned by the charity are disclosed in notes 2 and 3.

Financial activities of the charity

The financial activities shown in the consolidated statement includes those of the charity's wholly owned subsidiaries, St Monica Trading Limited and Somerdale Pavilion Trust.

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Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

2 Trading subsidiary's results (St Monica Trading Limited)

	2022	2021
	Total	Total
	£'000	£'000
Turnover	476	301
Cost of sales	(175)	(98)
Gross profit	301	203
Administration and other costs	(288)	(193)
Trading profit	13	10
Other income	-	-
Net income	13	10
Management charge from St Monica Trust	-	-
Tax on profit	-	-
Retained profit for the year		
Retained profit	13	10
Retained profit carried forward	13	10

Gift aid distributions totalling £12,861 (2021: £10,261) will be made post year end in relation to the current year.

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Notes (continued)

(forming part of the financial statements)

The assets and liabilities of the subsidiary were:

	2022 Total £'000	2021 Total £'000
Fixed assets	-	-
Current assets	13	14
Creditors: amounts falling due within one year	-	(4)
Provisions for liabilities and charges		
Net assets	13	10
Profit and loss reserve	13	10
Equity shareholders' funds	13	10

Statement of changes in equity

	Share Capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2021	1	14,890	14,891
Year ended 31 December 2021			
Profit and total comprehensive income for the year	-	10,261	10,261
Distributions to parent charity under gift aid	-	(14,890)	(14,890)
Balance at 31 December 2021	1	10,261	10,262
Year ended 31 December 2022			
Profit and total comprehensive income for the year	-	12,862	12,862
Distributions to parent charity under gift aid	-	(10,261)	(10,261)
Balance at 31 December 2022	1	12,862	12,863

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Notes (continued)

(forming part of the financial statements)

3 Trading subsidiary's results (Somerdale Pavilion Trust)

	2022	2021
	Total	Total
	£'000	£'000
Income		
Grant income	34	81
Charitable activities	330	314
Other trading activities	616	300
	980	695
Expenditure		
Charitable activities	(750)	(572)
Other	(116)	(32)
	(866)	(604)
Net income	114	91
Net movement in funds	114	91
Total funds brought forward	172	81
Total funds carried forward	286	172

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Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

The assets and liabilities of the subsidiary were:

	2022 Total £'000	2021 Total £'000
Fixed assets	6	7
Current assets	831	301
Creditors: amounts falling due within one year	(551)	(136)
Net assets	286	172
Total restricted funds	-	-
Total unrestricted funds	286	172
Total funds	286	172

4 Investment income

Group and charity	2022 £'000	2021 £'000
(a) Unrestricted fund		
Commercial investment properties	2,340	2,262
Agricultural investment properties	4,465	4,251
Listed and other investments	3,106	2,458
Interest on cash deposits	1	-
Other investments	-	41
	9,912	9,012
(b) Restricted funds		
Distributions from CCLA Investment Management Limited	12	6
	9,924	9,018

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Notes (continued)

(forming part of the financial statements)

5 Analysis of total resources expended

Group

	Staff costs	Depreciation	Other costs	2022	2021
	£'000	£'000	£'000	£'000	£'000
Costs of generating funds					
(note 6)	-	-	2,135	2,135	3,206
Charitable expenditure					
Residential care and support (note 7)	31,751	2,969	13,257	47,977	41,953
Accommodation costs	-	-	415	415	1,054
Community support	241	-	776	1,017	966
Governance costs (note 8)	-	-	72	72	73
	31,992	2,969	14,520	49,481	44,046
	31,992	2,969	16,655	51,616	47,252

All support costs have been allocated to one charitable activity (Residential care and support).

Charity

	Staff costs	Depreciation	Other costs	2022	2021
	£'000	£'000	£'000	£'000	£'000
Costs of generating funds					
(note 6)	-	-	2,135	2,135	3,206
Charitable expenditure					
Residential care and support (note 7)	31,153	2,968	12,526	46,647	41,127
Accommodation costs	-	-	415	415	1,054
Community support	241	-	776	1,017	966
Governance costs (note 8)	-	-	62	62	67
	31,394	2,968	13,779	48,141	43,214
	31,394	2,968	15,924	50,276	46,420

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Notes (continued)

(forming part of the financial statements)

6 Costs of generating funds

Group and charity

	2022	2021
	£'000	£'000
(a) Investment management charges		
Society of Merchant Venturers of Bristol – reallocation of salaries, overheads and general advisory	255	253
Investment manager fees	192	202
Agricultural estate management	331	374
Commercial properties management	46	44
	824	873
(b) Property operational costs		
Agricultural estates	541	607
Commercial properties	572	718
	1,113	1,325
(c) Major repairs & other costs		
Agricultural estates	198	1,008
Total costs of generating funds	2,135	3,206

7 Residential care and support

Group

	2022	2021
	£'000	£'000
Staff costs	31,751	29,783
Residential services	743	675
Site services	2,946	1,781
Provisions and catering	1,288	1,071
Insurance	647	445
Property and equipment (including depreciation)	6,323	5,363
Miscellaneous	1,644	887
Expendable Endowment (excluding pay costs)	-	180
Management and administration	2,635	1,768
	47,977	41,953

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Notes (continued)

(forming part of the financial statements)

Charity

	2022	2021
	£'000	£'000
Staff costs	31,153	29,465
Residential services	743	643
Site services	2,741	1,710
Provisions and catering	997	1,039
Insurance	647	445
Property and equipment (including depreciation)	6,162	5,289
Miscellaneous	1,612	639
Expendable Endowment (excluding pay)	-	180
Management and administration	2,592	1,717
	46,647	41,127

8 Governance costs

	2022	2021
	£'000	£'000
Group		
Auditor's remuneration (including irrecoverable VAT)		
- for audit	53	48
- other professional services	19	25
Trustee expenses	-	-
	72	73
Charity		
Auditor's remuneration (including irrecoverable VAT)		
- for audit	43	42
- other professional services	19	25
Trustee expenses	-	-
	62	67

Neither the Council, nor persons connected with them, received any remuneration or other benefits from the Trust during the current or previous year. Reimbursement of expenses amounted to £nil during the year (2021: £nil).

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Notes (continued)

(forming part of the financial statements)

9 Transfers

Group and charity	Unrestricted fund	Designated fund	Other restricted funds	Expendable Endowment funds	Permanent endowment funds
	£'000	£'000	£'000	£'000	£'000
Service Charge Transfer (A)	(344)	290	-	-	54
Expendable endowment (B)	3,607	-	-	(3,607)	-
Total Transfers	3,263	290	-	(3,607)	54

(A) During the year, £344,000 (2021: £344,000) has been transferred out of the unrestricted fund. This consists of two elements. Firstly, the transfer £290,000 (2021: £290,000) of funds into the designated fund which represents a proportion of service charges received from residents for future maintenance costs on the Westbury-on-Trym, Cote Lane, Sandford and Bedminster sites. Secondly, a transfer of £54,000 (2021: £54,000) was made into the permanent endowment fund in respect of recoupment orders in respect of the use of Endowment capital cash to develop operational assets.

(B) During the year, £3,607,000 (2021: £1,987,000) has been transferred from the expendable endowment fund into the unrestricted funds.

10 Staff numbers and costs

The average headcount in the year for the group was 1,301 (2021: 1,578). The full time equivalent average number of persons employed by the group during the year, including directors, analysed by category, was as follows:

	2022	2021
	No	No
Residential care and support	694	780
Community support	4	4
Management of the Trust	23	24
	721	808

The aggregate payroll costs were as follows:

	2022	2021
	Total	Total
	£'000	£'000
Wages and salaries	23,967	25,249
Social security costs	2,012	1,784
Pensions	941	921
Agency staff costs	5,072	2,074
	31,992	30,028

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Notes (continued)

(forming part of the financial statements)

During the current and previous year, the Trustees were not paid any remuneration or reimbursed for expenses, and no Trustees made donations to the charity.

Key management remuneration in total for the year was £963,827 (8 people) compared to 2021 £943,096 (7 people).

The number of employees whose emoluments, excluding pension contributions, were in excess of £60,000 per annum fell within the following bands:

	2022 Number	2021 Number
£60,001 to £70,000	8	7
£70,001 to £80,000	5	1
£80,001 to £90,000	2	2
£90,001 to £100,000	3	3
£100,001 to £110,000	1	-
£110,001 to £120,000	-	-
£120,001 to £130,000	-	1
£130,001 to £140,000	1	1
£140,001 to £150,000	1	1
£150,001 to £160,000	-	-
£160,001 to £170,000	-	-
£170,001 to £180,000	-	-
£180,001 to £190,000	-	-
£190,001 to £200,000	-	-
£200,001 to £210,000	-	1
£210,001 to £220,000	1	-

These members of staff have pension benefits accruing under the group personal pension plan.

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Notes (continued)

(forming part of the financial statements)

I I Net movement on funds is stated after charging

	2022	2021
	£'000	£'000
Auditors' remuneration – Charity (excluding VAT)	36	31
Auditors' remuneration – Subsidiaries (excluding VAT)	9	9
Auditors' remuneration – for other professional services	8	25
Depreciation and other amounts written off tangible fixed assets	2,969	2,867
Inventories recognised as an expense	1,287	1,064

I2 Taxation

The charity is not liable to taxation on the net income from its primary activity. Stated below are the tax details of the subsidiary St Monica Trading Limited:

	2022	2021
	£'000	£'000
Current tax		
UK corporation tax on results of the year	-	-
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>

Factors affecting the tax charge for the current period

The tax assessed for the period differs from the standard rate of corporation tax in the UK (19%), (2021: 19%). The differences are explained below:

	2022	2021
	£'000	£'000
<i>Current tax reconciliation</i>		
Profit before tax (of trading subsidiary only)	<u>13</u>	<u>10</u>
Current tax at 19%	2	2
<i>Effects of:</i>		
Gift Aid payments	(2)	(2)
Total current tax charge (see above)	<u>-</u>	<u>-</u>

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Notes (continued)

(forming part of the financial statements)

13 Tangible fixed assets

Group	Assets in the course of construction £'000	Freehold land and buildings £'000	Furniture and equipment £'000	Motor vehicles £'000	Total £'000
<i>Cost</i>					
At beginning of year	3,064	153,954	22,014	408	179,440
Transfers	(2,508)	2,076	432	-	-
Additions	587	3,686	294	27	4,594
Disposals in the year	-	(411)	(29)	-	(440)
At end of year	<u>1,143</u>	<u>159,305</u>	<u>22,711</u>	<u>435</u>	<u>183,594</u>
<i>Depreciation</i>					
At beginning of year	-	15,107	15,611	334	31,052
Charge for year	-	1,142	1,797	30	2,969
Depreciation on disposals	-	(8)	(17)	-	(25)
At end of year	<u>-</u>	<u>16,241</u>	<u>17,391</u>	<u>364</u>	<u>33,996</u>
<i>Net book value</i>					
At 31 December 2022	<u>1,143</u>	<u>143,064</u>	<u>5,320</u>	<u>71</u>	<u>149,598</u>
At 31 December 2021	<u>3,064</u>	<u>138,847</u>	<u>6,403</u>	<u>74</u>	<u>148,388</u>

The above schedule includes finance costs of £3,896,000 (2021: £3,896,000) relating to loan interest and charges incurred for financing the Chocolate Quarter, Monica Wills House, the sheltered flats and the Garden House Annexe at Cote Lane, and the Sandford developments.

Land costing £27,025,000 (2021: £27,025,000) is not depreciated.

The Trustee's review of the fixed assets has concluded that their value is not impaired.

Report of the Board and consolidated financial statements
Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

	Assets in the course of construction £'000	Freehold land and buildings £'000	Furniture and equipment £'000	Motor vehicles £'000	Total £'000
Charity					
<i>Cost</i>					
At beginning of year	3,064	153,954	22,002	408	179,428
Transfers	(2,508)	2,076	432	-	-
Additions	587	3,686	294	27	4,594
Disposals in the year	-	(411)	(29)	-	(440)
At end of year	<u>1,143</u>	<u>159,305</u>	<u>22,699</u>	<u>435</u>	<u>183,582</u>
<i>Depreciation</i>					
At beginning of year	-	15,107	15,606	334	31,047
Charge for year	-	1,142	1,796	30	2,968
Depreciation on disposals	-	(8)	(17)	-	(25)
At end of year	<u>-</u>	<u>16,241</u>	<u>17,385</u>	<u>364</u>	<u>33,990</u>
<i>Net book value</i>					
At 31 December 2022	<u>1,143</u>	<u>143,064</u>	<u>5,314</u>	<u>71</u>	<u>149,592</u>
At 31 December 2021	<u>3,064</u>	<u>138,847</u>	<u>6,396</u>	<u>74</u>	<u>148,381</u>

Report of the Board and consolidated financial statements
Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

I4 Fixed asset investments

Group

	Investment Properties £'000	Financial securities £'000	Cash on deposit £'000	Other investments* £'000	Total £'000
Cost					
At beginning of year	54,937	94,913	22,469	224	172,543
Additions	32	18,228	-	-	18,260
Disposals	(12)	(7,604)	(14,221)	-	(21,837)
At end of year	54,957	105,537	8,248	224	168,966
Revaluation – unrealised gains					
At beginning of year	122,733	24,427	-	155	147,315
Disposals	(58)	(527)	-	-	(585)
Net gains arising on revaluation	9,875	(6,080)	-	(25)	3,770
At end of year	132,550	17,820	-	130	150,500
Net book value At 31 December 2022	187,507	123,357	8,248	354	319,466
At 31 December 2021	177,670	119,340	22,469	379	319,858

There were total realised and unrealised gains during the year of £3,793,000 (2021: £28,822,000).

* Other investments consist of income unit investments with in CCLA Investment Management Limited.

Report of the Board and consolidated financial statements
Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

Investments with a market value of greater than 5% of total quoted securities at 31 December 2022 and 2021:

Investment	Portfolio 2022	Portfolio 2021
Artemis Equity Income Fund	-	-
Brummer Multi-Strategy 2 XL Fund	-	5.3%
NinetyOne (formerly Investec UK Special Situations Fund)	5.8%	5.5%
Newton Global Higher Income Fund	7.4%	7.3%
JO Hambro Global Select Equity Fund	6.0%	8.1%
KBI Institutional Developed Equity Fund	6.9%	9.5%
Trojan Income Fund	-	5.4%
Kiltearn Global Equity Fund	7.9%	7.6%
		-

The total cumulative surplus/(deficit) on revaluing investment properties is as follows:

	2022	2021
	£'000	£'000
Commercial property (note (a) & (c))	1,281	1,281
Agricultural property (note (b))	131,269	121,452
	132,550	122,733

- (a) The commercial property within the permanent endowment fund was valued as at 31 December 2021 by CBRE Limited in accordance with the latest version of the RICS Valuation – Global Standards (incorporating the International Valuation Standards) and the UK national supplement (the ‘Red Book’) current as the Valuation Date.
- (b) The agricultural property has been valued at 31 December 2022 by Savills (UK) Limited in accordance with the RICS Valuation – Global Standards (incorporating the IVSC International Valuation Standards) effective from 31 January 2020 with a special assumption to disregard development hope value and not accrue any value for a potential change of use of any part of the portfolio unless a planning permission has been obtained. Development hope value has then been assessed separately and included in the asset valuation at 31 December 2022.
- (c) Block C at The Chocolate Quarter was valued at 31 December 2021 by Alder King LLP in accordance with the RICS Valuation – Global Standards (Red Book) effective 31 January 2020 – incorporating the International Valuation Standards, UK VPGA 1 of the Red Book UK national supplement and FRS102 ‘The Financial Reporting Standard’ applicable to the United Kingdom and Republic of Ireland.

Report of the Board and consolidated financial statements
Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

Charity

	Subsidiary undertakings £'000	Investment Properties £'000	Financial securities £'000	Cash on deposit £'000	Other investments* £'000	Total £'000
Cost						
At beginning of year	-	54,937	94,913	22,469	224	172,543
Transfer from Fixed Assets	-	-	-	-	-	-
Additions	-	32	18,228	-	-	18,260
Disposals	-	(12)	(7,604)	(14,221)	-	(21,837)
At end of year	-	54,957	105,537	8,248	224	168,966
Revaluation – unrealised gains						
At beginning of year	-	122,733	24,427	-	155	147,315
Disposals	-	(58)	(527)	-	-	(585)
Net gains arising on revaluation	-	9,875	(6,080)	-	(25)	3,770
At end of year	-	132,550	17,820	-	130	150,500
Net book value						
At 31 December 2022	-	187,507	123,357	8,248	354	319,466
At 31 December 2021	-	177,670	119,340	22,469	379	319,858

The charity owns 100% of the issued share capital of St Monica Trading Limited (company registration number: 11070522), a company incorporated in England and Wales. The total share capital is £1 – too small to show in the rounded figures above. The principal activities of this company are conducting the commercial operations undertaken at St Monica Trust's retirement village at Keynsham.

* Other investments are Hercules Unit Trust income units, investments in CCLA Investment Management Limited.

15 Stocks

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Sundry stocks	51	44	46	44

Stock relates to catering purchases in the SoFA of £1,286,954. (2021: £1,064,000)

Report of the Board and consolidated financial statements
Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

16 Debtors

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Trade debtors	3,376	8,285	3,376	2,865
Prepayments and accrued income	6,034	4,409	5,963	534
Other debtors	706	650	671	9,819
Amounts owed by group undertakings	-	-	-	10
	10,116	13,344	10,010	13,228

Trade debtors in 2022 were £nil in respect of property disposals (2021: £5,492,000).

17 Creditors: amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Trade creditors	2,296	1,221	2,256	1,219
Bank loan	111	20,117	111	20,117
Amounts due to lifetime leasehold tenants	16,568	16,015	16,568	16,015
Other creditors	2,561	2,754	2,460	2,733
Tax and Social Security	521	4,159	521	4,159
Accruals and deferred income	4,235	3,541	4,155	3,351
Amounts owed to group undertakings	-	-	18	84
	26,292	47,807	26,089	47,678

Accruals and deferred income includes accruals of £2,713,000 (2021: £1,606,000) and deferred income comprising £1,492,000 (2021: £1,935,000).

Deferred income comprises care home fees of £1,492,849 (2021: £848,824), sheltered housing rent and service charges of £650,471 (2021: £471,200), commercial rents of £480,601 (2021: £460,309) and other of £118,859 (2021: £154,770).

Report of the Board and consolidated financial statements
Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Deferred income brought forward	1,935	2,386	1,861	2,319
Recognised in the year	2,743	1,935	2,663	1,861
Released to the SoFA in the year	(1,935)	(2,386)	(1,861)	(2,319)
Deferred income carried forward	2,743	1,935	2,663	1,861

18 Creditors: amounts falling due after more than one year

	Group		Charity	
	2022	2021	2021	2021
	£'000	£'000	£'000	£'000
Bank loan	10,505	617	10,505	617
Amounts due to lifetime leasehold tenants	108,351	105,294	108,351	105,294
	118,856	105,911	118,856	105,911
Age analysis of bank loan				
Due within one year	111	20,117	111	20,117
Between two and five	10,505	617	10,505	617
After five years	-	-	-	-
	10,616	20,734	10,616	20,734

The Trust's bank loans have been arranged with no security having been provided by the Trust to the lender.

Bank loans consist of:

- A 5-year Revolving Credit Facility (RCF) with Natwest bank of £20,000,000 that was put into place on 21 June 2022. The interest rate is 1.25% above SONIA. The amount drawn down at the year-end was £10,000,000.
- John Wills Annex loan of £616,022 with Natwest Bank which is due for repayment by January 2028. The interest rate is 0.65% above bank base rates.

A Natwest term loan of £20,000,000 was repaid on 21 June 2022.

The amounts due to lifetime leasehold tenants relates to amounts paid by the residents for their leases, which is repayable when the properties are vacated.

Report of the Board and consolidated financial statements
Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

19 Other restricted funds – Group and charity

	At 1 January 2022	Incoming resources	Outgoing resources	Gains on investments	At 31 December 2022
	£'000	£'000	£'000	£'000	£'000
Residents' legacy fund	213	6	(4)	(11)	204
Community support fund	201	6	(4)	(14)	189
	414	12	(8)	(25)	393

20 Designated fund – Group and charity

A designated fund has been set up for future maintenance costs on the Westbury-on-Trym, Cote Lane, Sandford and Bedminster sites. Transfers from the unrestricted fund have been made in line with the expected costs, and represent service charges received from residents and in respect of The Chocolate Quarter site surrender fees received and accrued.

	Total £'000
At 1 January 2022	6,853
Transfer from the unrestricted fund	290
Surrender Fees	504
At 31 December 2022	7,647

21 Expendable endowment fund – Group and charity

In 2020, the Charity Commission approved a resolution made by the Trustees to redesignate £20 million of the permanent endowment for use by the Trust in furtherance of its objectives and as if it were income. The result was that £20 million was transferred from permanent endowment funds into an unrestricted expendable endowment fund. As expenditure is incurred, balances will be transferred from the expendable endowment fund into the unrestricted fund.

	Total £'000
At 1 January 2022	18,013
Transfer from the unrestricted fund	(3,607)
At 31 December 2022	14,406

Report of the Board and consolidated financial statements
Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

22 Analysis of funds

Group

	Unrestricted fund	Designated fund	Restricted fund	Expendable endowment	Permanent endowment fund	Total
Movement in funds	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January 2022	13,180	6,853	414	18,013	293,635	332,095
Net incoming/(outgoing) resources	(6,127)	504	5	-	(1,065)	(6,683)
Transfers between funds	3,263	290	-	(3,607)	54	-
Gains on investment assets	-	-	(26)	-	3,819	3,793
Actuarial loss on pension liability	-	-	-	-	2,178	2,178
At 31 December 2022	10,316	7,647	393	14,406	298,621	331,383
Representation of fund balances	£'000	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	123,730	-	-	-	25,868	149,598
Investments	22,845	-	354	13,500	282,767	319,466
Cash and bank balances	3,521	-	-	-	-	3,521
Other current assets and liabilities	(20,924)	7,647	39	906	(3,793)	(16,125)
Long term creditors	(118,856)	-	-	-	-	(118,856)
Pension liability	-	-	-	-	(6,221)	(6,221)
At 31 December 2022	10,316	7,647	393	14,406	298,621	331,383
Unrealised and realised investment asset gains / (losses) included above		-	(26)	-	3,819	3,793

Report of the Board and consolidated financial statements
Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

Charity

	Unrestricted fund	Designated fund	Restricted fund	Expendable endowment fund	Permanent endowment fund	Total
Movement in funds	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January 2022	12,998	6,853	414	18,013	293,635	331,913
Net incoming/(outgoing) resources	(6,244)	504	5	-	(1,065)	(6,800)
Transfers between funds	3,263	290	-	(3,607)	54	-
Gains on investment assets	-	-	(26)	-	3,819	3,793
Actuarial gain on pension liability	-	-	-	-	2,178	2,178
At 31 December 2022	10,017	7,647	393	14,406	298,621	331,084
Representation of fund balances	£'000	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	123,724	-	-	-	25,868	149,592
Investments	22,845	-	354	13,500	282,767	319,466
Cash and bank balances	3,136	-	-	-	-	3,136
Other current assets and liabilities	(20,832)	7,647	39	906	(3,793)	(16,033)
Long term creditors	(118,856)	-	-	-	-	(118,856)
Pension liability	-	-	-	-	(6,221)	(6,221)
At 31 December 2022	10,017	7,647	393	14,406	298,621	331,084
Realised and unrealised investment asset gains included above	-	-	(26)	-	3,819	3,793

23 Capital commitments

	2022 £'000	2021 £'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	1,828	2,077

Report of the Board and consolidated financial statements

Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

24 Operating leases as a lessee

The future minimum lease payments under non-cancellable operating leases expected to be paid by the Charity and Group will fall due as follows:

	2022	2021
	Group and Charity plant and machinery	Group and Charity plant and machinery
	£'000	£'000
Within one year	5	6
Between one and five years	12	9
After five years	-	-
	17	15

The total charge to the statement of financial activities in the year in respect of operating lease rentals for the hire of plant and machinery was £8,000 (2021: £8,000).

25 Operating leases as a lessor

The future minimum lease payments due to be received under non-cancellable operating leases by the Charity and Group are as follows:

	2022	2021
	Group and Charity leasehold property	Group and Charity leasehold property
	£'000	£'000
Within one year	1,334	1,334
Between one and five years	5,298	6,627
After five years	1,948	2,432
	8,580	10,393

26 Reconciliation of movement in net cash

	At 1 January	Cash flow	At 31 December
	2022		2022
	£'000	£'000	£'000
Investments	22,469	(14,221)	8,248
Cash at bank and in hand	12,707	(9,186)	3,521
Bank loan	(20,734)	10,118	(10,616)
	14,442	(13,289)	1,153

Report of the Board and consolidated financial statements
Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

27 Analysis of changes in net debt

	At 1 January 2022 £'000	Cash flow £'000	At 31 December 2022 £'000
Cash and cash equivalents			
Cash	12,707	(9,186)	3,521
Overdrafts	-	-	-
Cash equivalents	12,707	(9,186)	3,521
Borrowings			
Debt due within one year	(20,117)	20,006	(111)
Debt due after one year	(617)	(9,888)	(10,505)
	(20,734)	10,118	(10,616)
Total	(8,027)	932	(7,095)

28 Related party transactions

A number of the Trust's Council members are also members of the Society of Merchant Venturers. The Trust paid a fee including reallocation of salaries and overhead costs totalling £255,355 (2021: £252,768) to the Society of Merchant Venturers of Bristol to cover the services it provides in its role as Endowment Trustee (note 6(a)).

