

Charity number: 203653

**THE FOUNDATION OF EDWARD STOREY
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

THE FOUNDATION OF EDWARD STOREY

CONTENTS

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1
Trustees' Report	2 - 10
Independent Auditors' Report on the Financial Statements	11 - 13
Statement of Financial Activities	14
Balance Sheet	15
Statement of Cash Flows	16
Notes to the Financial Statements	17 - 35

THE FOUNDATION OF EDWARD STOREY

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

Trustees	Mrs J M Womack MA, Vice Chair, University Trustee Mrs C Lyon MSc MInstF(Dip), University Trustee Dr A R Warren MA BM BCh, Chair, University Trustee Mrs H R Bond OBE BA LLM FRSA, University Trustee Mrs S Young B.Ed, Co-opted Trustee Mrs E Walsler BSc PhD, Co-opted Trustee Mrs P G Clyne Cert. Ed, Co-opted Trustee Dr I J Lewis BSc (Eng) PhD, Co-opted Trustee
Charity registered number	203653
Principal office	Storey's House Mount Pleasant Cambridge CB3 0BZ
Principal operating office	Storey's House Mount Pleasant Cambridge CB3 0BZ
Clerk to the Trustees and Chief Executive Officer	Mr P Huckstep BSc (Hons) MRICS MCiH
Independent auditors	Price Bailey LLP Chartered Accountants Tennyson House Cambridge Business Park Cambridge CB4 0WZ
Bankers	Barclays Bank PLC 9-11 St Andrew's Street Cambridge CB2 3AA

THE FOUNDATION OF EDWARD STOREY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Foundation of Edward Storey (the Foundation) was first established under the will and trust of Edward Storey who died in 1693. As is to be expected, it has changed and evolved considerably over the years to meet the challenges that each new generation brings, whilst trying to stay true to the original wishes of its benefactor. This is a balance the Foundation still seeks today as it aims to ensure it can continue to meet the needs of its beneficiaries for the next 300 years and beyond. From its original 10 almshouses the Foundation has grown and diversified to provide 90 units of sheltered accommodation, a residential care home and an assorted grants programme.

The Foundation is in good shape and is fortunate in that it has significant resources with which to help plan and mould its future. A new five-year strategy seeks to ensure it continues to use its resources effectively, both in the short, medium and longer term, in order to safeguard its future, and maximize its impact in the furtherance of its charitable objects.

The Foundation's vision of being a source of support for beneficiaries to live in comfort and security is underpinned by shared values such as trust, compassion, teamwork, and openness. A dedicated and highly skilled staff team, supported by an experienced and committed Board of Trustees, work together to make a positive and meaningful difference to people's lives through the provision of housing and financial assistance.

The Trustees present their annual report and the audited financial statements of the Foundation for the year ended 31 March 2021. The Trustees confirm that this report and financial statements comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objectives of the Charity are: -

- (a) the provision of accommodation for beneficiaries who are in need, hardship or distress and who are women resident in the County of Cambridgeshire (parish beneficiaries), women closely associated with the work of the Church of England (clergy widow beneficiaries) or men and women resident in the City of Cambridge (Chesterton beneficiaries);
- (b) such charitable purposes for the benefit of the residents as the Trustees decide;
- (c) the relief of women resident in the County of Cambridgeshire who are in need, hardship or distress;
- (d) the relief of clergy widow beneficiaries who are in need, hardship or distress.
- (e) to help widows, widowers, divorced or separated spouses of clergy, and children/unmarried daughters of deceased clergy, who are in need, hardship or distress.

The Charities Act 2011 defines a charitable purpose explicitly as one that falls within 13 descriptions of purposes and is for the public benefit. The Trustees have considered the Charity Commission's guidance on the operation of public benefit under the Charities Act 2011 and believe that the requirements have been met under the Foundation's Objects and Activities as described throughout this report. In particular 'The prevention or relief of poverty' and 'The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage'.

ACHIEVEMENTS AND PERFORMANCE

Review of the year

The new five-year strategy was formally approved in July 2020 and places the provision of affordable housing for older people in need at the centre of the Foundation's activities. In making this its primary purpose, the Foundation will seek to rebalance its current approach to the relief of need, hardship and distress by:

- Focusing on its almshouse accommodation and residents.
- Rethinking its approach to the delivery of care and support.
- Streamlining grant giving.
- Realigning annual budgeting and the strategic use of income and capital to better underpin medium and long-term planning in respect of the Foundation's built estate.

THE FOUNDATION OF EDWARD STOREY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

In particular, the importance of taking measures to begin future proofing and possibly expanding the Foundation's homes is a central theme. To do this it will be necessary to create the financial capacity and operational space for these changes to be delivered. This in turn is a key driver of the need to reallocate resources and commence a period of increasing contributions to capital reserves.

The year was, however, undoubtedly dominated by the COVID-19 pandemic which, for a Charity with responsibilities for a registered care home as well as older persons housing, was particularly challenging and worrying. Our response necessitated developing new ways of working and an increased focus on keeping residents and employees safe. Due to its strong financial position and experienced team of dedicated staff the Foundation was able to meet these challenges in a robust and effective way, demonstrating considerable resilience during this difficult period. Investments have now increased above pre pandemic levels, and staff and residents are gradually moving back toward more normal times.

The other significant event during the year was the closure of the Care Home, Edward House. This was a consequence of the new strategic approach and, despite the demanding circumstances, was completed on 26th March 2021, with all residents having been successfully rehoused.

The Foundation continued to improve its services: repair and upgrade its properties; update its operational policies and procedures and enhance its governance arrangements in line with its Annual Plan. Other events of note were the recruitment of a new Maintenance Officer following the retirement after 24 years' service of the previous post holder. The Foundation also completed research into the comparative disadvantage of women and satisfied itself as to its continued compliance with equalities legislation.

Accommodation

Sheltered Housing

The Foundation's principal charitable objective is the provision of almshouse accommodation for beneficiaries in need, hardship or distress. This is currently fulfilled by four sites containing 90 units of sheltered accommodation in Cambridge City (Storey's House, Mount Pleasant and Chesterton) and South Cambridgeshire (Vicarage Close, Melbourn).