A professional indemnity insurance premium of £3,380 (2021: £3,045) was paid by the Trust on the behalf of the Trustees.

The charity owns 100% of the issued share capital of St Monica Trading Limited (company registration number: 11070522), a company incorporated in England and Wales. During the period, St Monica Trust provided to St Monica Trading Limited staff time, catering supplies and other operating costs totalling £463,640 (2021: £287,201) and collected £476,535 (2021: £301,494) of income. The amount owing to St Monica Trading Limited at the period end was £8,895 (2021: £10,342). A Gift Aid payment was made to St Monica Trust by St Monica Trading Limited of £10,261 in respect of the trading results for 2021 (2021: £14,890 in respect of the trading results for 2020).

St Monica Trustee Company is the sole member of Somerdale Pavilion Trust (company registration number: 11730938), a company limited by guarantee, incorporated in England and Wales and registered as a charity (registered charity number: 1182426). During the period, St Monica Trust provided staff time and funds for operating expenses to Somerdale Pavilion Trust totalling £15,469 (2021: £25,787) and provided services to St Monica Trust in the form of parking and academy rent totalling £234,905 (2021: £236,850). The amount owed by St Monica Trust at the year-end was £8,810 (2021: £84,185).

Report of the Board and consolidated financial statements

Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

29 Pension schemes

Unfunded pension liability

The Trust has granted unfunded defined benefit pensions to some current and former employees of the Trust. The valuation of the pensions was carried out as at 31 December 2022 by PriceWaterhouseCoopers, a qualified independent actuary who are a fellow of the Institute of Actuaries. Pension payments made for the year ended 31 December 2022 in respect of the defined benefit pensions were £278,000 (2021: £278,000).

The principal assumptions made by the Trust were:	2022	2021	2020	2019
	%	%	%	%
Rate of increase in pensionable salaries	3.1	3.4	3.0	3.0
Rate of increase in pensions in payment	3.0	3.1	2.9	2.9
Inflation rate	3.1	3.4	3.0	3.0
Discount rate	4.8	1.8	1.3	2.0
 Pensioner and non-pensioner mortality SAPS all MC	1%	1% pa	1% pa	1% pa
 The amounts recognised in the balance sheet are as follows:		£'000	£'000	£'000
 Present value of scheme liabilities	(6,221)	(8,528)	(8,881)	(8,759)
Deficit in the scheme	(6,221)	(8,528)	(8,881)	(8,759)

Report of the Board and consolidated financial statements
Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

**Analysis of amount charged to net outgoing resources
in respect of defined benefit pensions**

	2022	2021
	£'000	£'000
Interest on pension liability	(149)	(108)
Total operating charge	(149)	(108)

	2022	2021
	£'000	£'000
Movement in liability during the year		
Liability at the start of the year	(8,528)	(8,881)
Movement:		
Employer contributions (including pension payments)	278	278
Interest cost	(149)	(108)
Actuarial gain	2,178	183

Liability at the end of the year covered by a specific provision in the financial statements	(6,221)	(8,528)

	£'000	£'000
Analysis of amount recognised in the statement of financial activities		
Actuarial gain recognised in the statement of financial activities	2,178	183

Report of the Board and consolidated financial statements
Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

Amounts for the current and previous four periods are as follows

	2022	2021	2020	2019	2018
	£'000	£'000	£'000	£'000	£'000
Scheme assets	-	-	-	-	-
Scheme liabilities	(6,221)	(8,528)	(8,881)	(8,759)	(8,095)
Deficit in plan	(6,221)	(8,528)	(8,881)	(8,759)	(8,095)
Actuarial gains/(losses) on liabilities	2,178	183	(241)	(740)	316
Statement of total recognised gains and losses for the period ending 31 December	2,178	183	(241)	(740)	316

Other pension scheme

The Trust also contributes to a group personal pension plan. The contributions made by the Trust to this pension scheme are charged to the statement of financial activities when they fall due and were £786,000 (2021: £808,000).

Report of the Board and consolidated financial statements
Year ended 31 December 2022

Notes (continued)

(forming part of the financial statements)

30 Comparative group statement of financial activities

	Unrestricted Funds	Designated fund	Other restricted funds	Expendable endowment funds	Permanent endowment funds	Total Funds 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Income						
<i>Income from charitable activities</i>						
Residential care and support	33,019	-	-	-	-	33,019
Accommodation income	2,120	602	-	-	-	2,722
<i>Generated funds</i>						
Investment income	9,012	-	6	-	-	9,018
Total income	44,151	602	6	-	-	44,759
Expenditure						
<i>Costs of raising funds</i>	(44)	-	-	-	(829)	(873)
Investment management charges	(1,325)	-	-	-	-	(1,325)
Property operational costs	(34)	-	-	-	(974)	(1,008)
Commercial trading operations						
Total costs of generating funds	(1,403)	-	-	-	(1,803)	(3,206)
Charitable activities						
<i>Costs in furtherance of the Trust's objects</i>						
Residential care and support	(41,866)	-	(6)	-	(81)	(41,953)
Accommodation costs	(1,054)	-	-	-	-	(1,054)
Community support	(966)	-	-	-	-	(966)
Governance	(73)	-	-	-	-	(73)
Total charitable expenditure	(43,959)	-	(6)	-	(81)	(44,046)
Total expenditure	(45,362)	-	(6)	-	(1,884)	(47,252)
Net income/(expenditure) before investment gains/ (losses)	(1,211)	602	-	-	(1,884)	(2,493)
Realised and unrealised gains on investments	(30)	-	47	-	28,805	28,822
Net income/(expenditure) for the year before transfers	(1,241)	602	47	-	26,921	26,329
Transfers between funds	1,643	290	-	(1,987)	54	-
Actuarial gain/(loss) on defined benefit pension	-	-	-	-	183	183
Net movement in funds	402	892	47	(1,987)	27,158	26,512
Total funds brought forward	12,778	5,961	367	20,000	266,477	305,583
Total funds carried forward	13,180	6,853	414	18,013	293,635	332,095

ST MONICA TRUST

England & Wales - Charity number 202151

Accounts

St Monica Trust

Report of the Trustee and consolidated financial statements

Registered charity number 202151

Year ended 31 December 2021

Report of the Board and consolidated financial statements
Year ended 31 December 2021

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Report of the Trustee for the year ended 31 December 2021

The Council presents its annual report and the audited consolidated financial statements for the year ended 31 December 2021. This report consolidates the results of St Monica Trust and its subsidiaries St Monica Trading Limited and Somerdale Pavilion Trust.

The financial statements comply with the memorandum and articles of association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Reference and administrative details of the Charity, its Trustee and Advisers

The Trust was founded by Henry and Monica Wills in 1925. The Trust is constituted by a Charity Commission Scheme sealed on 30 June 2005. The subsidiary St Monica Trading Limited was incorporated on 17 November 2017 and the subsidiary Somerdale Pavilion Trust was incorporated on 17 December 2018.

Registered Address of the Trust St Monica Trust
Cote Lane
Bristol
BS9 3UN

Charity Registration Number 202151

Trustee

St Monica Trustee Company Limited (a company limited by guarantee registered number 9357207) is the sole Trustee of St Monica Trust by virtue of the Charity Commission Scheme dated 19 December 2016. The directors of St Monica Trustee Company Limited, the Corporate Trustee, have ultimate responsibility for the administration of the charity and are regarded for internal governance purposes as being a trustee. The Directors are referred collectively in this report as the Council of St Monica Trust, the members of which served throughout the year and since the year-end and are set out below:

The Council

Mr T S Ross - President and Chair of the Trust
Professor J McGeehan CBE
Mr M Bothamley
Mrs D J England
Dr A D Garrad CBE
Mr A T Yates (resigned 31 December 2021)
Mrs S Darwall Smith DL
Dr F C Forrest
Dr M D McCaldin

Lady Wills
Miss H Morgan
Venerable C A Froude
Mr J R Ancell
Mrs L O'Driscoll (appointed 20 October 2021)
Ms A Duff (appointed 20 October 2021)

Report of the Trustee for the year ended 31 December 2021 (continued)

Members of the Council serve for three years, being eligible for re-election for up to three periods. The Scheme provides for the appointment by the Council of six members of Council, six nominations by the Society of Merchant Venturers of Bristol (SMV) and three members nominated respectively by the Bishops of Bristol, Gloucester and Bath & Wells. Sir David Wills Bt was elected Patron of the Trust upon retiring as a Trustee on 30 June 2006.

Chief Executive

The Trust appointed Mr D Williams as Chief Executive in April 2015. Mr Williams joined the Trust from the Accord Group, where he was Executive Director for Health Care and Support. Previously, Mr Williams worked as Head of Strategy and Service Development for Housing 21 and has also held senior positions with a number of other leading charities.

Management of the Permanent Endowment

The Endowment of St Monica Trust includes the investment fund of the Trust from which an income is derived and utilised for charitable purposes. This investment fund is managed on the Trust's behalf by the Society of Merchant Venturers of Bristol ("SMV") in its capacity as Endowment Trustee of the Trust. The Society was incorporated by Royal Charter in 1552 by King Edward VI with amendments by subsequent monarchs in 1566, 1639, 1643, 1665, and 1988.

The Society of Merchant Venturers, as Endowment Trustee of St Monica Trust, implement the investment strategy and asset allocation as recommended by the Endowment Trustees' Investment Strategy Group having regard to the financial requirements of the Trust. In turn, the Finance and Investment sub-Committee and the Estates and Property sub Committee have particular management and advisory responsibilities for the endowment and report directly to the Investment Strategy Group. The overall investment strategy and objectives are subject to the approval of the Council.

Auditor	KPMG LLP 66 Queen Square Bristol BS1 4BE
Bankers	NatWest Bank plc 32 Corn Street Bristol BS99 7UG
Solicitor	Womble Bond Dickinson (UK) LLP 3 Temple Quay Temple Back East Bristol BS1 6DZ

Report of the Trustee for the year ended 31 December 2021 (continued)

Investment Advisers	Cambridge Associates 80 Victoria Street Cardinal Place London SW1E 5JL
	Tilney Smith & Williamson Investment Management LLP Portwall Place Portwall Lane Bristol BS1 6NA
Commercial Property Managing Agent	Alder King LLP Pembroke House 15 Pembroke Road Bristol BS8 3BA
Agricultural Estates and Land Steward	Savills 14 Cirencester Office Park Tetbury Road Cirencester GL7 6JJ

Report of the Trustee for the year ended 31 December 2021 (continued)

2 Structure, Governance and Management of the Group

History

The Trust was founded by Henry and Monica Wills in 1925.

The group is structured as three entities – the parent charity St Monica Trust and its wholly owned subsidiaries St Monica Trading Limited (incorporated on 17 November 2017) and Somerdale Pavilion Trust (incorporated on 17 December 2018). The parent conducts the charitable operations of St Monica Trust. St Monica Trading Limited was established to conduct the commercial operations undertaken at St Monica Trust's retirement village at Keynsham. The current activities being undertaken by the company include the sale of food in the B Block Café and Somer Dining Restaurant and secondly, the provision of leisure services. These services are available to residents and members of the general public. Somerdale Pavilion Trust was established to conduct the charitable activities of that Trust in providing and maintaining a pavilion, playing fields and other facilities for the use of the inhabitants of Keynsham and the surrounding areas.

Governing instrument and objects

The Trust is constituted by a Charity Commission Scheme sealed on 30 June 2005.

An amendment to the Trust's governing document was granted by the Charity Commission on 26 February 2010. The objects of the Trust, defined in clause 4 of the Scheme, which should be referred to for exact details, are from this date:

“The objects of the charity are, for the public benefit, the relief of those individuals (and if appropriate their spouses) who are in need by reason of age, disability or ill-health by the provision of:

- (a) accommodation and associated facilities; and/or
- (b) other services or assistance”.

Organisational structure

As of 1 January 2021, following an executive restructure, the committee structure was amended to ensure that the committee structure follows the revised operational structure of the Trust. Membership of the existing committees at the year-end was as follows:

The Finance and Transformation Committee

The purpose of the Committee is to exercise oversight of the business health of the Trust including the establishing of annual budgets and liaising with the Endowment Trustee in relation to financial planning. It is also responsible for overseeing the Trust's transformation programme.

Mr A T Yates - Chair (until 31 December 2021)
Professor J McGeehan CBE
Dr A D Garrad CBE
Mr T S Ross - President, Ex officio
Mrs D J England - Deputy Chair

Mr J R Ancell - (Chair from 1 January 2022)
Mr H L M Bothamley
Ms L O'Driscoll
Venerable C A Froude

Report of the Trustee for the year ended 31 December 2021 (continued)

The Care Committee

The main function of this Committee is to exercise oversight and advise the Council on all matters relating to the quality of care of the Trust's residents and all operations of the Trust subject to CQC regulation.

Mr T S Ross - President, Ex Officio
Mr F Forrest - Chair
Mr M McCaldin - Deputy Chair
Mrs S Darwall Smith DL
Venerable C A Froude
Miss H Morgan

Group Services Committee

The purpose of the Committee is to exercise oversight of internal operational activities of the Trust, as carried out in the villages and care homes.

Mr T S Ross - President, Ex Officio
Mr R J Ancell - Chair
Mrs D J England
Ms A Duff
Professor J McGeehan CBE

Charitable Impact

The purpose of this Committee is to assume delegated responsibility on behalf of the Council of the St Monica Trust in overseeing the operation, management and development of the Trust's Charitable Impact Directorate which includes but is not limited to Community Giving (Individual Giving and Organisational Giving), allocation of the Endowment Income, pastoral care, volunteering, community engagement and strategic partnerships.

Mr T S Ross - President, Ex Officio
Mrs S Darwall Smith DL - Chair
Venerable C A Froude - Deputy Chair
Lady Wills
Mr M Bothamley
Mrs C Duckworth DL - co-opted

The Property, Housing and Development Committee

The purpose of this Committee is to oversee the operational and financial performance of the Trust's residential property and care village, as well as consider and oversee any developments undertaken by the Trust.

Report of the Trustee for the year ended 31 December 2021 (continued)

The Property, Housing and Development Committee (continued)

Mr T S Ross - President, Ex officio
Mr H L M Bothamley - Chair
Mr J R Ancell
Ms A Duff
Ms L O'Driscoll
Mr H Evan - co-opted

The Nursing Committee

The purpose of the Committee is to oversee the operational and financial performance and efficiency of the nursing homes, including but not limited to occupancy and staffing.

Mr T S Ross - President, Ex officio
Dr M Mccaldin - Chair
Miss H Morgan - Deputy Chair
Lady Wills

The Audit Committee

The purpose of this Committee is to assume delegated responsibility on behalf of the Council of the St Monica Trust for ensuring that there is a framework for accountability; for examining and reviewing relevant systems and methods of control, both financial and otherwise including risk analysis and risk management; and for ensuring the Trust is complying with all relevant aspects of the law, regulations and good practice.

Mr T S Ross - President, Ex Officio
Mr M Bothamley - Chair
Mr J R Ancell
Venerable C A Froude

The Trustee Nominations Committee

The Committee is responsible for nomination to Council of new Trustees.

Mr T S Ross – President, Ex Officio
Mr M Bothamley (Chair)
Mrs S Darwall Smith DL
Mrs D J England
Dr A D Garrad CBE
Venerable C A Froude

Report of the Trustee for the year ended 31 December 2021 (continued)

The Remuneration Committee

The Committee is responsible for oversight of reward strategy, executive pay and supporting the appraisal of the Chief Executive's performance.

Mr T S Ross - President, Ex Officio

Mrs D J England - Chair

Mr R Ansell

Dr A D Garrad

Trustee induction and training

The Corporate Trustee is appointed in accordance with the provisions of the Scheme of St Monica Trust. The Directors of the Company are regarded for the internal governance purposes as being a Trustee of the Charity. On appointment each Trustee signs a Code of Conduct and attends induction meetings with other Trustees and Executives. Trustees are given a Trustee Handbook, which includes the Trustee Code of Conduct, the Charity Commission Scheme, a copy of the Risk Register and procedures on issues such as delegation of authority, recruitment, equal opportunities, investment, reserves and conflict of interest and other guidance. This information contains role descriptions of Trustees and senior executives and a copy of the Charity Commission leaflet CC3. New Trustees meet with the President and Chief Executive and are invited to an induction tour of each of the Trust's locations. According to their skills and aptitude, they take responsibility for at least one area of activity by appointment to a sub-committee of the Council. Training needs are assessed and met.

Senior Staff Pay policy

The Trust recognises the importance of transparency and accountability in all aspects of our work and we are committed to open information. This includes transparency about our Executive Team's salaries and how they are set.

The Trustee considers the Council and sub-committees and the Chief Executive as comprising the key management personnel of the Charity in charge of directing and controlling the Charity and running and operating the Charity on a day-to-day basis. All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 28 to the accounts.

Trustees are required to disclose all relevant interests and register them with the Chief Executive and, in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises.

The pay of the Charity's Chief Executive is reviewed annually and normally increased in accordance with average earnings. The remuneration is bench-marked with charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Report of the Trustee for the year ended 31 December 2021 (continued)

Risk assessment

In the light of the Corporate Governance guidance contained within the Statement of Recommended Practice “Accounting and Reporting by Charities”, the Council with the assistance of the Society of Merchant Venturers of Bristol have examined the major risks faced by the Trust and the endowment. They have developed systems to monitor and control these risks to mitigate the impact that they may have on the Trust in the future. Each Committee of the Council reviews aspects of the risks pertinent to that Committee. The Audit Committee is responsible for the overall review and update of the Risk Register at least once a year.

Financial risk management

The following statements summarise the Trust’s policy in managing identified forms of financial risk:

- Price risk – The Trust negotiates contracts and fee rates to finance aspects of the Trust’s activities and incorporates this information into its business plan. Salary costs are communicated to staff during the formal annual review of salaries. Prices of services and materials purchased are subject to contracts with suppliers, based on current market prices. The Trust is also able to respond to purchase price inflation by adjusting in most cases our fee income accordingly.
- Credit risk – credit risk on accounts owed to the Trust by its customers is low, as the majority of debtors are Local Authorities
- Liquidity risk – the Trust currently has borrowing facilities of £40.7m expiring in June 2022 (2020: £40.9m), £20.7m was drawn down as at 31 December 2021 (2020: £24.9m), of which £0.7m is long-term (2020: £24.7m). These were replaced in June 2022 with a new £20m revolver bank loan with Natwest.
- Interest rate cash flow risk – the Trust is able to place surplus funds in a short-term deposit account with its bankers. The Trust carries the risk of interest rate fluctuations on its £20m RCF. The magnitude of the size of the loan is considered insignificant.
- Investment market risk – the Trust invests in a diversified portfolio of investments and properties in order to spread the risk.

Going concern

The Trust’s activities, together with the factors likely to affect its future development, performance and position are set out in this Report of the Trustee. The balance sheet on page 28 sets out the financial position of the Trust and its cash flows can be seen in the cash flow statement on page 27.

The Trust meets its day-to-day working capital requirements through a combination of cash generated by the sale of leasehold properties, investment income from the permanent endowment and Revolving Credit Facilities. The latter also funds any capital development expenditure.

The Trustees have reviewed financial forecasts for a period of 12 months and beyond from the date of signature of these financial statements. Key uncertainties are:

- The performance of the leasehold sales cycle;
- Occupancy within the Trust’s care homes and retirement living properties.
- Cost inflation.
- Performance of its investments.

Report of the Trustee for the year ended 31 December 2021 (continued)

Going concern continued

Having considered these uncertainties and other factors including the value of its endowment assets, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future notwithstanding its net current liability position. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Related parties and connected charities

Details of related parties and connected charities and transactions with them are disclosed in note 28 to the financial statements.

Reserves

The accounting policies on pages 29 to 35 describe the various funds of the Trust. Note 22 to the Financial Statements shows the assets and liabilities attributable to the various funds by type and summarises the year's movement on each fund.

The Trustee policy is to build up unrestricted reserves equivalent to approximately 12 months projected operating costs of the Residential Care and Support and the Grants and Gifts objects. This will be achieved through retained surpluses on the Unrestricted Fund and will incorporate the value of the Designated Fund. At 31 December 2021 the value of unrestricted reserves was £38.0m (2020: £38.8m).

Grant-making policy – Residents' subsidies and support in the community

Applications for subsidies against full fees for residents and grants to support the community are monitored by the Council.

3. Objectives, Activities, Achievements and Performance

(A) Overview

The Trust continued to feel the impact of the coronavirus pandemic throughout 2021. A primary objective of the Trust remained our ongoing response to COVID-19 and protecting the health and well-being of our residents, colleagues and volunteers from the virus.

The restructuring of the Executive team and creation of new directorates was successfully embedded in 2021. The first phase of the Trust's recovery plan delivered £1m of operating efficiencies whilst maintaining key frontline services. It is anticipated that the recovery plan will run until the end of the 2023 financial year.

The decision taken by Trustees in 2020 to close the Care at Home service to customers outside of the Trust's villages was implemented in the 2nd quarter of 2021. This facilitated the restructure of Care and Support services across our retirement villages.

Report of the Trustee for the year ended 31 December 2021 (continued)

(B) The focus of our work

In 2021 a major focus of the Trust remained the protection of both its residents and staff as successive waves of the pandemic were felt through the year.

The Trust's key actions included:

- Continued application of high levels of infection prevention and control measures that often exceeded government guidelines.
- Continual review of our COVID response through weekly meetings of our COVID Response Team.
- Agile implementation and communication of government guideline changes across our services to residents and staff.

During 2021 the Trust's average death rate amongst residents was less than the previous 5 year average, which is testimony to the hard work and dedication of the Trust's workforce.

An important focus of our work in 2021 was the embedding of changes to the management structure, specifically the new directorates created in 2020 (Nursing Homes, Residential Property and Development, Charitable Impact, Group Services). Our Care at Home service was closed and our Care and Support services successfully restructured.

As part of our Transformation Programme a project management office (PMO) was created to ensure robust and clear methodology for new projects. This programme successfully delivered the launching of our new intranet and the introduction of electronic payslips in 2021. A supplier for our new digital finance system was chosen and groundwork completed for launch in early 2022.

An endowment income strategy was created which defines how the endowment income received by the Trust is distributed within both operational services and externally to achieve maximum charitable benefit.

We also commenced surveys and released £20m from our endowment following a Charity Commission S282 approval and resolution by the Trustees to redesignate £20 million of the permanent endowment for capital repair and improvement projects across our existing sites.

(C) The strategies we use to deliver our objectives

The objectives of St Monica Trust focus the work of the Charity on older people and adults with a physical disability or long-term illness. The **mission statement** of the Charity is **'Working together to support and celebrate the lives of older people'** and the strategies we use to meet such objectives include:

Report of the Trustee for the year ended 31 December 2021 (continued)

- Providing **retirement housing/sheltered housing accommodation** all of which is disability-friendly and capable of supporting individuals in wheelchairs.
- **‘Extra Care’ Housing** in partnership with Bristol City Council and North Somerset Council. Service users enjoy the comfort of living within their own home as an alternative to entry into a care home and are thus afforded greater choice and independence and the stimulation of a lively environment in which to live.
- **Care and Support** – many people prefer to ‘stay put’ as their care needs increase. A programme of Care and Support can be provided that enables individuals to maintain their independence within their own home. A 24-hour Care and Support service is available within the Trust’s own retirement housing settings.
- High quality **nursing and residential care** are key elements of the support provided by the Trust. In addition to long-term care, short-term places are available to give a carer a much-needed break, or for those recovering following an operation or period of hospitalisation, and as a ‘safe haven’ for those older people facing an emergency or breakdown in their normal care arrangements. Many elements of our short-term care are operated in partnership with the NHS and local authorities.

In recent years, caring for people living with **Alzheimer’s disease and other forms of dementia** has become a central feature of the services offered by the Trust. This highly specialist care is provided in safe and positive environments where activities and therapies are a regular part of daily life.

- **Charitable Impact** – As part of the executive restructure, the Charitable Impact directorate was created to coordinate how we spend our Endowment income both internally and externally.

Inside our Villages, we provide Pastoral care and spiritual care for residents and staff across all sites and encourage a diverse and vibrant community with the support of our Village Engagement Coordinators.

The Team also works outside our villages to improve the well-being of older people living across the West of England. Whatever we are doing in the community, we work with local organisations and individuals to effect change.

Some of our work focuses on developing ongoing relationships with organisations, individuals, stakeholders and decision makers across the region in order to contribute to collectively improving the well-being of older people in the area.

Working across Bristol, Bath and Northeast Somerset, North Somerset and South Gloucestershire, we provide funding and support to organisations working with older people, finding ways to use our resources more effectively.

Report of the Trustee for the year ended 31 December 2021 (continued)

Through our Charitable Giving work, we provide individuals over 50 years old who have a long-term disability or illness gifts of essential items and/ or short-term grants to offer support through a crisis, which is paid at a level which will not affect benefits or tax credits.

The Trust continues to be a core member of the Bristol Older People's Funding Alliance, sharing community intelligence and adopting a more strategic approach to grant giving for older people, encouraging collaboration with the aim of maximizing the funding available in the city.

- **Recruitment and retention of staff**

The St Monica Trust aims to recruit and retain a high calibre workforce in order to deliver the high quality of care that we have built our reputation upon.