This accommodation has a steady demand and average occupancy for the current year was 96.8% (2019/20, 97.5%). The Foundation was unable to let any properties between April and June due to national pandemic restrictions but over the year was still able to help 8 people into new accommodation which better meets their needs. Although marginally higher than last year, a 3.2 % void rate (2019/20 2.5%) for sheltered housing compares favourably to most housing sector benchmarks. All four sites made an operating surplus before major repairs.

Edward House Residential Care Home

Until March the Foundation also ran an 18-bed residential care home. It was however recognised that, since the home was founded, changes in the way social care is provided and paid for meant that Edward House was no longer able to help many of the people it was originally intended for. This, coupled with the increasing costs and complexity of running a small, ageing care home, regrettably led to a decision to close Edward House. Overall income for Edward House was just over £325,600 and the deficit was around £419,000 including the costs associated with closure.

Buildings and Maintenance

The Trustees seek to maintain the Foundation's property to a high standard of repair. Whilst some maintenance activity was inevitably curtailed due to the pandemic, the Foundation continued to undertake all urgent and essential repairs. The periodic inspection and maintenance of lifts, boilers and plant equipment was also sustained as was the approach to health and safety matters such as water sampling and testing for legionella infection. All planned maintenance and major works are scheduled against a five-year rolling programme, the costs of which are incorporated into the annual budget setting process.

Throughout the year, the number of small repairs and maintenance projects undertaken totalled £40,542

THE FOUNDATION OF EDWARD STOREY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

(2019/20 £77,647). Expenditure on extraordinary repairs and cyclical maintenance for the year was £51,368 (2019/20 £95,685). This included: One partial flat refurbishment, a major lift repair and boiler system repairs at Storey's House; upgrading the heating system in one of the Mount Pleasant flats; window replacement and refurbishment of two bungalows in Melbourn; replacement of four boilers at Chesterton; fire risk assessment remedial work at Edward House. In addition, the costs of one full flat refurbishment and one partial flat refurbishment at Chesterton, totalling £39,368, were met out of permanent endowment, as permitted by the Charity Commission on the merger with the Wray, Jackenett, Merrill and Elie Trust.

Grant Giving – see note 7 to the Accounts.

The Foundation decided to scale back its grant giving in order to focus on its long-term asset management responsibilities. This meant that far fewer 'in need' grants were awarded under the Parish Branch; these grants were restricted to residents of the sheltered housing except for a few applications which were already in process when the decision to scale back was made. Annual grants continued to be paid to 17 existing beneficiaries, as were Christmas gifts to residents.

The Clergy Widow Branch grant giving in this period comprised grants to 18 individuals with the highest being £3,000 and the lowest £300. In addition, there were 22 Clergy Widow beneficiaries of annual grants who received monthly payments during the year.

The Newtons Branch awarded grants to 3 individuals with the highest being £3,200 and the lowest £500. In addition, there were 3 Newtons Branch beneficiaries of annual grants who received monthly payments during the year and 1 annuitant.

There were no grants to institutions this year.

FINANCIAL OVERVIEW

The accounts record a net deficit before investment gains of £105,098 for the year (2019/20 net income of £158,201). After adding the net gains on investments, of £2,694,305 (2019/20 investment losses of £1,423,565), there is a net movement in funds for the year of £2,589,207 (2019/20: £1,265,364 deficit).

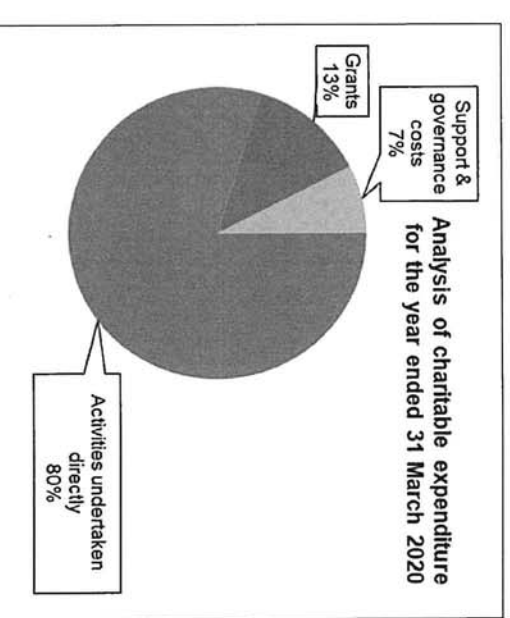
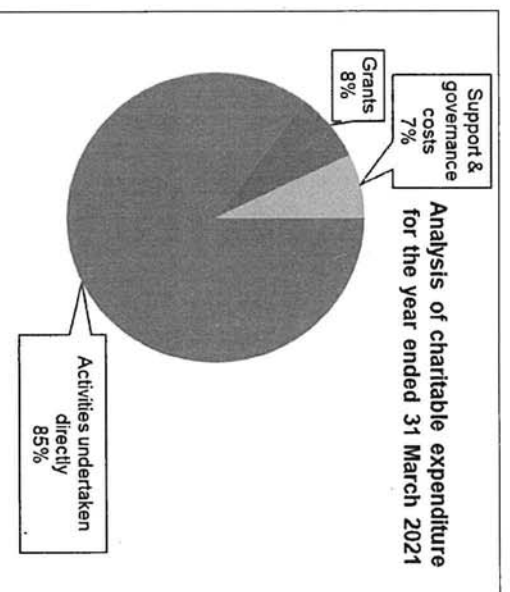
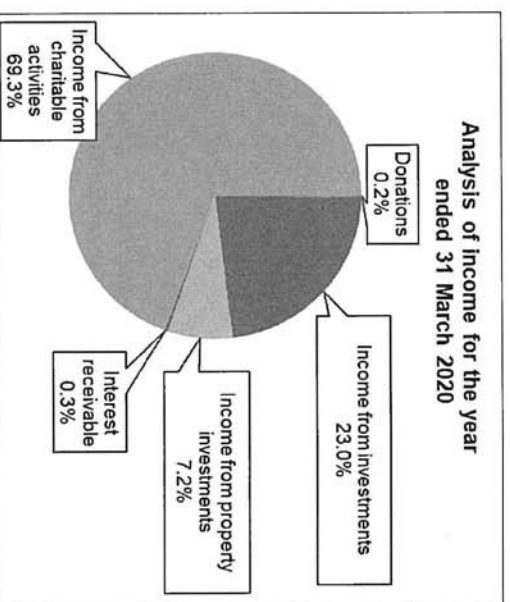
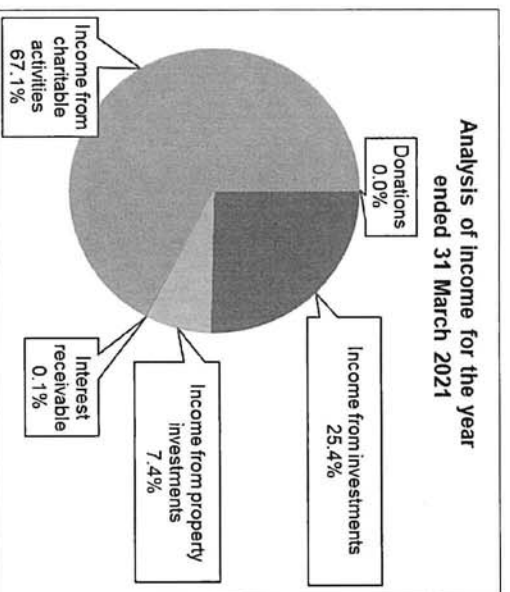
The overall surplus on the General Reserve Fund was £65,730 (2019/20 £356,813) before making transfers to the reserve accounts and not including gains or losses on the investments.