Recruiting the 'right' people that share the Trust's values is equally as important as recruiting people with the right skills. We offer a competitive pay and benefits package and are continually reviewing ways of improving this. Our aspiration is to become a Real Living Wage employer and to increase the basic pay of all our staff. This will aid the continual challenge of recruitment felt by all in the social care sector.

We ensure employees are supported in the workplace using an annual performance management process that cascades organisational objectives and focuses on personal development at regular intervals during a 12-month period. We aspire to be a high-quality employer.

The Trust prides itself on its training and development provision for employees, employing an in-house team of skilled trainers that deliver tailored training both internally to St Monica Trust staff and externally to other care providers; and we are also an accredited assessment centre for health and social care qualifications. All colleagues must complete a comprehensive mandatory training programme upon appointment and undertake regular updates to stay up to date. Tailored training is provided upon request to teams to target specific areas of need.

In 2021 we launched our new online learning platform LEARN which will allow colleagues to access high quality online and in-person training and help managers to monitor and arrange training for their teams more easily.

Delivering well-being for older people is the Trust's mission statement; this aim also extends to the well-being of colleagues. Promoting the health and well-being of colleagues is not only seen as a positive staff retention initiative but also contributes to the quality of care provided to residents/customers in terms of promoting continuity of care through reduced absenteeism, and improved staff morale.

(D) Public benefit and maximising access to our services

The Trustee of St Monica Trust has referred to the Charity Commission's general guidance on public benefit when reviewing and planning the work of the Charity. The concern of the Trustees has been to ensure that the Trust, in servicing the needs of older people, has due regard to the particular needs of those individuals within the beneficiary group who live in poverty.

Report of the Trustee for the year ended 31 December 2021 (continued)

Whilst all persons who receive support from our Charitable Giving team are individuals who can be regarded as in financial need, people who access our other services emanate from a range of socio-economic backgrounds. The legal and regulatory framework in relation to payment by the state for care remains firmly rooted in a system of means testing. For example, any individuals who have money or assets in excess of £23,250 will find themselves responsible for meeting the cost of living in a care home.

When approximately 75% of the population over 65 years own their own property, quite clearly the welfare state assumes financial responsibility for only a percentage of people who need care.

Thus, along with other voluntary organisations, the Trust engages with people in need of a service, some of whom can afford the fee and others who are unable to meet such costs. The traditions and the philosophy of the Trust, and indeed the guidance of the Charities Act 2011, ensure that the Trust makes provision for individuals who are unable to pay the fees for relevant services and thus are able to benefit and not be excluded from the Trust's services.

In 2021, the Trust helped 18,172 (2020: 19,245) people, of which 16,916 or 93.1% (2020: 17,807 or 92.5%) were afforded financial support by the Trust.

Of the total above, the Trust helped 1,594 individuals in 2021 (2020: 1,835) in its residential care services (care homes and retirement villages), of which 24% or 338 (2020: 34%, 617 people), were afforded financial support by the Trust. The year-on-year reduction of individuals helped in our residential care services was primarily as a result of the closure for refurbishment of our short-term care unit at our Westbury Fields Village. The Trust's Care at Home service also assisted 180 individuals in their own home (2020: 220).

The Trust also helped 424 individuals (2020: 509) in financial need through the Charitable Giving Team's Individual Giving scheme via 533 gifts and short-term grant awards, plus a further 1,210 people through funding essential information and advice services in the area. In addition, a further 16,916 (2020: 16,451) people benefitted indirectly from the Trust's financial support for local, community-based organisations.

The St Monica Trust Charitable Impact Directorate aims to ease the financial pressure and improve the daily lives of older people, by helping them to buy the essential things they need or supporting them through a crisis. This is achieved through individual giving and organisation / community based support. Most recently we have collaborated with another local Charity to provide the right funds in order to support boiler repairs for older people and with our four local Age UKs to provide information and advice services post-pandemic.

Report of the Trustee for the year ended 31 December 2021 (continued)

In 2021, the team operated in the following manner:

Individual Giving

Requests received	795 gift and grant requests received (2020: 927) The fast-track Winter Fuel Fund through the Individual Giving scheme, launched in November 2021, was a huge success, supporting those in fuel poverty.
Gifts awarded	431 gifts awarded worth £161,218 (2020: £142,450)
Short-term grants	102 new short-term grants awarded 45 people receiving a short-term grant at the year end Value of short-term grants: £47,390 (2020: £89,830)

Organisation Giving

Organisations	Grants were awarded to 32 organisations worth £472,701 (2020: £513,781) The Mental Health and Older People Fund was launched in 2021 to support organisations working with older people post-Covid around mental health issues. £245,000 was made available to six organisations with an eighteen-month commitment. We have connected all of the organisations to share, learn and support each other. In 2020, a three-year commitment totalling £570,000 was provided through the Community Development Fund, with The Grateful Society contributing £90,000 for the majority of the grant to the Wellspring Settlement. The funds were distributed to six organisations in Bristol, North Somerset and South Gloucestershire with a focus on reengaging older people with their communities. Most roles started in early 2021 and end in early 2024. In 2021 our financial commitment has been £150,000. In addition to the above, a proposal from St Paul's Carnival led to a decision from Committee to support a Community Engagement Co-ordinator in a similar way to the other six funded projects. A grant of £30,000 was awarded in 2021. In October 2021, we met with Bath Ethnic Minority Senior Citizens Association to review their bid to the Mental Health Fund. As a result, we proposed to Committee a grant of £22,000 for the delivery and administration of their existing mental health project which focusses its work on older Rastafari men. This project has previously benefitted from one-off grants from the

Report of the Trustee for the year ended 31 December 2021 (continued)

Organisations Continued.	Nationwide Foundation and Avon and Somerset Police and our grant awarded in November 2021 will cover the work for 12 months and will keep a project going that would otherwise have closed at Christmas. 2021 saw the sixth year of our successful collaboration with Quartet Community Foundation, providing grants to organisations working with older people in North Somerset. Since its launch in 2016, £189,750 has been granted to 26 organisations. In 2021 the Bristol Older Peoples Funding Alliance worked in partnership with local services, providing £100,000 of funding to improve the lives of older people during the pandemic.
Information and Advice for individuals	In 2021, a total of £40,000 was awarded to provide specialist information and advice services to individuals across the local area. This funding is expected to reach 1,210 individuals.

Community Impact Summary

People helped	At least 424 individuals were helped directly and many more were helped through the work of organisations funded. This included 16,916 individuals supported by SMT funding.
Total net giving	£721,309 (2020: £746,061)
Charitable Impact Directorate Team	£245,000 (2020: £253,670)
TOTAL CHARITABLE IMPACT COST	£966,309 (2020: £999,731)

2021 also saw the culmination of:

- Funding of the Citizens Advice Bureau advice project that we had supported for a number of years. Since the retirement of the dedicated advice worker, the service had seen a drop in the number of users and there seemed little enthusiasm for the project from the organisation itself.
- Active Ageing Bristol, which we have funded for three years.

The objectives and achievements of the Endowment Trustee were as follows:

The objectives for the year:

- Agricultural property investments: To attain an average annual real (inflation adjusted) total return of at least 3% over the long term (measured over rolling 10-year periods).
- Financial investments: To attain an average annual real (inflation adjusted) total return of at least 3% over the long term (measured over rolling 10-year periods) and to outperform a composite benchmark measured over 3 year rolling periods.

The composite benchmark for allocation of financial investments is as follows:

%	Benchmark
17%	FTSE 350 High Yield Index
15%	Barclays Global Aggregate Bond Index (Hedged)
40%	MSCI World Index
15%	HFRI Fund of Funds Diversified Index
8%	MSCI Emerging Markets Index
5%	FTSE Hi-Yield Cash-Pay Capped Index

- Income: To provide the Trust with £6.5 million net unrestricted income for 2021.

Achievements for the year have been as follows:

Summary: The market value of St Monica Trust's investments managed by the Endowment Trustee increased from £293 million at 31 December 2020 to £319 million at 31 December 2021 (this includes the Commercial Property at Block C which has been treated as an investment property in both years).

Over seven billion COVID-19 vaccines were administered worldwide in 2021, helping life to return to a semblance of normality. This helped lift real GDP by 5.9%, the fastest growth rate in over 40 years. Economic recovery drove optimism back into risk assets. Companies delivered strong earnings growth despite the pandemic lingering. Inflation was pushed higher by accommodative policy and pent-up demand at a time when global supply chains were disrupted, and labour markets stretched. During the year the Bank of England's Monetary Policy Committee increased the base rate from 0.1% to 0.25%.

Asset Allocation: The broad asset allocation at 31 December 2021 was:

Agricultural property – 54%
Commercial property – 2%
Financial investments – 37%
Cash on deposit – 7%

This accords with the broad target asset allocation of 60% property and 40% financial investments.

Report of the Trustee for the year ended 31 December 2021 (continued)

Agricultural Property Investments:

For the 10 years to 31 December 2021 the portfolio achieved its objective of attaining an average annual real (inflation adjusted) total return of at least 3%. Actual average annual performance was 8.9% per annum for the 10 years against the inflation + 3% benchmark of 4.9%.

During the year three parcels of land at Brockworth were disposed of and the net consideration will be reinvested to produce an income for the charity.

Financial Investments:

A detailed financial investment strategy has been produced to provide the required income for the Trust's operations, both short and long term, and to ensure future capital growth. By using the advisory management of Cambridge Associates, the Endowment Trustee has been able to interview and select the best managers from a wide section of the investment market and so diversify the risk.

The composition of the portfolio was fairly stable in 2021.

For the 10 years to 31 December 2021 the portfolio achieved its objective of attaining an average annual real (inflation adjusted) total return of at least 3%. Actual average annual performance was 7.9% per annum for the 10 years against the inflation +3% benchmark of 4.9%.

For the 3 years to 31 December 2021 the portfolio returned 8.9% against the benchmark of 8.1%.

Income:

The Endowment Investments provided the Trust with £6.66m (2020: £6.02m) of net unrestricted funds in 2021 against a target of £6.5m, a surplus of £0.16m. Income is measured on a three-year rolling basis and for the three years to 31 December 2021 the Endowment Investments provided the Trust with £19.52m against the target of £19.50m, a surplus of £19k. The COVID pandemic had a significant impact on dividends paid and the Endowment Trustee considers the portfolio was well diversified to respond to the unprecedented situation facing the Trust.

In addition to the endowment income provided, the Trustees asked the Endowment Trustee to manage Block C, a commercial building at the Chocolate Quarter during 2020. A surrender premium was negotiated in respect of one floor occupied by a tenant, and this resulted in additional income of £1.95m being recognised in 2020 in respect of this.

Report of the Trustee for the year ended 31 December 2021 (continued)

4. Financial review

The Trust's financial position at the end of 2021 was strong, with unrestricted reserves of £38.0 million (2020: £38.8 million) and net assets of £332.1 million (2020: £305.6 million). Unrestricted funds include £18.0 million (2020: £20.0m) in an expendable endowment fund. This fund was created in 2020 from the permanent endowment following the approval by the Charity Commission of a resolution made by the Trustees under section 282 of the Charities Act. This resolution was made in direct response to the risks posed by the Covid-19 pandemic and the resulting transfer provides additional resource to the charity to effectively mitigate those risks.

The Trust is reliant on the unrestricted income from the Permanent Endowment, which in 2021 was £6.6 million compared with the target for the year of £6.5 million ((2020: £6.0 million) compared to a target of £6.5 million).

Subsidiary company results

These statements include the trading activity for St Monica Trading Limited. The principal activity of the company is to undertake the commercial operations at the Trust's retirement village at Keynsham. The current activities include catering and leisure facilities offered to residents and members of the general public. The trading result for the year was a profit of £10k which will be used to support the Trust's charitable objectives.

These statements include the trading activity for Somerdale Pavilion Trust. The principal activity of the charitable company is to provide and maintain a pavilion, playing fields and other facilities for the use of the inhabitants of Keynsham and the surrounding areas. The trading result for the year was a profit of £91k.

5. Plans for future periods

The Trust will deliver the following objectives in 2022:

The Trust will complete its care home restructure plan. This aims to deliver consistency in organisational structures, roles and ways of working. We believe this is needed to ready ourselves for the challenges that lie ahead as well as enhancing the living environment and experience for our residents. In particular, we want to

- Enhance residents' experience of living in our care homes
- Create a consistent service across all four care homes
- Provide better career opportunities and pathways for those in health and social care
- Improve basic rates of pay and achieve our ambition to pay the Real Living Wage

We will launch our new finance system in 2022 and embed its use across our frontline and support services. This will greatly enhance our ability to forecast expenditure and monitor budgets.

We will create a 10 year strategic plan by early 2023 for the period 2023-2033 which will include a detailed 3 year action plan.

Report of the Trustee for the year ended 31 December 2021 (continued)

We will continue with our recovery plan with the aim of returning the organisation to overall breakeven (total income vs total costs) by the end of 2023. We will create efficient services that are attractive to both residents and staff.

Where we can, we will seek to help protect our staff from cost of living rises by increasing basic pay and our aspiration to become a Real Living Wage employer.

The Trust will embark on a major asset infrastructure update across our sites following the completion of asset surveys by Alder King in Autumn 2022. These surveys will help us to identify all the key works that need to be done over the coming years including refurbishment and redecoration of all key facilities plus the renewal of some key asset components. The first stage of the John Wills refurbishment is currently in progress and will be completed in 2022.

The building of Block D will commence at The Chocolate Quarter in 2022. Comprising 44 apartments (including 18 that will be affordable), this will complete The Chocolate Quarter development and opening in the first half of 2024.

We intend to get outline planning permission for the development of the DEFRA land at Westbury Fields by the end of 2022.

In addition, in 2022 we also aim to:

- Maintain our CQC regulatory compliance at 'good' or 'outstanding' in all our services.
- Agree an IT investment and NCC cyber security strategy.
- Conduct a review of our Marketing and Communications team.
- Re-establish our volunteering service in the post-COVID era.

Disclosure of information to auditors

The Trustees who held office at the date of approval of this Report of the Trustee confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditors are unaware; and each Trustee has taken all the steps that he/ she ought to have taken as a Trustee to make himself/ herself aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Auditors

St Monica Trust, Board of Trustees re-appointed auditors KPMG LLP at its Board meeting held on 22 June 2022.

By order of the Board



Mr Timothy Ross
President of the Council

Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements

Under charity law, the trustee is responsible for preparing the Report of the Trustee and the financial statements in accordance with applicable law and regulations. The trustee is required to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustee:

- selects suitable accounting policies and then apply them consistently;
- makes judgements and estimates that are reasonable and prudent;
- states whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- states whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- assesses the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- uses the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The trustee is required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping accounting records which are sufficient to show and explain the charity's transactions and disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustee to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Opinion

We have audited the financial statements of St Monica Trust ("the charity") for the year ended 31st December 2021 which comprise the statements of financial activities, balance sheet and related notes, including the accounting policies on 29 to 35.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 (or its predecessors) 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charity or to cease its operations, and as they have concluded that the charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the charity's business model and analysed how those risks might affect the charity's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charity will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

Independent auditors' report to the Trustee of St Monica Trust

- Enquiring of management as to the Charity's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Council, and audit committee meeting minutes.
- Using analytical procedures to identify any unusual or unexpected year on year movements.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of some of the fraud risk management controls.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included unusual accounts combinations.
- Substantive testing of residential and investment income and agreement to supporting evidence.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Charity is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including charities legislation) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, employment law, and certain aspects of charity legislation recognising the financial and regulated nature of the Charity's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Independent auditors' report to the Trustee of St Monica Trust

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The trustees are responsible for the other information, which comprises the Report of the Trustee. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

Matters on which we are required to report by exception

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 20, the trustees are responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an

Independent auditors' report to the Trustee of St Monica Trust

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Jonathan Brown
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

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

66 Queen Square

Bristol

BS1 4BE

Date: 25 July 2022.....

Report of the Board and consolidated financial statements
Year ended 31 December 2021

Consolidated statement of financial activities (including an income & expenditure account)
for the year ended 31 December 2021

	Note	Unrestricted Funds	Designated fund	Other restricted funds	Expendable endowment funds	Permanent endowment funds	Total Funds 2021	Total Funds 2020
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income								
Income from charitable activities								
Residential care and support		33,019	-	-	-	-	33,019	31,886
Accommodation income		2,120	602	-	-	-	2,722	2,005
Generated funds								
Investment income	4	9,012	-	6	-	-	9,018	10,216
Total income		44,151	602	6	-	-	44,759	44,107
Expenditure								
Costs of raising funds								
Investment management charges	6a	(44)	-	-	-	(829)	(873)	(886)
Property operational costs	6b	(1,325)	-	-	-	-	(1,325)	(1,078)
Commercial trading operations	6c	(34)	-	-	-	(974)	(1,008)	(459)
Total costs of generating funds	6	(1,403)	-	-	-	(1,803)	(3,206)	(2,423)
Charitable activities								
Costs in furtherance of the Trust's objects								
Residential care and support	7	(41,866)	-	(6)	-	(81)	(41,953)	(43,177)
Accommodation costs		(1,054)	-	-	-	-	(1,054)	(860)
Community support		(966)	-	-	-	-	(966)	(1,000)
Governance	8	(73)	-	-	-	-	(73)	(80)
Total charitable expenditure		(43,959)	-	(6)	-	(81)	(44,046)	(45,117)
Total expenditure		(45,362)	-	(6)	-	(1,884)	(47,252)	(47,540)
Net income/(expenditure) before investment gains/ (losses)		(1,211)	602	-	-	(1,884)	(2,493)	(3,433)
Realised and unrealised gains on 14 investments		(30)	-	47	-	28,805	28,822	4,981
Net income/(expenditure) for the year before transfers		(1,241)	602	47	-	26,921	26,329	1,548
Transfers between funds	9	1,643	290	-	(1,987)	54	-	-
Actuarial gain/(loss) on defined benefit pension	29	-	-	-	-	183	183	(241)
Net movement in funds		402	892	47	(1,987)	27,158	26,512	1,307
Total funds brought forward		12,778	5,961	367	20,000	266,477	305,583	304,276
Total funds carried forward	22	13,180	6,853	414	18,013	293,635	332,095	305,583

Incoming resources and resulting net movement in funds in each year arise from continuing operations. The group has no recognised gains or losses for the current or previous year other than those shown above.

Report of the Board and consolidated financial statements
Year ended 31 December 2021

Charity statement of financial activities
for the year ended 31 December 2021

	Note	Unrestricted Funds	Designated fund	Other restricted funds	Expendable endowment funds	Permanent endowment funds	Total Funds 2021	Total Funds 2020
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income								
Income from charitable activities								
Residential care and support		32,101	-	-	-	-	32,101	31,620
Accommodation income		2,120	602	-	-	-	2,722	2,005
Generated funds								
Investment income	4	9,012	-	6	-	-	9,018	10,216
Total income		43,233	602	6	-	-	43,841	43,841
Expenditure								
Costs of raising funds								
Investment management charges	6a	(44)	-	-	-	(829)	(873)	(886)
Property operational costs	6b	(1,325)	-	-	-	-	(1,325)	(1,078)
Commercial trading operations	6c	(34)	-	-	-	(974)	(1,008)	(459)
Total costs of generating funds	6	(1,403)	-	-	-	(1,803)	(3,206)	(2,423)
Charitable activities								
Costs in furtherance of the Trust's objects								
Residential care and support	7	(41,040)	-	(6)	-	(81)	(41,127)	(42,830)
Accommodation costs		(1,054)	-	-	-	-	(1,054)	(860)
Community support		(966)	-	-	-	-	(966)	(1,000)
Governance	8	(67)	-	-	-	-	(67)	(73)
Total charitable expenditure		(43,127)	-	(6)	-	(81)	(43,214)	(44,763)
Total expenditure		(44,530)	-	(6)	-	(1,884)	(46,420)	(47,186)
Net income/(expenditure) before investment gains/ (losses)		(1,297)	602	-	-	(1884)	(2,579)	(3,345)
Realised and unrealised gains on 14 investments		(30)	-	47	-	28,805	28,822	4,981
Net income/(expenditure) for the year before transfers		(1,327)	602	47	-	26,921	26,243	1,636
Transfers between funds	9	1,643	290	-	1,987	54	-	-
Actuarial gain/(loss) on defined benefit pension	29	-	-	-	-	183	183	(241)
Net movement in funds		316	892	47	1,987	27,158	26,426	1,395
Total funds brought forward		12,682	5,961	367	20,000	266,477	305,487	304,092
Total funds carried forward	22	12,998	6,853	414	18,013	293,635	331,913	305,487

Incoming resources and resulting net movement in funds in each year arise from continuing operations. The group has no recognised gains or losses for the current or previous year other than those shown above.

Report of the Board and consolidated financial statements
Year ended 31 December 2021

Consolidated cash flow statement for the year ended 31 December 2021

	Note	2021 £'000	2020 £'000
Cash flows from operating activities			
Net (expenditure)/income		26,512	1,307
Dividends and Interest receivable		(2,505)	(2,286)
Depreciation of tangible assets		2,867	2,788
Profit on disposal of accommodation		(1,064)	(504)
Losses/(gains) on investment assets		(28,822)	(4,981)
Actuarial gains on pension scheme less contributions paid		(353)	122
Change in trade and other debtors		(2,283)	6,289
Change in stocks		(1)	13
Change in trade and other creditors		9,086	856
Net cash (used in)/from operating activities		3,437	3,604
Cash flows from investing activities			
Interest received		-	19
Dividend income received		2,505	2,267
Purchase of tangible fixed assets		(3,024)	(3,488)
Proceeds from sale of tangible fixed assets		2,120	1,365
Purchase of investments		(9,480)	(19,222)
Increase in fixed asset investment cash deposits		(14,675)	(1,994)
Proceeds from sale of investments		26,148	19,207
Net cash from/(used in) investing activities		3,594	(1,846)
Cash flows from financing activities			
Repayment of bank loans		(4,122)	1,634
Loan drawdowns		-	-
Net cash (used in)/from financing activities	26	4,122	1,634
Movements in cash and cash equivalents in the reporting year		2,909	3,392
Cash at bank and in hand at beginning of year		9,798	6,406
Cash at bank and in hand at end of year	26	12,707	9,798

Report of the Board and consolidated financial statements
Year ended 31 December 2021

Consolidated and charity balance sheets at 31 December 2021

	Note	Group		Charity	
		2021	2020	2021	2020
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	13	148,388	149,287	148,381	149,279
Investments	14	319,858	293,029	319,858	293,029
		<u>468,246</u>	<u>442,316</u>	<u>468,239</u>	<u>442,308</u>
Current assets					
Stocks	15	44	43	40	43
Debtors	16	13,344	11,061	13,228	11,060
Cash at bank and in hand		12,707	9,798	12,523	9,619
		<u>26,095</u>	<u>20,902</u>	<u>25,791</u>	<u>20,722</u>
Creditors: due within one year	17	(47,807)	(24,629)	(47,678)	(24,537)
Net current liabilities		<u>(21,712)</u>	<u>(3,727)</u>	<u>(21,887)</u>	<u>(3,815)</u>
Total assets less current liabilities		<u>466,534</u>	<u>438,589</u>	<u>466,352</u>	<u>438,493</u>
Creditors: due after more than one year	18	(105,911)	(124,125)	(105,911)	(124,125)
Net assets excluding pension liability		<u>340,623</u>	<u>314,464</u>	<u>340,441</u>	<u>314,368</u>
Pension liability	29	(8,528)	(8,881)	(8,528)	(8,881)
Net assets		<u>332,095</u>	<u>305,583</u>	<u>331,913</u>	<u>305,487</u>
Permanent endowment fund net of pension liability		293,635	266,477	293,635	266,477
Other restricted funds	19	414	367	414	367
Total restricted funds		<u>294,049</u>	<u>266,844</u>	<u>294,049</u>	<u>266,844</u>
Designated fund	20	6,853	5,961	6,853	5,961
Expendable endowment fund	21	18,013	20,000	18,013	20,000
Unrestricted fund		13,180	12,778	12,998	12,682
Total unrestricted funds		<u>38,046</u>	<u>38,739</u>	<u>37,864</u>	<u>38,643</u>
Total funds		<u>332,095</u>	<u>305,583</u>	<u>331,913</u>	<u>305,487</u>

These financial statements were approved by the Board on 22 June 2022 and were signed on its behalf by:



Mr Timothy Ross
President of the Council

Notes

(forming part of the financial statements)

Accounting policies

Basis of preparation

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

St Monica Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Notwithstanding the Trust's net current liabilities of £1.7m at the end of 2021, the Trustees have prepared the financial statements on a going concern basis which they consider is appropriate for the following reasons.

The Trustees have reviewed cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible on the operations and its financial resources, the group and charity will have sufficient funds to meet its liabilities as they fall due for that period.

As noted in the Report of the Trustee, this has included looking at plausible downside scenarios. In the event that a combination of any of these scenarios occurred affecting the operations of the Trust, £123.9 million of endowment assets as at the balance sheet date can be liquidated in less than one month. This amount would support the charity's normal operations for more than two years.

Consequently, the Trustees are confident that the group and charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on the going concern basis.

Basis of consolidation

These consolidated financial statements include the financial statements of St Monica Trust ("the charity") and St Monica Trading Limited and Somerdale Pavilion Trust ("the subsidiaries"). These financial statements consolidate the results of the charity and its wholly owned subsidiaries on a line-by-line basis.