The largest charge to operational costs is that of the payroll. Trustees review wages and salaries annually to ensure that they remain both competitive and fair by granting, as a minimum, a living wage pay increase. Trustees consider the importance of rewarding staff for their excellent work and loyalty, and they aim to keep the requirement for agency staff to a minimum.

In addition to rental and other operational income, the Foundation benefits from investment income from managed funds and legacy bequests and does not undertake fundraising activities. A breakdown of the principal sources of funding is shown in the graph overleaf.

THE FOUNDATION OF EDWARD STOREY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021



INVESTMENT POLICY AND PERFORMANCE

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The Foundation operates an investment policy that provides for a degree of diversification of holdings within different funds and has invested in a number of CIFs in order to minimise its exposure to volatility in the market and seek low risk investments where possible. As the Foundation is reliant on distribution yield in part to finance its work this leads to greater exposure to risk from the combination of uncertain international markets and volatility in yields, however liquidity risk is considered to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets.

The Foundation does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their long-term growth and annual income. The Foundation has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Trustees aim to achieve an income from investments which increases at least in line with costs, and a capital performance which at least matches inflation, all consistent with prudent levels of risk. They seek to achieve this via their portfolios of broadly balanced unit trusts.

THE FOUNDATION OF EDWARD STOREY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Having established balanced portfolios of unit trusts, the Trustees are not involved in detailed investment management. They do not currently delegate their discretion in relation to their investment function and make all investment decisions themselves; two of the Trustees having long experience of investment matters. They monitor the performance of their portfolios regularly and have access to advice as necessary.

Net unrealised gains of £2,694,305 (2019/20: loss £1,423,565) were recognised, £2,478,305 from the revaluation of investment funds plus £216,000 on revaluation of the investment properties at the end of the accounting period.

RESERVES POLICY

Historically, Trustees have aimed to maintain free reserves in unrestricted funds at a level which, when invested alongside the FES Permanent Endowment Fund, would provide income sufficient to cover costs for the coming twelve-month period. Primarily this was used to subsidise the large operating deficit at Edward House. The Foundation's reserves policy was revised in September 2020 to support the strategic objectives set out in the new five-year plan. It aims to achieve a balance between current expenditure and the need to maintain reserves for the purposes detailed below:

- 1) Free Reserves – All of the Foundation's Almshouse schemes generate an operating surplus, excluding major repairs. It is considered prudent however for an element of free reserves of somewhere between 12-18 months of operating expenses to be held in order to guard against hostile operating conditions resulting in large unfavourable variances to income or costs.
- 2) Major Repairs – The level of reserves for major repair work should, as a minimum, be in line with the budget set for the next financial year, plus the estimated costs for the following 6 months (18 months in total) as advised by the Foundation's property managers. This is held in the Extraordinary Repairs and Cyclical Maintenance Fund.
- 3) Capital Reserves – the Strategic Plan 2020-2025 recognises the growing challenges associated with an ageing property portfolio and the increasing risks around obsolescence. It also recognises that one of the most effective ways of meeting need is through the provision of high-quality affordable homes. It is important therefore to build sufficient financial capacity within the Foundation's Capital Fund to future proof, and where possible, expand the existing almshouse estate.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Foundation was established by the will of Edward Storey and is now governed by The Scheme of the Charity Commission for England and Wales dated 23rd March 2009 which replaced earlier schemes and amendments. This scheme itself was subject to some minor amendment on 31 December 2018 following the merger with the Newtons Trust.

The Foundation's Scheme provides for four 'nominated' members of the Trustees' Board to be appointed by the Council of the University of Cambridge. Trustees have the power to co-opt not less than three and not more than five other Trustees to the Board from society in general, taking into account the needs of the Foundation. Trustees are normally expected to complete at least one six-year term of office.

The Foundation has stated its aim to adopt the Charity Governance Code which, amongst other things, recommends that if a Trustee has served for more than nine years, their reappointment is:

- *subject to a particularly rigorous review and takes into account the need for progressive refreshing of the board.*
- *explained in the Trustees' annual report.*

Currently the longest serving Trustee has been with the Foundation for 34 years and 50% of Trustees have served for over the recommended nine years. Trustees have recognised the importance of regular refreshment and renewal of the Board and have now agreed to adopt changes which will introduce maximum terms of office for new Trustees.

THE FOUNDATION OF EDWARD STOREY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

The Trustees are responsible for setting out the general policy of the Charity. Day-to-day operational management is delegated to the Chief Executive Officer who is also the Clerk to the Trustees. A formal scheme of delegations was approved by the Board of Trustees in November 2018.

The Board has delegated specific responsibilities to two standing subcommittees, the Finance and General Purposes Committee and the Residential Services and Grants Committee. These Committees assist the Board in ensuring the effectiveness of the Foundations operations and that they are in accordance with the corporate objectives, strategies and the annual budget. A further subcommittee was established in May 2021 with the specific objective of assisting the Board in the implementation of aspects of the five-year strategy relating to the development of new or refurbished almshouses.

The Foundation is not affiliated to any other charity or organisation but subscribes to the Almshouse Association, the National Council for Voluntary Organisations and also to the Association of Charity Officers. A representative also attends the Annual General Meeting of the Diocesan Bishops' Visitors.

Trustees have established a comprehensive selection and induction programme to ensure that new Trustees clearly understand their duties and responsibilities and are able to assess their own training needs. The Foundation encourages and supports Trustees in meeting their training needs, once determined.

During the year, Trustees attended sixteen formal meetings relating to their governance of the Foundation. Due to the corona virus pandemic these meetings were all held virtually. In addition, Trustees have continued to play an important role in the day-to-day working of the Foundation by interviewing prospective residents, approving grant applications and by providing expertise on a range of disciplines.

QUALITY ASSURANCE

The Charity continues to be fully compliant with the demands and standards of the regulatory bodies. Until its closure, officers have striven to uphold the requirements of the Care Quality Commission in respect of the management of Edward House.

The Trustees have adopted a six-point strategy to ensure quality in the operational practice of the Foundation. These points are: -

- (a) the detailed assessment as to the suitability of potential residents
- (b) a continuous focus on and review of the needs of current residents
- (c) maintaining operational accommodation to a high standard
- (d) a planned programme of staff training and assessment
- (e) an established routine of inspection and reporting
- (f) formal meetings for reviews and validation

RISK MANAGEMENT

The Foundation continues to carry out regular assessments of its 'business risks' and has prepared a response to risk exposure in the various areas of the charity. These include financial, operational, strategic and governance risks, each of which has been quantified and prioritised according to well established severity, likelihood and mitigation procedures.

The Foundation's Risk Register was formally reviewed and updated in July 2020 in conjunction with the approval of its new five-year strategy. The Business Risk Analysis identified the Foundation's top 6 risks as:

- Major incident.
- Human resource failings.
- Insufficient funds to deliver strategic objectives.
- Ineffective use of resources.
- Over reliance on 3rd parties.
- Loss of reputation.

Many of these risks were elevated because of the closure programme for Edward House and have now been reduced. Comprehensive controls are in place to mitigate risks, including an effective governance framework,

THE FOUNDATION OF EDWARD STOREY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

documented Policies and Procedures, a Scheme of Delegation, routine inspections and programmes of planned maintenance, regular Trustee oversight and scrutiny, various sources of external assurance and detailed Business Continuity arrangements. Trustees receive an annual assurance report from the Clerk setting out in detail the Foundation's risk management framework resulting in the following Statement of Internal Control being approved:

Statement of Internal Control

The Board has overall responsibility for establishing, maintaining, and reviewing the effectiveness of the system of internal control. The system of internal control is designed to manage risk and provide reasonable (not absolute) assurance that key business objectives and expected outcomes will be achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information, the safeguarding of the Foundations assets and interests and compliance with relevant legislation, law and regulations. The Board recognises that no system of internal control can provide absolute assurance or eliminate all risk.

The Foundation's assurance framework is designed to provide sufficient, continuous and reliable assurance on organisational stewardship and the management of the major risks to organisational success and delivery of value for money. In meeting its responsibilities, the Board has adopted a risk-based approach to internal control, which is embedded within the normal management and governance processes. Executive responsibility has been clearly defined for the identification, evaluation and control of significant risks. The Clerk, Senior Management Team and Board carry out evaluations of the risks which impact on the Foundations ability to meet key business objectives. Risk assessments are carried out and are aligned to the business planning process. The Clerk is responsible for reporting to the Board any significant changes affecting key risks or the breakdown of internal control.

The Board retains responsibility for a defined range of issues covering strategic, operational, financial and compliance issues. The Board has not formally adopted the Charity Governance Code for smaller charities but has committed to do so within the next five years. It currently, however, has due regard to it and has incorporated many of its principles and recommended good practice. The governance environment is supported by a framework of policies and procedures with which employees are required to comply, covering issues such as delegated authority, segregation of duties, health and safety, data protection, safeguarding and whistleblowing. Financial reporting procedures include detailed budgets for the year ahead which are reviewed and approved by the Board.

The Board confirms that there is an ongoing process for identifying, evaluating, and managing significant risks faced by the Foundation. The Board has reviewed the effectiveness of the systems of internal control, including the agreed sources of assurance and confirm they are appropriate for that purpose. The Board is satisfied there is sufficient evidence to confirm that adequate systems of internal control existed and operated throughout the year. No significant weaknesses were identified which would have resulted in material misstatement or loss that would have required disclosure in the financial statements.

FUND-RAISING STANDARDS CA162A

The Foundation does not raise funds from the public. We are not registered with the Fundraising Regulator. As the Trust does not fundraise, there were no fundraising complaints during the year (2020: none).

PLANS FOR THE FUTURE

The current five- year strategy contains the following ten strategic objectives:

- Ensure operational activity is fully aligned with the Charitable Scheme in respect of the use of income and capital.
- Seek to increase year on year contributions to Capital Reserves in order to facilitate the future upgrading and expansion of current almshouse accommodation, and to minimize any future borrowing requirements.
- Commence steps to withdraw from the residential care home market resulting in the planned closure of Edward House.
- Phase out the direct provision of wider Parish Grants in order to focus on other strategic priorities.
- Rationalise and consolidate non-core assets to support future upgrading and expansion of current

THE FOUNDATION OF EDWARD STOREY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

- almshouse accommodation, and to minimize any future borrowing requirements.
- Undertake option appraisals/ feasibility studies in respect of the repurposing of the Edward House site to provide additional almshouse accommodation.
- Bring forward detailed plans and proposals for the potential upgrading and expansion of current almshouse accommodation across other sites.
- Explore alternative models of using income and capital for the benefit of residents whilst also ensuring the long-term sustainability of assets.
- Further develop our thinking around equality and the provision of mixed sex accommodation through the undertaking of appropriate research and consultation.
- Formally adopt and seek compliance with the Charity Governance Code.