The trading results of the subsidiaries are disclosed in notes 2 and 3 to these financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In applying the charity's accounting policies, the Trustee is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Notes (continued)

(forming part of the financial statements)

The Trustees consider that besides the points listed below there are no other critical judgements or sources of estimation uncertainty requiring disclosure.

Investment properties

The valuation of investment properties is a critical accounting judgement in respect of the application of the Trust's accounting policies. The method by which the Trustees have assessed the fair value of the investment properties at year end is described in detail in note 14. The valuations are based on company data, including current rental rates, occupancy, terms and conditions of leases and upon market related assumptions such as yield and discount rates. An element of 'hope value' is also included in the valuation of properties in line with accounting standards.

Leasehold Apartment Sales

The established method of accounting for leasehold apartment sales at the Trusts' established sites at Cote Lane, Westbury Fields, Monica Wills House and Sandford Station is that receipts are held as a liability until conclusion of the lease as detailed in the Lifetime Lease Accounting Policy Note. At The Chocolate Quarter a lease is offered which provides the leaseholder with a choice between equity participation and fixed return. The accounting treatment of an equity participation lease is that the initial sale results in recognition of income and costs in the Statement of Financial Activities. The Trust has followed the general principle for income recognition in the Charities SORP and FRS 102.

Defined benefit pension scheme

The Trust has an obligation to pay pension benefits to certain employees and past employees. The cost of these benefits and the present value of the obligation depends on a number of factors, including life expectancy, salary increases, and the discount rate on corporate bonds. The principal assumptions made by the Trust can be found in note 29. Management estimates these factors in determining the net pension obligations in the balance sheet. The assumptions reflect historical experience and current trends.

Donations and legacies

Dividends and interest on capital and income fund investments are included as income in the financial statements on an accruals basis.

Voluntary income

This is credited to the appropriate fund in the year in which it is receivable.

Government grants

These are credited to the appropriate fund in the year in which they are receivable.

Residential care and support

Fees from residents and other service-user income is credited to the unrestricted fund on an accruals basis.

Notes (continued)

(forming part of the financial statements)

Accommodation Income

The Trust offers leases to tenants on a fixed repayment basis (i.e. the tenant will receive the price they paid on exit) on all its sites. In addition, at The Chocolate Quarter it also offers an equity participation basis (i.e. the exit amount is driven by the market). Where the lessee opts for a fixed repayment, the proceeds are recognised as a liability in accordance with the lifetime leases accounting policy described on page 32. However, where the lessee opts for the equity participation arrangement, the Trust is under no obligation to repurchase the apartment until the property has been sold on to a new tenant.

Therefore, the proceeds from the initial sale of a property under an equity participation lease are recognised as income in the statement of comprehensive income, with a corresponding cost of sale recognised in accommodation costs.

Under both the fixed repayment and equity participation arrangements, the Trust becomes entitled to a surrender fee, payable at the end of the lease, which is accrued annually over the life of the lease. This is recognised within accommodation income in the statement of financial activities (SoFA) as it is earned.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs are allocated or apportioned to one of the functional categories of resources expended in the statement of financial activities.

(a) Costs of generating funds relate to those costs incurred in the management of the fixed asset investments.

(b) Costs in furtherance of the Trust's objects relate to those costs incurred in running and supporting the objects of the Trust.

Support costs

Support costs are apportioned to categories of expenditure, and only governance costs are separately disclosed.

Grants payable

Grants are awarded from the Community Fund and a detailed analysis and explanation of grants awarded has been provided in the Report of the Trustee.

Irrecoverable VAT

Any irrecoverable VAT is charged to the statement of financial activities or capitalised as part of the cost of the related asset, where appropriate.

Notes (continued)

(forming part of the financial statements)

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Tangible fixed assets

All expenditure on the acquisition, enhancement, production or installation of fixed assets for use by the Trust and all receipts of such assets by way of gift are capitalised and included in the balance sheet at cost. The freehold land and property is included in fixed assets at cost. Assets with a value below £1,000 are not capitalised.

Tangible fixed assets include apartments which may be disposed of within 12 months through an equity participation lease (see accommodation income accounting policy above).

Capitalisation of finance costs

All finance costs in respect of the bank loan obtained for the Keynsham, Westbury-on-Trym, Bedminster and Sandford developments up to the point when these developments commenced normal operations are capitalised within tangible fixed assets and are being amortised over the life of the asset to which they relate.

Depreciation

Depreciation is provided with the intention of writing off the costs of tangible fixed assets (to residual values) over their useful lives. The provision is calculated using the straight-line method at the following rates:

Assets in the course of construction	Nil
Freehold buildings	2%
Special building assets	14%
Furniture and equipment	12.5% to 33.3%
Motor vehicles	25%

Freehold land is not depreciated. The residual values of freehold buildings were revised by management during 2014. The revision resulted in a reduction to the depreciation expense of £1.4m in that year.

Impairment reviews

Impairment reviews are carried out annually which includes consideration of current selling price of properties against the carrying value of each asset.

Lifetime leases

The Trust provides a lifetime leasehold purchase scheme for up to 351 properties across four of its sites in which the lease operates for the duration of the purchaser's occupation of the property and then reverts to the Trust on their departure. The cash received under this scheme is returned to the lease holder or their estate when the lease is determined. The Trust, therefore, always has a liability

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Notes (continued)

(forming part of the financial statements)

to repay the full value of the lease proceeds, which is reflected in the balance sheet as amounts due to lifetime leasehold tenants. When a lease is determined, the Trust will sell the lease on to another purchaser under the same lifetime lease arrangement, thus restoring the funding and the liability to repay the value of the lease when, in turn, it is determined.

In addition, the Trust has a further 136 leasehold properties at its site in Keynsham. The lessee has an option at this site to have a fixed repayment lease with the liability recognised as described in the above policy. However, where the lessee opts for an Equity Participation arrangement the accounting policy is as described in the Accommodation Income note on page 31.

Investments

Both current and fixed asset investments are stated at mid-market value at the balance sheet date. This is not in accordance with FRS 102 which recommends bid value but is consistent with the entity's performance management process. Using bid values would lead to a reduction in the valuation of these listed investments of an amount which is considered by the Trustee to be immaterial.

All recognised gains and losses on investments are shown separately in the statement of financial activities. The investments in the subsidiary undertakings are stated at cost.

Investment properties

Investment properties are included in the balance sheet at their open market value on an existing use basis. The valuation is determined on the basis of professional advice and includes an element of hope value in line with accounting standards. In accordance with FRS 102 investment properties are revalued annually and the aggregate surplus or deficit is included as an unrealised gain or loss within the permanent endowment fund. No depreciation or amortisation is provided in respect of freehold investment properties.

Stocks

Stocks consist of catering supplies and have been valued at the lower of cost and net realisable value.

Leased assets

Rentals in respect of operating leases are charged directly to the statement of financial activities on a straight-line basis over the lease term.

Pension costs

The employees of the Trust are eligible to join a group personal pension plan with Aviva or with the National Employment Savings Trust (NEST). The Trust's pension contributions for current employees are charged to the statement of financial activities in the year in which the obligation to make contributions arises.

The Trust pays certain discretionary pensions, which are not funded under a closed defined benefit scheme. The pension liability in respect of this obligation is recognised in the balance sheet based on annual actuarial valuations. Actuarial gains or losses are included in the statement of financial activities.

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Further details in respect of unfunded pension liabilities are contained in note 29. The Trustees have confirmed with the Charity Commission that the pension liability may be treated as a deduction from the Permanent Endowment Fund, and, as a result, the Permanent Endowment Fund in the "Funds" section of the balance sheet is shown net of the estimated pension liability.

Basic financial instruments

(a) Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

(b) Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

(c) Fixed asset investments

Investments 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.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the charity's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Permanent endowment fund

The permanent endowment fund incorporates the original endowment together with surpluses arising from disposals of investments, that element of gravel royalties which represents the depletion of the site and, by orders of the Charity Commission, the recoupment from income by annual contributions, over 25 years or 30 years, of capital expenditure made on real estate improvements and leasehold property.

Expendable endowment fund

On 16 November 2020 the Charity Commission approved a resolution made by the Trustees to redesignate £20 million of the permanent endowment for use by the Trust in furtherance of its objectives and as if it were income. The result was that £20 million was transferred from permanent

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endowment funds into an unrestricted expendable endowment fund. As expenditure is incurred, balances will be transferred from the expendable endowment fund into the unrestricted fund.

Restricted funds

These are other funds for which the donor has specifically restricted the purpose for which they can be used. The amounts in the funds represent the monies remaining for future expenditure. There are two restricted funds which are held by the Trust and explained in more detail below:

(a) Residents' legacy fund

These are funds donated by residents, which have restricted purposes for which they can be applied.

(b) Community support fund

These are funds donated by beneficiaries of the Trust's community support services, which have restricted purposes for which they can be applied.

Unrestricted fund

Operating income together with income arising from permanent endowment and unrestricted fund investments is credited to the unrestricted fund. The Charity Commission Scheme permits the fund to be applied towards contributions to the management expenses, the expenses related to running the operational activities, establishing a reserve fund and paying annuities and gifts. Any balance remaining may be accumulated for endowment purposes, but in practice is currently retained as unrestricted funds as explained in the reserves policy in The Report of the Trustee.

Designated fund

A designated fund exists to hold a proportion of the community fee and exit fees for the Equity Participation and Fixed Repayment leasehold options as detailed in the Accommodation Income accounting policy. These funds are set aside for future maintenance costs.

Subsidiaries

Details of subsidiary undertakings owned by the charity are disclosed in notes 2 and 3.

Financial activities of the charity

The financial activities shown in the consolidated statement includes those of the charity's wholly owned subsidiaries, St Monica Trading Limited and Somerdale Pavilion Trust.

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Year ended 31 December 2021

Notes (continued)

(forming part of the financial statements)

2 Trading subsidiary's results (St Monica Trading Limited)

	2021	2020
	Total	Total
	£'000	£'000
Turnover	301	324
Cost of sales	(98)	(105)
Gross profit	203	219
Administration and other costs	(193)	(204)
Trading profit	10	15
Other income	-	-
Net income	10	15
Management charge from St Monica Trust	-	-
Tax on profit	-	-
Retained profit for the year		
Retained profit	10	15
Retained profit carried forward	10	15

Gift aid and distributions totalling £10,261 (2020: £14,890) will be made post year end in relation to the current year.

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Notes (continued)

(forming part of the financial statements)

The assets and liabilities of the subsidiary were:

	2021 Total £'000	2020 Total £'000
Fixed assets	-	-
Current assets	14	19
Creditors: amounts falling due within one year	(4)	(4)
Provisions for liabilities and charges		
Net assets	10	15
Profit and loss reserve	10	15
Equity shareholders' funds	10	15

Statement of changes in equity

	Share Capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2020	1	163,576	163,577
Period ended 31 December 2020			
Profit and total comprehensive income for the period	-	14,890	14,890
Distributions to parent charity under gift aid		(163,576)	(163,576)
Balance at 31 December 2020	1	14,890	14,891
Year ended 31 December 2021			
Profit and total comprehensive income for the year	-	10,261	10,261
Distributions to parent charity under gift aid	-	(14,890)	(14,890)
Balance at 31 December 2021	1	10,261	10,262

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Notes (continued)

(forming part of the financial statements)

3 Trading subsidiary's results (Somerdale Pavilion Trust)

	2021 Total £'000	2020 Total £'000
Income		
Grant income	81	98
Charitable activities	314	290
Other trading activities	300	263
	695	651
Expenditure		
Charitable activities	572	572
Other	32	18
	(604)	(590)
Net income	91	61
Net movement in funds	91	61
Total funds brought forward	81	20
Total funds carried forward	172	81

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Notes (continued)

(forming part of the financial statements)

The assets and liabilities of the subsidiary were:

	2021	2020
	Total	Total
	£'000	£'000
Fixed assets	7	8
Current assets	301	235
Creditors: amounts falling due within one year	(136)	(162)
Net assets	172	81
Total restricted funds	-	-
Total unrestricted funds	172	81
Total funds	172	81

4 Investment income

Group and charity	2021	2020
	£'000	£'000
(a) Unrestricted fund		
Commercial investment properties	2,262	4,216
Agricultural investment properties	4,251	3,714
Listed and other investments	2,458	2,262
Interest on cash deposits	0	19
Other investments	41	-
	9,012	10,211

(b) Restricted funds

Distributions from CCLA Investment Management Limited	6	5
	9,018	10,216

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Notes (continued)

(forming part of the financial statements)

5 Analysis of total resources expended

Group

	Staff costs	Depreciation	Other costs	2021	2020
	£'000	£'000	£'000	£'000	£'000
Costs of generating funds					
(note 6)	-	-	3,206	3,206	2,423
Charitable expenditure					
Residential care and support (note 7)	29,783	2,867	9,303	41,953	43,177
Accommodation costs	-	-	1,054	1,054	860
Community support	245	-	721	966	1,000
Governance costs (note 8)			73	73	80
	30,028	2,867	11,151	44,046	45,117
	30,028	2,867	14,357	47,252	47,540

All support costs have been allocated to one charitable activity (Residential care and support).

Charity

	Staff costs	Depreciation	Other costs	2021	2020
	£'000	£'000	£'000	£'000	£'000
Costs of generating funds					
(note 6)	-	-	3,206	3,206	2,423
Charitable expenditure					
Residential care and support (note 7)	29,465	2,865	8,797	41,127	42,830
Accommodation costs	-	-	1,054	1,054	860
Community support	245	-	721	966	1,000
Governance costs (note 8)	-	-	67	67	73
	29,710	2,865	10,639	43,214	44,763
	29,710	2,865	13,845	46,420	47,186

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Notes (continued)

(forming part of the financial statements)

6 Costs of generating funds

Group and charity

	2021	2020
	£'000	£'000
(a) Investment management charges		
Society of Merchant Venturers of Bristol – reallocation of salaries, overheads and general advisory	253	251
Investment manager fees	202	239
Agricultural estate management	374	352
Commercial properties management	44	44
	873	886
(b) Property operational costs		
Agricultural estates	607	379
Commercial properties	718	699
	1,325	1,078
(c) Major repairs & other costs		
Agricultural estates	1,008	459
Total costs of generating funds	3,206	2,423

7 Residential care and support

Group

	2021	2020
	£'000	£'000
Staff costs	29,783	30,956
Residential services	675	909
Site services	1,781	1,284
Provisions and catering	1,071	1,205
Insurance	445	394
Property and equipment (including depreciation)	5,363	6,050
Miscellaneous	887	658
Expendable Endowment (excluding pay costs)	180	-
Management and administration	1,768	1,721
	41,953	43,177

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Notes (continued)

(forming part of the financial statements)

Charity

	2021	2020
	£'000	£'000
Staff costs	29,465	30,575
Residential services	643	895
Site services	1,710	1,210
Provisions and catering	1,039	1,188
Insurance	445	394
Property and equipment (including depreciation)	5,289	6,003
Miscellaneous	639	884
Expendable Endowment (excluding pay)	180	-
Management and administration	1,717	1,681
	41,127	42,830

8 Governance costs

	2021	2020
	£'000	£'000
Group		
Auditor's remuneration (including irrecoverable VAT)		
- for audit	48	48
- other professional services	25	31
Trustee expenses	-	1
	73	80
Charity		
Auditor's remuneration (including irrecoverable VAT)		
- for audit	42	40
- other professional services	25	32
Trustee expenses	-	1
	67	73

Neither the Council, nor persons connected with them, received any remuneration or other benefits from the Trust during the current or previous year. Reimbursement of expenses amounted to £nil during the year (2020: £nil).

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Notes (continued)

(forming part of the financial statements)

9 Transfers

Group and charity	Unrestricted fund	Designated fund	Other restricted funds	Expendable Endowment funds	Permanent endowment funds
	£'000	£'000	£'000	£'000	£'000
Service Charge Transfer (A)	(344)	290	-	-	54
Expendable endowment (B)	1,987	-	-	(1,987)	
Total Transfers	1,643	290	-	(1,987)	54

(A) During the year £344,000 (2020: £344,000) has been transferred out of the unrestricted fund which represents service charges received from residents. The transfer is part of an agreement to designate funds for future maintenance costs on the Westbury-on-Trym, Cote Lane, Sanford and Bedminster sites, £290,000 (2020: £290,000) has been transferred into the designated fund and £54,000 (2020: £54,000) into the permanent endowment fund.

(B) During the year £1,987,000 (2020: £Nil) has been transferred from the expendable endowment fund into the unrestricted funds

10 Staff numbers and costs

The average headcount in the year for the group was 1,578 (2020: 1,596). The full time equivalent average number of persons employed by the group during the year, including directors, analysed by category, was as follows:

	2021	2020
	Total	Total
	£'000	£'000
Residential care and support	780	847
Community support	4	3
Management of the Trust	24	23
	808	873

The aggregate payroll costs were as follows:

	2021	2020
	Total	Total
	£'000	£'000
Wages and salaries	25,249	26,280
Social security costs	1,784	1,822
Pensions	921	988
Agency staff costs	2,074	2,104
	30,028	31,194

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Notes (continued)

(forming part of the financial statements)

During the current and previous year, the Trustees were not paid any remuneration or reimbursed for expenses, and no Trustees made donations to the charity.

Key management remuneration in total for the year was £943,096 (7 People) compared to 2020 £965,170 (8 People).

The number of employees whose emoluments, excluding pension contributions, were in excess of £60,000 per annum fell within the following bands:

	2021 Number	2020 Number
£60,001 to £70,000	4	4
£70,001 to £80,000	4	2
£80,001 to £90,000	-	2
£90,001 to £100,00	3	2
£100,001 to £110,000	2	-
£110,001 to £120,000	-	-
£120,001 to £130,000	-	-
£130,001 to £140,000	1	1
£140,001 to £150,000	1	1
£150,001 to £160,000	-	-
£160,001 to £170,000	1	-
£170,001 to £180,000	-	-
£180,001 to £190,000	-	-
£190,001 to £200,000	-	1
£200,001 to £210,000	-	-
£220,001 to £230,000	1	-

These members of staff have pension benefits accruing under the group personal pension plan.

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Notes (continued)

(forming part of the financial statements)

11 Net movement on funds is stated after charging

	2021	2020
	£'000	£'000
Auditors' remuneration – Charity (excluding VAT)	36	36
Auditors' remuneration – Subsidiaries (excluding VAT)	4	4
Auditors' remuneration – for other professional services	25	31
Depreciation and other amounts written off tangible fixed assets	2,867	2,424
Inventories recognised as an expense	1,064	1,205

12 Taxation

The charity is not liable to taxation on the net income from its primary activity. Stated below are the tax details of the subsidiary St Monica Trading Limited:

	2021	2020
	£'000	£'000
Current tax		
UK corporation tax on results of the year	-	-
	<u>-</u>	<u>-</u>
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>

Factors affecting the tax charge for the current period

The tax assessed for the period differs from the standard rate of corporation tax in the UK (19%), (2020: 19%). The differences are explained below:

	2021	2020
	£'000	£'000
<i>Current tax reconciliation</i>		
Profit before tax (of trading subsidiary only)	<u>10</u>	<u>15</u>
Current tax at 19%	2	3
<i>Effects of:</i>		
Gift Aid payments	(2)	(3)
	<u>-</u>	<u>-</u>
Total current tax charge (see above)	<u>-</u>	<u>-</u>

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Notes (continued)

(forming part of the financial statements)

13 Tangible fixed assets

	Assets in the course of construction £'000	Freehold land and buildings £'000	Furniture and equipment £'000	Motor vehicles £'000	Total £'000
Group					
<i>Cost</i>					
At beginning of year	1,693	154,350	22,978	396	179,417
Transfers	-	-	-	-	-
Additions	1,373	491	1,137	23	3,024
Disposals in the year	-	(1,039)	(2053)	(11)	(3,103)
At end of year	3,066	153,802	22,062	408	179,338
<i>Depreciation</i>					
At beginning of year	-	14,221	15,595	314	30,130
Charge for year	-	758	2,079	30	2,867
Depreciation on disposals	-	(16)	(2021)	(10)	(2,047)
At end of year	-	14,963	15,653	334	30,950
<i>Net book value</i>					
At 31 December 2021	3,066	138,839	6,409	74	148,388
At 31 December 2020	1,693	140,129	7,383	82	149,287

The above schedule includes finance costs of £3,896,000 (2020: £3,890,000) relating to loan interest and charges incurred for financing the Chocolate Quarter, Monica Wills House, the sheltered flats and the Garden House Annexe at Cote Lane, and the Sandford developments.

Land costing £27,025,000 (2020: £27,025,000) is not depreciated.

The Trustee's review of the fixed assets has concluded that their value is not impaired.

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(forming part of the financial statements)

	Assets in the course of construction £'000	Freehold land and buildings £'000	Furniture and equipment £'000	Motor vehicles £'000	Total £'000
Charity					
<i>Cost</i>					
At beginning of year	1,693	154,350	22,969	396	179,408
Transfers	-	-	-	-	-
Additions	1,373	491	1,137	23	3,024
Disposals in the year	-	(1,039)	(2,053)	(11)	(3103)
At end of year	<u>3,066</u>	<u>153,802</u>	<u>22,053</u>	<u>408</u>	<u>179,329</u>
<i>Depreciation</i>					
At beginning of year	-	14,221	15,594	314	30,129
Charge for year	-	758	2,078	30	2,866
Depreciation on disposals	-	(16)	(2021)	(10)	(2,047)
At end of year	<u>-</u>	<u>14,963</u>	<u>15,651</u>	<u>334</u>	<u>30,948</u>
<i>Net book value</i>					
At 31 December 2021	<u>3,066</u>	<u>138,839</u>	<u>6,402</u>	<u>74</u>	<u>148,381</u>
At 31 December 2020	<u>1,693</u>	<u>140,129</u>	<u>7,376</u>	<u>82</u>	<u>149,279</u>

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Notes (continued)

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14 Fixed asset investments

Group

	Investment Properties £'000	Financial securities £'000	Cash on deposit £'000	Other investments* £'000	Total £'000
Cost					
At beginning of year	55,578	89,556	7,794	2,924	155,852
Transfer from Fixed Assets	-	-	-	-	-
Additions	16	9,464	14,675	-	24,155
Disposals	(657)	(4,107)	-	(2,700)	(7,464)
At end of year	54,937	94,913	22,469	224	172,543
Revaluation – unrealised gains					
At beginning of year	124,123	15,308	-	(2,254)	137,177
Disposals	(1,981)	(742)	-	2,363	(360)
Net gains arising on revaluation	591	9,861	-	46	10,498
At end of year	122,733	24,427	-	155	147,315
Net book value At 31 December 2021	177,670	119,340	22,469	379	319,858
At 31 December 2020	179,702	104,864	7,794	669	293,029

There were total realised and unrealised gains during the year of £28,822,000 (2020: £4,981,000).

* Other investments are Hercules Unit Trust income units that were disposed of in the year, with the remaining balance consisting of investments in CCLA Investment Management Limited.

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(forming part of the financial statements)

Investments with a market value of greater than 5% of total quoted securities at 31 December 2021 and 2020:

Investment	Portfolio 2021	Portfolio 2020
Artemis Equity Income Fund	-	-
Brummer Multi-Strategy 2 XL Fund	5.3%	5.8%
NinetyOne (formerly Investec UK Special Situations Fund)	5.5%	5.5%
Newton Global Higher Income Fund	7.3%	9.6%
JO Hambro Global Select Equity Fund	8.1%	7.2%
KBI Institutional Developed Equity Fund	9.5%	8.0%
Trojan Income Fund	5.4%	5.4%
Kiltearn Global Equity Fund	7.6%	7.4%
Liontrust (formerly Neptune Income Fund)	-	-

The total cumulative surplus/(deficit) on revaluing investment properties is as follows:

	2021	2020
	£'000	£'000
Commercial property (note (a) & (c))	1,281	2,261
Agricultural property (note (b))	121,452	121,862
	122,733	124,123

(a) The commercial property within the permanent endowment fund was valued as at 31 December 2021 by CBRE Limited in accordance with the latest version of the RICS Valuation – Global Standards (incorporating the International Valuation Standards) and the UK national supplement (the ‘Red Book’) current as the Valuation Date.

(b) The agricultural property has been valued at 31 December 2021 by Savills (UK) Limited in accordance with the RICS Valuation – Global Standards (incorporating the IVSC International Valuation Standards) effective from 31 January 2020 with a special assumption to disregard development hope value and not accrue any value for a potential change of use of any part of the portfolio unless a planning permission has been obtained. Development hope value has then been assessed separately and included in the asset valuation at 31 December 2021.

(c) Block C at The Chocolate Quarter has been valued at 31 December 2021 by Alder King LLP in accordance with the RICS Valuation – Global Standards (Red Book) effective 31 January 2020 – incorporating the International Valuation Standards, UK VPGA 1 of the Red Book UK national supplement and FRS102 ‘The Financial Reporting Standard’ applicable to the United Kingdom and Republic of Ireland.