KEY MANAGEMENT PERSONNEL REMUNERATION

The Trustees consider the Board of Trustees and the Chief Executive (who also acts as Clerk to the Trustees) as comprising the key management personnel of the Foundation in charge of directing and controlling the Foundation and running and operating the Foundation on a day-to-day basis. All Trustees give of their time freely and no Trustee remuneration was paid in the accounting period. Details of Trustee expenses and related party transactions are disclosed in notes 8 and 20 to the accounts.

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

The pay of the Foundation's Chief Executive Officer was set on recruitment in 2018 by reference to the local employment market. The rates of staff pay are reviewed by Trustees annually and, generally, the same percentage increase is applied to all staff, including the Chief Executive.

TRUSTEES' RESPONSIBILITIES STATEMENT

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

THE FOUNDATION OF EDWARD STOREY

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the company's auditors are unaware, and
- they have taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

This report was approved by the Trustees on 15th July 2021 and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Dr A R Warren', written in a cursive style.

Dr A R Warren MA BM BCh, Chair

THE FOUNDATION OF EDWARD STOREY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE FOUNDATION OF EDWARD STOREY

Opinion

We have audited the financial statements of The Foundation of Edward Storey (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE FOUNDATION OF EDWARD STOREY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE FOUNDATION OF EDWARD STOREY (CONTINUED)

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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:

We gained an understanding of the legal and regulatory framework applicable to the charity and how it operates and considered the risk of the charity not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements. In relation to the charity this included employment law, financial reporting and health & safety.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions to identify large or unusual transactions.
- We reviewed key authorisation procedures and decision making processes for any unusual or one-off transactions.

THE FOUNDATION OF EDWARD STOREY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE FOUNDATION OF EDWARD STOREY (CONTINUED)

- We reviewed minutes of Trustee Board meetings and agreed the financial statement disclosures to underlying supporting documentation.
- We have made enquiries of management and officers of the charitable company regarding laws and regulations applicable to the organisation and we reviewed the risk management processes and procedures in place including a review of the Risk Register.
- We have reviewed any correspondence with the Charity Commission and reviewed the procedures in place for the reporting of incidents to the Trustee Board including serious incident reporting of any such matters if necessary.

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

Use of our report

This report is made solely to the charity's trustees, 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 trustees those matters we are required to state to them in an Auditors' 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.

Price Bailey LLP

Price Bailey LLP

Chartered Accountants
Statutory Auditors

Tennyson House

Cambridge Business Park

Cambridge

CB4 0WZ

Date: 19 August 2021

Price Bailey LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE FOUNDATION OF EDWARD STOREY

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Permanent Endowment funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:					
Donations and legacies	3	-	40	40	3,271
Charitable activities	4	-	953,092	953,092	1,191,002
Investments	5	-	468,085	468,085	523,213
Total income and endowments		-	1,421,217	1,421,217	1,717,486
Expenditure on:					
Charitable activities		39,368	1,486,947	1,526,315	1,559,285
Total expenditure		39,368	1,486,947	1,526,315	1,559,285
Net (expenditure)/income before net gains/(losses) on investments		(39,368)	(65,730)	(105,098)	158,201
Net gains/(losses) on investments		2,076,128	618,177	2,694,305	(1,423,565)
Total income / (expenditure) for the year		2,036,760	552,447	2,589,207	(1,265,364)
Reconciliation of funds:					
Total funds brought forward		10,881,989	5,801,064	16,683,053	17,948,417
Net movement in funds		2,036,760	552,447	2,589,207	(1,265,364)
Total funds carried forward		12,918,749	6,353,511	19,272,260	16,683,053

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 35 form part of these financial statements.

THE FOUNDATION OF EDWARD STOREY

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	9	1,480,036	1,563,034
Investments	10	17,704,137	14,994,172
		<u>19,184,173</u>	<u>16,557,206</u>
Current assets			
Stocks	11	336	3,187
Debtors	12	127,251	138,438
Cash at bank and in hand		<u>61,829</u>	<u>95,440</u>
		189,416	237,065
Creditors: amounts falling due within one year	13	<u>(101,329)</u>	<u>(111,218)</u>
Net current assets		88,087	125,847
Total net assets		<u>19,272,260</u>	<u>16,683,053</u>
Charity funds			
Endowment funds	14	12,918,749	10,881,989
Unrestricted funds	14	6,353,511	5,801,064
Total funds		<u>19,272,260</u>	<u>16,683,053</u>

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



.....
Dr A R Warren MA BM Bch
(Chair of Trustees)

Date: 15th July 2021

The notes on pages 17 to 35 form part of these financial statements.

THE FOUNDATION OF EDWARD STOREY

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
Note		
Cash flows from operating activities		
Net cash used in operating activities	17 (486,037)	(501,125)
Cash flows from investing activities		
Dividends, interests and rents from investments	468,084	523,214
Purchase of tangible fixed assets	-	(3,996)
Net purchase / sale of investments	(15,658)	(51,742)
Net cash provided by investing activities	452,426	467,476
Change in cash and cash equivalents in the year	(33,611)	(33,649)
Cash and cash equivalents at the beginning of the year	95,440	129,089
Cash and cash equivalents at the end of the year	18 61,829	95,440

The notes on pages 17 to 35 form part of these financial statements

THE FOUNDATION OF EDWARD STOREY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. General information

The Foundation of Edward Storey is an unincorporated charity which is registered in England & Wales. The principal office is Storey's House, Mount Pleasant, Cambridge, CB3 0BZ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Foundation of Edward Storey 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.

The financial statements are stated in GBP which is the functional currency of the charity.

The level of rounding is to the nearest GBP.

There were no significant estimates or judgements made by management in preparing these financial statements.

THE FOUNDATION OF EDWARD STOREY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.2 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

The funds are dealt with in accordance with the current charitable scheme.

The nature and purpose of the main funds of the Foundation are set out below and details of the movements on the funds are given in the notes that follow.

The permanent endowment funds represent the funds arising out of property originally endowed to the Foundation, supplemented by the funds acquired on the merger with The Wray Jackenett Merrill and Elie Trust and those acquired on the merger with Newton Trust. Under the Scheme, the objects of the charity are to provide housing accommodation, charitable benefits for residents and pensions and relief in need for qualifying clergy widows' beneficiaries, parish beneficiaries and persons in need, hardship or distress.

Clergy widows' beneficiaries are any of the following who are in need, hardship or distress: widows of clergymen of the Church of England, dependants, spouses or former spouses of clergymen of the Church of England, women clergy of the Church of England, women deacons and deaconesses of the Church of England, women missionaries of the Church of England and other women closely involved in the work of the Church of England.

Parish beneficiaries are women who are in need, hardship or distress resident in the County of Cambridgeshire with a preference for those resident in the ancient parishes of Holy Trinity, Cambridge, St Giles, Cambridge, the ecclesiastical parish of Holy Trinity with St Andrew the Great, Cambridge and the parish of the Ascension, Cambridge.

Persons in hardship or distress are those resident in the City of Cambridge, Cambridgeshire with a preference for those resident in the ecclesiastical parishes of Holy Trinity and St. Mary the Great with St. Michael and All Angels.

Under the scheme, funds are not appropriated to specific branches or to classes of beneficiary. The trustees are required to apply the charity's income from endowment and reserve funds, firstly in meeting the proper costs of administering the charity and of managing its property and in making such annual payments to reserve funds, including Cyclical Maintenance and Extraordinary Repair Funds, as they consider necessary. Having met such costs, the trustees are required to apply the remaining income in furthering the objects of the charity, firstly for the benefit of residents, secondly for the relief of clergy widows' beneficiaries and parish beneficiaries, thirdly for the relief of other women in need, hardship or distress resident in the County of Cambridgeshire and fourthly for the relief of other persons in need, hardship or distress resident in the City of Cambridge, Cambridgeshire.

The General Endowment Fund is a restricted capital fund, however income earned from this fund, together with income earned on the General Reserve fund, is permitted to be expended at the discretion of the trustees to enable the charity to meet its objectives. Accordingly such income is classified as unrestricted. The funds for Cyclical Maintenance and Extraordinary Repairs and Capital Reserve represent unrestricted reserve funds designated by the trustees for the given purpose.

THE FOUNDATION OF EDWARD STOREY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.3 Going concern

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements continue to be prepared on the going concern basis.

The Trustees have considered the effects of the COVID-19 pandemic, prepared budgets, forecasts and cashflows which show that the charity will continue to trade for 12 months from the date of signing these financial statements and consider there is no material impact on the charity.

Therefore, the Trustees continue to adopt the going concern basis in preparing these financial statements.

2.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated gifts in kind are included at valuation and recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably.

Contributions from residents are recognised in the period to which the provision of accommodation relates.

Income from donations, legacies and fundraising is recognised on receipt or on notification to entitlement if earlier.

Investment income is recognised in the period in which the charity becomes entitled to the income.

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

THE FOUNDATION OF EDWARD STOREY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

All expenditure is recognised on an accruals basis and has been allocated to expense headings on a direct cost basis.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Grants and pensions payable are charged to the financial statements as they are payable. Provision is made for grants payable after they are approved by the Trustees and communicated to the recipient.

Some grants are issued with repayment terms, which are contractually agreed with the recipient. These repayable grants and interest-free loans are classified as debtors. When recovery becomes highly unlikely such grants are written off as grants payable.

Redundancy and termination costs are recognised as an expense in the Statement of Financial Activities and a liability on the Balance Sheet immediately at the point the charity is demonstrably committed to either:

- Terminate the employment of an employee or group of employees before normal retirement date; or
- Provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The charity is considered to be demonstrably committed only when it has a detailed formal plan for the termination and is without realistic possibility of withdrawal from the plan.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition are included in the measurement of cost.

General repair work to maintain the current conditions of the properties is expensed as incurred. Capital expenditure on operational property is capitalised. Capital expenditure on operational property is defined as any capital expenditure incurred which results in the generation of revenue over and above any existing revenue earned.

THE FOUNDATION OF EDWARD STOREY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method, with the exception of land for which no depreciation is provided.

Depreciation is provided on the following bases:

Operational Property	- 2-8% per annum on cost of buildings
Equipment	- 25% per annum on cost

2.7 Investments

Investments are a form of basic financial instrument. All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets. Holdings in common investment funds, unit trusts and open-ended investment companies are at bid price. The basis of fair value for quoted investments is equivalent to market value, using bid price. Asset sales and purchases are recognised at the date of trade at cost. All gains and losses are taken to the Statement of Financial Activities as they arise. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value and are included in the Statement of Financial Activities. There were no realised gains during the year.

Investments held as fixed assets are shown at cost less provision for impairment.

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

2.9 Debtors

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

2.10 Cash at bank and in hand

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

2.11 Creditors and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.12 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of fixed assets which are valued at amortised cost and investments which are valued at fair value at the balance sheet date using the closing quoted market price which is considered to be the fair value.

THE FOUNDATION OF EDWARD STOREY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.13 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

3. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £
Donations	40	40
	=====	=====

	Unrestricted funds 2020 £	Total funds 2020 £
Donations	3,271	3,271
	=====	=====

4. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £
Fees from residents	953,092	953,092
	=====	=====

	Unrestricted funds 2020 £	Total funds 2020 £
Fees from residents	1,191,002	1,191,002
	=====	=====

THE FOUNDATION OF EDWARD STOREY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

5. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Income from property investments	104,666	104,666
Income from listed investments	361,328	361,328
Interest receivable	2,091	2,091
	<u>468,085</u>	<u>468,085</u>
	Unrestricted funds 2020 £	Total funds 2020 £
Income from property investments	122,880	122,880
Income from listed investments	394,549	394,549
Interest receivable	5,784	5,784
	<u>523,213</u>	<u>523,213</u>

6. Analysis of charitable expenditure

	Activities undertaken directly 2021 £	(Note 7) Grants 2021 £	Support costs 2021 £	Total funds 2021 £
Running expenses of almshouses and care facilities	1,301,577	116,933	90,573	1,509,083
Governance costs	-	-	17,232	17,232
	<u>1,301,577</u>	<u>116,933</u>	<u>107,805</u>	<u>1,526,315</u>

THE FOUNDATION OF EDWARD STOREY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