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Charity

	Subsidiary undertakings	Investment Properties	Financial securities	Cash on deposit	Other investments*	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At beginning of year	-	55,578	89,556	7,794	2,924	155,852
Transfer from Fixed Assets	-	-	-	-	-	-
Additions	-	16	9,464	14,675	-	24,155
Disposals	-	(657)	(4,107)	-	(2,700)	(7,464)
At end of year	-	54,937	94,913	22,469	224	172,543
Revaluation – unrealised gains						
At beginning of year	-	124,123	15,308	-	(2,254)	137,177
Disposals	-	(1,981)	(742)	-	2,363	(360)
Net gains arising on revaluation	-	591	9,861	-	46	10,498
At end of year	-	122,733	24,427	-	(155)	147,315
Net book value						
At 31 December 2021	-	177,670	119,340	22,469	379	319,858
At 31 December 2020	-	179,702	104,864	7,794	669	293,029

The charity owns 100% of the issued share capital of St Monica Trading Limited (company registration number: 11070522), a company incorporated in England and Wales. The total share capital is £1 – too small to show in the rounded figures above. The principal activities of this company are conducting the commercial operations undertaken at St Monica Trust's retirement village at Keynsham.

* Other investments are Hercules Unit Trust income units, investments in CCLA Investment Management Limited.

15 Stocks

	Group		Charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Sundry stocks	44	43	44	43

Stock relates to catering purchases in the SoFA of £1,064,000 (2020: £1,205,000)

Report of the Board and consolidated financial statements
Year ended 31 December 2021

Notes (continued)

(forming part of the financial statements)

16 Debtors

	Group		Charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Trade debtors	8,285	2,445	2,865	2,445
Prepayments and accrued income	4,409	3,656	534	3,597
Other debtors	650	4,960	9,819	4,959
Amounts owed by group undertakings	-	-	10	59
	13,344	11,061	13,228	11,060

Trade debtors include £5,492,000 in respect property disposals. In 2021 Other debtors included an agricultural disposal for Brockworth of £nil (2020: £470,000) and cash in transit of £nil (2020: £3,185,000) relating to the redemption from the David Leone Partners hedge fund.

17 Creditors: amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Trade creditors	1,221	1,747	1,219	1,747
Bank loan	20,117	116	20,117	116
Amounts due to lifetime leasehold tenants	16,015	15,073	16,015	15,073
Other creditors	2,754	2,108	2,733	2,118
Tax and Social Security	4,159	1,263	4,159	1,254
Accruals and deferred income	3,541	4,322	3,351	4,214
Amounts owed to group undertakings	-	-	84	15
	47,807	24,629	47,678	24,537

Accruals and deferred income includes accruals of £1,606,000 (2020: £1,936,000) and deferred income comprising £1,935,000 (2020: £2,386,000).

Report of the Board and consolidated financial statements
Year ended 31 December 2021

Notes (continued)

(forming part of the financial statements)

Deferred income comprises care home fees of £848,824 (2020: £1,255,002), sheltered housing rent and service charges of £471,20 (2020: £409,396), commercial rents of £460,309 (2020: £451,456) and other of £154,770 (2020: £270,062):

	Group		Charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Deferred income brought forward	2,386	2,851	2,319	2,799
Recognised in the year	1,935	2,386	1,861	2,319
Released to the SoFA in the year	(2,386)	(2,851)	(2,319)	(2,799)
Deferred income carried forward	1,935	2,386	1,861	2,319

18 Creditors: amounts falling due after more than one year

	Group		Charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Bank loan	617	24,739	617	24,739
Amounts due to lifetime leasehold tenants	105,294	99,386	105,294	99,386
	105,911	124,125	105,911	124,125
Age analysis of bank loan				
Due within one year	20,117	116	20,117	116
Between two and five	617	24,604	617	24,604
After five years	-	135	-	135
	20,734	24,855	20,734	24,855

The Trust's bank loans have been arranged with no security having been provided by the Trust to the lender.

Bank loans consist of:

- Keynsham development loan relating to the commercial Block C of £20,000,000 which is fully utilised. The interest rate is 0.90% above LIBOR and is repayable in June 2022
- Revolving credit facilities of £20,000,000 are in place with nil drawdowns at the year end. The interest rate is 1.10% above LIBOR. The facility end date is 28 June 2022.
- John Wills Annex loan of £733,932 which is due for repayment by January 2028. The interest rate is 0.65% above bank base rates.

The loan facilities in (a) and (b) will be repaid in June 2022 and has been replaced by a new £20m revolver loan with Natwest Bank.

The amounts due to lifetime leasehold tenants relates to amounts paid by the residents for their leases, which is repayable when the properties are vacated.

Report of the Board and consolidated financial statements
Year ended 31 December 2021

Notes (continued)

(forming part of the financial statements)

19 Other restricted funds – Group and charity

	At 1 January 2021	Incoming resources	Outgoing resources	Gains on investments	At 31 December 2021
	£'000	£'000	£'000	£'000	£'000
Residents' legacy fund	166	3	(3)	47	213
Community support fund	201	3	(3)	-	201
	367	6	(6)	35	414

20 Designated fund – Group and charity

A designated fund has been set up for future maintenance costs on the Westbury-on-Trym, Cote Lane, Sandford and Bedminster sites. Transfers from the unrestricted fund have been made in line with the expected costs, and represent service charges received from residents and in respect of The Chocolate Quarter site surrender fees received and accrued.

	Total £'000
At 31 January 2021	5,961
Transfer from the unrestricted fund	290
Surrender Fees	602
At 31 December 2021	6,853

21 Expendable endowment fund – Group and charity

In 2020 the Charity Commission approved a resolution made by the Trustees to redesignate £20 million of the permanent endowment for use by the Trust in furtherance of its objectives and as if it were income. The result was that £20 million was transferred from permanent endowment funds into an unrestricted expendable endowment fund. As expenditure is incurred, balances will be transferred from the expendable endowment fund into the unrestricted fund.

	Total £'000
At 31 January 2021	20,000
Transfer from the unrestricted fund	1,987
At 31 December 2021	18,013

Report of the Board and consolidated financial statements
Year ended 31 December 2021

Notes (continued)

(forming part of the financial statements)

22 Analysis of funds

Group

	Unrestricted fund	Designated fund	Restricted fund	Expendable endowment	Permanent endowment fund	Total
Movement in funds	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January 2021	12,778	5,961	367	20,000	266,477	305,583
Net incoming/(outgoing) resources	(1,211)	602	-	-	(1,884)	(2,493)
Transfers between funds	1,643	290	-	(1,987)	54	-
Gains on investment assets	(30)	-	47	-	28,805	28,822
Actuarial loss on pension liability	-	-	-	-	183	183
At 31 December 2021	13,180	6,853	414	18,013	293,635	332,095

Representation of fund balances	£'000	£'000	£'000	£,000	£'000	£'000
Tangible fixed assets	122,520	-	-	-	25,868	148,388
Investments	22,845	-	380	18,013	278,620	319,858
Cash and bank balances	12,707	-	-	-	-	12,707
Other current assets and liabilities	(38,981)	6,853	34	-	(2,325)	(34,419)
Long term creditors	(105,911)	-	-	-	-	(105,911)
Pension liability	-	-	-	-	(8,528)	(8,528)

At 31 December 2021	13,180	6,853	414	18,013	293,635	332,095
Unrealised and realised investment asset gains / (losses) included above	(30)	-	47	-	28,805	28,822

Report of the Board and consolidated financial statements
Year ended 31 December 2021

Notes (continued)

(forming part of the financial statements)

Charity

	Unrestricted fund	Designated fund	Restricted fund	Expendable endowment fund	Permanent endowment fund	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Movement in funds						
At 1 January 2021	12,682	5,961	367	20,000	266,477	305,487
Net incoming/(outgoing) resources	(1,297)	602	-	-	(1,884)	(2,579)
Transfers between funds	1,643	290	-	(1,987)	54	-
Gains on investment assets	(30)	-	47	-	28,805	28,822
Actuarial gain on pension liability	-	-	-	-	183	183
At 31 December 2021	12,998	6,853	414	18,013	293,635	331,913
Representation of fund balances	£'000	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	122,513	-	-	-	25,868	148,381
Investments	22,845	-	380	18,013	278,620	319,858
Cash and bank balances	12,523	-	-	-	-	12,523
Other current assets and liabilities	(38,972)	6,853	34	-	(2,325)	(34,410)
Long term creditors	(105,911)	-	-	-	-	(105,911)
Pension liability	-	-	-	-	(8,528)	(8,528)
At 31 December 2021	12,998	6,853	414	18,013	293,635	331,913
Realised and unrealised investment asset gains included above	(30)	-	47	-	28,805	28,822

23 Capital commitments

	2021 £'000	2020 £'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	2,077	2,857

Report of the Board and consolidated financial statements
Year ended 31 December 2021

Notes (continued)

(forming part of the financial statements)

24 Operating leases as a lessee

The future minimum lease payments under non-cancellable operating leases expected to be paid by the Charity and Group will fall due as follows:

	2021	2020
	Group and Charity plant and machinery	Group and Charity plant and machinery
	£'000	£'000
Within one year	6	8
Between one and five years	9	16
After five years	-	-
	15	24

The total charge to the statement of financial activities in the year in respect of operating lease rentals for the hire of plant and machinery was £8,000 (2020: £10,000).

25 Operating leases as a lessor

The future minimum lease payments due to be received under non-cancellable operating leases by the Charity and Group are as follows:

	2021	2020
	Group and Charity leasehold property	Group and Charity leasehold property
	£'000	£'000
Within one year	1,334	1,334
Between one and five years	6,627	6,635
After five years	2,432	3,754
	10,393	11,723

26 Reconciliation of movement in net cash

	At 1 January	Cash flow	At 31 December
	2021	2021	2021
	£'000	£'000	£'000
Investments	7,794	14,675	22,469
Cash at bank and in hand	9,798	2,909	12,707
Bank loan	(24,855)	4,121	(20,734)
	(7,263)	21,705	(14,442)

Report of the Board and consolidated financial statements
Year ended 31 December 2021

Notes (continued)

(forming part of the financial statements)

27 Analysis of changes in net debt

	At 1 January 2021 £'000	Cash flow £'000	At 31 December 2021 £'000
Cash and cash equivalents			
Cash	9,800	2,907	12,707
Overdrafts	(2)	2	-
Cash equivalents			
	9,798	2,909	12,707
Borrowings			
Debt due within one year	(20,116)	(1)	(20,117)
Debt due after one year	(4,739)	4,122	(617)
	(24,855)	4,121	(20,734)
Total	(15,057)	7,030	(8,027)

28 Related party transactions

A number of the Trust's Council members are also members of the Society of Merchant Venturers. The Trust paid a fee including reallocation of salaries and overhead costs totalling £252,768 (2020: £251,000) to the Society of Merchant Venturers of Bristol to cover the services it provides in its role as Endowment Trustee (note 6(a)).

A professional indemnity insurance premium of £3,045 (2020: £2,900) was paid by the Trust on the behalf of the Trustees.

The charity owns 100% of the issued share capital of St Monica Trading Limited (company registration number: 11070522), a company incorporated in England and Wales. During the period St Monica Trust provided to St Monica Trading Limited staff time, catering supplies and other operating costs totalling £287,201 (2020: £304,930) and collected £301,494 (2020: £323,869) of income. The amount owing to St Monica Trading Limited at the period end was £10,342 (2020: £14,938). A Gift Aid payment was made to St Monica Trust by St Monica Trading Limited of £14,890 in respect of the trading results for 2020 (2020: £163,576) in respect of the trading results for 2019).

St Monica Trustee Company is the sole member of Somerdale Pavilion Trust (company registration number: 11730938), a company limited by guarantee, incorporated in England and Wales and registered as a charity (registered charity number: 1182426). During the period, St Monica Trust provided staff time and funds for operating expenses to Somerdale Pavilion Trust totalling £25,787 (2020: £64,884) and provided services to St Monica Trust in the form of parking and academy rent totalling £236,850 (2020: £236,850). The amount owed by St Monica Trust at the year-end was £84,185 (2020: £58,789).

Report of the Board and consolidated financial statements
Year ended 31 December 2021

Notes (continued)

(forming part of the financial statements)

29 Pension schemes

Unfunded pension liability

The Trust has granted unfunded defined benefit pensions to some current and former employees of the Trust. The valuation of the pensions was carried out as at 31 December 2021 by PriceWaterhouseCoopers, a qualified independent actuary who are a fellow of the Institute of Actuaries. Pension payments made for the year ended 31 December 2021 in respect of the defined benefit pensions were £278,000 (2020: £287,000).

The principal assumptions made by the Trust were:	2021	2020	2019	2018
	%	%	%	%
Rate of increase in pensionable salaries	3.4	3.0	3.0	3.2
Rate of increase in pensions in payment	3.1	2.9	2.9	3.0
Inflation rate	3.4	3.0	3.0	3.2
Discount rate	1.8	1.3	2.0	2.8
Pensioner and non-pensioner mortality SAPS all MC	1% pa	1% pa	1% pa	1% pa
The amounts recognised in the balance sheet are as follows:	£'000	£'000	£'000	£'000
Present value of scheme liabilities	(8,528)	(8,881)	(8,759)	(8,095)
Deficit in the scheme	(8,528)	(8,881)	(8,759)	(8,095)

Report of the Board and consolidated financial statements
Year ended 31 December 2021

Notes (continued)

(forming part of the financial statements)

**Analysis of amount charged to net outgoing resources
in respect of defined benefit pensions**

	2021	2020
	£'000	£'000
Interest on pension liability	(108)	(168)
Total operating charge	(108)	(168)

	2021	2020
	£'000	£'000
Movement in liability during the year		
Liability at the start of the year	(8,881)	(8,759)
Movement:		
Employer contributions (including pension payments)	278	287
Interest cost	(108)	(168)
Actuarial gain / (loss)	183	(241)

**Liability at the end of the year covered by a specific
provision in the financial statements**

(8,528)	(8,881)

**Analysis of amount recognised in the statement of financial
activities**

	£'000	£'000
Actuarial gain / (loss) recognised in the statement of financial activities	183	(241)

Report of the Board and consolidated financial statements
Year ended 31 December 2021

Notes (continued)

(forming part of the financial statements)

Amounts for the current and previous four periods are as follows

	2021	2020	2019	2018	2017
	£'000	£'000	£'000	£'000	£'000
Scheme assets	-	-	-	-	-
Scheme liabilities	(8,528)	(8,881)	(8,759)	(8,095)	(8,505)
Deficit in plan	(8,528)	(8,881)	(8,759)	(8,095)	(8,505)
Actuarial gains/(losses) on liabilities	183	(241)	(740)	316	303
Statement of total recognised gains and losses for the period ending 31 December	183	(241)	(740)	316	303

Other pension scheme

The Trust also contributes to a group personal pension plan. The contributions made by the Trust to this pension scheme are charged to the statement of financial activities when they fall due and were £808,000 (2020: £816,000).

Report of the Board and consolidated financial statements
Year ended 31 December 2021

Notes (continued)

(forming part of the financial statements)

30 Comparative group statement of financial activities

	Unrestricted Funds	Designated fund	Other restricted funds	Expendable endowment funds	Permanent endowment funds	Total Funds 2020
	£'000	£'000	£'000	£'000	£'000	£'000
Income						
<i>Income from charitable activities</i>						
Residential care and support	31,886	-	-	-	-	31,886
Accommodation income	1,365	640	-	-	-	2,005
<i>Generated funds</i>						
Investment income	10,211	-	5	-	-	10,216
Total income	43,462	640	5	-	-	44,107
Expenditure						
<i>Costs of raising funds</i>						
Investment management charges	(44)	-	-	-	(842)	(886)
Property operational costs	(1,078)	-	-	-	-	(1,078)
Commercial trading operations	(45)	-	-	-	(414)	(459)
Total costs of generating funds	(1,167)	-	-	-	(1,256)	(2,423)
Charitable activities						
<i>Costs in furtherance of the Trust's objects</i>						
Residential care and support	(43,106)	-	(5)	-	(66)	(43,177)
Accommodation costs	(860)	-	-	-	-	(860)
Community support	(1,000)	-	-	-	-	(1,000)
Governance	(80)	-	-	-	-	(80)
Total charitable expenditure	(45,046)	-	(5)	-	(66)	(45,117)
Total expenditure	(46,213)	-	(5)	-	(1,322)	(47,540)
Net income/(expenditure) before investment gains/ (losses)	(2,751)	640	-	-	(1,322)	(3,433)
Realised and unrealised gains on investments	(825)	-	11	-	5,795	4,981
Net income/(expenditure) for the year before transfers	(3,576)	640	11	-	4,473	1,548
Transfers between funds	(344)	290	-	20,000	(19,946)	-
Actuarial gain/(loss) on defined benefit pension	-	-	-	-	(241)	(241)
Net movement in funds	(3,920)	930	11	20,000	(15,714)	1,307
Total funds brought forward	16,698	5,031	356	-	282,191	304,276
Total funds carried forward	12,778	5,961	367	20,000	266,477	305,583

ST MONICA TRUST

England & Wales - Charity number 202151

Accounts

St Monica Trust

Report of the Trustee and consolidated financial statements

Registered charity number 202151

Year ended 31 December 2020

Report of the Board and consolidated financial statements

Year ended 31 December 2020

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Report of the Board and consolidated financial statements

Year ended 31 December 2020

Report of the Trustee for the year ended 31 December 2020

The Council presents its annual report and the audited consolidated financial statements for the year ended 31 December 2020. This report consolidates the results of St Monica Trust and its subsidiaries St Monica Trading Limited and Somerdale Pavilion Trust.

The financial statements comply with the memorandum and articles of association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Reference and administrative details of the Charity, its Trustee and Advisers

The Trust was founded by Henry and Monica Wills in 1925. The Trust is constituted by a Charity Commission Scheme sealed on 30 June 2005. The subsidiary St Monica Trading Limited was incorporated on 17 November 2017 and the subsidiary Somerdale Pavilion Trust was incorporated on 17 December 2018.

Registered Address of the Trust St Monica Trust
Cote Lane
Bristol
BS9 3UN

Charity Registration Number 202151

Trustee

St Monica Trustee Company Limited (a company limited by guarantee registered number 9357207) is the sole Trustee of St Monica Trust by virtue of the Charity Commission Scheme dated 19 December 2016. The directors of St Monica Trustee Company Limited, the Corporate Trustee, have ultimate responsibility for the administration of the charity and are regarded for internal governance purposes as being a trustee. The Directors are referred collectively in this report as the Council of St Monica Trust, the members of which served throughout the year and since the year-end and are set out below:

The Council

Mr T S Ross was appointed President and Chair of the Trust in June 2020.

Mrs S P Cooper – resigned 29 June 2020
Mr M Bothamley
Mr C Griffiths – resigned 29 June 2020
Dr A D Garrad CBE
Dr R P H Wilde – resigned 31 December 2020
Mrs S Darwall Smith DL
Dr F C Forrest – appointed 24 June 2020
Dr M D McCaldin – appointed 24 June 2020

Professor J McGeehan CBE
Miss H Morgan
Mrs D J England
Lady Wills
Mr A T Yates
Venerable C A Froude
Mr J R Ancell – appointed 24 June 2020
Mr R T Wynn-Jones – resigned 29 June 2020

Report of the Trustee for the year ended 31 December 2020 (continued)

Members of the Council serve for three years, being eligible for re-election for up to three periods. The Scheme provides for the appointment by the Council of six members of Council, six nominations by the Society of Merchant Venturers of Bristol (SMV) and three members nominated respectively by the Bishops of Bristol, Gloucester and Bath & Wells. Sir David Wills Bt was elected Patron of the Trust upon retiring as a Trustee on 30 June 2006.

Chief Executive

The Trust appointed Mr D Williams as Chief Executive in April 2015. Mr Williams joined the Trust from the Accord Group, where he was Executive Director for Health Care and Support. Previously, Mr Williams worked as Head of Strategy and Service Development for Housing 21 and has also held senior positions with a number of other leading charities.

Management of the Permanent Endowment

The Endowment of St Monica Trust includes the investment fund of the Trust from which an income is derived and utilised for charitable purposes. This investment fund is managed on the Trust's behalf by the Society of Merchant Venturers of Bristol ("SMV") in its capacity as Endowment Trustee of the Trust. The Society was incorporated by Royal Charter in 1552 by King Edward VI with amendments by subsequent monarchs in 1566, 1639, 1643, 1665, and 1988.

The Society of Merchant Venturers, as Endowment Trustee of St Monica Trust, implement the investment strategy and asset allocation as recommended by the Endowment Trustees' Investment Strategy Group having regard to the financial requirements of the Trust. In turn, the Finance and Investment sub-Committee and the Estates and Property sub Committee have particular management and advisory responsibilities for the endowment and report directly to the Investment Strategy Group. The overall investment strategy and objectives are subject to the approval of the Council.

Auditor	KPMG LLP 66 Queen Square Bristol BS1 4BE	
Bankers	NatWest Bank plc 32 Corn Street Bristol BS99 7UG	Lloyds Bank Canon's House, Canon's Way Bristol BS99 7LB
Solicitor	Womble Bond Dickinson (UK) LLP 3 Temple Quay Temple Back East Bristol BS1 6DZ	

Report of the Board and consolidated financial statements
Year ended 31 December 2020

Report of the Trustee for the year ended 31 December 2020 (continued)

Investment Adviser	Cambridge Associates 80 Victoria Street Cardinal Place London SW1E 5JL
Commercial Property Managing Agent	Alder King LLP Pembroke House 15 Pembroke Road Bristol BS8 3BA
Agricultural Estates and Land Steward	Savills 14 Cirencester Office Park Tetbury Road Cirencester GL7 6JJ

Report of the Trustee for the year ended 31 December 2020 (continued)

2 Structure, Governance and Management of the Group

History

The Trust was founded by Henry and Monica Wills in 1925.

The group is structured as three entities – the parent charity St Monica Trust and its wholly owned subsidiaries St Monica Trading Limited (incorporated on 17 November 2017) and Somerdale Pavilion Trust (incorporated on 17 December 2018). The parent conducts the charitable operations of St Monica Trust. St Monica Trading Limited was established to conduct the commercial operations undertaken at St Monica Trust's retirement village at Keynsham. The current activities being undertaken by the company include the sale of food in the B Block Café and Somer Dining Restaurant and secondly, the provision of leisure services. These services are available to residents and members of the general public. Somerdale Pavilion Trust was established to conduct the charitable activities of that Trust in providing and maintaining a pavilion, playing fields and other facilities for the use of the inhabitants of Keynsham and the surrounding areas.

Governing instrument and objects

The Trust is constituted by a Charity Commission Scheme sealed on 30 June 2005.

An amendment to the Trust's governing document was granted by the Charity Commission on 26 February 2010. The objects of the Trust, defined in clause 4 of the Scheme, which should be referred to for exact details, are from this date:

"The objects of the charity are, for the public benefit, the relief of those individuals (and if appropriate their spouses) who are in need by reason of age, disability or ill-health by the provision of:

- (a) accommodation and associated facilities; and/or
- (b) other services or assistance".

Organisational structure

In 2020 the Council has delegated the day-to-day running of the Trust to six principal committees, the Finance and Development Committee, the Care Committee, the Operations Committee, the Community Fund Committee, the Audit Committee and the Trustee Nominations Committee. From 1 January 2021, following an executive restructure, the committee structure has been amended to ensure that the committee structure follows the revised operational structure of the Trust. Membership of the existing committees at the year-end was as follows:

The Finance and Development Committee

The Committee is responsible for overseeing the financial management and performance of the Trust including the establishing of annual budgets and liaising with the Endowment Trustee in relation to financial planning. It is also responsible for overseeing new developments and monitoring of the building work involved in ongoing projects.

Mr A T Yates – Chair
Professor J McGeehan CBE
Dr A D Garrad CBE

Report of the Trustee for the year ended 31 December 2020 (continued)

The Care Committee

The Committee is responsible for overseeing the welfare and care of residents; and for carrying out monthly regulation inspections of the care homes, the care and support services and the sheltered housing facilities.

Mr T S Ross – President, Ex Officio
Dr F Forrest– Chair
Mrs S Darwall Smith DL
Lady Wills
Dr M McCaldin
Venerable C Froude
Miss H Morgan

Operations Committee

The Committee is responsible for overseeing all day-to-day operational activities including the effective management of the Trust's villages and Trust resources. Areas of responsibility include review and oversight of the provision of high quality effective and efficient services to residents and the recruitment, retention and training of staff.

Mr T S Ross – President, Ex Officio, and Chair
Mr M Bothamley
Mrs D J England
Mr A T Yates
Professor J McGeehan CBE

The Community Committee

The Committee is responsible for overseeing the provision of financial assistance, grants and gifts to individuals and organisations in the community in order to assist those with a physical disability or long-term health problem.

Mr T S Ross – President, Ex Officio
Mrs S Darwall Smith DL – Chair
Lady Wills
Mr M Bothamley
Mrs C Duckworth DL (co-opted)
Venerable C A Froude

Report of the Trustee for the year ended 31 December 2020 (continued)

The Audit Committee

The Committee is responsible for ensuring there is a framework for accountability, for examining and reviewing relevant systems and methods of control, both financial and otherwise including risk analysis and risk management; and for ensuring the Trust is complying with all relevant aspects of the law, regulations and good practice.

Mr T S Ross – President, Ex Officio
Mr M Bothamley
Mr A T Yates

The Trustee Nominations Committee

The Committee is responsible for nomination to Council of new Trustees.

Mr T S Ross – President, Ex Officio
Mr M Bothamley (Chair)
Mrs S Darwall Smith DL
Mrs D J England
Dr A D Garrad CBE
Venerable C A Froude

The Remuneration Committee

The Committee is responsible for oversight of reward strategy, executive pay and supporting the appraisal of the Chief Executive's performance.