6. Analysis of charitable expenditure (continued)

	Activities undertaken directly 2020 £	(Note 7) Grants 2020 £	Support costs 2020 £	Total funds 2020 £
Running expenses of almshouses and care facilities	1,245,457	197,319	105,874	1,548,650
Governance costs	-	-	10,635	10,635
	<u>1,245,457</u>	<u>197,319</u>	<u>116,509</u>	<u>1,559,285</u>
Analysis of direct costs				
			Charitable Activities 2021 £	Total funds 2021 £
Staff costs			872,266	872,266
Depreciation			82,997	82,997
Miscellaneous			4,837	4,837
Establishment costs			244,066	244,066
Stationery, postage and telephone			4,575	4,575
Activities			1,406	1,406
Other staff costs			2,239	2,239
Residents' services			88,364	88,364
Advertising			827	827
			<u>1,301,577</u>	<u>1,301,577</u>

THE FOUNDATION OF EDWARD STOREY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

6. Analysis of charitable expenditure (continued)

Analysis of direct costs (continued)

	Charitable Activities 2020 £	Total funds 2020 £
Staff costs	715,746	715,746
Depreciation	82,735	82,735
Miscellaneous	6,367	6,367
Establishment costs	325,833	325,833
Stationery, postage and telephone	4,456	4,456
Activities	9,473	9,473
Other staff costs	43,176	43,176
Residents' services	51,926	51,926
Advertising	5,745	5,745
	<u>1,245,457</u>	<u>1,245,457</u>

Analysis of support costs

	Other 2021 £	Governance 2021 £	Total funds 2021 £
Wages and salaries	59,471	-	59,471
Legal and professional fees	-	7,932	7,932
Audit and accountancy fees	-	9,300	9,300
Insurance	11,399	-	11,399
Computer maintenance and equipment	11,726	-	11,726
Stationery, postage and telephone	2,843	-	2,843
Sundry expenses	5,134	-	5,134
	<u>90,573</u>	<u>17,232</u>	<u>107,805</u>

In both 2021 and 2020 support costs relate to overhead expenses and are apportioned 100% to charitable activities, staff time is apportioned to support costs based upon time spent on activities.

THE FOUNDATION OF EDWARD STOREY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

6. Analysis of charitable expenditure (continued)

Analysis of support costs (continued)

	Other 2020 £	Governance 2020 £	Total funds 2020 £
Wages and salaries	76,904	-	76,904
Legal and professional fees	-	1,338	1,338
Audit and accountancy fees	-	9,297	9,297
Insurance	8,173	-	8,173
Computer maintenance and equipment	9,251	-	9,251
Stationery, postage and telephone	4,434	-	4,434
Sundry expenses	7,112	-	7,112
	<u>105,874</u>	<u>10,635</u>	<u>116,509</u>

7. Analysis of grants

	2021 £	2020 £
Parish grants	36,297	106,410
Clergy widow grants	27,352	36,495
Parish annual grants (pensions)	22,105	22,354
Clergy widow annual grants (pensions)	31,179	32,060
	<u>116,933</u>	<u>197,319</u>

Grants were made in the year to 115 individuals (2020: 227) and no institutions (2020: nil) with a total value of £63,649 (2020: £142,905). Included within the grants made to individuals are top-up grants towards Edward House residents' fees totalling £24,716 (2020: £30,153).

Annual grants (pensions) totalling £53,284 (2020: £54,414) were given in the year to 43 individuals (2020: 46).

THE FOUNDATION OF EDWARD STOREY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

8. Staff costs

	2021 £	2020 £
Wages and salaries	825,961	688,283
Social security costs	56,851	51,735
Contribution to defined contribution pension schemes	48,924	52,633
	<u>931,736</u>	<u>792,651</u>

During the year a number of redundancies took place after full consultation and agreement by the Board of Trustees. The total payments made were £112,427 (2020: £nil). The policy is to account for termination payments at the point at which the offer is accepted by the employee.

The average number of persons employed by the Charity during the year was as follows:

	2021 No.	2020 No.
Administration	5	5
Operational	28	32
	<u>33</u>	<u>37</u>

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	1	1

9. Tangible fixed assets

	Freehold land & buildings £	Equipment, fixtures and fittings £	Total £
Cost			
At 1 April 2020	2,944,089	108,912	3,053,001
At 31 March 2021	<u>2,944,089</u>	<u>108,912</u>	<u>3,053,001</u>
Depreciation			
At 1 April 2020	1,389,301	100,667	1,489,968
Charge for the year	78,080	4,917	82,997
At 31 March 2021	<u>1,467,381</u>	<u>105,584</u>	<u>1,572,965</u>

THE FOUNDATION OF EDWARD STOREY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

9. Tangible fixed assets (continued)

	Freehold land & buildings £	Equipment, fixtures and fittings £	Total £
Net book value			
At 31 March 2021	1,476,708	3,328	1,480,036
At 31 March 2020	1,554,789	8,245	1,563,034

10. Fixed asset investments

	Listed securities £	Freehold investment property £	Cash held for investments £	Total £
Cost or valuation				
At 1 April 2020	12,518,407	1,180,000	1,295,765	14,994,172
Additions	250,000	-	-	250,000
Revaluations	2,478,305	216,000	-	2,694,305
Movement in cash	-	-	(234,340)	(234,340)
At 31 March 2021	15,246,712	1,396,000	1,061,425	17,704,137

All investments are carried at their fair value. Historical cost of the listed securities is £11,600,836 (2020: £11,350,836).

Listed Investments

All investments are listed on recognised stock exchanges.

Investment property

The Trustees have considered the open market value of the properties as guided by Ward Howard Chartered Surveyors at the end of the current financial year and have increased the value in line with the value for which the properties were estimated and placed on the market at the year end. The properties were subsequently sold after the year end.