Mr T S Ross – President, Ex Officio
Mrs D J England (Chair)
Mr A T Yates

Trustee induction and training

The Corporate Trustee is appointed in accordance with the provisions of the Scheme of St Monica Trust. The Directors of the Company are regarded for the internal governance purposes as being a Trustee of the Charity. On appointment each Trustee signs a Code of Conduct and attends induction meetings with other Trustees and Executives. Trustees are given a Trustee Handbook, which includes the Trustee Code of Conduct, the Charity Commission Scheme, a copy of the Risk Register and procedures on issues such as delegation of authority, recruitment, equal opportunities, investment, reserves and conflict of interest and other guidance. This information contains role descriptions of Trustees and senior executives and a copy of the Charity Commission leaflet CC3. New Trustees meet with the President and Chief Executive and are invited to an induction tour of each of the Trust's locations. According to their skills and aptitude, they take responsibility for at least one area of activity by appointment to a sub-committee of the Council. Training needs are assessed and met.

Report of the Trustee for the year ended 31 December 2020 (continued)

Senior Staff Pay policy

The Trust recognises the importance of transparency and accountability in all aspects of our work and we are committed to open information. This includes transparency about our Executive Team's salaries and how they are set.

The Trustee considers the Council and sub-committees and the Chief Executive as comprising the key management personnel of the Charity in charge of directing and controlling the Charity and running and operating the Charity on a day to day basis. All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 27 to the accounts.

Trustees are required to disclose all relevant interests and register them with the Chief Executive and, in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises.

The pay of the Charity's Chief Executive is reviewed annually and normally increased in accordance with average earnings. The remuneration is bench-marked with charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Risk assessment

In the light of the Corporate Governance guidance contained within the Statement of Recommended Practice "Accounting and Reporting by Charities", the Council with the assistance of the Society of Merchant Venturers of Bristol have examined the major risks faced by the Trust and the endowment. They have developed systems to monitor and control these risks to mitigate the impact that they may have on the Trust in the future. Each Committee of the Council reviews aspects of the risks pertinent to that Committee. The Audit Committee is responsible for the overall review and update of the Risk Register at least once a year.

Financial risk management

The following statements summarise the Trust's policy in managing identified forms of financial risk:

- Price risk – The Trust negotiates contracts and fee rates to finance aspects of the Trust's activities and incorporates this information into its business plan. Salary costs are communicated to staff during the formal annual review of salaries. Prices of services and materials purchased are subject to contracts with suppliers, based on current market prices.
- Credit risk – credit risk on accounts owed to the Trust by its customers is low, as the majority of debtors are Local Authorities
- Liquidity risk – the Trust has borrowing facilities of £40.9m (2019: £29.2m), £24.9m was drawn down as at 31 December 2020 (2019: £23.2m), of which £24.7 is long-term (2019: £20.9m).
- Interest rate cash flow risk – the Trust is able to place surplus funds in a short-term deposit account with its bankers.
- Investment market risk – the Trust invests in a diversified portfolio of investments and properties in order to spread the risk.

Report of the Trustee for the year ended 31 December 2020 (continued)

Going concern

The Trust's activities, together with the factors likely to affect its future development, performance and position are set out in this Report of the Trustee. The balance sheet on page 28 sets out the financial position of the Trust and its cash flows can be seen in the cash flow statement on page 27.

The Trust meets its day-to-day working capital requirements through a combination of cash generated by the sale of leasehold properties, investment income from the permanent endowment and Revolving Credit Facilities. The latter also funds any capital development expenditure.

The Trustees have reviewed financial forecasts for a period of 12 months and beyond from the date of signature of these financial statements. Key uncertainties are:

- The performance of the leasehold sales cycle;
- Occupancy within the Trust's care homes and retirement living properties, particularly if impacted adversely by a recurrence of the Covid-19 pandemic; and
- The expiry of the Trust's existing debt facilities in June 2022.

Applying 'stress scenarios' in respect of the above uncertainties confirms that the Trust can continue to operate within its existing debt facilities, assuming that they are renewed at expiry. Terms have already been received from several banks seeking to support the Trust's refinancing of the current facilities, providing further comfort regarding the Trust's credit status.

A key feature in the Trust's plans over the coming financial year and beyond is the development of Block D at the Chocolate Quarter. Should the Trust's existing debt facilities for any reason not be renewed, the Trust's forecasts demonstrate that it can continue to operate sustainably within existing cash reserves and liquid investments by delaying this development expenditure to reduce cash demands.

Based on the above, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Covid-19 pandemic

In March 2020, in response to Covid-19 and consistent with the provisions of the Trust's Business Interruption Policy, a Response Team was established to ensure that resources were focussed on the necessary Resident and Staff welfare measures to enable safe and sustainable service delivery. Measures taken to support Residents and staff include the recruitment, training and deployment of more than 150 new people to help services affected by staff shielding and self-isolation, and the purchase of unprecedented levels of Personal Protection Equipment, including face masks and clothing.

The consequence of the pandemic for the Trust, in financial terms, has been substantial but not a threat to sustainable service provision. The financial impact suffered by both care homes and independent living schemes relates to the scale of additional costs and to disruption to the property market.

Report of the Trustee for the year ended 31 December 2020 (continued)

For the duration of the pandemic, the Trust's Council has agreed that revised interim governance arrangements will operate, with meetings conducted using tele-conferencing facilities.

Related parties and connected charities

Details of related parties and connected charities and transactions with them are disclosed in note 27 to the financial statements.

Reserves

The accounting policies on pages 29 to 35 describe the various funds of the Trust. Note 21 to the Financial Statements shows the assets and liabilities attributable to the various funds by type and summarises the year's movement on each fund.

The Trustee policy is to build up unrestricted reserves equivalent to approximately 12 months' projected operating costs of the Residential Care and Support and the Grants and Gifts objects. This will be achieved through retained surpluses on the Unrestricted Fund and will incorporate the value of the Designated Fund. At 31 December 2020 the value of unrestricted reserves was £38.8m (2019: £21.7m).

Grant-making policy – Residents' subsidies and support in the community

Applications for subsidies against full fees for residents and grants to support the community are monitored by the Council.

3. Objectives, Activities, Achievements and Performance

(A) Overview

The impact of the coronavirus epidemic which struck the UK in February 2020 has led to a dramatic reassessment of the Trust's immediate aims. The Trust's primary objective in 2020 has been formulating its response to Covid-19 and protecting the health and well-being of our residents, colleagues and volunteers from the virus. For the first 9 months of 2020 all of the Trust's resources have been fully focused on maintaining its frontline services, protecting residents and staff and ensuring that the organisation had the financial capacity to cover the many business implications associated with the pandemic and the government restrictions to operation.

Within the last quarter of 2020, the trust restructured its Executive team to better reflect the requirements of the Trust in formulating and delivering a financial recovery plan in 2021, from the effects of Covid on its services and to address underlying operational performance issues that predated the pandemic. The key changes within the Executive restructure were:

- the creation of two distinct business directorates, Nursing Homes and Property/Residential Development.
- The creation of a Charitable Impact Directorate with responsibility for the allocation of all endowment income both within operational services and to the wider community.

Report of the Trustee for the year ended 31 December 2020 (continued)

- The appointment of a Finance and Transformation Director with responsibility for business and digital transformation of the organisation.
- The creation of a Group Services Directorate encompassing all organisation wide internal service deliver including Human Resources and Marketing/Communication.

It is anticipated that the Trust's recovery programme will run for three years, taking the Trust up to the end of the 2023 financial year.

(B) The focus of our work

In 2020 the Trust's focus was the protection of both its residents and staff during the pandemic. During this period the Trust ceased all work not related to direct service provision or its Covid response both within the organisation, regionally and nationally.

The Trust key actions:

- Establishment of a 24-hour Pandemic Response Team
- Roll out of organisation wide infection control training.
- The creation of reliable PPE supply chains.
- Creation of multiple communication pathways and platforms for residents, staff and relatives.
- Closure of all sites to public access.
- The recruitment of 150 helping hands workers.
- Introduction of lateral flow testing.

During 2020 the Trusts average death rate amongst residents was less than the previous 5year average, which is testimony to hard work and dedication of the Trust's workforce.

(C) The strategies we use to deliver our objectives

The objectives of St Monica Trust focus the work of the Charity on older people and adults with a physical disability or long-term illness. The **mission statement** of the Charity '**Working together to support and celebrate the lives of older people**' the strategies we use to meet such objectives include:

- Providing **retirement housing/sheltered housing accommodation** all of which is disability-friendly and capable of supporting individuals in wheelchairs.
- '**Extra Care**' Housing in partnership with Bristol City Council and North Somerset Council. This concept is a fresh approach to the provision of accommodation and support for older people. Service users enjoy the comfort of living within their own home as an alternative to

Report of the Trustee for the year ended 31 December 2020 (continued)

entry into a care home and are thus afforded greater choice and independence and the stimulation of a lively environment in which to live.

- **Care and Support** – many people prefer to ‘stay put’ as their care needs increase. A programme of Care and Support can be provided that enables individuals to maintain their independence within their own home. A 24-hour Care and Support service is available within the Trust’s own retirement housing settings.
- High quality **nursing and residential care** are key elements of the support provided by the Trust. In addition to long-term care, short-term places are available to give a carer a much-needed break, or for those recovering following an operation or period of hospitalisation, and as a ‘safe haven’ for those older people facing an emergency or breakdown in their normal care arrangements. Many elements of our short-term care are operated in partnership with the NHS and local authorities.

In recent years, caring for people living with **Alzheimer’s disease and other forms of dementia** has become a central feature of the services offered by the Trust. This highly specialist care is provided in safe and positive environments where activities and therapies are a regular part of daily life.

- **Care at Home** – 2020 was the eighth full year of operation of the Trust’s Homecare Service. During this year and with the decrease in European workers coming to the UK following Brexit, the Trust has continuously struggled to recruit the necessary skilled staff to enable it to deliver the amount of care hours required to breakeven, the service has continued to be reliant on the receipt of an increasing subsidy from the endowment fund in order to fully cover its costs. Since the end of the 2020 financial year, a decision has been taken by Trustees to close the Care at Home service to customers outside of the Trust’s villages.
- **The Community Impact** – Our Community Impact Directorate works outside our villages to improve the wellbeing of older people living across the West of England. Whatever we are doing in the community, we work with local organisations and individuals to effect change.

The Trusts’ Community Connections work focuses on developing ongoing relationships with organisations, individuals, stakeholders and decision makers across the region in order to contribute to collectively improving the wellbeing of older people in the area.

Working across Bristol, Bath and North East Somerset, North Somerset and South Gloucestershire, We provide funding and support to organisations working with older people, finding ways to use our resources more effectively.

During the Coronavirus Pandemic, we engaged with local charities to quickly identify ways to improve the situation for isolating older people such as digital exclusion, access to cash, medicines and groceries. We also worked with a collaboration of VCSE organisations to provide a coordinated support hub for older people in the city.

Report of the Trustee for the year ended 31 December 2020 (continued)

Through our Community Giving work, we provide individuals over 40 with a long-term disability or illness gifts of essential items and/ or short term to offer support through a crisis, which is paid at a level which will not affect benefits or tax credits.

The Trust continues to be a core member of the Bristol Older People's Funding Alliance, sharing community intelligence and adopting a more strategic approach to grant giving for older people, encouraging collaboration with the aim of maximizing the funding available in the city.

- **Recruitment and retention of staff**

St Monica Trust aims to recruit and retain a high calibre workforce in order to deliver the high quality of care that we have built our reputation upon.

Recruiting the 'right' people that share the Trust's values is equally as important as recruiting people with the right skills. We offer a competitive pay and benefits package and are continually reviewing ways of improving this. We ensure employees are supported in the workplace using an annual performance management process that cascades organisational objectives and focuses on personal development at regular intervals during a 12-month period. We aspire to be a high-quality employer.

The Trust prides itself on its training and development provision for employees, employing an in-house team of skilled trainers that deliver tailored training both internally to St Monica Trust staff and externally to other care providers; and we are also an accredited assessment centre for health and social care qualifications. All colleagues must complete a comprehensive mandatory training programme upon appointment and undertake regular updates to stay up to date. Tailored training is provided upon request to teams to target specific areas of need.

Delivering well-being for older people is the Trust's mission statement; this aim also extends to the well-being of colleagues. Promoting the health and well-being of colleagues is not only seen as a positive staff retention initiative but also contributes to the quality of care provided to residents/customers in terms of promoting continuity of care through reduced absenteeism, and improved staff morale.

(D) Public benefit and maximising access to our services

The Trustee of St Monica Trust has referred to the Charity Commission's general guidance on public benefit when reviewing and planning the work of the Charity. The concern of the Trustees has been to ensure that the Trust, in servicing the needs of older people, has due regard to the particular needs of those individuals within the beneficiary group who live in poverty.

Whilst all persons who receive support from the Community Fund are individuals who can be regarded as in financial need, people who access our other services emanate from a range of socio-economic backgrounds. The legal and regulatory framework in relation to payment by the state for care remains firmly rooted in a system of means testing. For example, any individuals who have money or assets in excess of £23,250 will find themselves responsible for meeting the cost of living in a care home.

Report of the Trustee for the year ended 31 December 2020 (continued)

When approximately 75% of the population over 65 years own their own property, quite clearly the welfare state assumes financial responsibility for only a percentage of people who need care.

Thus, along with other voluntary organisations, the Trust engages with people in need of a service, some of whom can afford the fee and others who are unable to meet such costs. The traditions and the philosophy of the Trust, and indeed the guidance of the Charities Act 2011, ensure that the Trust makes provision for individuals who are unable to pay the fees for relevant services and thus are able to benefit and not be excluded from the Trust's services.

In 2020, the Trust helped 19,245 (2019: 16,440) people, of which 17,807 or 92.5% (2019: 14,857 or 90.4%) were afforded financial support by the Trust.

Of the total above, the Trust helped 1,835 individuals in 2019 (2019: 1,865) in its residential care services (care homes and retirement villages), of which 34% or 617 (2019: 31%, 569 people), were afforded financial support by the Trust. The Trust's Care at Home service also assisted 220 individuals in their own home (2019: 287).

The Trust also helped 509 individuals (2019: 408) in financial need through its Individual Giving scheme plus a further 230 people (2019: 500) directly through the activities of its Community Impact Team. In addition, a further 16,451 (2019: 13,380) people benefitted indirectly from the Trust's financial support for local, community-based organisations.

Report of the Trustee for the year ended 31 December 2020 (continued)

- **Positive work of the Community Impact Team**

The St Monica Trust Community Impact Team aims to ease the financial pressure and improve the daily lives of older people or those who have a physical or sensory impairment, or a long-term physical health problem need financial help. This is because they are more likely to be on a low income and face additional costs, such as high heating bills or special diets. The St Monica Trust Community Impact Team aims to ease the financial pressure and improve the daily lives of older people, individuals and families by helping them to buy the essential things they need or supporting them through a crisis.

In 2020, the team operated in the following manner:

Requests received	927 gift and grant requests received (2019: 789)
Gifts awarded	329 gifts awarded worth £142,450 (2019: £161,085)
Short-term grants	192 new short-term grants awarded 37 people receiving a short-term grant at the year end Value of short-term grants: £89,830 (2019: £57,630)
Organisations	Grants were awarded to 70 organisations worth £513,781 (2019: 35 organisations; £296,350) including the CAB Residents Advice Service and Active Ageing Bristol. In September 2020, Age UK Bristol took over the hosting of the Active Ageing Bristol project, with continued support from St Monica Trust and the Anchor Society. The project aims to improve the number of people from the local area and over the age of 55 to become in regular physical activity, coaching and volunteering. 2020 saw the fifth year of our successful collaboration with Quartet Community Foundation, providing grants to Organisations working with older people in North Somerset. Since it's launch in 2016, £173,000 has been granted to 23 Organisations. In 2020 the Bristol Older Peoples Funding Alliance worked in partnership with local services, providing £100,000 of funding to improve the lives of older people during the pandemic.
People helped	At least 509 individuals were helped directly and many more were helped through the work of organisations funded. This included 16,451 individuals supported by SMT funding.
Total net giving	£746,061 (2019: £629,262)
Community Impact Team	£253,670 (2019: £250,921)
TOTAL COMMUNITY IMPACT COST	£999,731 (2019: £880,183)

Report of the Trustee for the year ended 31 December 2020 (continued)

In 2020, the Community Impact Team were founding partners of the Bristol Support Hub for Older People, formed to help older people in Bristol and their families to cope with the impact of coronavirus [COVID-19]. It now consists of 37 organisations who are working together to support older people by offering practical, emotional and social support.

2020 also saw the culmination of all external projects:

- The Stockwood Communities in Transition project (September 2020), which leaves a legacy of several community led initiatives plus development of the STAR bereavement support model, which is being rolled out across the city and being used as a best practice example nationally.
- Befriending Scheme in Bedminster/Southville and Stockwood, Sandford and surrounding villages (March 2020). Over the life of this project over 300 older people received social visits and friendship from volunteers, many of these relationships are continuing.
- The ACE Neighbours programme (September 2020).

The objectives and achievements of the Endowment Trustee were as follows:

The objectives for the year:

- Agricultural property investments: To attain an average annual real (inflation adjusted) total return of at least 3% over the long term (measured over rolling 10 year periods).
- Financial investments: To attain an average annual real (inflation adjusted) total return of at least 3% over the long term (measured over rolling 10 year periods) and to outperform a composite benchmark measured over 3 year rolling periods.

The composite benchmark for allocation of financial investments is as follows:

%	Benchmark
17%	FTSE 350 High Yield Index
15%	Barclays Global Aggregate Bond Index (Hedged)
40%	MSCI World Index
15%	HFRI Fund of Funds Diversified Index
8%	MSCI Emerging Markets Index
5%	FTSE Hi-Yield Cash-Pay Capped Index

- Income: To provide the Trust with £6.5 million net unrestricted income for 2020.

Achievements for the year have been as follows:

Summary: The market value of St Monica Trust's investments managed by the Endowment Trustee increased from £286 million at 31 December 2019 to £293 million at 31 December 2020 (this includes the Commercial Property at Block C which has been treated as an investment property in both years).

Report of the Trustee for the year ended 31 December 2020 (continued)

2020 saw volatility for stock markets. The Coronavirus pandemic led to a fall in dividend income and valuations and then a rebound in valuations following vaccine approvals and successful inoculation roll out. Global policy measures provided a supportive backdrop for risk assets. During the year the Bank of England's Monetary Policy Committee cut the base rate from 0.75% to 0.25% and then to 0.1%

Asset Allocation: The broad asset allocation at 31 December 2020 was:

Agricultural property – 56%

Commercial property – 3%

Financial investments – 39%

Cash on deposit – 2%

This accords with the broad target asset allocation of 60% property and 40% financial investments.

Agricultural Property Investments:

For the 10 years to 31 December 2020 the portfolio achieved its objective of attaining an average annual real (inflation adjusted) total return of at least 3%. Actual average annual performance was 8.0% per annum for the 10 years against the inflation + 3% benchmark of 4.8%.

Financial Investments:

A detailed financial investment strategy has been produced to provide the required income for the Trust's operations, both short and long term, and to ensure future capital growth. By using the advisory management of Cambridge Associates, the Endowment Trustee has been able to interview and select the best managers from a wide section of the investment market and so diversify the risk.

The composition of the portfolio was fairly stable in 2020 with the following transactions taking place:

- A switch from Stewart Global Emerging Leaders Fund into the Stewart Global Emerging Market Sustainability Fund (£3.2m).
- A full redemption from Fir Tree and reinvestment of the proceeds into the ROW Diversified Fund.
- A full redemption from Davide Leone in December 2020, with the proceeds being reinvested in 2021 (following redemption receipt).

For the 10 years to 31 December 2020 the portfolio achieved its objective of attaining an average annual real (inflation adjusted) total return of at least 3%. Actual average annual performance was 6.7% per annum for the 10 years against the inflation +3% benchmark of 4.8%.

For the 3 years to 31 December 2020 the portfolio returned 2.78% (2019: 4.8%) against the benchmark of 2.1% (2019: 6.9%).

Report of the Trustee for the year ended 31 December 2020 (continued)

Income:

The Endowment Investments provided the Trust with £6.02m (2019: £6.84m) of net unrestricted funds in 2020 against a target of £6.5m, a shortfall of £0.48m. Income is measured on a three-year rolling basis and for the three years to 31 December 2020 the Endowment Investments provided the Trust with £19.4m against the target of £19.0m, an excess of £0.4m.

In addition to the endowment income provided, the Trustees asked the Endowment Trustee to manage Block C, a commercial building at the Chocolate Quarter during the year. A surrender premium was negotiated in respect of one floor occupied by a tenant, and this has resulted in additional income of £1.95m being recognised in 2020 in respect of this.

Report of the Trustee for the year ended 31 December 2020 (continued)

4. Financial review

The Trust's financial position at the end of 2020 was strong, with unrestricted reserves of £38.8 million (2019: £21.7 million) and net assets of £305.6 million (2019: £304.3 million). The increase in unrestricted funds is the result of the transfer of £20 million from the permanent endowment following the approval by the Charity Commission of a resolution made by the Trustees under section 282 of the Charities Act. This resolution was made in direct response to the risks posed by the Covid-19 pandemic and the resulting transfer provides additional resource to the charity to effectively mitigate those risks.

The Trust is reliant on the unrestricted income from the Permanent Endowment, which in 2020 was £6.0 million (2019: £6.8 million) compared with the target for the year of £6.5 million (2019: £6.5 million).

Subsidiary company results

These statements include the second year of trading activity for St Monica Trading Limited. The principal activity of the company is to undertake the commercial operations at the Trust's retirement village at Keynsham. The current activities include catering and leisure facilities offered to residents and members of the general public. The trading result for the year was a profit of £15k which will be used to support the Trust's charitable objectives.

These statements include the first full year of trading activity for Somerdale Pavilion Trust. The principal activity of the charitable company is to provide and maintain a pavilion, playing fields and other facilities for the use of the inhabitants of Keynsham and the surrounding areas. The trading result for the year was a profit of £61k.

5. Plans for future periods

The Trust will deliver the following objectives in 2021:

Emerging from the financial challenges of the Covid-19 pandemic, the immediate priority for the Trust is to regain financial balance. The Aims of Recovery Plan will be:

- To return the organisation to overall breakeven (total income vs total costs) by the end of 2023; and
- To rebalance the application of endowment income subsidy away from internal operations and towards greater external charitable giving (recognising the need and desire to retain some subsidy in internal services commensurate with the Trust's objectives and reputation). Within a five-year period 50% of the Trust's endowment income should be spent (or available to spend) externally.

Critical to successfully delivering the plan will be investment in improved financial reporting and systems. As part of the Trusts digital transformation programme the Trust will commission and implement a digital financial system during 2021.

Report of the Trustee for the year ended 31 December 2020 (continued)

In addition to the recovery plan the Trust will develop an:

- Endowment income strategy: Defining how the Endowment Income received by the trust is distributed both within its operational services and externally to achieve maximum charitable benefit.

Infrastructure Reset Programme: the Infrastructure Reset Programme will gather data to scope and evidence the scale of upgrading required in the Trust's digital infrastructure and physical estate to bring it up to a foundation standard over the Recovery Plan period

Disclosure of information to auditors

The Trustees who held office at the date of approval of this Report of the Trustee confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditors are unaware; and each Trustee has taken all the steps that he/ she ought to have taken as a Trustee to make himself/ herself aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Auditors

St Monica Trust, Board of Trustees re-appointed auditors KPMG LLP at its Board meeting held on 23 June 2021.

By order of the Board



Mr Timothy Ross
President of the Council

Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements

Under charity law, the trustees are responsible for preparing a Trustees' Annual Report and the group and the charity financial statements in accordance with applicable law and regulations.

The trustees are required to prepare both the group and the charity financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The group and charity's financial statements are required by law to give a true and fair view of the state of affairs of the group and the charity and of the group's and the charity's incoming resources and application of resources for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the group and the charity financial statements;
- state whether the group and the charity financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- assess the group and the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the charity or to cease operations or have no realistic alternative but to do so.

The trustees are required to act in accordance with the trust deed and the rules of the charity, within the framework of trust law. They are responsible for keeping accounting records which are sufficient to show and explain the charity's transactions and disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the financial and other information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Opinion

We have audited the group and charity financial statements of St Monica Trust ("the charity") for the year ended 31 December 2020 which comprise the consolidated statement of financial activities, charity statement of financial activities, consolidated cash flow, consolidated and company balance sheets and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the charity's affairs as at 31 December 2020 and of the group's and charity's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 (or its predecessors) 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the charity or to cease their operations, and as they have concluded that the group and charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the group's business model and analysed how those risks might affect the group and charity's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the group or the charity's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the group or the charity will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the audit committee, as to the Group’s high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Considering remuneration incentive schemes and performance targets

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, and the risk that Group management may be in a position to make inappropriate accounting entries, and the risk of bias in accounting estimates and judgements such as the calculation of investment property and pension assumptions

We did not identify any additional fraud risks.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies’ legislation), distributable profits legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, and employment law, recognising the nature of the Group’s activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal

Independent auditors' report to the Trustee of St Monica Trust

correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The trustees are responsible for the other information, which comprises Report of the Trustee. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Report of the Trustee is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

Matters on which we are required to report by exception

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 20, the trustees are responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and 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 they either intend to liquidate the group or the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jonathan Brown
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
66 Queen Square
Bristol
BS1 4BE

Date: 2 August 2021

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

Report of the Board and consolidated financial statements
Year ended 31 December 2020

Consolidated statement of financial activities (including an income & expenditure account)
for the year ended 31 December 2020

	Note	Unrestricted Funds	Designated fund	Other restricted funds	Expendable endowment funds	Permanent endowment funds	Total Funds 2020	Total Funds 2019
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income								
Income from charitable activities								
Residential care and support		31,886	-	-	-	-	31,886	30,693
Accommodation income		1,365	640	-	-	-	2,005	1,715
Generated funds								
Investment income	4	10,211	-	5	-	-	10,216	9,096
Total income		43,462	640	5	-	-	44,107	41,504
Expenditure								
Costs of raising funds								
Investment management charges	6a	(44)	-	-	-	(842)	(886)	(737)
Property operational costs	6b	(1,078)	-	-	-	-	(1,078)	(1,417)
Commercial trading operations	6c	(45)	-	-	-	(414)	(459)	(214)
Total costs of generating funds	6	(1,167)	-	-	-	(1,256)	(2,423)	(2,368)
Charitable activities								
Costs in furtherance of the Trust's objects								
Residential care and support	7	(43,106)	-	(5)	-	(66)	(43,177)	(39,439)
Accommodation costs		(860)	-	-	-	-	(860)	(654)
Community support		(1,000)	-	-	-	-	(1,000)	(766)
Governance	8	(80)	-	-	-	-	(80)	(55)
Total charitable expenditure		(45,046)	-	(5)	-	(66)	(45,117)	(40,914)
Total expenditure		(46,213)	-	(5)	-	(1,322)	(47,540)	(43,282)
Net income/(expenditure) before investment gains/ (losses)		(2,751)	640	-	-	(1,322)	(3,433)	(1,778)
Realised and unrealised gains on investments	14	(825)	-	11	-	5,795	4,981	17,438
Net income/(expenditure) for the year before transfers		(3,576)	640	11	-	4,473	1,548	15,660
Transfers between funds	9	(344)	290	-	20,000	(19,946)	-	-
Actuarial gain/(loss) on defined benefit pension	28	-	-	-	-	(241)	(241)	(740)
Net movement in funds		(3,920)	930	11	20,000	(15,714)	1,307	14,920
Total funds brought forward		16,698	5,031	356	-	282,191	304,276	289,356
Total funds carried forward	21	12,778	5,961	367	20,000	266,477	305,583	304,276

Incoming resources and resulting net movement in funds in each year arise from continuing operations. The group has no recognised gains or losses for the current or previous year other than those shown above.

Report of the Board and consolidated financial statements
Year ended 31 December 2020

Charity statement of financial activities
for the year ended 31 December 2020

	Note	Unrestricted Funds	Designated fund	Other restricted funds	Expendable endowment funds	Permanent endowment funds	Total Funds 2020	Total Funds 2019
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income								
Income from charitable activities								
Residential care and support		31,620	-	-	-	-	31,620	30,316
Accommodation income		1,365	640	-	-	-	2,005	1,715
Generated funds								
Investment income	4	10,211	-	5	-	-	10,216	9,096
Total income		43,196	640	5	-	-	43,841	41,127
Expenditure								
Costs of raising funds								
Investment management charges	6a	(44)	-	-	-	(842)	(886)	(737)
Property operational costs	6b	(1,078)	-	-	-	-	(1,078)	(1,417)
Commercial trading operations	6c	(45)	-	-	-	(414)	(459)	(214)
Total costs of generating funds	6	(1,167)	-	-	-	(1,256)	(2,423)	(2,368)
Charitable activities								
Costs in furtherance of the Trust's objects								
Residential care and support	7	(42,759)	-	(5)	-	(66)	(42,830)	(39,147)
Accommodation costs		(860)	-	-	-	-	(860)	(654)
Community support		(1,000)	-	-	-	-	(1,000)	(766)
Governance	8	(73)	-	-	-	-	(73)	(55)
Total charitable expenditure		(44,692)	-	(5)	-	(66)	(44,763)	(40,622)
Total expenditure		(45,859)	-	(5)	-	(1,322)	(47,186)	(42,990)
Net income/(expenditure) before investment gains/ (losses)		(2,663)	640	-	-	(1,322)	(3,345)	(1,863)
Realised and unrealised gains on investments	14	(825)	-	11	-	5,795	4,981	17,438
Net income/(expenditure) for the year before transfers		(3,488)	640	11	-	4,473	1,636	15,575
Transfers between funds	9	(344)	290	-	20,000	(19,946)	-	-
Actuarial gain/(loss) on defined benefit pension	28	-	-	-	-	(241)	(241)	(740)
Net movement in funds		(3,832)	930	11	20,000	(15,714)	1,395	14,835
Total funds brought forward		16,514	5,031	356	-	282,191	304,092	289,257
Total funds carried forward	21	12,682	5,961	367	20,000	266,477	305,487	304,276

Incoming resources and resulting net movement in funds in each year arise from continuing operations. The group has no recognised gains or losses for the current or previous year other than those shown above.

Report of the Board and consolidated financial statements
Year ended 31 December 2020

Consolidated cash flow statement for the year ended 31 December 2020

	Note	2020 £'000	2019 £'000
Cash flows from operating activities			
Net (expenditure)/income		1,307	14,920
Interest receivable		(2,286)	(2,840)
Depreciation of tangible assets		2,788	2,576
Profit on disposal of accommodation		(504)	(511)
Losses/(gains) on investment assets		(4,981)	(17,438)
Actuarial gains on pension scheme less contributions paid		122	664
Change in trade and other debtors		6,289	4,648
Change in stocks		13	(14)
Change in trade and other creditors		856	13,444
Net cash (used in)/from operating activities		3,604	15,449
Cash flows from investing activities			
Interest received		19	19
Dividend income received		2,267	2,821
Purchase of tangible fixed assets		(3,488)	(3,970)
Proceeds from sale of tangible fixed assets		1,365	1,165
Purchase of investments		(19,222)	(15,199)
Decrease in fixed asset investment cash deposits		(1,994)	(1,237)
Proceeds from sale of investments		19,207	11,144
Net cash from/(used in) investing activities		(1,846)	(5,257)
Cash flows from financing activities			
Repayment of bank loans		1,634	(9,091)
Loan drawdowns		-	-
Net cash (used in)/from financing activities	25	1,634	(9,091)
Movements in cash and cash equivalents in the reporting year		3,392	1,101
Cash at bank and in hand at beginning of year		6,406	5,305
Cash at bank and in hand at end of year	25	9,798	6,406

Report of the Board and consolidated financial statements
Year ended 31 December 2020

Consolidated and charity balance sheets at 31 December 2020

	Note	Group		Charity	
		2020 £'000	2019 £'000	2020 £'000	2019 £'000
Fixed assets					
Tangible assets	13	149,287	149,448	149,279	149,445
Investments	14	293,029	286,039	293,029	286,039
		<u>442,316</u>	<u>435,487</u>	<u>442,308</u>	<u>435,484</u>
Current assets					
Stocks	15	43	56	43	49
Debtors	16	11,061	17,350	11,060	17,442
Cash at bank and in hand		9,798	6,406	9,619	6,142
		<u>20,902</u>	<u>23,812</u>	<u>20,722</u>	<u>23,633</u>
Creditors: due within one year	17	(24,629)	(27,380)	(24,537)	(27,382)
Net current liabilities		<u>(3,727)</u>	<u>(3,568)</u>	<u>(3,815)</u>	<u>(3,749)</u>
Total assets less current liabilities		438,589	431,919	438,493	431,735
Creditors: due after more than one year	18	(124,125)	(118,884)	(124,125)	(118,884)
Net assets excluding pension liability		314,464	313,035	314,368	312,851
Pension liability	28	(8,881)	(8,759)	(8,881)	(8,759)
Net assets		<u>305,583</u>	<u>304,276</u>	<u>305,487</u>	<u>304,092</u>
Permanent endowment fund net of pension liability		266,477	282,191	266,477	282,191
Other restricted funds	19	367	356	367	356
Total restricted funds		<u>266,844</u>	<u>282,547</u>	<u>266,844</u>	<u>282,547</u>
Designated fund	20	5,961	5,031	5,961	5,031
Expendable endowment fund		20,000	-	20,000	-
Unrestricted fund		12,778	16,698	12,682	16,514
Total unrestricted funds		<u>38,739</u>	<u>21,729</u>	<u>38,643</u>	<u>21,545</u>
Total funds		<u>305,583</u>	<u>304,276</u>	<u>305,487</u>	<u>304,092</u>

These financial statements were approved by the Board on 23 July 2021 and were signed on its behalf by:



Mr Timothy Ross
President of the Council

Report of the Board and consolidated financial statements

Year ended 31 December 2020

Notes

(forming part of the financial statements)

Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), which have been applied consistently.

St Monica Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Notwithstanding the Trust's net current liabilities of £3.7m at the end of 2020, the Trustees have prepared the financial statements on a going concern basis which they consider is appropriate for the following reasons.

The Trustees have reviewed cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides and the anticipated impact of COVID-19 on the operations and its financial resources, the group and charity will have sufficient funds to meet its liabilities as they fall due for that period.

As noted in the Report of the Trustee, this has included modelling of plausible downside scenarios. In the event that a combination of more extreme stresses occurred affecting the operations of the Trust, £107 million of endowment assets as at the balance sheet date can be liquidated in less than one month. This amount would support the charity's normal operations for more than two years.

Consequently, the Trustees are confident that the group and charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on the going concern basis.

Basis of consolidation

These consolidated financial statements include the financial statements of St Monica Trust ("the charity") and St Monica Trading Limited and Somerdale Pavilion Trust ("the subsidiaries"). These financial statements consolidate the results of the charity and its wholly owned subsidiaries on a line-by-line basis.

The trading results of the subsidiaries are disclosed in notes 2 and 3 to these financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In applying the charity's accounting policies, the Trustee is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Report of the Board and consolidated financial statements

Year ended 31 December 2020

Notes (continued)

(forming part of the financial statements)

The Trustees consider that besides the points listed below there are no other critical judgements or sources of estimation uncertainty requiring disclosure;

Investment properties

The valuation of investment properties is a critical accounting judgement in respect of the application of the Trust's accounting policies. The method by which the Trustees have assessed the fair value of the investment properties at year end is described in detail in note 14. The valuations are based on company data, including current rental rates, occupancy, terms and conditions of leases and upon market related assumptions such as yield and discount rates. An element of 'hope value' is also included in the valuation of properties in line with accounting standards.

Leasehold Apartment Sales at The Chocolate Quarter

The established method of accounting for leasehold apartment sales is that receipts are held as a liability until conclusion of the lease as detailed in the Lifetime Lease Accounting Policy Note. At The Chocolate Quarter a lease is offered which provides the leaseholder with a choice between equity participation and fixed return. The accounting treatment of an equity participation lease is that the initial sale results in recognition of income and costs in the Statement of Financial Activities. The Trust has followed the general principle for income recognition in the Charities SORP and FRS 102.

Defined benefit pension scheme

The Trust has an obligation to pay pension benefits to certain employees and past employees. The cost of these benefits and the present value of the obligation depends on a number of factors, including life expectancy, salary increases, and the discount rate on corporate bonds. The principal assumptions made by the Trust can be found in note 28. Management estimates these factors in determining the net pension obligations in the balance sheet. The assumptions reflect historical experience and current trends.

Donations and legacies

Dividends and interest on capital and income fund investments are included as income in the financial statements on an accruals basis.

Voluntary income

This is credited to the appropriate fund in the year in which it is receivable.

Government grants

These are credited to the appropriate fund in the year in which they are receivable.

Residential care and support

Fees from residents and other service-user income is credited to the unrestricted fund on an accruals basis.

Notes (continued)

(forming part of the financial statements)

Accommodation Income

The Trust offers leases to tenants at The Chocolate Quarter on a fixed repayment (i.e. the tenant will receive the price they paid on exit) or equity participation basis (i.e. the exit amount is driven by the market). Where the lessee opts for a fixed repayment, the proceeds are recognised as a liability in accordance with the lifetime leases accounting policy described on page 32. However, where the lessee opts for the equity participation arrangement, the Trust is under no obligation to repurchase the apartment until the property has been sold on to a new tenant.

Therefore, the proceeds from the initial sale of a property under an equity participation lease are recognised as income in the statement of comprehensive income, with a corresponding cost of sale recognised in accommodation costs.

Under both the fixed repayment and equity participation arrangements, the Trust becomes entitled to a surrender fee, payable at the end of the lease, which is accrued annually over the life of the lease. This is recognised within accommodation income in the statement of financial activities (SoFA) as it is earned.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs are allocated or apportioned to one of the functional categories of resources expended in the statement of financial activities.

(a) Costs of generating funds relate to those costs incurred in the management of the fixed asset investments.

(b) Costs in furtherance of the Trust's objects relate to those costs incurred in running and supporting the objects of the Trust.

Support costs

Support costs are apportioned to categories of expenditure, and only governance costs are separately disclosed.

Grants payable

Grants are awarded from the Community Fund and a detailed analysis and explanation of grants awarded has been provided in the Report of the Trustee.

Irrecoverable VAT

Any irrecoverable VAT is charged to the statement of financial activities or capitalised as part of the cost of the related asset, where appropriate.

Report of the Board and consolidated financial statements

Year ended 31 December 2020

Notes (continued)

(forming part of the financial statements)

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Tangible fixed assets

All expenditure on the acquisition, enhancement, production or installation of fixed assets for use by the Trust and all receipts of such assets by way of gift are capitalised and included in the balance sheet at cost. The freehold land and property is included in fixed assets at cost. Assets with a value below £1,000 are not capitalised.

Tangible fixed assets include apartments which may be disposed of within 12 months through an equity participation lease (see accommodation income accounting policy above).

Capitalisation of finance costs

All finance costs in respect of the bank loan obtained for the Keynsham, Westbury-on-Trym, Bedminster and Sandford developments up to the point when these developments commenced normal operations are capitalised within tangible fixed assets and are being amortised over the life of the asset to which they relate.

Depreciation

Depreciation is provided with the intention of writing off the costs of tangible fixed assets (to residual values) over their useful lives. The provision is calculated using the straight-line method at the following rates:

Assets in the course of construction	Nil
Freehold buildings	2%
Special building assets	14%
Furniture and equipment	12.5% to 33.3%
Motor vehicles	25%

Freehold land is not depreciated. The residual values of freehold buildings were revised by management during 2014. The revision resulted in a reduction to the depreciation expense of £1.4m in that year.

Impairment reviews

Impairment reviews are carried out annually which includes consideration of current selling price of properties against the carrying value of each asset.

Lifetime leases

The Trust provides a lifetime leasehold purchase scheme for up to 351 properties across four of its sites in which the lease operates for the duration of the purchaser's occupation of the property and then reverts to the Trust on their departure. The cash received under this scheme is returned to the lease holder or their estate when the lease is determined. The Trust, therefore, always has a liability

Report of the Board and consolidated financial statements

Year ended 31 December 2020

Notes (continued)

(forming part of the financial statements)

to repay the full value of the lease proceeds, which is reflected in the balance sheet as amounts due to lifetime leasehold tenants. When a lease is determined, the Trust will sell the lease on to another purchaser under the same lifetime lease arrangement, thus restoring the funding and the liability to repay the value of the lease when, in turn, it is determined.

In addition, the Trust has a further 136 leasehold properties at its site in Keynsham. The lessee has an option at this site to have a fixed repayment lease with the liability recognised as described in the above policy. However, where the lessee opts for an Equity Participation arrangement the accounting policy is as described in the Accommodation Income note on page 31.

Investments

Both current and fixed asset investments are stated at mid-market value at the balance sheet date. This is not in accordance with FRS 102 which recommends bid value but is consistent with the entity's performance management process. Using bid values would lead to a reduction in the valuation of these listed investments of an amount which is considered by the Trustee to be immaterial.

All recognised gains and losses on investments are shown separately in the statement of financial activities. The investments in the subsidiary undertakings are stated at cost.

Investment properties

Investment properties are included in the balance sheet at their open market value on an existing use basis. The valuation is determined on the basis of professional advice and includes an element of hope value in line with accounting standards. In accordance with FRS 102 investment properties are revalued annually and the aggregate surplus or deficit is included as an unrealised gain or loss within the permanent endowment fund. No depreciation or amortisation is provided in respect of freehold investment properties.

Stocks

Stocks consist of catering supplies and have been valued at the lower of cost and net realisable value.

Leased assets

Rentals in respect of operating leases are charged directly to the statement of financial activities on a straight-line basis over the lease term.

Pension costs

The employees of the Trust are eligible to join a group personal pension plan with Aviva or with the National Employment Savings Trust (NEST). The Trust's pension contributions for current employees are charged to the statement of financial activities in the year in which the obligation to make contributions arises.

The Trust pays certain discretionary pensions, which are not funded under a closed defined benefit scheme. The pension liability in respect of this obligation is recognised in the balance sheet based on annual actuarial valuations. Actuarial gains or losses are included in the statement of financial activities.

Report of the Board and consolidated financial statements

Year ended 31 December 2020

Notes (continued)

(forming part of the financial statements)

Further details in respect of unfunded pension liabilities are contained in note 28. The Trustees have confirmed with the Charity Commission that the pension liability may be treated as a deduction from the Permanent Endowment Fund, and, as a result, the Permanent Endowment Fund in the “Funds” section of the balance sheet is shown net of the estimated pension liability.

Basic financial instruments

(a) Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

(b) Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

(c) Fixed asset investments

Investments 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.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the charity's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Permanent endowment fund

The permanent endowment fund incorporates the original endowment together with surpluses arising from disposals of investments, that element of gravel royalties which represents the depletion of the site and, by orders of the Charity Commission, the recoupment from income by annual contributions, over 25 years or 30 years, of capital expenditure made on real estate improvements and leasehold property.

Expendable endowment fund

On 16 November 2020 the Charity Commission approved a resolution made by the Trustees to redesignate £20 million of the permanent endowment for use by the Trust in furtherance of its objectives and as if it were income. This resolution was made to ensure that, in the light of the

Report of the Board and consolidated financial statements

Year ended 31 December 2020

Notes (continued)

(forming part of the financial statements)

impacts of the pandemic on the Trust's income streams and cost base, the Trust had sufficient ongoing resources to continue providing services. The result is that £20 million has been transferred from permanent endowment funds into an unrestricted expendable endowment fund during the financial year. Expenditure from the expendable endowment will be charged against the fund in future years.

Restricted funds

These are other funds for which the donor has specifically restricted the purpose for which they can be used. The amounts in the funds represent the monies remaining for future expenditure. There are two restricted funds which are held by the Trust and explained in more detail below:

(a) Residents' legacy fund

These are funds donated by residents, which have restricted purposes for which they can be applied.

(b) Community support fund

These are funds donated by beneficiaries of the Trust's community support services, which have restricted purposes for which they can be applied.

Unrestricted fund

Operating income together with income arising from permanent endowment and unrestricted fund investments is credited to the unrestricted fund. The Charity Commission Scheme permits the fund to be applied towards contributions to the management expenses, the expenses related to running the operational activities, establishing a reserve fund and paying annuities and gifts. Any balance remaining may be accumulated for endowment purposes, but in practice is currently retained as unrestricted funds as explained in the reserves policy in The Report of the Trustee.

Designated fund

A designated fund exists to hold a proportion of the community fee and exit fees for the Equity Participation and Fixed Repayment leasehold options as detailed in the Accommodation Income accounting policy. These funds are set aside for future maintenance costs.

Subsidiaries

Details of subsidiary undertakings owned by the charity are disclosed in notes 2 and 3.

Financial activities of the charity

The financial activities shown in the consolidated statement includes those of the charity's wholly owned subsidiaries, St Monica Trading Limited and Somerdale Pavilion Trust.

Report of the Board and consolidated financial statements
Year ended 31 December 2020

Notes (continued)

(forming part of the financial statements)

2 Trading subsidiary's results (St Monica Trading Limited)

	2020	2019
	Total	Total
	£'000	£'000
Turnover	324	844
Cost of sales	(105)	(254)
Gross profit	219	590
Administration and other costs	(204)	(525)
Trading profit	15	65
Other income	-	-
Net income	15	65
Management charge from St Monica Trust	-	-
Tax on profit	-	-
Retained profit for the year		
Retained profit	15	65
Retained profit carried forward	15	65

Gift aid and distributions totalling £14,890 (2019: £163,576) will be made post year end in relation to the current year

Report of the Board and consolidated financial statements
Year ended 31 December 2020

Notes (continued)

(forming part of the financial statements)

The assets and liabilities of the subsidiary were:

	2020 Total £'000	2019 Total £'000
Fixed assets	-	-
Current assets	19	168
Creditors: amounts falling due within one year	(4)	(4)
Provisions for liabilities and charges		-
Net assets	15	164
Profit and loss reserve	15	164
Equity shareholders' funds	15	164

Statement of changes in equity

	Share Capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2019	1	98,595	98,596
Period ended 31 December 2019			
Profit and total comprehensive income for the period	-	64,981	64,981
Distributions to parent charity under gift aid		-	-
Balance at 31 December 2019	1	163,576	163,577
Year ended 31 December 2020:			
Profit and total comprehensive income for the year	-	14,890	14,890
Distributions to parent charity under gift aid	-	(163,576)	(163,576)
Balance at 31 December 2020	1	14,890	14,891

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Notes (continued)

(forming part of the financial statements)

3 Trading subsidiary's results (Somerdale Pavilion Trust)

Somerdale Pavilion Trust (a company limited by guarantee) was incorporated on 17 December 2018. The subsidiary's comparative figures below and within the 2019 consolidation are for the short period 2 September 2019 – 31 December 2019.

	2020	2019
	Total	Total
	£'000	£'000
Income		
Grant income	98	67
Charitable activities	290	190
Other trading activities	263	96
	651	353
Expenditure		
Charitable activities	572	310
Other	18	23
	(590)	(333)
Net income	61	20
Net movement in funds	61	20
Total funds brought forward	20	-
Total funds carried forward	81	20

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Notes (continued)

(forming part of the financial statements)

The assets and liabilities of the subsidiary were:

	2020 Total £'000	2019 Total £'000
Fixed assets	8	3
Current assets	235	289
Creditors: amounts falling due within one year	(162)	(272)
Net assets	81	20
Total restricted funds	-	-
Total unrestricted funds	81	20
Total funds	81	20

4 Investment income

Group and charity	2020 £'000	2019 £'000
(a) Unrestricted fund		
Commercial investment properties	4,216	2,075
Agricultural investment properties	3,714	4,181
Listed and other investments	2,262	2,725
Interest on cash deposits	19	19
Other investments	-	91
	10,211	9,091
(b) Restricted funds		
Distributions from CCLA Investment Management Limited	5	5
	10,216	9,096

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Notes (continued)

(forming part of the financial statements)

5 Analysis of total resources expended

Group

	Staff costs	Depreciation	Other costs	2020	2019
	£'000	£'000	£'000	£'000	£'000
Costs of generating funds					
(note 6)	-	-	2,423	2,423	2,368
Charitable expenditure					
Residential care and support (note 7)	30,956	2,788	9,433	43,177	39,439
Accommodation costs	-	-	860	860	654
Community support	238	-	762	1,000	766
Governance costs (note 8)			80	80	55
	31,194	2,788	11,135	45,117	40,914
	31,194	2,788	13,558	47,540	43,282

All support costs have been allocated to one charitable activity (Residential care and support).

Charity

	Staff costs	Depreciation	Other costs	2020	2019
	£'000	£'000	£'000	£'000	£'000
Costs of generating funds					
(note 6)	-	-	2,423	2,423	2,368
Charitable expenditure					
Residential care and support (note 7)	30,575	2,788	9,467	42,830	39,147
Accommodation costs	-	-	860	860	654
Community support	238	-	762	1,000	766
Governance costs (note 8)	-	-	73	73	55
	30,813	2,788	11,162	44,763	40,622
	30,813	2,788	13,585	47,186	42,990

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Notes (continued)

(forming part of the financial statements)

6 Costs of generating funds

Group and charity

	2020	2019
	£'000	£'000
(a) Investment management charges		
Society of Merchant Venturers of Bristol – reallocation of salaries, overheads and general advisory	251	246
Investment manager fees	239	101
Agricultural estate management	352	349
Commercial properties management	44	41
	886	737
(b) Property operational costs		
Agricultural estates	379	445
Commercial properties	699	971
	1,078	1,416
(c) Major repairs & other costs		
Agricultural estates	459	214
Total costs of generating funds	2,423	2,368

7 Residential care and support

Group

	2020	2019
	£'000	£'000
Staff costs	30,956	28,105
Residential services	909	856
Site services	1,284	1,466
Provisions and catering	1,205	1,380
Insurance	394	372
Property and equipment (including depreciation)	6,050	4,967
Miscellaneous	658	646
Management and administration	1,721	1,648
	43,177	39,440

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Notes (continued)

(forming part of the financial statements)

Charity

	2020	2019
	£'000	£'000
Staff costs	30,575	27,906
Residential services	895	855
Site services	1,210	1,409
Provisions and catering	1,188	1,358
Insurance	394	372
Property and equipment (including depreciation)	6,003	4,936
Miscellaneous	884	682
Management and administration	1,681	1,629
	42,830	39,147

8 Governance costs

	2020	2019
	£'000	£'000
Group		
Auditor's remuneration (including irrecoverable VAT)		
- for audit	40	40
- other professional services	39	12
Trustee expenses	1	3
	80	55
Charity		
Auditor's remuneration (including irrecoverable VAT)		
- for audit	35	36
- other professional services	37	16
Trustee expenses	1	3
	73	55

Neither the Council, nor persons connected with them, received any remuneration or other benefits from the Trust during the current or previous year. Reimbursement of expenses amounted to £nil during the year (2019: £nil).