11. Stocks

	2021 £	2020 £
Cleaning, catering and maintenance stocks	336	3,187

THE FOUNDATION OF EDWARD STOREY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	9,673	10,261
Other debtors	96,646	97,682
Loans to beneficiaries	8,037	8,819
Prepayments and accrued income	12,895	21,676
	<u>127,251</u>	<u>138,438</u>

13. Creditors: Amounts falling due within one year

	2021 £	2020 £
Residents money	-	524
Trade creditors	20,755	17,365
Grant commitments	10,391	14,040
Other taxation and social security	26,754	14,233
Other creditors	23,370	32,377
Accruals	20,059	32,679
	<u>101,329</u>	<u>111,218</u>

THE FOUNDATION OF EDWARD STOREY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

14. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds						
Extraordinary repairs and cyclical maintenance fund	599,525	-	(51,368)	(46,334)	-	501,823
Capital reserve fund	1,563,033	-	(82,997)	3,142,597	-	4,622,633
Sheridan Brown legacy	39,532	-	-	-	13,197	52,729
Stella Barnes legacy	1,883	-	-	-	-	1,883
Edward House Amenities	10,731	-	-	(10,731)	-	-
Edward House Staff Outings	3	-	-	(3)	-	-
	2,214,707	-	(134,365)	3,085,529	13,197	5,179,068
General funds						
General Funds - all funds	3,586,357	1,421,217	(1,352,582)	(3,085,529)	604,980	1,174,443
Total Unrestricted funds	5,801,064	1,421,217	(1,486,947)	-	618,177	6,353,511
Permanent endowment funds						
Wray Fund	657,057	-	(39,368)	-	112,184	729,873
FES Fund	9,811,849	-	-	-	1,891,250	11,703,099
Newton Fund	413,083	-	-	-	72,694	485,777
	10,881,989	-	(39,368)	-	2,076,128	12,918,749

THE FOUNDATION OF EDWARD STOREY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

14. Statement of funds (continued)

	Total of funds	16,683,053	1,421,217	(1,526,315)	-	2,694,305	19,272,260
Statement of funds - prior year							
	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £	
Unrestricted funds							
Designated funds							
Extraordinary repairs and cyclical maintenance fund	581,200	-	(95,685)	114,010	-	599,525	
Capital reserve fund	1,641,772	-	(82,735)	3,996	-	1,563,033	
Sheridan Brown legacy	49,346	-	-	(9,814)	-	39,532	
Stella Barnes legacy	1,883	-	-	-	-	1,883	
Edward House Amenities	10,731	-	-	-	-	10,731	
Edward House Staff Outings	1,440	600	(2,037)	-	-	3	
	2,286,372	600	(180,457)	108,192	-	2,214,707	
General funds							
General Funds - all funds	3,688,391	1,716,886	(1,360,073)	(108,192)	(350,655)	3,586,357	
Total Unrestricted funds	5,974,763	-	(1,540,530)	-	(350,655)	5,801,064	
Permanent endowment funds							
Wray Fund	744,456	-	(18,755)	-	(68,644)	657,057	
FES Fund	10,808,469	-	-	-	(996,620)	9,811,849	
Newton Fund	420,729	-	-	-	(7,646)	413,083	

THE FOUNDATION OF EDWARD STOREY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

14. Statement of funds (continued)

Statement of funds - prior year (continued)						
	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
	11,973,654	-	(18,755)	-	(1,072,910)	10,881,989
Total of funds	17,948,417	-	(1,559,285)	-	(1,423,565)	16,683,053

15. Statement of Funds (continued)

Extraordinary repairs and cyclical maintenance fund: This fund represents 18 months of estimated costs, as advised by the Foundation's property managers, in relation to major repairs works.

Capital reserve fund: Provides for future capital expansion.

Sheridan Brown legacy: This legacy was gifted for general use by the charity.

Stella Barnes legacy: This legacy has been designated for the purpose of maintaining the Olga Ball garden and wooden seat.

Edward House Amenities: This fund represents donations designated for the benefit of Edward House residents although no restrictions as to how these can be expended were stipulated by the donors.

Edward House Staff: This fund represents donations designated for the benefit of Edward House Staff.

Wray Permanent Endowment fund: This fund was incorporated on the merger with Wray Jackenett Merrill and Elie Trust in 2009. The capital can only be spent on improvements to the Chesterton Properties.

FES Permanent Endowment fund: This fund is invested with the aim of maintaining the capital (which cannot be spent) whilst providing a contribution towards the continued operation of Edward House and also the Grant funding operation of the Charity.

Newton's Trust Permanent Endowment fund: This fund was incorporated on the merger with the Newton's Trust in 2019 and the income generated is allocated towards the Grant funding operation of the Charity.

The transfer from the extraordinary repairs and cyclical maintenance fund represents designated amounts for repairs in the year. While the transfer from the Edward House Amenities is a transfer to general funds as this is a designated fund rather than a restricted fund.

THE FOUNDATION OF EDWARD STOREY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Permanent endowment funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	1,480,036	1,480,036
Fixed asset investments	12,918,749	4,785,388	17,704,137
Current assets	-	189,416	189,416
Creditors due within one year	-	(101,329)	(101,329)
Total	12,918,749	6,353,511	19,272,260

Analysis of net assets between funds - prior year

	Permanent endowment funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	1,563,034	1,563,034
Fixed asset investments	10,881,989	4,112,183	14,994,172
Current assets	-	237,065	237,065
Creditors due within one year	-	(111,218)	(111,218)
Total	10,881,989	5,801,064	16,683,053

THE FOUNDATION OF EDWARD STOREY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

17. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	2,589,207	(1,265,364)
Adjustments for:		
Depreciation charges	82,997	82,735
Dividends, interests and rents from investments	(468,085)	(523,213)
Decrease in stocks	2,850	54
Decrease/(increase) in debtors	11,188	(11,735)
Decrease in creditors	(9,889)	(7,167)
(Gains)/ losses on fixed asset investments	(2,694,305)	1,223,565
Net cash used in operating activities	(486,037)	(501,125)

18. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	61,829	95,440
Total cash and cash equivalents	61,829	95,440

19. Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	95,440	(33,611)	61,829
	95,440	(33,611)	61,829

20. Pension commitments

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £48,924 (2020: £52,633). Contributions totalling £6,591 (2020: £7,557) were payable to the fund at the balance sheet date and included in creditors.

THE FOUNDATION OF EDWARD STOREY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

21. Related party transactions

There were no related party transactions in the year (2020 - none).

22. Post balance sheet events

At the year end date the two investment properties at Mount Pleasant were under offer and the sales completed post year end at a value of £698,000 for each property, before sales costs.

23. Controlling party

The Charity is under the control of the Trustees, listed on page 1.