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Notes (continued)

(forming part of the financial statements)

9 Transfers

Group and charity	Unrestricted fund	Designated fund	Other restricted funds	Expendable Endowment funds	Permanent endowment funds
	£'000	£'000	£'000	£'000	£'000
Service Charge Transfer (A)	(344)	290	-	-	54
Section 282 Transfer (B)	-	-	-	20,000	(20,000)
Total Transfers	(344)	290	-	20,000	(19,946)

(A) During the year £344,000 (2019: £344,000) has been transferred out of the unrestricted fund which represents service charges received from residents. The transfer is part of an agreement to designate funds for future maintenance costs on the Westbury-on-Trym, Cote Lane and Bedminster sites, £290,000 (2019: £290,000) has been transferred into the designated fund and £54,000 (2019: £54,000) into the permanent endowment fund.

(B) On 16 November 2020 the Charity Commission approved a resolution made by the Trustees to redesignate £20 million of the permanent endowment for use by the Trust in furtherance of its objectives and as if it were income. This resolution was made to ensure that, in the light of the impacts of the pandemic on the Trust's income streams and cost base, the Trust had sufficient ongoing resources to continue providing services.

10 Staff numbers and costs

The average headcount in the year for the group was 1,596 (2019: 1,569). The full time equivalent average number of persons employed by the group during the year, including directors, analysed by category, was as follows:

	2020	2019
	Total	Total
	£'000	£'000
Residential care and support	847	836
Community support	3	3
Management of the Trust	23	23
	873	862

The aggregate payroll costs were as follows:

	2020	2019
	Total	Total
	£'000	£'000
Wages and salaries	26,280	24,098
Social security costs	1,822	1,595
Pensions	988	992
Agency staff costs	2,104	1,658
	31,194	28,343

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Notes (continued)

(forming part of the financial statements)

During the current and previous year, the Trustees were not paid any remuneration or reimbursed for expenses, and no Trustees made donations to the charity.

Key management remuneration in total for the year was £965,170 (2019: £950,080).

The number of employees whose emoluments, excluding pension contributions, were in excess of £60,000 per annum fell within the following bands:

	2020 Number	2019 Number
£60,001 to £70,000	4	4
£70,001 to £80,000	2	1
£80,001 to £90,000	2	4
£90,001 to £100,00	2	-
£100,001 to £110,000	-	1
£110,001 to £120,000	-	1
£120,001 to £130,000	-	-
£130,001 to £140,000	1	1
£140,001 to £150,00	1	-
£150,001 to £160,000	-	-
£160,001 to £170,000	-	-
£170,001 to £180,000	-	1
£180,001 to £190,000	-	-
£190,001 to £200,000	1	1

These members of staff have pension benefits accruing under the group personal pension plan.

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Notes (continued)

(forming part of the financial statements)

I I Net movement on funds is stated after charging

	2020	2019
	£'000	£'000
Auditors' remuneration – Charity (excluding VAT)		36
Auditors' remuneration – Subsidiaries (excluding VAT)		4
Auditors' remuneration – for other professional services		12
Depreciation and other amounts written off tangible fixed assets	2,424	2,576
Inventories recognised as an expense	1,205	1,380

I2 Taxation

The charity is not liable to taxation on the net income from its primary activity. Stated below are the tax details of the subsidiary St Monica Trading Limited:

	2020	2019
	£'000	£'000
Current tax		
UK corporation tax on results of the year	-	-
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>

Factors affecting the tax charge for the current period

The tax assessed for the period differs from the standard rate of corporation tax in the UK (19%), (2019: 19%). The differences are explained below:

	2020	2019
	£'000	£'000
<i>Current tax reconciliation</i>		
Profit before tax (of trading subsidiary only)	<u>15</u>	<u>65</u>
Current tax at 19%	3	12
<i>Effects of:</i>		
Gift Aid payments	(3)	(12)
Total current tax charge (see above)	<u>-</u>	<u>-</u>

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Notes (continued)

(forming part of the financial statements)

13 Tangible fixed assets

Group	Assets in the course of construction £'000	Freehold land and buildings £'000	Furniture and equipment £'000	Motor vehicles £'000	Total £'000
<i>Cost</i>					
At beginning of year	2,068	152,683	21,794	327	176,872
Transfers	(749)	749	-	-	-
Additions	374	1,793	1,244	77	3,488
Disposals in the year	-	(831)	(58)	(8)	(897)
At end of year	<u>1,693</u>	<u>154,394</u>	<u>22,980</u>	<u>396</u>	<u>179,463</u>
<i>Depreciation</i>					
At beginning of year	-	13,521	13,599	304	27,424
Charge for year	-	753	2,017	18	2,788
Depreciation on disposals	-	(9)	(19)	(8)	(36)
At end of year	<u>-</u>	<u>14,265</u>	<u>15,597</u>	<u>314</u>	<u>30,176</u>
<i>Net book value</i>					
At 31 December 2020	<u>1,693</u>	<u>140,129</u>	<u>7,383</u>	<u>82</u>	<u>149,287</u>
At 31 December 2019	<u>2,068</u>	<u>145,407</u>	<u>1,194</u>	<u>779</u>	<u>149,448</u>

The above schedule includes finance costs of £3,890,000 (2019: £3,890,000) relating to loan interest and charges incurred for financing the new Keynsham, Monica Wills House, the sheltered flats and the Garden House Annexe at Cote Lane, and the Sandford developments.

Land costing £27,025,000 (2019: £26,025,000) is not depreciated.

The Trustee's review of the fixed assets has concluded that their value is not impaired.

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Notes (continued)

(forming part of the financial statements)

	Assets in the course of construction £'000	Freehold land and buildings £'000	Furniture and equipment £'000	Motor vehicles £'000	Total £'000
Charity					
<i>Cost</i>					
At beginning of year	2,068	152,683	21,791	327	176,869
Transfers	(749)	749	-	-	-
Additions	374	1,793	1,238	77	3,482
Disposals in the year	-	(831)	(58)	(8)	(897)
At end of year	<u>1,693</u>	<u>154,394</u>	<u>22,971</u>	<u>396</u>	<u>179,454</u>
<i>Depreciation</i>					
At beginning of year	-	13,521	13,599	304	27,424
Charge for year	-	753	2,016	18	2,787
Depreciation on disposals	-	(9)	(19)	(8)	(36)
At end of year	<u>-</u>	<u>14,265</u>	<u>15,596</u>	<u>314</u>	<u>30,175</u>
<i>Net book value</i>					
At 31 December 2020	<u>1,693</u>	<u>140,129</u>	<u>7,375</u>	<u>82</u>	<u>149,279</u>
At 31 December 2019	<u>2,068</u>	<u>139,162</u>	<u>8,192</u>	<u>23</u>	<u>149,445</u>

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Notes (continued)

(forming part of the financial statements)

I4 Fixed asset investments

Group

	Investment Properties £'000	Financial securities £'000	Cash on deposit £'000	Other investments* £'000	Total £'000
Cost					
At beginning of year	55,767	81,859	5,800	2,913	146,339
Transfer from Fixed Assets	-	-	-	-	-
Additions	62	19,160	1,994	-	21,216
Disposals	(250)	(11,463)	-	-	(11,713)
At end of year	55,579	89,556	7,794	2,913	155,842
Revaluation – unrealised gains					
At beginning of year	121,994	19,382	-	(1,676)	139,700
Disposals	(1,650)	(3,392)	-	-	(5,042)
Net gains arising on revaluation	3,779	(682)	-	(568)	2,529
At end of year	124,123	15,308	-	(2,244)	137,187
Net book value					
At 31 December 2020	179,702	104,864	7,794	669	293,029
At 31 December 2019	177,761	101,241	5,800	1,237	286,039

There were total realised and unrealised gains during the year of £4,981,000 (2019: Gain £17,438,000).

* Other investments are Hercules Unit Trust income units, investments in CCLA Investment Management Limited.

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Notes (continued)

(forming part of the financial statements)

Investments with a market value of greater than 5% of total quoted securities at 31 December 2020 and 2019:

Investment	Portfolio 2020	Portfolio 2019
Artemis Equity Income Fund	-	5.4%
Brummer Multi-Strategy 2 XL Fund	5.8%	5.2%
NinetyPne (formerly Investec UK Special Situations Fund)	5.5%	6.9%
Newton Global Higher Income Fund	9.6%	10.1%
JO Hambro Global Select Equity Fund	7.2%	5.8%
KBI Institutional Developed Equity Fund	8.0%	9.5%
Trojan Income Fund	5.4%	6.4%
Kiltearn Global Equity Fund	7.4%	8.3%
Liontrust (formerly Neptune Income Fund)	-	-

The total cumulative surplus/(deficit) on revaluing investment properties is as follows:

	2020 £'000	2019 £'000
Commercial property (note (a))	(200)	(200)
Agricultural property (note (b))	124,323	122,194
	124,123	121,994

(a) Subject to the exception noted under (c) below, the last tri-annual valuation for the commercial property was at 31 December 2018 by CBRE Limited in accordance with the RICS Valuation – Professional Standards 2014 (the ‘Red Book’).

(b) The agricultural property has been valued at 31 December 2020 by the Land Steward in accordance with the RICS Valuation – Professional Standards 2014 (the ‘Red Book’).

(c) Block C at The Chocolate Quarter has been valued at 31 December 2020 by Alder King LLP in accordance with the RICS Valuation – Global Standards 2017 – incorporating the International Valuation Standards (Red Book) and the UK national supplement FRS102 ‘The Financial Reporting Standard’ applicable to the United Kingdom and Republic of Ireland.

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Notes (continued)

(forming part of the financial statements)

Charity

	Subsidiary undertakings £'000	Investment Properties £'000	Financial securities £'000	Cash on deposit £'000	Other investments* £'000	Total £'000
Cost						
At beginning of year	-	55,767	81,859	5,800	2,913	146,339
Transfer from Fixed Assets	-	-	-	-	-	-
Additions	-	62	19,160	1,994	-	21,216
Disposals	-	(250)	(11,463)	-	-	(11,713)
At end of year	-	55,579	89,556	7,794	2,913	155,842
Revaluation – unrealised gains						
At beginning of year	-	121,994	19,382	-	(1,676)	139,700
Disposals	-	(1,650)	(3,392)	-	-	(5,042)
Net gains arising on revaluation	-	3,779	(682)	-	(568)	2,529
At end of year	-	124,123	15,308	-	(2,244)	137,187
Net book value						
At 31 December 2020	-	179,702	104,864	7,794	669	293,029
At 31 December 2019	-	177,761	101,241	5,800	1,237	286,039

The charity owns 100% of the issued share capital of St Monica Trading Limited (company registration number: 11070522), a company incorporated in England and Wales. The total share capital is £1 – too small to show in the rounded figures above. The principal activities of this company are conducting the commercial operations undertaken at St Monica Trust's retirement village at Keynsham.

* Other investments are Hercules Unit Trust income units, investments in CCLA Investment Management Limited.

I5 Stocks

	Group		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Sundry stocks	43	56	43	49

Stock relates to catering purchases in the SoFA of £1,205,000 (2019: £1,380,000)

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Notes (continued)

(forming part of the financial statements)

16 Debtors

	Group		Charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Trade debtors	2,445	2,490	2,445	2,490
Prepayments and accrued income	3,656	7,540	3,597	7,653
Other debtors	4,960	7,320	4,959	7,186
Amounts owed by group undertakings	-	-	59	113
	11,061	17,350	11,060	17,442

Prepayments and accrued income include accrued consideration for agricultural disposals of £Nil (2019: £7,221,000), in respect of the Cheddington and Quakers Walk disposals. Professional fees in respect of the agricultural portfolio are £1,500,000.

Other debtors include an agricultural disposal for Brockworth of £470,000 (2019: £4,023,000) and cash in transit of £3,185,000 relating to the redemption from the David Leone Fund (2019: £Nil).

17 Creditors: amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Trade creditors	1,747	1,806	1,747	1,797
Bank loan	116	2,362	116	2,362
Amounts due to lifetime leasehold tenants	15,073	14,989	15,073	14,989
Other creditors	2,108	2,016	2,118	1,968
Tax and Social Security	1,263	1,457	1,254	1,457
Accruals and deferred income	4,322	4,750	4,214	4,642
Amounts owed to group undertakings	-	-	15	167
	24,629	27,380	24,537	27,382

Accruals and deferred income includes accruals of £1,936,000 (2019: £1,899,000) and deferred income comprising £2,386,000 (2019: £2,851,000).

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(forming part of the financial statements)

Deferred income comprises care home fees of £1,255,002 (2019: £1,819,595), sheltered housing rent and service charges of £409,396 (2019: £470,664), commercial rents of £451,456 (2019: £444,662) and other of £270,062 (2019: £115,746):

	Group		Charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Deferred income brought forward	2,851	2,165	2,799	2,165
Recognised in the year	2,386	2,851	2,319	2,799
Released to the SoFA in the year	(2,851)	(2,165)	(2,799)	(2,165)
Deferred income carried forward	2,386	2,851	2,319	2,799

18 Creditors: amounts falling due after more than one year

	Group		Charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Bank loan	24,739	20,859	24,739	20,859
Amounts due to lifetime leasehold tenants	99,386	98,025	99,386	98,025
	124,125	118,884	124,125	118,884
Age analysis of bank loan				
Due within one year	116	2,362	116	2,362
Between two and five	24,604	20,595	24,604	20,595
After five years	135	264	135	264
	24,855	23,221	24,855	23,221

The Trust's bank loans have been arranged with no security having been provided by the Trust to the lender.

Bank loans consist of:

- Keynsham development loan relating to the commercial Block C of £20,000,000 which is fully utilised. The interest rate is 0.90% above LIBOR and is repayable in July 2022
- Revolving credit facilities of £20,000,000 of which £4,000,000 has been drawn down. The interest rate is 1.10% above LIBOR. The facility end date is 28 June 2022.
- John Wills Annex loan of £854,909 which is due for repayment by January 2028. The interest rate is 0.65% above bank base rates.

The amounts due to lifetime leasehold tenants relates to amounts paid by the residents for their leases, which is repayable when the properties are vacated.

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Notes (continued)

(forming part of the financial statements)

19 Other restricted funds – Group and charity

	At 1 January 2020	Incoming resources	Outgoing resources	Gains on investments	At 31 December 2020
	£'000	£'000	£'000	£'000	£'000
Residents' legacy fund	162	3	3	4	166
Community support fund	194	2	2	7	201
	356	5	5	11	367

20 Designated fund – Group and charity

A designated fund has been set up for future maintenance costs on the Westbury-on-Trym, Cote Lane, Sandford and Bedminster sites. Transfers from the unrestricted fund have been made in line with the expected costs, and represent service charges received from residents.

	Total £'000
At 1 January 2020	5,031
Transfer from the unrestricted fund	290
Surrender Fees	640
At 31 December 2020	5,961

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Notes (continued)

(forming part of the financial statements)

21 Analysis of funds

Group

	Unrestricted fund	Designated fund	Restricted fund	Expendable endowment	Permanent endowment fund	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Movement in funds						
At 1 January 2020	16,698	5,031	356	-	282,191	304,276
Net incoming/(outgoing) resources	(2,751)	640	-	-	(1,322)	(3,433)
Transfers between funds	(344)	290	-	20,000	(19,946)	-
Gains on investment assets	(825)	-	11	-	5,795	4,981
Actuarial loss on pension liability	-	-	-	-	(241)	(241)
At 31 December 2020	12,778	5,961	367	20,000	266,477	305,583
Representation of fund balances	£'000	£'000	£'000	£,000	£'000	£'000
Tangible fixed assets	123,419	-	-	-	25,868	149,287
Investments	22,875	-	332	20,000	249,822	293,029
Cash and bank balances	9,801	-	-	-	(3)	9,798
Other current assets and liabilities	(19,192)	5,961	35	-	(329)	(13,525)
Long term creditors	(124,125)	-	-	-	-	(124,125)
Pension liability	-	-	-	-	(8,881)	(8,881)
At 31 December 2020	12,778	5,961	367	20,000	266,477	305,583
Unrealised and realised investment asset gains / (losses) included above	(825)	-	11	-	5,795	4,981

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Notes (continued)

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Charity

	Unrestricted fund	Designated fund	Restricted fund	Expendable endowment fund	Permanent endowment fund	Total
Movement in funds	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January 2020	16,514	5,031	356	-	282,191	304,092
Net incoming/(outgoing) resources	(2,663)	640	-	-	(1,322)	(3,345)
Transfers between funds	(344)	290	-	20,000	(19,946)	-
Gains on investment assets	(825)	-	11	-	5,795	4,981
Actuarial gain on pension liability	-	-	-	-	(241)	(241)
At 31 December 2020	12,682	5,961	367	20,000	266,477	305,487
Representation of fund balances	£'000	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	123,411	-	-	-	25,868	149,279
Investments	22,875	-	332	20,000	249,822	293,029
Cash and bank balances	9,622	-	-	-	(3)	9,619
Other current assets and liabilities	(19,101)	5,961	35	-	(329)	(13,434)
Long term creditors	(124,125)	-	-	-	-	(124,125)
Pension liability	-	-	-	-	(8,881)	(8,881)
At 31 December 2020	12,682	5,961	367	20,000	266,477	305,487
Realised and unrealised investment asset gains included above	(825)	-	11	-	5,795	4,981

22 Capital commitments

	2020 £'000	2019 £'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	2,857	4,730

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Notes (continued)

(forming part of the financial statements)

23 Operating leases as a lessee

The future minimum lease payments under non-cancellable operating leases expected to be paid by the Charity and Group will fall due as follows:

	2020	2019
	Group and Charity plant and machinery	Group and Charity plant and machinery
	£'000	£'000
Within one year	8	12
Between one and five years	16	20
After five years	-	-
	24	32

The total charge to the statement of financial activities in the year in respect of operating lease rentals for the hire of plant and machinery was £10,000 (2019: £14,000).

24 Operating leases as a lessor

The future minimum lease payments due to be received under non-cancellable operating leases by the Charity and Group are as follows:

	2020	2019
	Group and Charity leasehold property	Group and Charity leasehold property
	£'000	£'000
Within one year	1,334	1,307
Between one and five years	6,635	8,107
After five years	3,754	5,744
	11,723	15,158

25 Reconciliation of movement in net cash

	At 1 January	Cash flow	At 31 December
	2020		2020
	£'000	£'000	£'000
Investments	5,800	1,994	7,794
Cash at bank and in hand	6,406	3,392	9,798
Bank loan	(23,221)	(1,634)	(24,855)
	(11,015)	3,752	(7,263)

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Notes (continued)

(forming part of the financial statements)

26 Analysis of changes in net debt

	At 1 January 2020 £'000	Cash flow £'000	At 31 December 2020 £'000
Cash and cash equivalents			
Cash	6,416	3,384	9,800
Overdrafts	(10)	8	(2)
Cash equivalents			
	6,406	3,392	9,798
Borrowings			
Debt due within one year	(2,362)	2,246	(116)
Debt due after one year	(20,859)	(3,880)	(24,739)
	(23,221)	(1,634)	(24,855)
Total	(16,815)	1,758	(15,057)

27 Related party transactions

A number of the Trust's Council members are also members of the Society of Merchant Venturers. The Trust paid a fee including reallocation of salaries and overhead costs totalling £251,000 (2019: £246,000) to the Society of Merchant Venturers of Bristol to cover the services it provides in its role as Endowment Trustee (note 6(a)).

A professional indemnity insurance premium of £2,900 (2019: £2,800) was paid by the Trust on the behalf of the Trustees.

The charity owns 100% of the issued share capital of St Monica Trading Limited (company registration number: 11070522), a company incorporated in England and Wales. During the period St Monica Trust provided to St Monica Trading Limited staff time, catering supplies and other operating costs totalling £304,930 (2019: £676,039) and collected £323,869 (2019: £843,073) of income. The amount owing to St Monica Trading Limited at the period end was £14,938 (2019: £167,636). A Gift Aid payment was made to St Monica Trust by St Monica Trading Limited of £163,576 in respect of the trading results for 2019 (2019: £98,595 in respect of the trading results for 2018).

St Monica Trustee Company is the sole member of Somerdale Pavilion Trust (company registration number: 11730938), a company limited by guarantee, incorporated in England and Wales and registered as a charity (registered charity number: 1182426). During the period, St Monica Trust provided staff time and funds for operating expenses to Somerdale Pavilion Trust totalling £64,884 (2019: £152,654) and provided services to St Monica Trust in the form of parking and academy rent totalling £236,850 (2019: £39,476). The amount owed by St Monica Trust at the year-end was £58,789 (2019: £113,178).

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Notes (continued)

(forming part of the financial statements)

28 Pension schemes

Unfunded pension liability

The Trust has granted unfunded defined benefit pensions to some current and former employees of the Trust. The valuation of the pensions was carried out as at 31 December 2020 by PriceWaterhouseCoopers, a qualified independent actuary who are a fellow of the Institute of Actuaries. Pension payments made for the year ended 31 December 2020 in respect of the defined benefit pensions were £287,000 (2019: £298,000).

The principal assumptions made by the Trust were:	2020	2019	2018	2017
	%	%	%	%
Rate of increase in pensionable salaries	3.0	3.0	3.2	3.1
Rate of increase in pensions in payment	2.9	2.9	3.0	3.0
Inflation rate	3.0	3.0	3.2	3.1
Discount rate	1.3	2.0	2.8	2.5
Pensioner and non-pensioner mortality SAPS all MC	1% pa	1% pa	1% pa	1% pa
The amounts recognised in the balance sheet are as follows:	£'000	£'000	£'000	£'000
Present value of scheme liabilities	(8,881)	(8,759)	(8,095)	(8,505)
Deficit in the scheme	(8,881)	(8,759)	(8,095)	(8,505)

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Notes (continued)

(forming part of the financial statements)

**Analysis of amount charged to net outgoing resources
in respect of defined benefit pensions**

	2020	2019
	£'000	£'000
Interest on pension liability	(168)	(222)
Total operating charge	(168)	(222)

	2020	2019
	£'000	£'000
Movement in liability during the year		
Liability at the start of the year	(8,759)	(8,095)
Movement:		
Employer contributions (including pension payments)	287	298
Interest cost	(168)	(222)
Actuarial gain / (loss)	(241)	(740)

Liability at the end of the year covered by a specific provision in the financial statements	(8,881)	(8,759)

	£'000	£'000
Analysis of amount recognised in the statement of financial activities		
Actuarial gain / (loss) recognised in the statement of financial activities	(241)	(740)

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(forming part of the financial statements)

Amounts for the current and previous four periods are as follows

	2020	2019	2018	2017	2016
	£'000	£'000	£'000	£'000	£'000
Scheme assets	-	-	-	-	-
Scheme liabilities	(8,881)	(8,759)	(8,095)	(8,505)	(8,876)
Deficit in plan	(8,881)	(8,759)	(8,095)	(8,505)	(8,876)
Actuarial gains/(losses) on liabilities	(241)	(740)	316	303	(1,249)
Statement of total recognised gains and losses for the period ending 31 December	(241)	(740)	316	303	(1,249)

Other pension scheme

The Trust also contributes to a group personal pension plan. The contributions made by the Trust to this pension scheme are charged to the statement of financial activities when they fall due and were £816,000 (2019: £766,000).

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Notes (continued)

(forming part of the financial statements)

29 Comparative charity statement of financial activities

	Restricted funds				
	Unrestricted Funds	Designated fund	Other restricted funds	Permanent endowment funds	Total Funds 2019
	£'000	£'000	£'000	£'000	£'000
Income					
Income from charitable activities					
Residential care and support	30,316	-	-	-	30,316
Accommodation income	1,166	549	-	-	1,715
Generated funds					
Investment income	9,091	-	5	-	9,096
Total income	40,573	549	5	-	41,127
Expenditure					
Costs of raising funds					
Investment management charges	(41)	-	-	(696)	(737)
Property operational costs	(1,417)	-	-	-	(1,417)
Major repairs and other costs	(45)	-	-	(169)	(214)
Total costs of generating funds	(1,503)	-	-	(865)	(2,368)
Charitable activities					
Costs in furtherance of the Trust's objects					
Residential care and support	(37,239)	-	(5)	(1,903)	(39,147)
Accommodation costs	(654)	-	-	-	(654)
Community support	(766)	-	-	-	(766)
Governance	(55)	-	-	-	(55)
Total charitable expenditure	(38,714)	-	(5)	(1,903)	(40,622)
Total expenditure	(40,217)	-	(5)	(2,768)	(42,990)
Net income/expenditure before investment losses	356	549	-	(2,768)	(1,863)
Realised and unrealised losses on investments	-	-	42	17,396	17,438
Net income/expenditure before transfers and Net income/(expenditure) for the year	356	549	42	14,628	15,575
Transfers between funds	(344)	290	-	54	-
Actuarial gain/(loss) on defined benefit pension	-	-	-	(740)	(740)
Net movement in funds	12	839	42	13,942	14,835
Total funds brought forward	16,502	4,192	314	268,249	289,257
Total funds carried forward	16,514	5,031	356	282,191	304,092